

F. No. 11(1)/2009-FIPB
Government of India
Ministry of Finance
Department of Economic Affairs
(FIPB Unit)
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North Block, New Delhi – 110 001
Dated the July 1, 2009

PRESS RELEASE

Based on the recommendations of Foreign Investment Promotion Board (FIPB) in its meeting held on June 19, 2009, Government has approved 21 Proposals of Foreign Direct Investment amounting to Rs. 84.90 Crore approximately. The proposals relate to Ministries/Departments, namely, Chemical & Petrochemicals, Commerce, Economic Affairs, Industrial Policy & Promotion, Information & Broadcasting, Power, Urban Development, Information Technology, and Telecommunication.

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To

The Additional Director General (M&C)
(Shri B.S. Chauhan)
Ministry of Finance

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Details of Proposals considered in the Foreign Investment Promotion Board (FIPB) Meeting held on June 19, 2009.

Following 21 (Twenty one) proposals have been approved.

Sl. No.	Name of the applicant	Particulars of the proposal	FDI/NRI inflows (Rs. In Crore)
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COMMERCE

1	M/s Nilorngruppen AB, Sweden	To acquire 100% equity shares to carry on manufacture and wholesale cash and carry trading business. Proposal attracts Press Note 1 of 2005.	0.01
2	M/s BASF SE, Germany	To acquire equity shares by way of an "Open Offer" to undertake manufacturing and trading of speciality chemicals and in commoditized products.	63.00
3	M/s Dunham-Bush International Pte Ltd., Singapore	To set up a WOS to carry out the activities relating to: - (i) manufacture, sale, repair, hire of air conditioned plants, all sorts of refrigerators, cooling appliances, apparatuses and machinery, and all component, parts, accessories, articles and fittings, and (ii) wholesale/cash & carry trading in all sorts of refrigerators, cooling appliances, apparatuses and machinery, and all component, parts, accessories, articles and fittings. The proposal attracts Press Note 1 of 2005.	1.00

ECONOMIC AFFAIRS

4	M/s Edipresse Asia Limited (EAL), Hong Kong	To subscribe either by itself or through its affiliates, subsidiaries or group companies to equity shares of the issued and paid-up share capital of the joint venture company proposed to incorporate in India to carry out the business of publishing, ownership, promotion, marketing and distribution of the specialty magazines (for consumer and trade media).	0.29
5	M/s Autostrade per l'Italia S.p.A and Spea Ingegneria Europea S.p.A	To set up a Wholly owned subsidiary, which will act as pure investing company for infrastructure projects.	0.05
6	M/s Compagnie Financiere Michelin ('CFM') & Nitor S.A ('Nitor'), Switzerland	To acquire 100% of the paid up share capital of the Indian Company to carry out the activities relating to manufacturing of tyres and tubes. The proposal attracts Press Note 1 of 2005.	0.01

HEALTH

7	M/s Femi Medical Services Ltd., Israel	To acquire the entire initial share capital from the existing shareholders. The proposal attracts Press Note 1 of 2005.	0.01
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HEAVY INDUSTRY

8	M/s Kusakabe Electric & Machinery Co. Ltd., Japan	To set up a Wholly Owned Subsidiary (WOS) to carry out the activity relating to manufacturing of machinery for tube & pipe mills and other associated equipment. The proposal attracts Press Note 1 of 2005.	05.00
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INFORMATION & BROADCASTING

9	M/s G+J International Magazines GmbH, Germany	To establish wholly owned subsidiary in India by way of acquisition of 100% shares to carry out the business of publishing specialty magazines, periodicals and journals in various segments.	0.01
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STEEL

10	M/s Metal One Corporation, Japan (No.125/2009-FC.I)	To set up a Joint Venture to undertake the activities relating to slitting, shearing, leveling, blanking, oiling, and core cutting of ESS and non-ESS flat steel; and sale of the ESS and non-ESS flat steel. The proposal attracts Press Note 1 of 2005.	5.14
11	M/s Temcor Rollwell Domes Pvt. Ltd., Mumbai	To induct foreign investment in investing company.	0.76

INDUSTRIAL POLICY & PROMOTION

12	M/s Ventureeast Trustee Company Pvt. Ltd.	(i) To accept contributions upto a limit of USD 2 million into the Fund under the foreign direct investment route and to issue Units in the Fund; (ii) to permit the Fund to make investments in securities of the Indian companies; and (iii) to permit the Fund to distribute income realized on its investment under the automatic route, subject to payment of applicable taxes in India.	9.61
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PETEROLEUM & NATURAL GAS

13	M/s SHV Energy India Pvt. Ltd.	To carry on the additional business of LPG equipment and LPG Services.	No Fresh Inflow
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TELECOMMUNICATIONS

14	M/s Tikona Digital Networks Pvt. Ltd.	To amend the FC approval.	No Fresh Inflow
15	M/s Vodafone Essar Spacetel Pvt. Ltd.	To include additional item of activity in FC approval. The company is engaged in the Cellular mobile telephone services and Unified Access Service Provider.	Not Indicated
16	M/s Vodafone Essar South Ltd.	Inclusion of 'Internet Service Provider' as an additional item of activity in the FC approval.	Not Indicated

