



POLICY UPDATE

- Securities and Exchange Board of India (SEBI) launched long term options on Sensex and Nifty (indices of the Bombay Stock Exchange and National Stock Exchange respectively) with tenures of up to 3 years. **More...**
- India's Department of Telecom (DoT) has come out with new subscriber linked spectrum allocation norms for existing GSM and CDMA operators granting additional frequencies for expansion of their networks in the circles in which they already operate. These GSM operators would be given additional spectrum in quantities of 1 MHz. DoT also issued letters of intent (LoI) to nine companies to launch telecom services which include five new entrants and four existing players such as Idea Cellular and Tata Teleservices. **More...**
- SEBI has proposed simplification of the process of primary debt market issuance in addition to the measures already taken to make it cost effective and less time consuming. The major reform features would include rationalization of disclosure requirements, enhanced responsibilities to merchant bankers for exercising due diligence and mandatory listing of private placement of debt. **More...**

NEWS HIGHLIGHTS

- Reserve Bank of India (RBI) in consultation with Government of India and SEBI has permitted Foreign Institutional Investors (FIIs) registered with SEBI and their sub accounts to short sell, lend and borrow equity shares of Indian companies. However borrowing of equity shares by FIIs will only be for the purpose of delivery into short sale. **More...**
- International oil and gas upstream companies like Exxon Mobil, Chevron Corporation, BP and Italian company ENI have initiated talks with Indian companies for forming consortia in the seventh round of New Exploration Licensing Policy (NELP). The bid closing date for NELP-VII is April 11, 2008. **More...**
- India's passenger air traffic increased by 33% in 2007 according to data from the Directorate General of Civil Aviation (DGCA). **More...**
- Indian Railways earned a profit of nearly \$3 billion during April-December 2007 according to Mr. R. Velu; Union Minister of State for Railways. He said that feasibility studies were being undertaken on introducing bullet trains across the country. **More...**
- India's corporate sector announced Mergers & Acquisitions (M&A) deals worth \$70 billion in 2007, an increase of 150% over 2006. Cross border deals, including both Indian companies acquiring abroad and multinationals acquiring equity stakes in Indian companies accounted for 94% of the Mergers & Acquisitions by deal value in 2007. **More...**
- 40 Indian equity funds were amongst the world's 100 top performing stock funds of 2007. The top 100 list is arrived at from a set of 24,887 funds tracked by global fund intelligence firm Lipper, a Reuters Company. India's power sector fund from Reliance Capital was the top performer in 2007. **More...**

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Corporate News

- India's Department of Telecommunications granted international and national long-distance phone service licenses to Verizon Business India, joint venture of Verizon Communications Inc with India's Videocon Group. [More ...](#)
- AIG Investments, an asset management arm of American International Group Inc announced the launch of an open ended equity scheme called "AIG Infrastructure and Economic Reform Fund" which would invest in companies likely to benefit from the increased infrastructure spending in India. [More ...](#)
- India's Jet Airways (India) Ltd is planning to acquire seven additional wide-body aircraft from Boeing Co. to expand the contribution of revenues from its international operations to 50% of total income from 12-15% at present. [More ...](#)
- CVC International, the private equity arm of Citigroup is planning to invest \$1.8 billion in India in 2008. It had invested more than a billion dollars in 2007. [More ...](#)



Tata Nano

Visits

- A U.S. Government Delegation led by Secretary of Health and Human Services (HHS), Michael O. Leavitt visited India in January 2008. The Secretary was accompanied by the Commissioner of HHS Food and Drug Administration, the Honorable Andrew von Eschenbach, M.D. The Secretary met Union Health Minister Mr. Anbumani Ramadoss and visited New Delhi, Chennai, Kochi and Hyderabad.
- Prime Minister of India Dr. Manmohan Singh paid an official visit to China from January 13-15, 2008. The Prime Minister attended the India-China Economic, Trade and Investment summit in Beijing and signed an agreement on "A Shared Vision for the 21st Century of the People's Republic of China and the Republic of India" with Chinese Premier Mr. Wen Jiabao. The Prime Minister met the Chinese President Mr. Hu Jintao and Chairman of the National People's Congress, Mr. Wu Bangguo.

- Tata Motors Ltd launched the Tata Nano, the \$2500 car at the 9th Auto Expo in New Delhi. It is expected to arrive in the market in second half of 2008. The car has the ability to adapt to different emission and safety standards. [More ...](#)
- The revenue of India's Tata Group crossed \$50 billion in 2007 with overseas operations contributing 60% of the revenues. [More ...](#)
- Ford Motor Company plans to invest \$500 million in India to double its manufacturing capacity by 2010 and make a small car and engines to compete in the fast growing market. [More ...](#)
- India's Power Finance Corporation (PFC) and US-based Clear Investments floated a \$1 billion private equity fund for the Indian power sector and plan to increase the size of the fund to \$10 billion by 2012. [More ...](#)



*Prime Minister of India and Chinese Premier
in Beijing*