

USIBC Update



News and Views from the U.S.-India Business Council

January 2008

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America's "best" on display at DEFEXPO 2008 – India's Largest Land and Naval Systems Exhibition



Former Secretary of Defense, William S. Cohen - joined by four-star retired officers General Paul Kern and Admiral Walt Doran - will lead a U.S.-India Business Council (USIBC) Executive Mission to Defexpo 2008, comprised of top U.S. companies eager to showcase their commitment to a robust defense relationship with India, offering state of the art land and naval systems, co-production/manufacturing, job creation and technical expertise.

Our priority is to strengthen our relationship with both the Government of India and Indian industry - our partners in joint development and co-production.

For more information, please contact Nik Khanna at nkhanna@uschamber.com

USIBC Lauds Ambassador Ronen Sen

USIBC salutes the diplomatic achievements of India's Ambassador to the United States, H.E. Ronen Sen, who helped open America's eyes to the full potential of partnership between the U.S. and India. Soft-spoken but determined in his vision, Ambassador Sen eloquently inspired colleagues at the Indian Embassy and in Consular offices across the United States to advance commercial ties between our countries, as well as the all-important cultural ties that bind our two peoples.

Among his many contributions, Ambassador Sen supported the historic visit of India's Prime Minister, Dr. Manmohan Singh, to the United States. As India's most seasoned Foreign Service professional, Ambassador Sen also paved the way for President Bush's landmark Mission to India – marking the fifth-ever visit of a U.S. President to the world's largest free-market democracy.

Ambassador Sen will be remembered for his passionate advocacy supporting deeper commercial ties between the dynamic business sectors of our countries, for his encouragement of stronger defense cooperation, and for his visionary leadership to end the technology denial regime imposed on India – elevating India to take its rightful place in the pantheon of nuclear-responsible nations. Ambassador Sen will be credited for his tireless efforts championing passage on Capitol Hill of The Henry Hyde Peaceful Atomic Energy Act of 2006 – ending India's nuclear isolation.

Ambassador Sen's candor, decency and friendship will be missed by all at USIBC. We extend to him our deepest gratitude for all that he has accomplished for the U.S.-India partnership. USIBC wishes Ambassador Sen and Mrs. Sen all happiness. *Sir, you have our ever-lasting admiration and respect. We are truly grateful to you.*



2nd Annual Global Forum on Innovation, Creativity, and Intellectual Property: February 26-27 in Mumbai



USIBC, with CII & the U.S. Chamber of Commerce, will host the 2nd Annual U.S. Chamber Global Forum on Innovation, Creativity, and Intellectual Property, on February 26 - 27, 2008, in Mumbai, India. The Forum will provide a global stage for officials and executives to discuss current trends regarding the relationship between innovation and intellectual property (IP), exchange best practices, develop solutions, and publicize new initiatives.

Register at <http://www.usibc.com/usibc/events/upcoming.htm>. For further information, please contact Greg Kalbaugh at gkalbaugh@uschamber.com or Jonathan Goldberg at jgoldberg@uschamber.com

USIBC hosts ISRO Chairman Mr. Madhavan G. Nair



USIBC and the U.S. Chamber's Space Enterprise Council jointly will host Mr. G. Madhavan Nair, Chairman, Indian Space Research Organization (ISRO) on January 31, 2008 at the U.S. Chamber of Commerce.

2008 marks a watershed year in the U.S.-India space partnership as ISRO prepares for the historic Chandrayaan-I mission on April 9 – India's first lunar moon mission. The Chandrayaan-I mission contains two critical NASA instruments and serves to further strengthen U.S.-India partnership in Commercial Space Cooperation.

In January 2004, the United States and India agreed to expand cooperation in three specific areas: civilian nuclear activities, civilian space programs, and high-technology trade. In addition, the two countries agreed to expand dialogue on missile defense. These areas of cooperation are designed to progress

through a series of reciprocal steps that build on each other.

USIBC and the Space Enterprise Council jointly hosted the 2nd Joint Working Group on Civil Space Cooperation (JWG) in Washington, DC, on February 27-28, 2007 at the U.S. Chamber of Commerce. Mr. Jeff Miotke, Deputy Assistant Secretary of State for Science, Space and Health, and Mr. Michael O'Brien, NASA Assistant Administrator for External Relations, led the U.S. delegation, and Dr. R. R. Navalgund, Director, India Space Research Organization (ISRO) Satellite Applications Centre, led the Indian delegation. As part of its 2008 goals, USIBC will continue to support commercial space opportunities for our Aerospace companies.

