

## Newsletter, 5-II-2009

### 1. Governo indiano distingue sucessora de Madre Teresa

O governo de Nova Deli anunciou a atribuição do prestigioso reconhecimento em coincidência com a festa nacional da República, celebrada a 26 de Janeiro. A Irmã Nirmala sucedeu em 1997 à Beata Madre Teresa de Calcutá, fundadora das Missionárias da Caridade.

### 2. TCS bags multi-million Ducati deal

With TCS as its technology partner, Ducati's ability to respond to customers and react to the evolving business environment will increase and help them effectively use TCS' talent and expertise to boost their presence globally," TCS MD and CEO S Ramadorai said in a statement.

### 3. India to retain backoffice tag amid Chinese competition

At present, India is in a comfortable position as the share of IT and IT-based services in China's export revenues comes to only just above three per cent, compared to over 26 per cent in India.

### 4. 3G, BWA to account for half of telecom revenues

As telecom operators in the country struggle with decline in earnings per user, the next level of voice and internet services — 3G and Broadband Wireless Access (BWA) — is expected to account for almost half the revenues from wireless services four years down the line.

### 5. Tata Comm picks up 30% stake in Neotel

Tata Communications has bought the 30 per cent stake in Neotel that previously held by Eskom and Transnet. With this, Tata Communications in association with Tata Africa Holdings became the largest stakeholder with 56 per cent stake.

### 6. Iron ore exports jumped 39% to 13.6 million ton. in December

On the back of rising demand from China, the country's iron ore exports jumped 39% to 13.6 million tonne in December, 2008 against 9.8 million tonne in the same month a year ago.

### 7. Warner Brothers to invest Rs 200 cr in film production

Warner Brothers India sales director Neeraj Goswami told ET, "We will be investing about Rs 200 crore in film production this year. We have a threefilm deal with People Tree Productions. Also, there is a three-year exclusive deal with Soundarya Rajnikanth's Ocher Studios for making films in south Indian languages."

### 8. Vaccines market set for explosive growth

The vaccines' market in India will lead the demand growth in South-East Asian countries as many new vaccines are set to be launched in five years, according to Mr Albrecht Laufer, Head (India), Corvay GmbH, Germany. Speaking at a session on "Vaccines: India's Strength" at BioAsia 2009 here on Tuesday, Mr Laufer said the global vaccines market "has exploded in the last one decade".

### 9. Against all odds: infra sector will beat the slump in 2009, says E&Y report

The opportunities for growth in the infrastructure sector continue to be as promising as ever although it is heavily dependent on capital flows and it is likely that with increasing focus on project execution, Indian companies will start capitalising on the opportunities.

#### **10. Big Auto's Jan sales in top gear despite discount withdrawal**

Car market leader Maruti Suzuki India achieved its highest-ever domestic and total sales in January this year. Maruti's dispatches to domestic dealers increased 5.6% to 67,005 units during the month. Its last biggest dispatch of 65,216 cars took place way back in November 2007. Maruti posted retail sales of 76,700 vehicles in December, its highest ever, clearing the stocks piled up at dealerships.

#### **11. Suzlon enters Sri Lankan market**

Suzlon Energy Ltd has announced its entry into Sri Lankan wind energy market with an order to supply 10 MW of wind turbines. The project would be developed by Senok Wind Power Pvt. Ltd, the company said in a press release.

#### **12. Bharti profit rises 26 per cent on record rise in subscriber base**

Net income rose to Rs 2,160 crore in the three months ended December 31, 2008, from Rs 1,720 crore a year earlier, the company said today. Sales climbed 38 per cent.

#### **13. Maharashtra Govt signs 5 MoUs for Rs 6,000-cr investments**

The Maharashtra Government has approved 135 mega projects since June 2005 which have brought in an investment of Rs 1.53 lakh crore (\$39 bn). The projects have potential to generate five lakh jobs in five to seven years, said Mr A Khan, Industries Secretary.

#### **14. RPG to invest Rs 1,500 cr in Ceat's Gujarat plant**

The Rs 13,500-crore turnover RPG Group will invest Rs 1,500 crore in its Ceat radial tyre plant with an initial capacity to make four million tyres for different categories of four-wheelers. The first phase of the greenfield plant at Halol in the Panchmahals district, near Vadodara, would involve an investment of Rs 700 crore. It would create jobs for about 1,000 people at the new facility.

#### **15. India, Asean likely to ink free-trade pact on Feb 26**

India and the Asean, a grouping of 10 southeast Asian nations, are expected to sign a free-trade agreement on February 26 to eliminate tariffs on around 4,000 products traded between the two sides.

#### **16. BHEL signs MoU with KEL**

Government-owned power equipment maker Bharat Heavy Electrical Ltd (BHEL) has entered into an understanding with Kerala Electrical and Allied Engineering Co Ltd (KEL) for setting up a joint venture (JV). The proposed venture will manufacture equipment such as wind power generators. "We have already installed over 100,000 MW of power generating capacity world-wide. The company is gearing up to meet emerging demands in the transportation segment, which is expected to grow exponentially due to the railways plans for capacity enhancements," BHEL chairman and managing director K Ravi Kumar said.

#### **17. Banks rake it in on high credit growth**

The profit of some of the country's largest banks grew in high double-digit percentages. For instance, State Bank of India's (SBI) net profit jumped by 37% year-on-year while HDFC Bank's bottom line swelled by 30.2%. Bank of India (BoI), Bank of Baroda (BoB) and Union Bank of India (UBI), among other PSU banks, were the showstoppers.

