

## **Trade-Technology E-Zine 9**

(Centre for International Trade in Technology)

### **Netxcell forms JV with AquaSanTec to enter Africa**

Netxcell Ltd., engaged in telecom application services, is foraying into the African market by launching its operations in seven East African countries. Netxcell has tied up with Africa-based AquaSanTec Ltd., which will act as the formers's local partner and allow the company to leverage its strong network in the market. Under the partnership, Netxcell and AquaSanTec will form a holding company in Mauritius by equity participation. The new entity will be called Netxcell Mauritius Ltd. (NML).

The partnership will ensure a fast start for Netxcell in Kenya, Uganda, Tanzania, Rwanda, Ethiopia, Sudan and Burundi. AquaSanTec already has its presence in these countries. The Africa mobile telephony market is close to \$3600 million and the four major operators in each of the African regions are Zen, MTN, Vodafone and a regional player.

*(The Financial Express, 19 February 2010)*

### **Indsil, Oman Co to float JV**

Coimbatore-based Indsil Hydro Power and Manganese Ltd. stated that the company along with its sister company Indsil Energy & Electrochemicals Ltd. have entered into an arrangement with the Muscat Overseas Group to form a 50:50 joint venture to form a 75,000 tonne per annum ferro chrome smelter in Oman.

*(The Financial Express, 19 February 2010)*

### **BEML ties up with Polish firm**

The BEML (Bharat Earth Movers Ltd.) has tied up with Polish company Obrum to jointly design and develop futuristic main battle tanks for the Indian Army that will be lighter, faster and transportable through helicopters. The tie-up, in the form of a MoU signed during the DefExpo 2010, would also target the Army's tenders for overhaul and upgrading of its vintage T-72 tanks that would be worth about Rs 10,000 crore to Rs 15,000 crore, BEML chairman and managing director VRS Natarajan said. BEML has also set its target to become a \$1 billion company as part of its vision 2013-14 to coincide with golden jubilee of its foundation.

*(The Financial Express, 19 February 2010)*

### **EADS sets up R&D facility at B'lore**

Aiming to ramp up the capacities of India's defence manufacturing industry, European aerospace major EADS has established a military R&D facility at Bangalore to take forward the group's existing projects and work on new programmes.

"Within two years, we hope to employ 200 engineers at the centre. If you consider that we employ 2,000 R&D engineers, this means that within two years, 10% of our R&D work will be conducted at Bangalore," Bernhard Gerwert, CEO (Military Air Systems) of EADS Defence and Security, said.

"This is the largest defence programme in Europe and through the R&D centre, Indian industry will become part of the family," Gerwert added. "India will also be a partner for future systems developed and produced in India for the entire Eurofighter family," he said.

*(The Economic Times, 18 February 2010)*

### **BHEL inks MoU with Toshiba for T&D biz**

The Bharat Heavy Electricals (BHEL) and Japanese engineering major Toshiba Corporation will explore the possibility of forming a joint venture company (JVC) to explore transmission and distribution (T&D) business in India and other mutually agreed countries.

The companies signed an MoU under which it has been decided that the proposed joint venture company will undertake marketing, designing, engineering, supply, erection, testing and commissioning of equipment and project in extra high voltage alternating current (EHVAC) and ultra high voltage alternating current (UH-VAC) range including 765 kv transformer and reactor and gas insulated switchgear (GIS).

*(The Economic Times, 18 February 2010)*

### **Jai Hind bags Rs 1,100-cr Saudi contract**

Jai Hind Projects Ltd. bagged an order worth Rs 1,100 crore in a joint venture with Arabian Pipeline Projects Company Ltd. of Saudi Arabia. Jai Hind will have a share of Rs 300 crore in the water transmission system project, awarded to the venture by Saline Water Conversion Corporation Riyadh.

The project has three parts and Rs 1,100 crore is for the first part itself. Jai Hind has further signed a deal worth Rs 500 crore with APPCO for work in Saudi Arabia.

The company has a total investment portfolio of Rs 650 crore domestically and this additional Rs 300 crore in the APPCO JV takes their total investments to Rs 950 crore.

*(The Hindu Business Line, 18 February 2010)*

### **'Industry can handle today's problem, but need us for tomorrow's science'**

Professor Samir K. Brahmachari, Director General, Council of Scientific and Industrial Research (CSIR) and Secretary to the Govt. of India, DSIR said that the CSIR Tech would be a profit company, which will house all the intellectual property of CSIR, vested in over 3,000 patents. It will hold 49% stake in the company. The scientist will hold some stake and the rest will be given to the licensing partner. The structuring is currently being done by bankers.