For further information, please contact Nik Khanna at nkhanna@uschamber.com

U.S. Health Secretary Underscores Need for New Global System to Ensure Import Safety



During his visit to India in January, Michael Leavitt, U.S. Secretary for Health and Human Services, emphasized that ubiquitous global communications, standardized shipping technologies and the integrated global marketplace have allowed for unprecedented growth in imports worldwide. However, he also noted that the current systems in place to ensure import safety are not equipped or adequate to handle this growth.

This issue has drawn a lot of attention in the U.S. and the Secretary wants to work with governments around the world to establish a new standardized safety regime. Secretary Leavitt reiterated that there were no concerns in the U.S. regarding quality or safety of products being imported from India. His visit to India was merely to explore methods and work in partnership with the Indian government to build a uniform quality check system, whereby products are cleared even before they leave the shores of the exporter.

To this end, Secretary Leavitt's Interagency Working Group on Import Safety was established in November 2007.

The group has since delivered its import safety action plan to the President which included a recommendation to heighten interactions among exporting nations. Secretary Leavitt has expressed interest in providing technical assistance to India to establish an institution similar to the U.S. Food and Drug Administration (FDA) that would be responsible for food and drug safety regulations.

Please contact Jonathan Goldberg at jgoldberg@uschamber.com or Greg Kalbaugh at kalbaugh@uschamber.com for more information.

Engaging Small Medium Enterprises in a Global Network

On February 20th and 21st, USIBC, in conjunction with the Chicago Council on Global Affairs, the Federation of Indian Chambers of Commerce and Industry (FICCI), and the Illinois Department of Commerce and Economic Opportunity, will host a delegation of Indian and American Small & Medium Enterprises in a two day conference in Chicago. Recognizing the critical role SMEs play in a global supply chain, both the U.S. and Indian governments have lent their considerable support to the conference, with opening remarks to be made by U.S. Trade Representative Susan Schwab and Indian Minister of Commerce Kamal Nath. SME representation will span across all sectors of the economy, with panel discussions on involvement with large corporations on both sides of the ocean, as well as bilateral SME-to-SME linkages.

For further information, please contact Anku Nath at anath@uschamber.com.



A Bilateral Investment Treaty for India



As a first and crucial step in its Strategic Trade Initiative, USIBC member companies have lent support to the notion of a U.S.-India Bilateral Investment Treaty (BIT) as a means by which to protect the financial interests of American companies operating in India and the growing number of Indian companies operating in the U.S. USIBC has set the achievement of a BIT between the U.S. and India as a top priority for 2008, having urged the President's Export Council to engage India in BIT negotiations at the earliest.

A U.S.-India investment agreement will develop a transparent and non-discriminatory framework by which foreign investments can be protected, and thereby enhancing current bilateral investment levels. The U.S. has signed a total of 40 BITs with other countries, as well as secured similar protections through a system of Free Trade Agreements with a dozen others, while India, too, has sought and

signed similar agreements, most recently with Canada.

U.S. Treasury Secretary Paulson discussed a potential U.S.-India investment agreement during his mission to India in October, and subsequently shared his thoughts on such an agreement with USIBC on January 9th during a fireside chat with Indian Ambassador Ronen Sen, U.S. Chamber of Commerce President & CEO Tom Donohue, and former McKinsey & Co Senior Partner Worldwide Rajat Gupta. Secretary Paulson informed the audience that both the U.S. and Indian governments are discussing the possibility of an investment agreement, with initial talks taking place in mid-February.

As part of the USIBC Strategic Trade Initiative, the Council will involve member companies in advocacy towards a robust U.S.-India Bilateral Investment Treaty.

For more information, please contact Anku Nath, Director Trade Policy Advocacy, at anath@uschamber.com.

USIBC Launches Business Perception Study



The U.S. India Business Council (USIBC) has appointed Ernst & Young Private Limited (E&Y) to assist in a survey regarding companies' perceptions of how business is currently conducted in India. Through this survey, we hope to gain an objective understanding of how USIBC member companies view India's investment climate, using the analysis as an advocacy tool for progressive reforms. Thus, USIBC intends to highlight the attractiveness of India as an investment destination and identify key

investor concerns that may influence companies' interest and confidence in India.