#### **18. No fear of recession, says govt**

Falling inflation is not indicative of coming recession in the economy...No fear of recession," Economic Affairs Secretary Ashok Chawla said, while commenting on the third quarterly review of the credit policy announced by the central bank. Noting that inflation is coming down to a more realistic level, he said,"... definitely it shows that demand has slowed down. What we have is a situation of downturn and not recession."

#### **19. SEZ tax benefits extended to sub-contractors**

The commerce ministry today amended rules governing the Special Economic Zones (SEZs). About 16 amendments to the rules were incorporated in the SEZ rule book, catering to various demands of exporters and developers operating in the tax-free industrial enclaves for exports.

#### **20. Gujarat SEZs attract industrialists**

Today Gujarat has over 70 SEZs in the pipeline. In terms of overall area for SEZs, Gujarat is one of the forefronts of the country and has emerged as the SEZ capital of India. The recent Vibrant Gujarat Global Investors' Summit witnessed massive investments in these SEZs offering revenue generation and employment generation potential for the state and country.

#### **21. TCS bags \$100 mn deal from UK co**

The country's largest software exporter, Tata Consultancy Services, today said it has signed a \$100 million deal for providing IT services to UK-based 4U Group. Under the deal, TCS will provide a range of IT and business change service to 4U Group including: service management; application support, maintenance, management and development; data centre and desktop services; helpdesk; networks and communications; business support; and management of all third party contracts for the organisation's retail operations.

#### **22. Mukherjee too sees growth at 7%**

Even at this stage, the projection of the growth, though it will not be 8.9-8.8 percent, would be around 7 per cent," Mukherjee told reporters. "There is no doubt in it," he added. The Reserve Bank of India (RBI) on Tuesday cut its forecast for the year to 7 per cent with a downward bias, from an earlier estimate of 7-7.5 per cent. India has grown at 9 per cent or more in the last three fiscal years ended March 2008.

#### **23. Govt clears infra projects worth Rs 34,000 crore (\$8,0 bn)**

In a major push to the infrastructure sector, the Cabinet on Wednesday cleared projects worth around Rs 34,000 crore, including the Chennai Metro project. Apart from that, foreign direct investment (FDI) worth Rs 957 crore in Krishnapatnam Port Company Ltd, which is currently developing the Krishnapatnam port in Andhra Pradesh, was also approved.

#### **24. Merck eyes Indian drug biggie, brands**

Germany-based Merck KGaA, the world's oldest multinational pharmaceutical company, is eyeing to acquire a prominent Indian pharmaceutical company and established drug brands. This is part of Merck's plan to achieve the target of Rs 3,200-crore revenue from its Indian operations within the next four years.

#### **25. SAIL to invest Rs 4k crore (\$1 bn) in Orissa projects**

Steel Authority of India Limited (SAIL) has lined up an investment of Rs 4,000 crore for implementation of its various mining projects in Orissa. The steel PSU's investment in these mining projects is a part

of its Rs 54,000-crore mega expansion plan according to which the company has targeted a steel output of 26 million tonnes per annum (mtpa) by 2010-11.

#### **26. India Inc invests the most in 2007-08**

Private corporates have never dominated investment activity in the Indian economy as they did in 2006-07 and 2007-08. The latest data of Central Statistical Organisation (CSO) on gross fixed capital formation show that the organised private sector accounted for nearly Rs 4 out of every Rs 10 invested in plant and machinery or construction activity during 2006-07 and 2007-08.

#### **27. Global carriers eye India, announce attractive fare**

To beat slowdown, carriers like SriLankan Airlines, Hong Kong-based Cathay Pacific and Gulf-based Emirates have devised attractive fare structure this season. Industry observers say that international carriers have opted for aggressive pricing currently because October-December, which is considered the busiest season for corporate and leisure travel, did not materialise last year due to record high fuel prices and slowdown in travel as a fallout of the global financial meltdown.

#### **28. Gujarat summit promises big push to port sector**

The Fourth 'Vibrant Gujarat Global Investors' Summit' (VGGIS), 2009, which concluded on January 13, has brought out the fact that industry — Indian and global — has begun to see the 1,600-km-long coastline of the State, situated off the Arabian Gulf, as the new hub of developmental activity. If these promised investments come through as planned, Gujarat may well emerge as an important shipping destination of South Asia, a la Singapore and Hong Kong.

#### **29. India plans a \$10 laptop**

NEW DELHI: India has unveiled plans to produce a laptop computer costing just \$10 in a bid to improve the skills of millions of students across the country. The laptops will be mass-produced as part of a government-sponsored education scheme launched on Tuesday in the southern city of Tirupati. Details about the computer remained scarce, but Higher Education Secretary R P Agrawal said last week that it would be available within six months. "Once the testing is over, the computers will be made available on commercial basis," he said. "Its cost will be \$10. If the parents want to give something to their kids, they can easily purchase this item." The laptop will reportedly have a 2GB memory and wireless Internet capability, but officials have not publicly demonstrated a prototype -- or yet explained how it can be produced at such a low cost. The government has earmarked more than Rs 46 billion (\$939 million) to develop the low-power gadget to work in rural areas with unreliable power supply and poor Internet connectivity. The planned laptop is part of a push to increase the number of students in higher education and give them the technological skills needed to further boost India's economic growth. New Delhi rebuffed a previous attempt to bring cheap laptops to India, led by MIT computer scientist Nicholas Negroponte's One Laptop Per Child programme. The government cited hidden costs for its rejection of that computer, which was dubbed the \$100 laptop.

