



## Policy Developments

☞ Securities and Exchange Board of India (SEBI) has decided to simplify the listing requirements for Indian Depository Receipts applicable to issuers from countries which are the signatories of Multilateral Memorandum of Understanding of International Organization of Securities Commissions (IOSCO) in order to reduce the additional regulatory or cost burden to the issuers. [More](#)

☞ The Reserve Bank of India (RBI) has decided to set up a working group on reworking the benchmark prime lending rate (BPLR) mechanism to ensure more transparent pricing of loans by banks. The terms of reference of the group include the review of BPLR concept and the manner in which banks arrive at it, besides examining the reasons for divergence in prime lending rates of major banks. [More](#)

☞ Securities and Exchange Board of India has come out with rules dealing with the procedural aspects for delisting of securities. It has laid down the grounds for delisting of securities by a recognized stock exchange and also for voluntary delisting of securities. [More](#)

☞ RBI - SEBI Standing Technical Committee has submitted its report on Interest Rate Futures. The Committee had been entrusted with the work relating to the operationalisation of the recommendations of the report of the RBI's Technical Advisory Committee on Money, Foreign Exchange and Government Securities Markets. The Committee has suggested that Interest Rate Derivative contracts should be traded on the Currency Derivative Segment of a recognized Stock Exchange. The members registered by SEBI for trading in Currency/Equity Derivative Segment should be eligible to trade in Interest Rate Derivatives. [More](#)

☞ India and the United States have agreed to increase their level of cooperation in the aviation sector. The two countries agreed to work towards making Aviation Cooperation Program (ACP), signed in June 2007, more productive for India in its efforts to

modernize the civil aviation industry and meet the challenges of its rapid expansion in terms of safety, technology and communication support and air space management. An agreement was also signed between the US Trade & Development Agency and Directorate General of Civil Aviation of India to fund projects under the US-India ACP. [More](#)

## Economic News

☞ Despite the downturn, India has reclaimed its position as the most attractive destination for global retailers followed by Russia at the second and China at the third spot. According to the Global Retail Development Index (GRDI) brought out by US-based global management consulting firm, A T Kearney, India was declared the best option amongst 30 emerging markets. In 2008, India was ranked the second most attractive market for retailers after Vietnam. [More](#)

☞ The Indian telecom equipment industry has reported a 20% growth with revenues of \$24 billion during 2008-09, compared to a 24% growth recorded in 2007-08. [More](#)

☞ Indian small and medium enterprises (SMEs) showed most optimism regarding economic growth in 2009, over a majority of their counterparts in the Asia-Pacific, according to the Asia Business Monitor survey. The survey also reveals that the Indian SMEs see information technology as the major driver for growth, followed by building & construction and healthcare & pharmaceuticals sectors. [More](#)

☞ According to an IDFC research report on domestic bourses titled '*Indian Exchanges - The Final Countdown*', entry of new players and inclusion of varied asset classes like commodities and currencies is expected to drive the turnover of domestic exchanges to \$10 trillion by financial year 2014, from the current turnover of \$4 trillion. [More](#)

☞ The annual year-on-year rate of inflation in India turned negative in the week ended June 6, 2009, from 0.13 per cent in the week ended May 30, 2009 implying

that the average wholesale price level was lower during the week ending June 6, 2009, than a year ago. [More](#)

🌀 The total Net Bank Credit of scheduled commercial banks in India stood at Rs 27,35,750 crore (approx \$569 billion) as on May 22, 2009, an increase of 15.9% on a year on year basis according to data released by the Reserve Bank of India. [More](#)

🌀 India's Index of Industrial Production recorded a growth of 1.4% in April, 2009, after recording negative growth of 0.8% in March, 2009. [More](#)

🌀 The Purchasing Managers' Index expanded for the second consecutive month in May, 2009 as manufacturers reported higher new orders because of revival in domestic demand. The index increased to 55.1 in May, 2009 compared with 53.3 in the preceding month. [More](#)

🌀 In the first month of the fiscal year 2009-10, six core industries combined recorded their fastest growth in 10 months. Power, crude oil, refinery products, coal, cement and finished steel recorded a combined growth of 4.3% year-on-year, recovering from the low of 1.1% in December 2008. [More](#)

🌀 The Energy Efficiency Indicator survey for corporate India conducted by Johnson Controls India reveals that 47% of the respondents are paying more attention to energy efficiency, compared to last year and 94% of the respondents feel that energy management is extremely important. The findings highlight the fact that business leaders are becoming increasingly aware of the need for energy efficiency and the potential impact it can have on reducing operating costs. [More](#)

🌀 Sustainable energy investment in India went up to \$3.7 billion in 2008, up 12% since 2007 according to a report titled, "Global Trends in Sustainable Energy Investment, 2009" brought out by the United Nations Environment Programme (UNEP). [More](#)

## Corporate News

🌀 Japanese carmaker Toyota Motor Corp plans to enter the Indian mass market segment by early 2011 with its completely new small car platform. [More](#)

🌀 Ford Motors plans to invest \$400 million in a new plant in Tamil Nadu to double its current capacity by 100,000 cars. The plant will also have a capacity to produce 250,000 engines per year. [More](#)

🌀 India's Dr Reddy's Laboratories (DRL) has entered into a partnership with GlaxoSmithKline (GSK) to develop and market select products across emerging markets outside India. The products will be manufactured by DRL and will be licensed and supplied to GSK in various emerging markets such as Africa, West Asia, Latin America and Asia-Pacific, excluding India. [More](#)

🌀 Power Transmission Corporation plans to launch a \$1 billion equity fund to finance power projects in India and is also exploring the possibility of launching multiple equity funds to meet the varied requirements of power projects. [More](#)

🌀 The US-based private equity fund, Fire Capital, has earmarked \$500 million equity investment to be spent over a period of five years on various real estate projects, particularly on integrated townships, across India. [More](#)