



Policy Developments

☞ The Government of India has launched a Rs 1,400 crore (approx \$300 million) Sustainable Urban Transport Project. The Global Environment Facility, The World Bank and United Nations Development Programme are providing both technical and financial assistance for its implementation. Under the project, green urban transport will be introduced in select cities to overcome pollution and other hazards of the existing urban transport system, including traffic impediments for pedestrians. [More](#)

☞ The Government has made amendments to the Securities Contracts (Regulation) Rules. The salient features of the amendment include a requirement that the minimum threshold level of public holding will be 25% for all listed companies. Existing listed companies having less than 25% public holding have to reach the minimum 25% level by an annual addition of not less than 5% to public holding. [More](#)

Economic News

☞ According to the quick estimates of India's Industrial Production for April 2010, the General Index stands at 316.7, this is 17.6% higher as compared to the level in the month of April 2009. The revised annual growth for the period 2009-10 stands at 10.4% over the corresponding period of the previous year. The Indices of Industrial Production for the Mining, Manufacturing and Electricity reflect a growth rate of 11.4%, 19.4% and 6.0% respectively as compared to April 2009. [More](#)

☞ GDP at factor cost at constant prices in the year 2009-10 grew at the rate of 7.4 per cent (as against 7.2 per cent in the Advance Estimates) The upward revision in the GDP growth rate is mainly on account of higher performance in 'agriculture, forestry and fishing', 'mining and quarrying' and 'manufacturing', than anticipated. [More](#)

☞ India's growth is expected to rise to 9 percent in 2011 with South Asia poised to become the second-fastest growing region after East Asia and the Pacific, according to the latest World Bank update. The region as a whole is expected to grow by about 7 percent in 2010 and nearly 8 percent in 2011, as per the South Asia Economic Update 2010, the World Bank's first yearly assessment of the economies of the region. [More](#)

☞ The HSBC Purchasing Managers' Index for India, based on a survey of 500 firms, surged to a 27-month-high of 59.0 in May from 57.2 in April. It was the 14th consecutive month that the indicator has been above the 50 mark that divides growth from contraction. [More](#)

☞ India's exports during April 2010 were valued at US \$16.89 billion (Rs.75147 crore) which was 36.2 per cent higher in dollar terms than the level of US \$ 12.39 billion (Rs.62064 crore) during April 2009. Imports during April 2010 were valued at US \$ 27.30 billion (Rs.121517 crore) representing a growth of 43.3 per cent in dollar terms over the level of imports valued at US \$ 19.05 billion (Rs.95377 crore) in April 2009. [More](#)

☞ Clinical research organizations (CROs) are planning to scale up their operations in the Asian region, especially in India, to tap the emerging opportunities of contract research from the US and European countries. According to industry estimates, the Indian CRO market size is around \$0.3 billion, and is expected to touch \$1 billion by 2014. [More](#)

☞ The auction for allocation of 3G Spectrum closed on 19th May, 2010 after 34 days and 183 rounds of intense bidding. The price per block of 2x5 MHz Pan India spectrum is Rs.16750.58 crore (approx \$4 billion). 3G spectrum auction, including amount payable by Mahanagar Telephone Nigam Limited and Bharat Sanchar Nigam Limited, will earn revenue of Rs 67719 crore (approx \$15 billion) to the government. All 71 blocks that were put for auction across 22 service areas have been sold. [More](#)

Corporate News

IBM has opened a global security operations centre in Bangalore to provide global clients with round-the-clock protection and service. IBM Security Services' security operations centres are designed to ensure that mission-critical systems, electrical systems, data processing and communication links are protected from any single point of failure. [More](#)

The Small and Medium Enterprises Consortium (SMEC) of the US has announced that its members are planning to invest Rs 1,500 crore (approx \$320 million) in Hyderabad in three phases. The SMEC proposes to set up an incubation centre with 2000 employees in the next two years. This would be followed up with a campus near Hyderabad that could provide jobs to 40,000 people. The campus would be built in three phases. The first phase would come up in the next two years. [More](#)

US drug maker Abbott is expecting its sales in India to exceed US \$ 2.5 billion (nearly Rs 11,700 crore) by 2020. Abbott had recently acquired Piramal Healthcare's solutions business (domestic formulations) to become the largest drug-maker in India. [More](#)

Global petroleum major Shell plans to set up a technology centre in Bangalore, which will provide technical support to the global operations of the company. The centre will be set up near the Bangalore International Airport. [More](#)

According to the Society of Indian Automobile Manufacturers, overall vehicle sales grew 30 % in May 2010 to 1,208,851 units, as compared to May, 2009 and 8% per cent over the previous month of April. [More](#)

India's Greendiamz Biotech Private Limited, in partnership with Limagrain of France has announced the launch of India's first fully-biodegradable and compostable bio-plastic material. The products, branded as Truegreen, are bio-plastic, hundred per cent biodegradable and compostable, and very similar to plastic in terms of strength and usage. [More](#)

Daimler, Maruti Suzuki and Mahindra & Mahindra plan to lead an estimated \$30 billion investment by automakers in the next four years to meet the demand in India, which is the world's second fastest-growing market after China. [More](#)

Sasol, South African company, the largest producer of motor fuel made from coal, plans to spend \$10 billion in India in partnership with the Tata Group to produce 80,000 barrels a day of motor fuel by 2018 from a coal block in Orissa, India. [More](#)

US-based solar integrator American Capital Energy, Inc and MSM Energy, a subsidiary of MSM Industries Inc, US, have announced a solar energy joint venture for the Indian market. The new entity, ICE Solar, will offer photovoltaic technology-based solar engineering, procurement and construction solutions. [More](#)

IREDA, Power Finance Corporation, SIDBI, PTC India Ltd and HSBC India have decided to become part of the Bureau of Energy Efficiency's proposed financing platform. The Bureau's energy efficiency financing platform (EEFP) aims to create a mechanism to provide non-recourse financing for demand side management programmes in all sectors by capturing future energy savings. [More](#)

DHL Global Forwarding, the freight forwarding division of leading global logistics player DHL, will invest \$10 million (around Rs 47 crore) in India's first free-trade warehousing zone at Sriperumbudur. [More](#)

The Karnataka Power Corporation Ltd has got response from private firms for its proposal to form a joint venture to develop mega solar power plants in the state. Seven companies have shown interest in joining KPCL to form a JV firm to set up around 100 Mw capacity solar power plants at an investment of Rs 1,500 crore (approx \$320 million) that include US-based SunEdison, AES Solar Energy Ltd. [More](#)