

RESOURCE CENTRE

www.ibef.org

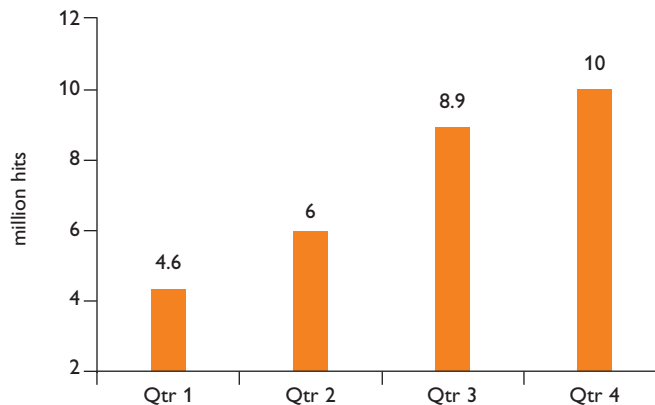
The IBEF website received close to 30 million hits with one million first-time visitors. The bulk of these visitors were from the US, Australia, Hong Kong, Singapore and India.

- IBEF ran a small-scale 15-day promotional campaign for the website on NDTV 24X7 and CNBC.
- Several visitors to the website have been frequently writing to IBEF for reprints of articles and reports.
- IBEF entered into a content alliance with CNBC TV-18's www.moneycontrol.com.
- An average of 8% of the first-time users added the website to their 'Favourites' list.
- IBEF website news was made available on GPRS-enabled mobile phones through RSS technology.

IBEF's newsletters, INDIA NOW and INDIA INVEST NOW remained popular, with the subscriber base crossing 15,000.

Thank you for sending me this [newsletter] - Kalam.

H.E. APJ Abdul Kalam, President of India in an email to IBEF



www.ibef.org: Growing Popularity (2005-06)



The IBEF website <http://www.ibef.org> won wide acclaim both in India and abroad

I received from the Houston Consulate a copy of the IBEF package of materials. That is wonderful.

Kenneth A Cutshaw, Honorary Consul for Govt. of India, Atlanta, USA

INDIA CD InfoPack

IBEF's Brand India CD pack was updated every quarter, keeping pace with internal policy developments and external change. The CDs were distributed at important events including the ADB Annual Meet at Istanbul, India Economic Summit in New Delhi and the Annual Meeting of the World Economic Forum in Davos, 2006.

"Asia should not be painted with one brush; India has separated itself from the pack; it is not unduly dependent on external demand, and it has an increasingly powerful IT-enabled, services-led growth dynamic."
 Stephen Roach, Chief Global Economist & Managing Director, Morgan Stanley

ROBUST ECONOMY

The fastest growing free-market democracy registered a growth rate of 8.2 per cent in 2004/05. (Morgan Stanley revised its 2005/06 forecast to 8.0 per cent; IBEF to 7.9 per cent and Morgan Stanley to 7.3 per cent; India is on a high growth trajectory)

Growing Market
 According to Goldman Sachs, among Brazil, Russia, India and China, India will grow the fastest over the next 30 to 35 years by leveraging its demographic advantages and through sustained development. Its "gross rate of growth, the burgeoning market in the country," would be adding nearly one France every three and a half years and one Australia every year."

Robust Growth
 A diversified natural resource base, sound economic fundamentals and talented human resources make India an investment destination with an assured potential for sustained returns. 15 years of reforms in India have accomplished a lot. A solid foundation for growth is now in place: the programme of reform, backed by successive governments, has increased the country's foreign reserves to an enviable US\$41 billion. It grows at a rate of 18 per cent in volume-terms. The amount of foreign direct investment coming into the country has grown from about US\$ 100 million in the early 1990s to about US\$ 5.5 billion today.

According to WTC's exclusive TSA Research:
 - India is one of the fastest growing economies in the world today. It is expected to grow at 8.8 per cent over the next 10 years.

Robust Economy

"India has natural and multiple advantages over countries like China, or other Asian or Latin American countries that are emerging as outsourcing hubs. Its extraordinary quality of human resource and domain knowledge puts it in an advantageous position."
 Bruce C. Nissen, President & CEO, Adtran Systems Inc.

112 million Indians - 300 million of its citizens are under 25 years of age - will ensure that its workforce will expand for decades, giving it a unique competitive advantage.

