



POLICY UPDATE

- Government of India has decided to undertake construction of 1000 km of expressways through Public Private Partnership under National Highways Development Project Phase VI at a cost of about \$4 billion. 54% of the cost is expected to come from the private sector. The entire project would be completed by December 2015. *More...*
- Indian Ministry of Civil Aviation and the Federal Aviation Authority (FAA) of USA have signed a Memorandum of Agreement on November 13, 2006. Accordingly FAA would provide assistance to the Civil Aviation sector in India for developing and modernizing infrastructure in the managerial, operational and technical areas on the basis of reimbursement of costs. *More...*
- India would announce a policy to support the semiconductor industry soon said the Indian Prime Minister Dr. Manmohan Singh while inaugurating the Flextronics Industrial Park in Sriperumbudur on November 4, 2006. *More...*
- Service Tax Rules 1994 of India has been amended to extend centralised registration facility to all service tax payers including those who are liable to pay service tax for receiving services. *More...*

NEWS HIGHLIGHTS

- India has added 6.68 million telephone subscribers in October 2006. The total number of telephones in the country has crossed 176.5 million. The overall teledensity improved to 15.7% in October 2006 from 10.5% in October 2005. *More...*
- Car sales in India increased by 16.3% in October 2006 to 92,383 units compared with 79,407 units in October 2005. Automobile exports during October grew 30.1 per cent to 83,900 units from 64, 482 units last year. *More...*
- Foreign institutional investors' (FIIs) net investments in India crossed \$7 billion in calendar 2006 on November 6, 2006. Half of the investments have taken place during August-October 2006. *More...*

Corporate News

- AES corporation would set up a wholly owned subsidiary in India to undertake a green field coal based power generation plant in Chattisgarh and to undertake coal mining for captive consumption in the plant. The project is expected to cost approximately \$1.2 billion. AES expects to bring US \$370 million as FDI and balance US \$852 million shall

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be raised through loan from domestic and/or International banks and Financial Institutions. [More...](#)

- British Gas would invest around \$1 billion in its Indian assets over the next five years said British Gas Chairman Robert Wilson. [More...](#)
- The top five retail majors in India, viz., Pantaloon, Shoppers' Stop, Trent, Titan Industries and Provogue have reported combined net sales and net profit growths of 52% and 22%, respectively, for the quarter July-September 2006. [More...](#)
- IBM is further expanding its businesses and activities in India. The company has recently opened a new development center in Pune and is planning to open another one in Chennai by early 2007. IBM has signed an MoU to provide training to School teachers in Andhra Pradesh under the Sarva Shiksha Abhiyan and is also planning to start a pilot project to launch its broadband over power line (BPL) system in India. [More...](#)
- Cognizant Technology Solutions Corporation, an IT services provider of US, will develop five state-of-the-art techno-complexes in Chennai, Coimbatore, Hyderabad, Kolkata and Pune at an investment of \$200 million during the next two years. [More...](#)
- Laird Technologies, a leading designer and manufacturer of antennas, electromagnetic interference (EMI) shielding, telematics and thermal management solutions will open a manufacturing facility in Chennai by mid 2007. [More...](#)
- Hexaware Technologies, a Mumbai-based IT and BPO services provider, has acquired FocusFrame, a US-based software testing company, for \$34.3 mln. in an all-cash deal. [More...](#)
- Mahindra & Mahindra and Renault of France have signed a MoU to set up a greenfield automobile manufacturing facility in India. [More...](#)
- Tata Motors has acquired a manufacturing plant of Nissan in Pretoria, South Africa. [More...](#)
- Tata Consultancy Services has acquired a 75% stake in Switzerland-based TKS-Teknosoft for \$80.3 million. [More...](#)
- Bharti Airtel has entered into a partnership agreement with Microsoft to provide software and services for small and medium businesses in India. [More...](#)

Visits and Events

- US Secretary of Agriculture Mr. Mike Johanns is visiting India on November 18-21, 2006. He will have meetings with the Indian Agriculture Minister Mr. Sharad Pawar, Commerce Minister Mr. Kamal Nath, Deputy Chairman of Planning Commission Mr. Montek Singh Ahluwalia and will address a meeting being organised by FICCI.
- The Fourth Board meeting of the India-US Knowledge Initiative in Agriculture will take place in New Delhi on November 17, 2006.
- Mr. Franklin L. Lavin, Under Secretary of International Trade in the U.S. Department of Commerce would lead a Business Development Mission to India on November 29 to December 5, 2006. This would be one of the largest business delegations from US to India. The delegation will participate in a Mumbai Business Summit on November 29-30, 2006 and thereafter will continue on business matchmaking missions to Bangalore, Kolkata, Chennai, Hyderabad, and New Delhi.