This study investigates views of leading investors on the opportunities and concerns in the Indian business environment. We encourage all USIBC members to log onto the USIBC website and take this brief survey listed under the Life Sciences section.

Please contact Greg Kalbaugh, Director and Counsel at gkalbaugh@uschamber.com or Jonathan Goldberg, Associate Director at jgoldberg@uschamber.com should you or your company have questions regarding the study.

Real Estate Investment Trusts (REITS) to contribute to Realty Boom



The Securities and Exchange Board of India (SEBI) recently published draft guidelines on Real Estate Investment Trusts (REITS), which would allow small and medium sized investors to partake in India's real estate boom.

REITs are considered high dividend yield stocks. In India, the trusts will operate in the same vein as mutual funds and be managed by a real estate investment management company, where the underlying asset will be property and not stocks.

This could transform the real estate landscape in India as the real estate market has thus far been limited to big investors. REITs would enable smaller investors without the resources to invest in such high ticket items an opportunity to purchase units in the REIT, and bask in the returns. An added benefit to India is that the profits

made from the investment would remain in the country.

Moreover, the introduction of REITs will accelerate the development of the sector, inclusive of residential real estate, shopping malls, and IT parks. With estimates placing India's real estate market at \$1 trillion over the next five years, the funds will generate capital that the large scale developers together would not be able to. Allowing small and medium size investors a piece of the real estate pie will allow India to sustain its growth in an area essential to its development.

REITs are expected to be released into the Indian market in the second half of 2008, pending approval from the Ministry of Finance.

For further information, please contact Anjou Dargar at adargar@uschamber.com

India Amending Key Legislation Governing Mergers & Acquisitions



The Competition Act was enacted in 2002, providing for the establishment of a Competition Commission. The purpose of the original Competition Act was to protect the interests of people directly impacted by merger & acquisition activities- particularly employees and investors.

The Competition Commission of India was established on the 14th October, 2003 but could not be made functional due to the filing of a writ petition before the Supreme Court. Due to the legal challenges, the Act was never fully implemented, and M&A policy remained ambiguous.

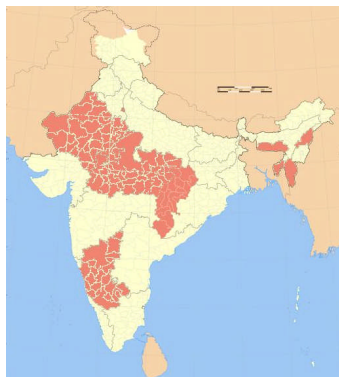
A new Competition Act was passed by Parliament in September 2007. The new Act is meant to provide a more expansive view on when M&A reviews would be triggered- allowing for issues such as market impact to be taken into account. Since its passage, the Act has generated interest from international groups such as the IBA and ABA, as well as several of our member companies and India's key trade associations. A few issues in particular have attracted attention:

- An extremely low threshold triggering notification in India. Companies with worldwide assets of more than \$2 billion or sales of more than approximately \$6 billion, and assets in India of \$125 million or sales in India of more than \$375 million would fall under the Act's ambit- this could mean that an American firm with \$2 billion in sales acquiring an Indian firm with \$150,000 in annual sales would be subject to review in India;
- A lengthy time-frame for the merger review process- 210 days, with no opportunity to "fast track" non-controversial cases;
- The lack of clarity on what types of documents trigger mandatory notification of M&A activity to the Competition Commission.

The Competition Commission has convened a committee to development implementing regulations. USIBC has engaged with the committee to advocate on ways that the implementing regulations can be shaped to ensure that the broad principles for review in the Act don't impede transactions without a material impact on the Indian market.

For further information, please contact Rick Rosson at rrosson@uschamber.com.

Election Fever- Not Just in America!



The close of 2007 saw a pair of state elections in Gujarat and Himachal Pradesh. This year we will see several other states head to the polls. The states holding scheduled elections in 2008: Chhattisgarh, Delhi, Karnataka, Madhya Pradesh, Meghalaya, Mizoram, Nagaland, Rajasthan and Tripura. Only a few states (most importantly Gujarat, BJP and West Bengal, Communist Party of India) boast a government that has been in power for more than 2 straight elections.

Karnataka was not scheduled for an election until 2009, but will hold an election this year as there has been a serious split in the coalition that had been running the state.