ATTRACTION INVESTMENT DESTINATION

A diversified natural resource base, sound economic fundamentals and talented human resources make India an investment destination with an assured potential for sustained returns. 15 years of reforms in India have accomplished a lot. A solid foundation for growth is now in place: the programme of reform, backed by successive governments, has increased the country's foreign reserves to an enviable US\$41 billion. It grows at a rate of 18 per cent in volume-terms. The amount of foreign direct investment coming into the country has grown from about US\$ 100 million in the early 1990s to about US\$ 5.5 billion today.

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Attractive Investment Destination

"India's culture lies in being an open society, an open polity, a functioning democracy - respecting all fundamental human freedoms, accepting the rule of law and, at the same time, to emerge as a successful, internationally competitive market economy."
 Dr. Manmohan Singh, Prime Minister of India

VIBRANT DEMOCRACY

Strong and vibrant democracy
 A remarkable Constitution, well-defined democratic institutions and free participation by the people in social governance are the hallmarks of this democracy.

Faith in the democratic process is nurtured as well as protected by an independent judiciary, an alert and free media and active non-governmental organisations.

Over 500 million, 16000 websites and 6000 fortnightly comprise India's fiercely independent press.

What also makes India a vibrant democracy is the sensitive nature of its society.
 Agri-cultural traditions have dovetailed with the modern concept of democracy. Considerable and sustained cultural influences seen as enriching and promoting inclusiveness further strengthen democratic moorings in modern India.

Secularism is not only a way of life - it is a philosophy embedded in India's history.
 Diversity abounds - in geography as well as in culture. In this land of mighty mountains and spectacular deserts nestled by the waters of three oceans, 280+ ethnic groups, 22 languages, 16 major religions, 1000+ languages and 1000+ dialects co-exist in harmony.

They also celebrate unity and their unique traditions.

India has held freely contested elections at regular intervals since independence.

Vibrant Democracy

The Brand India CD pack from IBEF containing comprehensive information on doing business in India

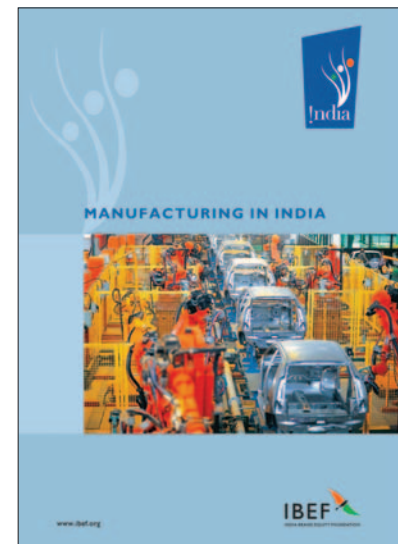
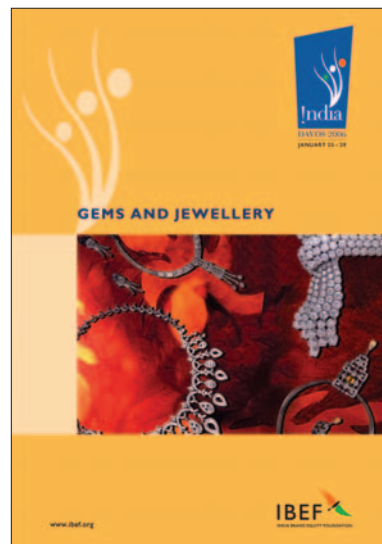
I read your fascinating piece on Indian Pharmaceuticals, featured on ibef.org.

Jennifer Asuncion Mund, Senior Economist – Asia, Deutsche Bank Research, Germany

India Opportunity and Sectoral Reports

IBEF released a series of publications and updated last year's publications with current information and statistics.

