



POLICY UPDATE

- The Securities and Exchange Board of India (SEBI) announced rationalization of its fee structure aimed at benefiting the common investor. The fee for filing of an offer document for public issue, rights issue and mutual fund has been reduced. The registration fee in case of venture capital fund has also been reduced. The revised fee structure will come into effect from April 1, 2008. SEBI also decided to review the primary market issuance process. **More . . .**
- SEBI plans to relax its regulations governing insider trading and remove a provision that provides for criminal action against employees of a company who do not comply with a code of conduct specified in insider trading laws. SEBI wants companies to disclose details of their compliance with the code of conduct in their annual report. **More . . .**
- India's Insurance Regulatory Development Authority (IRDA) notified a new definition for infrastructure for investments by insurance companies. The new definition for infrastructure covers all telecom services, including basic and cellular, radio paging, domestic satellite services, broadband and internet services, construction of educational institutions, hospitals and projects relating to agro-processing and supply of inputs to agriculture among others. Insurance firms can also invest in bonds floated by developers of Special Economic Zones (SEZ). **More . . .**
- India's Department of Telecom (DoT) approved the recommendation of Telecom Regulatory Authority of India (TRAI) to allow service providers to share active infrastructure which includes key electronic components such as antennas, feeder cables, nodes and transmission systems. This will help telecom companies to lower tariffs and reduce their expenditure by 50%. **More . . .**

NEWS HIGHLIGHTS

- The Indian economy grew at the rate of 8.4% in the third quarter of 2007-08 according to Central Statistical Organization (CSO). The economic activities which registered significant growth were manufacturing (9.3%), "trade, transport, hotels and communication" (11.3%), "financing, insurance, real estate and business services" (11.6%). **More . . .**
- According to Telecom Regulatory Authority of India (TRAI), 8.77 million wireless subscribers were added in the month of January 2008, which is the highest ever addition in a month till date. The total number of telephone subscribers in India is now 281.6 million. The overall teledensity was 24.63% at the end of January 2008. **More . . .**
- Indian pharmaceutical companies filed the maximum number of drug master filings (DMFs) to the US Food and Drug Administration (US FDA) in last quarter of 2007. DMFs are confidential and propriety assets that present to the US FDA the formulae, processes, test methodology and other data relevant to the manufacture of products used in the composition, packaging of pharmaceuticals. **More . . .**
- According to Association of Mutual Funds of India, the combined Assets Under Management

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(AUM) of the 32 mutual fund companies was \$141.36 billion at the end of February 2008. Reliance Mutual Fund maintained its top position with AUM of \$23.38 billion. **More . . .**

- India's M&A deals announced in the month of February 2008 stood at 36 with a total announced value of \$2.95 billion. 56 deals were announced in January 2008 with value of \$3.01 billion, according to global consultancy firm Grant Thornton. **More . . .**
- India's IT and BPO companies were involved in 94 deals, largely cross border involving investment of over \$2 billion in 2007. Indian companies are using cross border M & A deals to enhance global service delivery capabilities. **More . . .**
- Private Equity (PE) firms invested nearly \$1 billion in small and medium enterprises (SMEs) in 2007-08. Pharmaceutical, infrastructure, transportation and manufacturing attracted most PE funds among the SMEs during the current financial year. **More . . .**
- According to US based Future Industry Association, India's National Stock Exchange is the ninth largest derivative exchange in the world. India's commodity derivative exchanges Multi Commodity Exchange (MCX) and National Commodity Derivatives Exchange (NCDEX) have retained their places in the Top 50. **More . . .**
- The Government of India received seven confirmed investment proposals worth \$7 billion to set up semi conductor units at Fab city in Hyderabad. **More . . .**
- Renaissance Technologies, one of the the world's leading hedge funds handling assets worth \$35.4 billion received approval from SEBI to operate in the Indian stock market as a foreign institutional investor. **More . . .**

Corporate News

- Internet firm Yahoo launched a new research and development lab in Bangalore, India. The lab would be a centre of excellence for next generation search and advertising technologies focused on making the internet more relevant and simple for users and advertisers. **More . . .**
- Opto Circuits India acquired US based Criticare systems for \$70 million. US-based Criticare systems had posted sales of \$31 million for the year ended June 2007. **More . . .**
- India's largest hydel power company National Hydel Power Corporation plans to invest \$7 billion to double its power generation to 10,000 MW by 2011-12. **More . . .**
- State Bank of India became the second bank in the world to have 10,000 branches. China's ICBC Bank is the other bank to have 10,000 branches. **More . . .**
- India's major electricity generating firm National Thermal Power Corporation (NTPC) will sign an agreement with NHPC, PFC and TCS by March 2008 to set up a power exchange. Indian Energy Exchange (IEX), the first power trading platform was launched last year by Multi Commodity Exchange (MCX). **More . . .**
- Walt Disney plans to invest \$202 million in India's media and entertainment company, UTV to increase its stake to 32%. **More . . .**
- SBI Capital Markets plans to set up a \$100 million venture capital fund called "India Knowledge Fund" to invest in knowledge based sectors in the country. The fund plans to invest in unlisted, high growth companies through initial investments ranging from \$3 million to \$10 million. **More . . .**
- Dell has projected its sales in India to climb to \$1 billion in year ending February 2009 according to Dell's Asia President. **More . . .**
- Standard and Poor received approval from the Foreign Investment Promotion Board to set up a wholly owned subsidiary in India to carry out its business in South Asia. It will provide cross-border credit ratings, index services, investment research services and global data and information products to markets in South Asia. **More . . .**

Visits

- Dr. Kirit Parikh, Member, Planning Commission led the Indian delegation to Washington International Renewable Energy Conference (WIREC 2008) held in Washington, DC from March 4-6, 2008. It was the third inter-ministerial conference on renewable energy, following events in Beijing in 2005 and Bonn in 2004. India has been chosen to host the next International Renewable Energy Conference.