Generally the Indian economy is growing at a breakneck pace, and some fruits of economic reforms, particularly insurance and telecom penetration, are reaching ever-larger groups of people. But time will tell as to whether these benefits are expanding quickly enough to strengthen the people's desire for political stability.

Caterpillar Increases Profit with Strong Overseas Growth



Caterpillar, one of the world's largest, construction equipment makers, announced earlier this month that its fourth-quarter earnings rose 11% on strong international growth. The company, based in Peoria, Ill., said it expected solid profit growth from overseas sales this year as well.

Caterpillar expects economic growth in the U.S. to slow to 1% this year, partly because of continued weakness in home construction. But Caterpillar's chief executive, James W. Owens, said strong economic growth outside the U.S. would offset weak domestic demand. "Global markets for mining, energy and infrastructure development are booming," he said in a statement.

Almost 60% of Caterpillar's fourth-quarter sales were outside North America, an almost 10% increase from just a year earlier. The company also said it benefited from the weak dollar. Currency fluctuations added \$334 million to fourth-quarter revenue, Caterpillar said.

The company plans to spend \$2.3 billion this year to add production capacity to deal with order backlogs of construction equipment and other products, a 35% increase.

Tata Group Launches the World's Cheapest Car



Mr. Ratan N. Tata, Chairman of Tata Sons and Tata Motors, earlier this month unveiled the Tata 'NANO', the People's Car from Tata Motors—a compact and no-frills four-door five-seater car which is due to hit the market later this year at just Rs1 lakh (\$2,500).



The Tata Nano will have a 623 cc/33 bhp rear-mounted petrol engine and the "boot" (storage space) in the front. The Nano will come in three variants — standard and two deluxe models with AC. The car will be sold with a four-speed manual transmission, but work is on for an automatic transmission as also for a diesel engine. Tata Motors is still building a factory in Singur, West Bengal, where it can produce up to 350,000 cars at full tilt sometime toward the end of 2008.

Speaking at the unveiling ceremony at the 9th Auto Expo in New Delhi, Mr. Ratan N. Tata said, "I observed families riding on two-wheelers - the father driving the scooter, his young kid standing in front of him, his wife seated behind him holding a little baby. It led me to wonder whether one could conceive of a safe, affordable, all-weather form of transport for such a family. Tata Motors' engineers and designers gave their all for about four years to realize this goal. Today, we indeed have a People's Car, which is affordable and yet built to meet safety requirements and emission norms, to be fuel efficient and low on emissions. We are happy to present the People's Car to India and we hope it brings the joy, pride and utility of owning a car to many families who need personal mobility." *For further information, please visit www.tatanano.com*

GE Infra targets \$8 billion revenues from India by 2010



GE Infrastructure is targeting to increase revenues from its India operations by a third to \$8 billion by 2010 from the current \$6 billion. The company, which offers machinery for the power, oil and gas and healthcare sectors in India, will take an organic route to achieve this growth, said John G. Rice, vice-chairman of GE, and president and CEO of GE Infrastructure.

The company's power business in the country has grown five-times in the last five years, while its oil and gas exploration equipment business has grown by over three times.

The company is also looking at India as a manufacturing hub for its equipment "not only for the Indian market but also for our global markets," Rice said.

Ford Announces \$500 Million Investment to Expand India Operations



Ford Motor Company recently announced plans to invest US\$500 million to expand its India operations, reaffirming its commitment to developing and implementing an aggressive growth strategy in the country. The new investment will fund several new initiatives, including the expansion of Ford India's current manufacturing facility in Chennai to begin production of a new small car within the next two years, and construction of a fully

integrated and flexible engine manufacturing plant that will go online by 2010.

The new investment increases Ford's total financial commitment in India to more than US\$875 million, and underscores its plan to elevate India as one of the strategic production hubs for small cars in the Company's Asia Pacific and Africa region.

The new facilities and capacity expansion will create more than 9,000 jobs -- including 1,500 direct and 7,500 indirect jobs -- as Ford India considerably increases its supplier base to meet the expanded production volumes. This, in turn, will compound additional investment by its suppliers and vendors and contribute to the overall growth of India's auto industry.

AMD Expands R&D Presence in India



AMD's Chairman and CEO, Dr. Hector Ruiz recently inaugurated the second silicon design and platform research and development (R&D) facility in Bangalore.

