

**Trade-Technology E-Zine-1**  
(Centre for International Trade in Technology)

### **Services attract highest FDI at \$3.12 bn**

The services sector continues to remain the favourite destination for foreign investors as it attracted \$3.12 billion FDI in the first seven months of 2009-10. Services, which contribute the largest chunk to the country's GDP, attracted 22 per cent of the total FDI inflows of \$17.64 billion in the April-October period of the current fiscal, official data shows. In 2008-09, the services sector, including financial and non-financial segments, attracted the maximum CFDI worth USD 6.11 billion.

Telecommunications followed the services sector, attracting \$2.10 billion FDI. Real estate and housing with \$2.05 billion worth of inflows was the third best choice of the foreign investors. The maximum FDI inflow into the country in the first seven months of financial year was from Mauritius at \$7.55 billion. It was followed by the US and Singapore.

*(The Financial Express, 1 January 2010)*

### **IT, ITeS Mkt to revive in 2010, to grow 15%: IDC**

The domestic IT and ITeS market is expected to revive in 2010 and witness a growth rate of 15% to touch the Rs 1,20,666-crore revenue mark. According to market research firm IDC, the market is expected to grow at a rate of 5.4% in 2009 and record revenues of Rs 1,04,906 crore. The domestic IT market (excluding domestic ITeS) is expected to register a marginal growth of 2.8%, to report revenues of Rs 95,268 crore. The domestic ITeS market is expected to grow at 40.8% to report revenues of Rs 9,638 crore. However, the IDC expects the annual growth rate of domestic IT-ITeS market to reduce from an average 24% recorded during 2003-08 to 14.6% over the next five-years, up to 2013. This growth, though on a higher base, would see an increased competition spurring a rapidly changing strategy and continuous market realignment of vendors and suppliers.

*(The Financial Express, 1 January 2010)*

### **KEC wins Rs 401-cr Abu Dhabi order**

KEC International Ltd, which undertakes EPC contracts for power transmission companies, has won orders from Abu Dhabi Transmission & Despatch Company aggregating Rs 401 crore. This is the second big order from West Asia in a week; the earlier order was for Rs 550 crore. With the new orders in hand the order book of the company has crossed Rs 6,000 crore. The scope of the order includes turnkey construction of the first complete 400 KV quadruple circuit line from Dhaid to Al Wasit traversing three Emirates of Ajman, Umm al-Quwain and Sharjah. The order will be executed over a period a period of two years.

*(The Hindu Business Line, 24 December 2009)*

### **Eisai bets big on India**

Tokyo-based Eisai Co Ltd, which has set up its manufacturing and process research base in Vizag, is exploring business opportunities in the country. The company is keen on collaborative research and is open to acquisitions to strengthen its R&D portfolio.

The company has two products--Aricept and Myonal--in the first phase. In future, four more products are likely to be transferred, The Eisai Knowledge Centre, the fourth such facility after one each in Japan, the

US and Europe, has been set up on 50 acres at a cost of \$50 million. It will manufacture APIs and formulations of Aricept, Myonal and next generation global products. The company hopes to advance preparations such as technical transfer, process validation and stability test, as it is set to launch full-scale operations by the end of the current fiscal.

*(The Financial Express, 24 December 2009)*

## **Indoco eyes US, Europe markets; will sign four contract research treaties soon**

Indoco Remedies, a Rs 450-crore pharma company, is strengthening its position in the contract research & manufacturing service (CRAMS) segment globally by signing four new deals in a number of countries, including the US and Europe.

The Indian contract manufacturing market was estimated at \$869 million in 2007, with projection to grow at a CAGR of about 41.7% to cross the \$2-billion mark by 2010. India has the advantage of having the highest number of USFDA approved plants (about 100) outside the US.

Under the deals, Indoco will supply active pharmaceutical ingredient (API) and technology for manufacturing formulation drugs, while the drug will be branded and marketed by its partner. Apart from the US and Europe, Indoco targets emerging markets through out-licensing deals. As part of expanding its presence globally, the company is investing Rs 40 crore in its Goa plant to increase capacity.

*(The Financial Express, 24 December 2009)*

## **Bharat Forge lines up Rs 1,500 cr for non-auto sector**

Bharat Forge is gearing up for its second phase of expansion in the non-auto sector. The company will be investing Rs 1,200 crore to Rs 1,500 crore over the next three to five years to make components and heavy forgings with a focus on energy, marine, locomotive and aerospace sectors.

Non-auto revenues will be touching 30 % by the end of this year and the target is to achieve 40% of our revenue from the non-auto sector by 2012. The company's non-automotive foray addresses three verticals including energy (thermal, wind, hydro and nuclear), oil and gas, transportation for rail, marine and aerospace and capital goods for metal mining.

The ring business has customers both in the domestic and export markets and has applications in the wind energy, making gearboxes for industrial equipment, turbines and generators in the power sector and specialty segments such as aerospace, rocket motors and jet engines, he explained.

*(The Financial Express, 5 January 2010)*