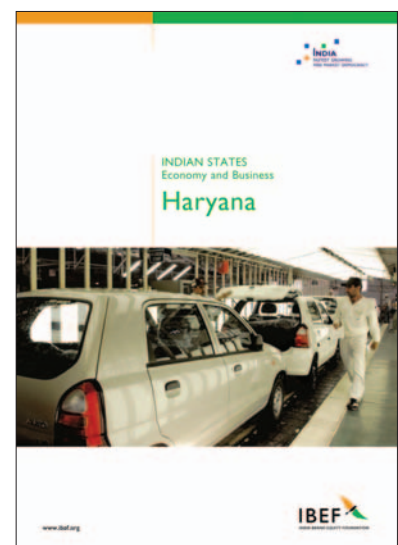
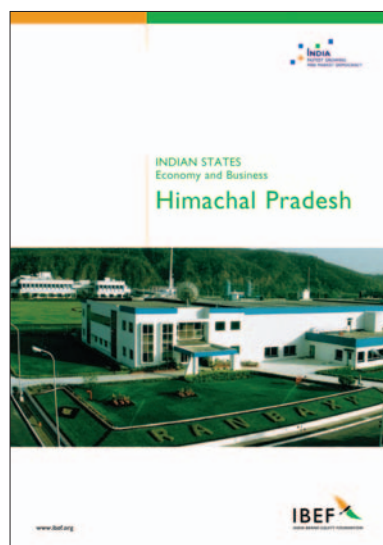
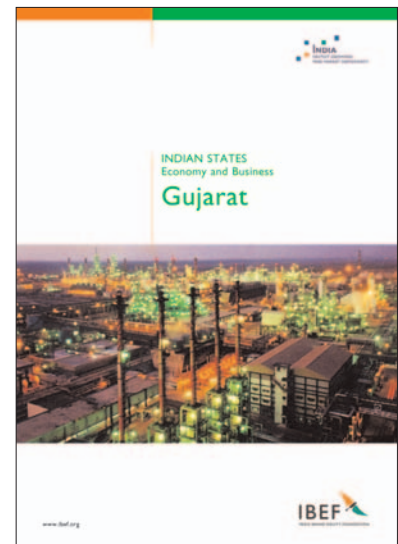
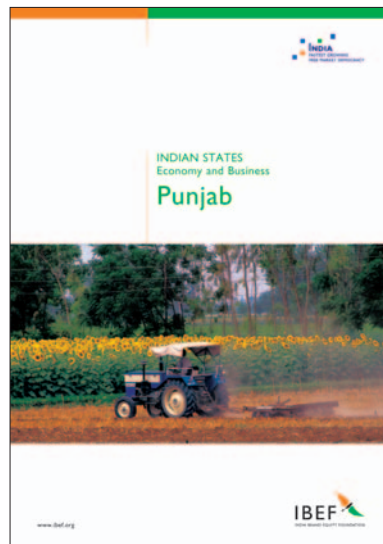
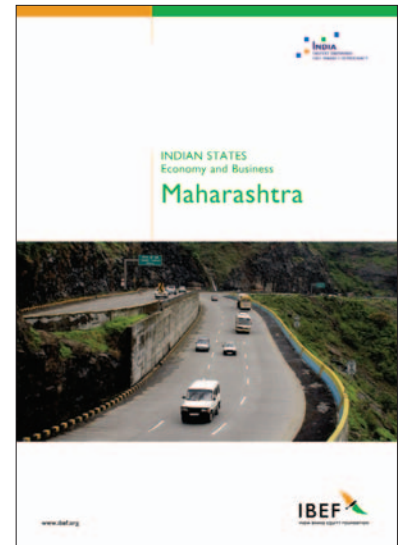
- A new set of reports was added on the India CD commissioned for India's participation at the World Economic Forum Annual Meeting in Davos.
- 20 highly focused reports of 25-30 pages were prepared on select industry sectors. These studies were undertaken in collaboration with international consulting firms and covered the following sectors: Biotech, Cement, Consumption, FMCG, Healthcare, IT, Infrastructure comprising Airports, Ports, Roads & Highways, Construction and SEZs, Oil & Gas, Power and Pharmaceuticals.
- To project the India advantage in manufacturing across a spectrum of industries, a set of 11 new reports showcasing the market potential and opportunities were prepared: A report on the India advantage in manufacturing; individual reports on the following sectors - Automotive, Chemicals, Electronics, Engineering, Food Processing, Gems & Jewellery, Leather, Machine Tools, Metals and Textiles.



Sectoral reports: Over 20 focused reports were prepared and published by IBEF

State Reports

20 reports on states of India were included on the India information CD. These studies showcased the business environment and potential in each of these states.