The new facility highlights the region's rapidly growing contribution to AMD's global silicon and platform design leadership. Employees will move into the new 52,000 square-foot center upon its completion and continue to focus on development of AMD's most advanced, next-generation processing solutions.

Mr. Alok Ohrie, Managing Director, AMD India said, "In a short span of six years of presence in India, AMD has posted market share gains as well as significant contributions to global R&D efforts. AMD India's expansion demonstrates the confidence our corporation has in the delivery capabilities of the India R&D teams."

USIBC Welcomes New Chairman and Members of the Board

CHAIRMAN

Ms. Indra Nooyi
Chairman & CEO
PepsiCo, Inc.



PAST-CHAIRMAN

Mr. Charles "Chip" Kaye
Co-President
Warburg Pincus



RECENT INDUCTEES



Mr. Jesse Bhattal
CEO, Asia-Pacific
Lehman Brothers



Mr. Tejpreet Chopra
President & CEO, India
General Electric



Mr. Richard Kirkland
President, South Asia
Lockheed Martin



Mr. Arun Kumar
Lead Partner, India
KPMG LLP



Mr. Rich Lavin
Group President
Caterpillar



Mr. Sanjay Nayar
Country Head, India
Citi



Mr. Ashish Prasad
Partner
Mayer, Brown, Rowe & Maw



Mr. James Quigley
Chairman, International
Merrill Lynch



Dr. Ian Thomas
Vice President, Boeing
International &
President, Boeing-India

SENIOR ADVISORS TO THE BOARD OF DIRECTORS



Mr. Scott Bayman



Ambassador Richard Celeste

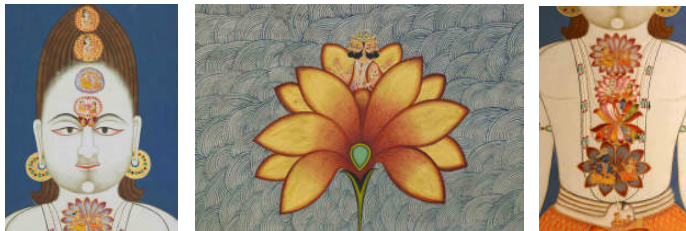


Lt. Gen. (Ret.) Jeffrey Kohler

USIBC Supports Smithsonian Institution's 'Celebration of India'

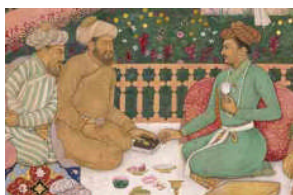
With two important exhibitions of Indian art, a high-profile gala on April 30th and a multi-day festival in October topped by a celebratory dinner, Spring 2008 marks the beginning of the two-year *Celebration of India* organized by the Smithsonian's Freer and Sackler Galleries – which together form the United States' national museums of Asian Art. In the coming year, we will be the premier United States venue to showcase India's rich artistic and cultural legacy – with continuing exposure in 2009 in Seattle, London and Delhi through a national and international tour of *Garden and Cosmos*.

Celebration of India: Two Years of Art Exhibitions, Cultural Programming and Festivals Washington • Seattle • London • Delhi



Celebration of India - Opening Gala – Washington, D.C. April 30, 2008

Gaj Singh II of Marwar-Jodhpur opens the Celebration of India as a host of our annual gala and black-tie dinner for 400 guests. The Freer and Sackler Gala has been a highlight of the Washington, D.C. political and social calendar for years. In addition to our corporate sponsors, guests include leaders from government, the diplomatic corps, and the philanthropic world.



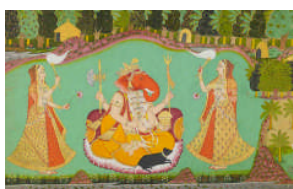
Muraqqa: Imperial Mughal Albums from the Chester Beatty Library – Washington, D.C. May 3-August 3, 2008

This exhibition includes eighty-six masterpieces from one of the world's great collections of Mughal painting, the Chester Beatty Library in Dublin, Ireland. Comprised of albums created for the Emperors Jahangir and Shah Jahan, this dazzling display celebrates the high point of Mughal painting and the incomparable skill of the artists they patronized.



Garden & Cosmos: Diwali Festival and Dinner – Washington, D.C. Week of October 11, 2008

Gaj Singh II of Marwar-Jodhpur will return to Washington to inaugurate the opening of the Garden & Cosmos exhibition (described below) with a grand dinner and a multi-day Diwali Festival featuring Indian music and dance performances, storytelling, and workshops and lectures for both the general public and scholars.