COMMERCE

17	M/s Basell Polyolefins India Pvt. Ltd., Mumbai	To carry out wholesale trading and manufacturing activities. The proposal attracts Press Note 1 of 2005.	No Fresh Inflow
18	M/s Esys Information Technologies Pvt. Ltd.	To make an amendment in the FC approval by including some more trading/manufacturing activities.	No Fresh Inflow

ECONOMIC AFFAIRS

19	M/s Ortus Infratel and Holdings Pvt. Ltd., New Delhi	Induction of FDI in the companies engaged in telecom infrastructure providers (Category-I) and conversion of operating company into operating cum holding company to make downstream investments.	0.01
20	M/s Eros International Media Pvt. Ltd., Mumbai	Ex-post-facto approval for the investment already made by way of purchase of shares as the proposal had attracted the provision of Press Note 18 of 1998 (now Press note 1 of 2005).	No Fresh inflow

INFORMATION & TECHNOLOGY

21	M/s BGS Smartcard Systems (I) Pvt. Ltd.	To amend the FC approval.	No Fresh Inflow
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2. The following 14 (Fourteen) proposals have been deferred:

Sl. No	Name of the applicant	Particulars of the proposal
1	M/s Coles Cranes Group Ltd., U.K	To purchase equity shares instead of warrants through Stock Exchange(s) and/or through block deal remitted already for the purchase of warrants.

2	M/s Teesta Urja Ltd., New Delhi	Ex-post facto approval to regularize the allotment of equity shares on partly paid basis.
3	M/s IHHR Hospitality Pvt. Ltd., New Delhi	Ex-post facto approval to regularize the allotment of equity shares on partly paid basis.
4	M/s Powermax Communications Pvt. Ltd., New Delhi	To increase in the foreign equity participation from the existing 49% to 74% in the enhanced paid up capital. The company is engaged in providing broadband communication networks, systems, products and services, power transmission and distribution management systems and services and smart grid networks, systems, services and products.
5	M/s IL&FS Trust Company Ltd., Mumbai	To subscribe to Units of the Trust in consideration of contribution of assets to the Trust at the fair value determined and to permit the Trust to accept contribution in kind and to allow the Trust to continue to hold investment in Multi Commodity Exchange of India Limited (MC).
6	M/s Exensys Software Solutions Ltd.	Ex-post facto approval for issuance of warrants convertible into equity shares.
7	M/s Interpublic Mauritius Ltd., Mauritius	To make investment of 50% equity by way of subscribing to equity shares. The proposal attracts Press Note 1 of 2005.
8	M/s Capricorn Infrastructure Pvt. Ltd., Mumbai	To seek relaxation in the clause (b) of Press Note 2 of 2005 with respect to minimum capitalization and asking the permission to receive balance amount as fresh inflow of funds to achieve the minimum capitalization norms.
9	M/s Zee Entertainment Enterprises Ltd.	Transfer of fully paid equity shares to an overseas entity belonging to the Promoters Group, for up-linking a non-news and current Affairs TV channel.
10	M/s High Mark Credit Information Services Pvt. Ltd.,	To provide for enhancement of permitted foreign investment to 40% of the issued share capital.
11	M/s KVK Energy & Infrastructure Pvt. Ltd.,	To raise additional FDI from an existing investor by way of issue of Compulsorily Fully Convertible Debentures.
12	M/s India Rizing Fund	To amend the FC approval.
13	M/s United Breweries (Holdings) Limited, Bangalore	Ex-post facto approval for (i) issue of fully convertible equity warrants, and (ii) for allotment of fully paid up equity shares on conversion of convertible equity warrants.
14	M/s Unitech Wireless (Tamilnadu) Pvt. Ltd	To increase the foreign shareholding up to 74%.

3. The following 07 (Seven) proposals have been rejected:

Sl. No	Name of the applicant	Particulars of the proposal
1	M/s Blaser Swisslube India Pvt. Ltd.,	To delete the condition of test-marketing and accord approval for temporary exemption from manufacturing activity and allow them to continue only with the business of cash and carry wholesale trading.
2	M/s SKR BPO Services Pvt. Ltd.	The downstream acquisition of shares by Intelenet in Sparsh be considered valid and the approval be modified by deletion of the requirement to approach the RBI for compounding.
3	M/s Tata Teleservices Ltd.	To amend the FC approval.
4	M/s Bharti Telemedia Ltd	To amend the FC approval.
5	M/s NTT Docomo Inc Japan	To amend the FC approval.
6	M/s Matrix Enport Holding Pvt. Ltd, Hyderabad	To allot and issue shares to the Indian companies and/or their respective affiliates fully paid up equity shares and/or compulsorily convertible preference shares and to invest in other companies engaged in such business falling under the same sector.
7	M/s Nagarajuna Construction Ltd.	To amend the FC approval.

4. The following 01 (One) proposal has been noted in terms of para 8 of PN 2 of 2009 whereby no approval is now required for downstream investment made in the past.

Sl. No.	Name of the applicant	Particulars of the proposal	FDI/NRI inflows (Rs. In Crore)
1	M/s Seagram India Ltd.	Conversion of operating company into an operating cum holding company to make further downstream investment.	No Fresh Inflow

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