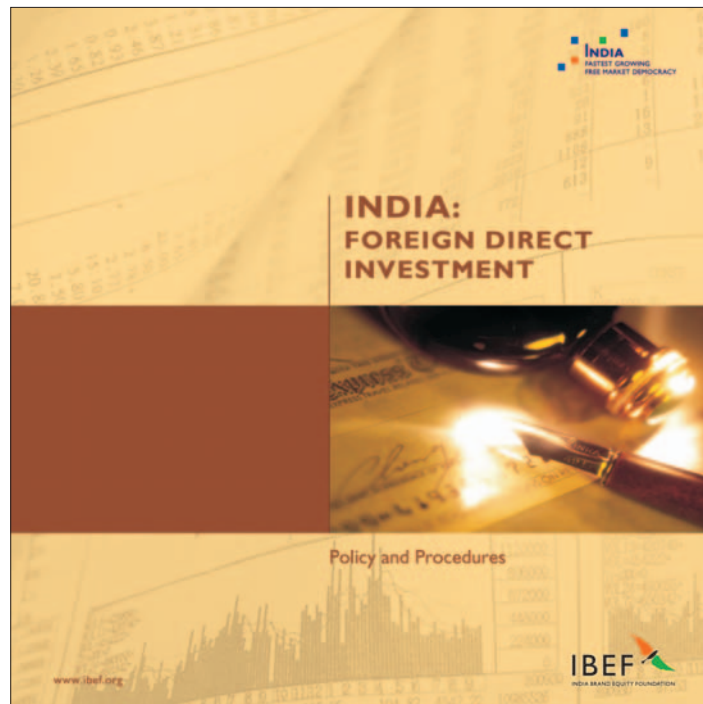
'States of India' series of reports: 20 reports were compiled and published by IBEF

Thank you very much for this investment news and information on India. Please continue to keep us updated.

Claire Sharp, FDI Magazine- The Financial Times Group, London

FDI Manual

A volume on Foreign Direct Investment Policy & Procedures was produced to provide an overview of the investment facilitating institutions, modes of investment, FDI policy, including incentives offered to industry. It was prepared in collaboration with Ernst & Young.



Taxation in India* Chapter 7

The law relating to income tax is contained in the Income Tax Act, 1961. There are specific statutes for other taxes. Central tax statutes are passed by the Parliament and state tax statutes by the State Assemblies. Tax rates and duties are reviewed annually when budgets are presented, the latest one was tabled in the Parliament on February 28, 2005, and subsequently got the President's assent on May 13, 2005. Amendments to the statutes are made through the annual Finance Acts or specific Amendment Acts every year.

This chapter gives an overview of the direct and indirect tax regime prevalent in India.

Direct Tax

Rate of Tax

Corporate Tax

Domestic Company 33.66% (30% plus surcharge of 10% and education cess of 2%)

Foreign Company 41.82% (40% plus surcharge of 2.5% and education cess of 2%) (Branch / Project office)

Individual Tax

Residents/Not 33.66% (30% plus and Non Residents/surcharge of 10% and education cess of 2%), where taxable income exceeds Rs.1 million p.a.

Ordinary Residents 33.66% (30% plus and Non Residents/surcharge of 10% and education cess of 2%), where taxable income exceeds Rs.1 million p.a.

Otherwise Maximum effective rate of tax is 30.6% (30% plus education cess of 2%).

Dividend Tax

With effect from financial year 2003-04, dividend income is exempt in the hands of the shareholders. However, a dividend distribution tax @ 12.5 per cent (plus surcharge of 2.5 per cent) is levied on Companies declaring dividend. Effective dividend distribution tax rate on domestic companies is 14.03%.

Minimum Alternate Tax (MAT)

With an object to bring zero tax companies under tax net, MAT @ 7.5 per cent (plus applicable surcharge and education cess) of book profits is levied on companies whose tax payable under normal income tax provisions is less than 7.5 per cent of book profits. However, an exemption has been granted in case of profits of units set up under 100 per cent EOU/ STP/ EPZ scheme.

A credit of such tax paid under MAT provisions by a company in financial year 2005-06 shall be allowed against the tax liability which arises in subsequent five years under the normal provisions of the Act.