Garden & Cosmos: The Royal Paintings of Jodhpur – Washington, D.C. October 11, 2008-January 4, 2009

Garden & Cosmos is a ground-breaking exhibition that presents monumental and breathtaking 18th- and 19th-century paintings from the private collection of Gaj Singh II of Marwar-Jodhpur that are previously unknown to the public. Virtually none have ever been published and most have been seen only by a few scholars since their creation two centuries ago. The exhibition will be accompanied by a catalogue and full roster of cultural programming.



Garden & Cosmos: The Royal Paintings of Jodhpur – International Tour February 2009-February 2010

After Washington, D.C., the exhibition will travel to the Seattle Asian Art Museum in February 2009, the British Museum in London in May 2009 and then conclude at the National Museum in Delhi beginning in November 2009.

Smithsonian's Freer and Sackler Galleries are seeking sponsors for the *Celebration of India*, in return for valuable sponsorship benefits. Questions about exhibition sponsorship may be referred to: **Katie Ziglar at 202.633.0449 or ziglaka@si.edu**

U.S. Treasury Secretary Paulson addresses U.S.-India Business Council



From left to right: Rajat Gupta, Senior Partner, McKinsey Worldwide; U.S. Chamber of Commerce President & CEO, Tom Donohue; U.S. Treasury Secretary Henry Paulson, and Indian Ambassador to the United States, Ronen Sen

USIBC kicked-off 2008 by hosting a fireside chat between United States Treasury Secretary Henry Paulson; Indian Ambassador to the United States, Ronen Sen, and U.S. Chamber of Commerce President & CEO, Tom Donohue. The discussion was moderated by Rajat Gupta, Senior Partner, McKinsey Worldwide.

The discussion started off with an evaluation of the stability in the region given the turmoil surrounding Prime Minister's Bhutto's assassination. Ambassador Sen remarked that no other country lived in such a volatile and unstable neighborhood as India. "India has a vital stake in a peaceful transition to democracy in all neighbors." He suggested that such a neighborhood would position India's growth path on an even more upward slope.

When reflecting on his recent trip to India, Secretary Paulson noted that his time in West Bengal was a very special part of his trip. It was his first visit to the communist-led state. The Secretary was impressed with the democratic process and the energetic press there.

When asked about the situation in the United States, Secretary Paulson said it was a mixed picture and would take a bit longer to work through. But he expressed optimism, noting that the United States was an engine of growth, benefitting from growth in developing countries. Donohue chimed in, "95%

of the people we want to sell to live outside of the United States. A third of America's economy comes from trade and investment. We have to educate the public".

Returning the discussion to India, Ambassador Sen noted that India's fundamentals remain strong, and still presents great opportunities in spite of a downturn in the global economy. The panel praised India for her leadership, but India's infrastructure deficit was noted to be a significant constraint on the pace of reform. Paulson commented that in order for growth to have a broad reach, further reforms were needed to deepen the capital markets so India can meet its \$500 billion infrastructure requirement.

Emphasizing banking, finance, and the financial system, Paulson reiterated the notion that Mumbai could be a great financial center.

The Secretary concluded that while there might be differences in approach, there wasn't a single area where there is a difference in objectives. "In the long-term, our partnership is about acquiring strategic dimensions rooted in common interest."

For further information, please contact Anjou Dargar at adargar@uschamber.com



USIBC President Ron Somers with Rajat Gupta, Tom Donohue, Secretary Henry Paulson, and Ambassador Ronen Sen at the conclusion of the discussion.



U.S.-India Business Council Hosts High-Level Bilateral Defense Cooperation Summit

Following upon the success of the first industry roundtable held in Honolulu, Hawaii in May 2007, USIBC, CII, and FICCI convened industry from both sides to support the U.S.-India Defense Procurement and Production Group (DPPG)—this time in Washington, DC on January 15, 2008. The DPPG, a sub group of the Defense Policy Group (DPG), includes top flight aerospace & defense companies from each country, joined by senior government officials.

The DPPG is co-chaired by Mr. Shashi Kant Sharma, Director General (Acquisition), Ministry of Defence, Government of India and Admiral Wierenga, Director, Defense Security Cooperation Agency. The industry roundtable focused on issues pertaining to defense procurement, procedures, co-development and co-production in the transfer of military equipment and technology. “The U.S.-India Business Council was pleased to facilitate this important round of discussions, which will enable industry from both sides to share aspirations for greater defense cooperation,” Ron Somers, President of USIBC, said.

