



POLICY UPDATE

- Government of India has approved the National Policy for Petrochemicals. The policy envisages providing tax incentives to the industry and proposes to allow medium and large industries to manufacture certain plastic items which were so far reserved for the small scale sector. Under the policy, the government will set up Petrochemical Technology Upgradation Fund, a Plastic Development Council, and a Task Force on Petrochemical Feedstock. **More...**
- The Empowered Group of Ministers (EGOM) on Special Economic Zones (SEZs) met on April 5, 2007 at New Delhi and discussed various issues relating to SEZs. It decided, inter-alia, to lift the current freeze on land acquisitions for SEZs with tighter rules, and prescribed a ceiling on the size of SEZs at 5000 hectares. **More...**
- India has permitted import of motorcycles of engine capacity 800 CC or above, with the conditions that the imported motorcycles must meet Euro-III emission norms. The importers will have to submit Type Approval Certificate of an international accredited agency from the country of origin certifying that the vehicle complies with all the ECE regulations for the complete vehicle. **More...**
- Indian Financial Intelligence Unit would sign a MoU with foreign Financial Intelligence Unit for exchange of information on money-laundering activities. The proposed MoU envisages that the information or documents obtained from the respective Authorities will not be disseminated to any third party, nor be used for administrative, prosecutorial or judicial purposes without prior consent of the disclosing Authority. **More...**

NEWS HIGHLIGHTS

- Manufacturing sector in India has recorded a growth rate of 12.1% during April-February 2006-07. **More...**
- Indian Rupee appreciated to its highest in nine years against the US dollar on April 17, 2007. The exchange rate stood at Rs.41.85 per US dollar.
- India's foreign exchange reserves crossed \$200 billion in the week ended April 6, 2007. The net reserves increased by \$48 billion during April-March, 2006-07. As of now, India is the sixth largest currency holder after China, Japan, Russia, Taiwan and South Korea. **More...**
- Merger & acquisition (M&A) volumes in India have been growing at an annual rate of 28% since 2002 and are expected to touch \$50 billion in 2007. **More...**

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- The Trade Ministers of the G-4 (India, Brazil, US and EU) met in New Delhi on April 12, 2007 to review the progress of the Doha Round of multilateral trade negotiations. The meeting of the G-4 was followed by a meeting of the Ministers of G-6 (G-4 plus Japan and Australia). [More...](#)

Corporate News

- Essar Global announced the acquisition of Canadian steel major Algoma in an all-cash deal worth \$1.6 billion. The acquisition would take place through its wholly owned subsidiary, Essar Steel Holdings. Algoma is based in Ontario and has a revenue of Canadian \$1.9 billion. The company supplies sheets to major US carmakers like General Motors and Ford. This is the third major foreign company acquisition by Indian metal companies, after TataSteel–Corus, and Hindalco–Novelis deals. [More...](#)
- Tata Power has acquired a 30% stake in PT Kaltim Prima Coal, a coal mine and coal-trading company of Indonesia for \$1.3 billion. [More...](#)
- Qualcomm will jointly work with Tata Consultancy Services to develop wireless applications for farmers over CDMA-based mobile devices in India. [More...](#)

Visits and Events

- A meeting of the US-India Trade Policy Forum (TPF) was held in New Delhi on April 13, 2007 under the Chairmanship of Indian Commerce & Industry Minister Mr. Kamal Nath, and US Trade Representative Ambassador Susan Schwab. The meeting reviewed the progress made by the US and India on key bilateral issues. The Forum has announced formation of a Private Sector Advisory Group of prominent US and Indian trade experts who will provide strategic recommendations and insights into the US-India Trade Policy Forum. It was announced that the first consignment of Indian mangoes for US market is expected to leave India by end of April, 2007. [More...](#)
- Mr. Richard Wagoner Jr., Chairman & CEO of General Motors, is on a visit to India. Mr. Wagoner said General Motors is not only focusing on leveraging its supply base in India but is also looking to buy more auto parts from India for its global operations. General Motors has committed an investment of more than \$750 million in India to create manufacturing capacity of 225,000 cars by 2009. The company has already launched 5 car models in India. [More...](#)

- A India-US Aviation Partnership Summit will be held at New Delhi on April 23-25, 2007. The Conference is being jointly sponsored by the Indian Ministry of Civil Aviation, Airport Authority of India, US-Trade and Development Agency, Federal Aviation Administration, State Department, Commerce Department, and other key industry groups.



The US Trade Representative Ms. Susan C Schwab calling on Indian Prime Minister Dr. Manmohan Singh, in New Delhi on April 11, 2007.