Professor Brahmachari said that the CSIR is setting up an Academy of Scientific and Innovative Research which will award degrees in new areas. This will churn out 1,000 PhDs and 1,600 post-graduates annually, doubling the current number. CSIR is also mentoring three new NIPERs (National Institute of Pharmaceutical Education and Research). The CSIR Academy has got all necessary approvals. He further added that CSIR 800 is to work towards developing technologies for citizens.

*(Business Standard, 18 February 2010)*

### **Tata, Italy's Agusta in JV to assemble copter**

Italian aerospace company AgustaWestland and Tata Sons have signed a shareholders' agreement for the formation of an Indian joint venture company which will establish in India a final assembly line for the AW119 helicopter for the global market. Agusta Westland CEO Giuseppe Orsi said the joint venture will be responsible for AW119 final assembly, completion and delivery while AgustaWestland will retain responsibility for global marketing and sales. He further said, "The first aircraft is scheduled to be delivered from the new facility in 2011 and production forecast to rise to 30 aircraft per year to meet global demand."

*(The Financial Express, 17 February 2010)*

## **Bharat Forge-MIT-CII Institute**

Bharat Forge Ltd., the Massachusetts Institute of Technology (MIT) and Confederation of Indian Industries (CII) have decided to set up a research institute that would develop alternate energy technologies, especially those useful for rural India. MIT is now looking for partnerships here with the private sector, research institutes and the government for setting up the institute.

*(Business Standard, 17 February 2010)*

## **Boeing-HAL ink \$4.5-mn deal for reconnaissance aircraft**

US aerospace major The Boeing Company inked a \$4.5-million deal with state-owned Hindustan Aeronautics Limited (HAL) for weapons bay doors for the eight maritime reconnaissance and anti-submarine aircraft the Indian Air Force (IAF) is purchasing from the US aerospace major.

Under the current rules, foreign companies that receive import orders worth over \$64.6 million must draw at least 30% of that order from domestic suppliers or make a similar sized investment within India. The deal for the eight P8-I aircraft is worth \$1.1 billion, of which Boeing has to reinvest \$640 million in India as part of its offset obligations.

*(The Financial Express, 12 February 2010)*

## **M&M ties up with Mitsubishi for farm equipment**

India's largest tractor manufacturer Mahindra & Mahindra (M&M) signed a technical licence agreement with Mitsubishi Agriculture Machinery Company, Japan, for transfer of agricultural machinery technology. The agriculture machinery technology is being licensed to M&M Farm Equipment Sectors' (FES) Applitrac business for manufacturing Mitsubishi's products in India. These machinery will be sold under the Mahindra brand name in India as well as in export markets like China and the Saarc countries.

To start with, M&M will produce the rice transplant machine, priced at Rs 1.75 lakh from its plant in Nagpur. The company is making an investment of Rs 15 crore towards the venture and intends to sell 1,000 units of the machine this year, while the target is expected to go up to 5,000 units per year in the next two to three years.

*(Business Standard, 12 February 2010)*

## **Foreign direct investment is on the wane**

THE flow of FDI fell by 39% in 2009 to just over \$1 trillion, from a shade under \$1.7 trillion in 2008, according to the UN Conference on Trade and Development. All kinds of investment—equity capital, reinvested earnings and intra-company loans—were affected by the downturn. Rich countries saw FDI inflows plunge by 41%, and foreign investment into developing countries fell by more than a third. Not every country was badly hit. FDI into China, where economic growth remained robust, declined by only 2.6%. Foreigners actually invested more in

Germany and Italy last year than in 2008. Despite FDI plunging by 57% last year, America remained the world's top investment destination.



(*The Financial Express*, 12 February 2010)

### **Wipro, CSIR joins hands for water treatment solutions**

WIPRO Water, a division of the IT major Wipro has signed an MoU with the Council of Scientific and Industrial Research (CSIR), to partner in the area of water and waste water treatment, desalination and other related solutions.

According to the agreement, Wipro Waters and CSIR, through its constituent laboratory, the Central Salt and Marine Chemicals Research Institute (CSMCRI), Bhavanagar, will use their expertise and technical knowledge for installation as well for commissioning and demonstrating performance parameters for specific projects.

Prof. Samir Brahmachari, Director General of CSIR, said: "The area of water is of great importance in the context of CSIR 800 program, which is aimed at reaching the benefit of science and technology to the masses." Wipro, CSIR and CSMCRI will also join hands in select project according to the requirement of government agencies. Some of the areas on which they will collaborate include desalination of sea water and brackish water, projects related to water purification, research and innovation in the area of membrane production and how to improve membrane efficiencies waste water reuse and rural and domestic potable water applications.

Mr. Pushpito Ghosh, director of CSMCRI, said the collaboration with Wipro will complement the institute's capabilities in water, particularly in the area of membrane-based water purification technologies.

(*Financial Chronicle*, 11 February 2010)