Capital Gains Tax

Particulars	Tax rates	
	Resident	Non-residents
a Short term capital assets (other than (b) below (Note 1))	Normal corporate individual tax rates	Normal corporate individual tax rates
b Short term capital assets being shares & units of equity oriented fund, which have been charged to Securities Transaction Tax (STT)	10% (Note 2 & 3)	10% (Note 2 & 3)
c Long term capital assets- being listed shares in a co. or unit of an equity oriented fund, which have been charged to STT	Exempt. (Note 4)	Exempt. (Note 4)
d Other long term capital asset	20%	20%

Surcharge and education cess, as applicable, would also be levied

TAXATION IN INDIA* 23

The FDI Manual was prepared with Ernst & Young as knowledge partner

Thank you very much for all this information. I am sharing this with many colleagues at all levels of government.

Hana Kanoo, Economic Development Board, Kingdom of Bahrain

Success Stories series

A growing number of multinationals in a country highlight the interest in a market, but more importantly are an indication of confidence in the stability of the market.

- *UK Companies in India: Success Stories* was updated and more case studies added to the CD for Davos.
- *US Companies in India: Success Stories* and *Fortune 500 Companies in India Success Stories* were two other titles that were published.

The IBEF publications, CDs, India Now Magazine were sent to Switzerland, USA, Singapore, Poland, Germany for specific conferences and seminars. In addition, IBEF continues to send its publications to key targeted organisations, Fortune 500 companies, Embassies/High Commissions both in India and overseas.



Standard Chartered Bank

Standard Chartered

Background

Standard Chartered employs 20,000 people at over 100 locations in more than 50 countries in the Asia Pacific Region, South Asia, the Middle East, Africa, the United Kingdom and the Americas.

Standard Chartered is listed on both the London Stock Exchange and the Stock Exchange of Hong Kong and is in the top 25 FTSE-100 companies, by market capitalisation. The Bank is well-established in growth markets and aims to be the right partner for its customers by combining deep local knowledge with global capability. It is trusted across its network for its standard of governance and its commitment to making a difference in the communities in which it operates.

Standard Chartered Bank offers a full range of traditional as well as structured banking products to corporate

clients covering short and long term lending in local and foreign currencies and transaction banking including comprehensive trade finance, supply and dealer chain financing and cash management services. The Bank has expanded client coverage further to include the middle market segment of corporate customers in selected industry sectors and has also commercial initiatives covering commercial real estate and commodity finance. The Bank works in close partnership with other businesses – Global Markets and Consumer Banking, to offer a seamless and comprehensive banking solution to clients.

Standard Chartered in India

Standard Chartered Bank India is the country's largest international bank, with 82 branches and over 8,000 employees and is one of the Group's top performing worldwide in terms of profitability. The Bank has played a significant role in the history of the banking industry in India upon opening its first branch at Kolkata in 1858 and completed 150 years of existence as a company in 2008. Standard Chartered Bank India has a combined customer base of 2 million in consumer banking and over 800 top corporate relationships. The Bank prides itself in building long-standing relationships with corporate clients and its 150 year presence in India has resulted in deep local expertise that leverages its global network and world-class product suite, enabling it to become the Bank of choice for the country's top corporates.

Standard Chartered Bank offers a wide range of personal banking products and services including credit cards, mortgages, auto loans, personal loans, wealth management products and business finance solutions for Small and Medium Enterprises.

Standard Chartered Bank India is an active participant in various advisory forums and has played a lead role in FIB committees on Rupee Derivatives and Options. The Bank's bank offer operations, which were India's first to be awarded ISO 19001 certification, now form part of the standard for all global processing and reproduction hubs in China.




FORTUNE 500 and UK Companies' Success Stories were published by IBEF

Compendium of PowerPoint Presentations

IBEF prepared a compendium of PowerPoint presentations with speaking notes, which has been made available on CDs as well as posted on the IBEF website for public usage. These include presentations on all the published industry sector reports of IBEF:

