


No.11(1)/2008-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 8<sup>th</sup> October, 2008

**PRESS RELEASE**

Based on the recommendations of Foreign Investment Promotion Board (FIPB) in its meeting held on 30<sup>th</sup> September, 2008, Finance Minister, Shri P. Chidambaram has approved 16 Proposals of Foreign Direct Investment amounting to Rs. 794.37 Crore approximately. The proposals relate to Ministries/Departments, namely, Commerce, Tourism, Economic Affairs, Information & Broadcasting, and Heavy Industry.

Sd/-  
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To

The Deputy 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 30.09.2008**

Following 16 (Sixteen) cases 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. Sikora India Limited, New Delhi	To undertake trading of hi-tech items which require sophisticated and specialized after sale services and some degree of trading of new products as well as of spare parts.	No Fresh Inflow
2	M/s. Persistent Systems Ltd, Pune	Post-Facto approval for conversion of operating company into an operating cum holding company to make downstream investment.	4.97
3	M/s. Astellas Pharma Inc. Japan	To set up a wholly owned subsidiary to carry out sales and marketing activities for its pharmaceutical products. The proposal attracts Press Note 1 of 2005.	16.00

**DEFENCE PRODUCTION**

4	M/s. Speck Systems Ltd., Hyderabad	To regularize FIIs investment made earlier in Defence Sector.	No Fresh Inflow
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**TOURISM**

5	M/s. Rossell Tea Ltd, Kolkata	Post-Facto approval for conversion of operating company into an operating cum holding company to make downstream investment.	10.25
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**ECONOMIC AFFAIRS**

6	M/s. LMB Holding (Mauritius) Ltd, Mauritius	Transfer of shares from NRI to OCB in projects engaged in the activities of Down-linking.	No Fresh Inflow
7	M/s. Fxlabs Studios Pvt. Ltd. Hyderabad	Transfer of shares by way of share swap.	No Fresh Inflow
8	M/s. Samson Maritime Ltd, Mumbai	Issue of warrants to be converted into equity shares to carry out the activities of (i) owning and leasing of various types of offshore supply vessels, tugs, anchor handling vessels and barges and (ii) providing offshore logistic and support services, port and terminal services, towing, diving and salvage operations.	25.00
9	M/s. Recorder & Medical Systems (P) Ltd.	Transfer of shares by way of share swap.	No Fresh Inflow

	Chandigarh		
10	M/s. DM Healthcare Pvt. Ltd. Cochin	Conversion of operating company into an operating cum holding company to make downstream investment. Proposal also attracts Press Note 1 of 2005.	50.00
11	M/s. Bhaskar Exxoils Ltd	Conversion of operating company into an operating cum holding company to make downstream investment.	100.00
12	M/s. Luxury Brands Retail Pvt. Ltd. Mumbai	Conversion of operating company into an operating cum holding company to make downstream investment.	No Fresh Inflow
13	M/s. Neha International Ltd.	Issue of warrants to carry out the business of growing and exporting of cut flowers specially roses.	8.40

### **INFORMATION & BROADCASTING**

14	Asianet Communication Ltd.	Ex-Post-Facto approval to regularize FII Investment.	No Fresh Inflow
15	M/s. Shalom Communications Ltd.	Post-facto approval to retain NRI investment. The company is engaged in the installation of satellite channels for production, telecasting and networking of television programme.	No Fresh Inflow

### **HEAVY INDUSTRY**

16	M/s. Asia Motorworks Holdings Ltd, Mumbai	Induction of foreign equity by way of subscribing to fully and compulsorily convertible debentures and conversion of operating company into an operating cum holding company.	590.00
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## **2. The following 7 (Seven) proposals have been deferred:**

<b>Sl. No</b>	<b>Name of the applicant</b>	<b>Particulars of the proposal</b>
1	M/s. ZF Friendrichsafen AG, Germany	To set up a new Joint Venture Company for manufacturing and marketing of rubber and rubber-to-metal parts for automotive industry, agriculture and construction machinery, railway and construction application. The proposal attracts Press Note 1 of 2005.
2	M/s. Yellowfin Holdings Ltd., Mauritius	To set up a WOS to carry out the activity of publishing printed magazines (not being newspapers and periodicals dealing with news and current affairs).
3	M/s. Adani Power Limited, Ahmedabad	Post-Facto approval for conversion of operating company into an operating cum holding company to make downstream investment.

4	M/s. Asset Reconstruction Co. (India) Ltd.	Induction of a new foreign collaborator and increase in the foreign equity participation from 5% to 14.66% in the Asset Reconstruction.
5	M/s. Equant Network Services India Pvt. Ltd.	To carry out the additional activities of getting internet service provider (ISP) with gateway (both for satellite and submarine cables).
6	M/s. XCEL Telecom Pvt. Ltd.	Transfer of shares from Non-Resident to another Non-Resident in the Telecom sector.
7	M/s. Amar Ujala Publications Ltd.	Amalgamation of two companies consequent upon the order of Hon'ble High court and induction of fresh FDI

3. The following one (1) proposal has been rejected:

Sl. No	Name of the applicant	Particulars of the proposal
1	M/s. Mahindra Defence Systems, New Delhi	To set up JV company to develop, manufacture and provide through life service support for Land Systems defence equipment on the terms and conditions set out in the license to be issued by the DIPP pursuant to Press Note 4 of 2002.

4. 2 (Two) proposals Viz., M/s. ABN-AMRO Securities (India) Pvt. Ltd. and M/s Tata Motors Ltd., Mumbai advised to access automatic route

5. 1 (One) proposal viz., M/s. Krishnapatnam Port Company Ltd, Hyderabad has been recommended for the consideration of CCEA, as the investment involved in the proposal is above Rs. 600.00 Crore.

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