The U.S.-India Bilateral DPG held its annual meeting on January 16-17 at the Department of Defense and was co-chaired by Ambassador Eric Edelman, Under Secretary of Defense for Policy at the Department of Defense, and Mr. Vijay Singh, Defense Secretary in India’s Ministry of Defense. The DPG’s purpose is to facilitate an intensive exchange of views on the geopolitical strategic and security situation and on the further development of bilateral defense cooperation as envisaged under the June 28, 2005 Defense Framework set in place by the then-Defense Minister Pranab Mukherjee and former U.S. Secretary for Defense, Donald Rumsfeld.

For further information, please contact Nik Khanna at nkhanna@uschamber.com

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USIBC Delegation to New Delhi Promotes Positive Changes to India’s IT/ IT Services Regulatory Environment

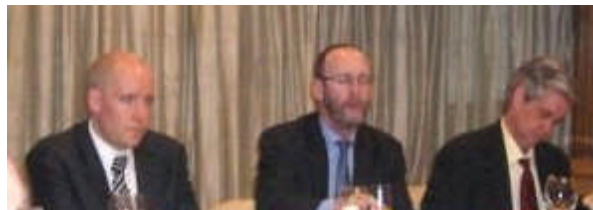
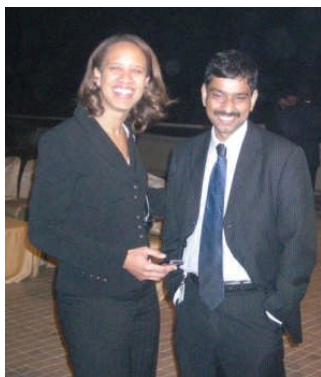
The U.S.-India Business Council helped organize U.S. industry participation in the Dec. 14 U.S.-India Information & Communications Technology Working Group. To add value for USIBC members, we organized a series of private appointments with key government officials, regulators and industry leaders in the two days leading up to the Working Group meeting to promote our advocacy agenda and to learn about future changes to the business environment.

USIBC members maintained a positive over-arching theme throughout our discussions, focusing what India can do to help establish a regulatory environment that will facilitate the development of new companies that develop intellectual property. India obviously has the technical talent to develop world-beating IP initiatives, yet there are few, if any, examples of IP-driven companies from India which have had an international impact. However, there are many examples of IP-driven firms which were born outside the U.S. and quickly rose to global scale including Skype (Denmark), Shopping.com (Israel) and Alibaba.com (China).

Some of the specific issues we raised in our meetings: Amendment to the IT Act, extension of the Software Technology Parks income tax exemption, spectrum allocation, handling of employee stock options under the Fringe Benefit Tax, labor regulations, immigration, and cross-border taxation issues (permanent establishment and transfer pricing). A similar set of issues was raised during the actual ICT Working Group meeting on December 14.

The next meeting of the U.S.-India Information & Communications Technology Working Group will take place this summer in Washington, DC.

For further information, please contact Rick Rossow at rrossow@uschamber.com.