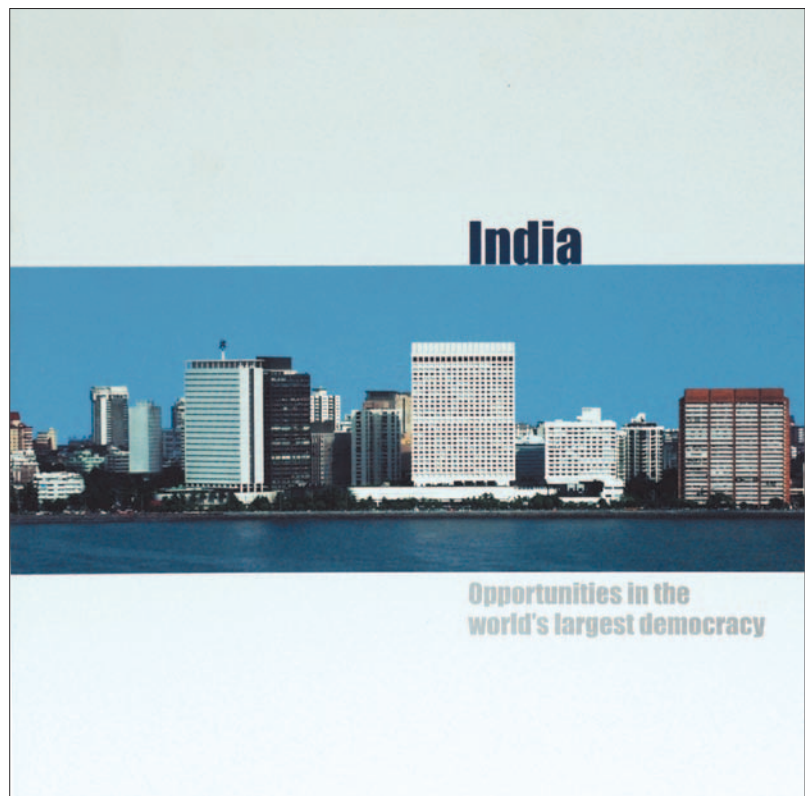
- India - The Business Opportunity
- Automotive
- Biotechnology
- Healthcare
- IT
- ITES
- Manufacturing
- Oil & Gas
- Pharmaceuticals
- Power
- Telecommunications

Tata Statistical Outline

IBEF collaborated with Tata Services Limited, publishers of the "Statistical Outline of India 2004-05". Customised copies of these were sent to Indian missions abroad, the foreign missions in India as well as government departments.

Collaboration with the Investment Commission

IBEF collaborated with the Investment Commission in providing its inputs and editorial support on the Investment Commission publication titled India: Opportunities in the World's Largest Democracy.



IBEF partnered the Investment Commission in producing the printed and digital versions of the volume titled 'Opportunities in the world's largest democracy'

IBEF Research

IBEF continued to provide research on demand for several visitors to the IBEF site:

Economy

- a. Who's worried about monsoons?
- b. Manufacturing Sector – Capacity Expansion
- c. Indian Manufacturing – A background paper

International Trade & Business

- a. New streams driving import growth
- b. IBEF survey on overseas acquisitions by Indian companies: Findings
- c. India's Car Exports: One Million by 2010
- d. Oil Diplomacy: A New Momentum
- e. Impact of Indian IT industry in Australia

Services

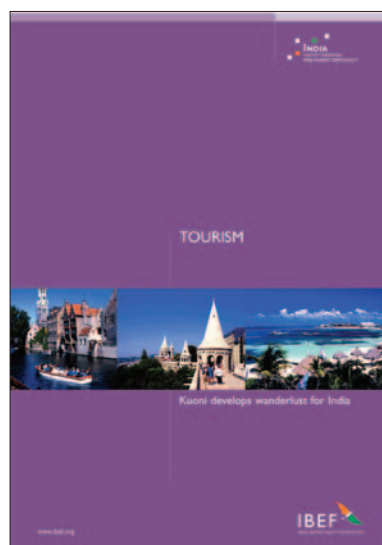
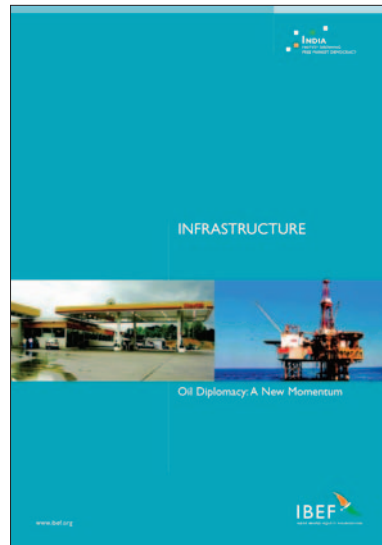
- a. Insurance: There's life in India
- b. Equity Research Outsourcing: The Next Wave
- c. Travel Industry: Wanderlust hits Indians
- d. Global Mobile majors go local
- e. IT Parks: The temples of modern India

Other Trends

- a. VCs' second coming: Why non-IT investments are now hot
- b. Global B-Schools: India's ever growing army of Brand Ambassadors
- c. Two billion people on the move: The India-China Story
- d. Indian Institute of Science: India's crucible for innovation

Research for Institutions

- a. Kennedy School of Government Harvard University
- b. Rand Corporation, USA



Sector specific research reports were made available at www.ibef.org

“I wanted to thank you and to congratulate you for India Now. I think it is extremely well done and I look forward to reading them”.

