



Policy Developments

- The Government of India has decided to allow Overseas Citizen of India (OCIs) card holders having professional qualifications in specialized areas such as medicine, pharmacy, dentistry, law etc. to practice in India. The legal framework to implement the order is being worked out by the respective regulatory agencies such as the Medical Council of India, Bar Council of India. [More](#)
- The Government of India has approved liquidity support for non-banking finance companies (NBFCs) through a subsidiary of IDBI. The liquidity facility would be worth approximately \$5 billion and would be used by the NBFCs only to repay existing liabilities. [More](#)
- The Indian Government has decided to allow foreign investment in publication of facsimile edition of foreign newspapers and Indian edition of foreign magazines dealing with news and current affairs. The policy for foreign direct investment (FDI) in publication of facsimile edition of foreign newspapers include permitting 100 per cent FDI with prior approval of the Government for the publication of the facsimile edition, provided the FDI is by the owner of the original foreign newspaper whose facsimile edition is proposed to be brought out in India. The policy for foreign investment in publication of Indian editions of foreign magazines dealing with news and current affairs includes up to 26% of foreign investment, inclusive of FDI and investment by Non Resident Indians/ Persons of Indian Origin /Foreign Institutional Investors. [More](#)
- The Government of India has decided to set up a Challenge fund for Export Promotion Activities by Indian Missions abroad. It has been set- up with a corpus of Rs. 5 crore (approx \$1.05 million) under the Market Access Initiative (MAI) scheme. The MAI scheme of the Department of Commerce is an export promotion scheme envisaged to act as a catalyst to promote India's export on a sustainable basis. The fund shall be used to finance specific export promotion schemes and projects which envisage introduction of new items of export towards diversification of the Indian export

basket in the host country. These projects shall be proposed by Indian Missions abroad. [More](#)

Economic News

- India has enhanced its nuclear energy production target to 60,000 megawatts by 2030, from the earlier target of 20,000 mw by 2020. This upward revision of the target is being done after taking into account the pending nuclear deals with more nations, as well as the plan to separate the civilian nuclear programmes from the strategic programmes. [More](#)
- Indian Railways has posted 13.87% growth in its revenue to \$12.10 billion during first three quarters of fiscal 2008-09. The freight and passenger traffic revenue increased by 14.53% and 11.81% respectively in the same period. [More](#)
- 12 major ports across the country made a profit of US\$ 577.41 million during 2007-2008, registering a growth of 159.85 per cent over the last three years. [More](#)
- The remittances by Non Resident Indians, as reflected in the private transfers portion of the balance of payments, touched \$14.2 billion during July-September, 2008, up 57% compared to the same period last year. [More](#)
- According to latest RBI data, bank credit grew by 24.6% year on year as of December 19, 2008. The incremental credit growth was even better at 41% during April- December 2008, up by 41%. The deposits grew by 20.6% as of December 19, 2008. [More](#)
- The Government of India has signed a \$2.1 billion contract for eight Boeing P-81 long range maritime reconnaissance (LRMR) aircraft for navy. In terms of the contract size, the P-81 deal surpasses the \$962 million deal signed with US in 2007 for six C-130J 'Super Hercules' aircraft for Indian Special Forces. [More](#)
- Private equity (PE) investments in India declined for the first time in six years in 2008. PE firms invested \$10.74 billion over 399 deals, down by 23.28% as compared to \$14 billion invested across 439 deals in

the previous year according to data by Venture Intelligence. [More](#)

- The volume of mergers and acquisitions in India dropped in 2008 by 23.8% to \$52.6 billion according to data released by Thomson Reuters. The decline was registered in both outbound and inbound mergers and acquisitions, which declined by 32.2% and 36.8% respectively. [More](#)

- External commercial borrowings by Indian industry declined by 35.74% to \$13.78 billion during April-November, 2008 from \$21.45 billion during the same period in 2007 according to a study by Assocham, an industry group. [More](#)

- The Government of India has received seventeen projects amounting to an investment of \$31 billion under the Semiconductor Policy. The policy provides special incentives in the form of capital subsidy of 20 per cent for units in special economic zone and 25 per cent for units outside the SEZ on the investment. [More](#)

- The US Food and Drug Administration (FDA) has opened offices in New Delhi and Mumbai to share best practices with Indian manufacturers of generic drugs and food products. The new offices in India are part of FDA's 'Beyond Our Borders Initiative', which will place 35 personnel in 14 locations around the world. [More](#)

Corporate News

- India Infrastructure Finance Corporation Limited (IIFCL) has decided to provide approximately \$19.75 billion of low-cost funds for the development of new core sector projects by leveraging money to be raised through tax-free bonds. IIFCL was allowed to raise approximately \$2 billion of tax-free bonds in the first stimulus package announced in December 2008, and approximately \$6 billion in the second one declared on 2 January, 2009. [More](#)

- Credit Suisse Group has decided to inject more funds into its Indian non-banking financial unit that would help scale up its business operations. It has invested \$164 million and the funds would be used for corporate lending and investment in stocks. [More](#)

- ONGC Videsh Ltd (OVL), a unit of state-run oil exploration company Oil & Natural Gas Corp, on Tuesday has raised Rs 5000 crore (\$1.03 billion) through a one year commercial paper issue. [More](#)

- Telecom service provider Tata Teleservices (TTSL) has merged its infrastructure business with independent infrastructure equipment rental company Quippo Telecom Infrastructure (QTIL) to form the country's largest independently managed tower company with an enterprise valuation of nearly \$2.6 billion. [More](#)

- Oil and Natural Gas Corporation (ONGC) has taken control of Imperial Energy Plc for £1.3 billion (\$1.9 billion) after 96.8 per cent of the London-listed firm's shareholders accepted the takeover offer made by the state-owned explorer's overseas arm, ONGC Videsh Ltd (OVL). [More](#)

- Infosys Technologies has been recognized amongst the top 20 global companies to be listed in the Most Admired Knowledge Enterprises (MAKE) study, 2008. Infosys has won this award for organizational learning for its concerted effort over the last decade to provide an integrated knowledge management (KM) solution to meet the knowledge needs of the organization through content sharing, collaboration and professional networking. [More](#)

- Jubilant Organosys has entered into a drug discovery partnership with US-based BioLeap, LLC. Under the agreement, Jubilant will use BioLeap's drug design platform that can reduce the cost of drug research and accelerate drug development process. [More](#)