CALENDAR OF UPCOMING EVENTS

- Jan 31 **USIBC and the Space Enterprise Council to Host ISRO Chairman G. Madhavan Nair**
Washington, DC
For further information and to RSVP, please contact Jonathan Simmons at jsimons@uschamber.com
- Feb 1 **USIBC & FICCI to Host Mr. K.C. Misra, Joint Secretary for Chemicals & Petrochemicals, Government of India**
Washington, DC
For further information, please contact Rick Rossow at rossow@uschamber.com
- Feb 6 **USIBC to Host Reception for Smithsonian Institution's 'Celebration of India'**
New Delhi, India
For further information, please contact Nivedita Mehra at nmehra@uschamber.com
{*By invitation only*}
- Feb 10 **USIBC Supports the Inaugural Walk for Life: Stride Against Cancer, organized by CanSupport**
New Delhi, India
For more information and to register please go to www.walkforlifeindia.org or contact Harmala Gupta at info@cansupport.org
- Feb 12-13 **USIBC to Support India Regional Offset Conference**
New Delhi, India
For further information or to register, please contact Rebecca Evans at r.evans@the-dma.org.uk
- Feb 13 **USIBC to Support Practising Law Institute's "Doing Business in India 2008: Critical Legal Issues for U.S."**
New York, NY
Greg Kalbaugh, USIBC Counsel & Director for Legal Services/IPR, will be speaking on Intellectual Property Protection and Enforcement. For more information, please visit <http://www.pli.edu/>
- Feb 16-19 **DEFEXPO India 2008: 5th International Land & Naval Systems Exhibition**
New Delhi, India
More information can be found at <http://defexpoindia08.com/index.aspx>. For more information or to register your intent to participate, please contact Nik Khanna at nkhanna@uschamber.com
- Feb 20-21 **USIBC to Participate in U.S.-India Private Sector Advisory Group Meetings**
Chicago, IL
For further information, please contact Anku Nath at anath@uschamber.com
- Feb 20-21 **USIBC, Chicago Council on Global Affairs, and FICCI to Host Small & Medium Enterprise Conference**
Chicago, IL
Registration details can be found at <http://www.thechicagocouncil.org/usindiasmesummit>. For further information, please contact Anku Nath at anath@uschamber.com
- Feb 26-27 **2nd Annual Forum on Innovation, Creativity, and Intellectual Property Organized by CII, U.S. Chamber of Commerce, and USIBC**
Mumbai, India
For further information, please contact Greg Kalbaugh at gkalbaugh@uschamber.com or Jonathan Goldberg at jgoldberg@uschamber.com
- Feb 28-29 **The 6th Summit of the U.S.-India High Technology Cooperation Group, hosted by USIBC, CII, and FICCI**
New Delhi, India
This year's conference will focus on advancing the U.S.-India Strategic Partnership in the following sectors: Defense & Aerospace, Pharma/Biotech/Medical Devices/IPR. For more information, please contact Jonathan Goldberg at jgoldberg@uschamber.com
- Feb 29 **USIBC and the Consul General of New York to Host 2008 Indian Budget Briefing**
New York, NY
For more information, please contact Gaurav Verma at gverma@uscib.org

CALENDAR OF UPCOMING EVENTS

- Mar 4 **USIBC to host 2008 Indian Budget Briefing**
Palo Alto, CA
For more information contact Franca Gargiulo at franca.gargiulo@att.net
- Mar 5 **USIBC to Support Practising Law Institute's "Doing Business in India 2008: Critical Legal Issues for U.S."**
San Francisco, CA
Greg Kalbaugh, USIBC Counsel & Director for Legal Services/IPR, will be speaking on Intellectual Property Protection and Enforcement. For more information, please visit <http://www.pli.edu/>
- Mar 10-11 **USIBC and CII to Host 3rd Annual Economic Summit "Indo-US Economic Cooperation: How Do We Double Bilateral Trade in Three Years?"**
New Delhi, India
For further information, please contact Anku Nath at anath@uschamber.com
- Mar 10-14 **USIBC Executive Three-City Mission to India**
New Delhi, Kolkata, & Mumbai, India
USIBC will lead a three-city mission to participate in the 3rd Annual USIBC - CII Economic Summit in Delhi and the Oxford India Business Forum 2008 in Mumbai. For further information, please contact Anku Nath at anath@uschamber.com
- Mar 25-27 **USIBC to Support FICCI FRAMES Media & Entertainment Conference**
Mumbai, India
For further information, please contact Rick Rossow at rossow@uschamber.com
- Apr 7-8 **USIBC to Participate in the 21st Annual Asia/Pacific Business Outlook (APBO) Conference**
Los Angeles, CA
USIBC President Ron Somers will be a featured speaker, discussing "Doing Business in India". For further information, please visit <http://www.apbo2008.com/>
- Apr TBD **USIBC to Host "Green India: The Quintessential Challenge" Conference**
Washington DC
For further information, please contact Ted Jones at tjones@uschamber.com
- Apr 30 **USIBC to Support Smithsonian Institution's 'Celebration of India' Opening Gala**
Washington, DC
For further information, please contact Tara Dhawan at tdhawan@uschamber.com
- June 11-12 **USIBC 33rd Anniversary 'Global Partnership' Summit**
Washington, DC
For further information, please contact Tara Dhawan at tdhawan@uschamber.com
- Oct 15-16 **USIBC to Support Virginia Conference on World Trade**
Norfolk, VA
For further information, please contact Rick Rossow at rossow@uschamber.com

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