Colette Mathur, Director, World Economic Forum, Geneva

India Now, a perspective

IBEF's magazine, launched as quarterly in January 2005, became a bi-monthly, beginning June 2005, with an increased print-run of 15,000 copies. A special edition was brought out to mark India's participation at Davos 2006.

Multimedia Resources

90 second, 3 minute and 5 minute versions of the multimedia presentation titled INDIA FASTEST GROWING FREE MARKET DEMOCRACY were made available to stakeholders on CDs. A new 3 minute film titled YOUNG AND RESURGENT INDIA was premiered at the India Economic Summit in New Delhi and later screened at important events including Davos 2006. The film was screened by BBC World, Doordarshan, Aaj Tak, Zee (all international channels) and CNN-IBN on 26th January, free of charge. IBEF prepared 15 one-minute vignettes from the content it generated at the AIESEC International Congress, held at Agra in September 2005.



Responding to readers' demand, 'India Now a perspective' became a bi-monthly magazine

Thank you for sending me the India Brand Equity material it is excellent and keep up the quality and the good work – it is an excellent idea as well – and long overdue! ...

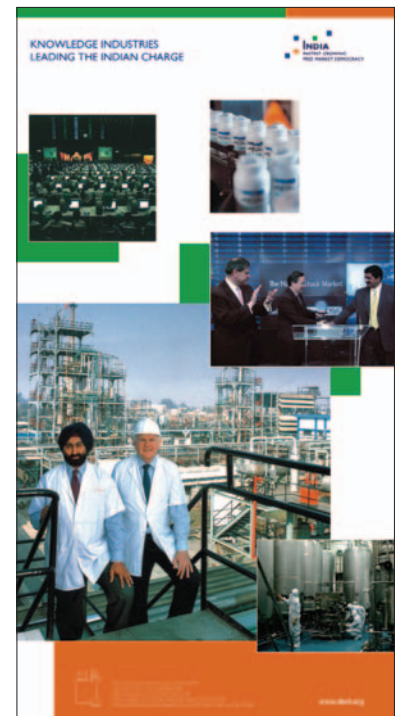
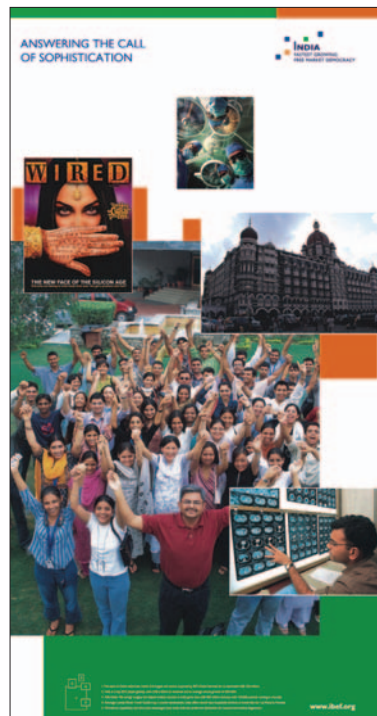
Zarir J Cama, HSBC Bank Malaysia Berhad, Kuala Lumpur, Malaysia

India Posters

A set of 10 India posters covering multiple aspects of the India Story was made available in high resolution downloadable format on www.ibef.org and also used at IBEF pavilions at major events.

India-ASEAN Rally Book

As a follow-up to the extensive brand building exercise that IBEF undertook using the 1st India-ASEAN Car Rally as the platform, IBEF and Autocar India published a Coffee Table Book to capture the event for future marketing efforts. The Book was presented by the Honourable Prime Minister to the Heads of all the ASEAN countries at their summit in Kuala Lumpur last year.



IBEF's India posters were made available at www.ibef.org



'Networking Neighbours', a book on the landmark INDIA - ASEAN CAR RALLY was published by Autocar India and IBEF

