



## ***Trade-Technology E-Zine 26***

(Centre for International Trade in Technology)

### **Continental to step up R&D headcount in India by 30%**

Auto parts maker Continental said it would increase its R&D staff headcount in India by 30%. “Together with engineers contracted from partners, this technical centre provides services of more than 600 highly skilled Indian engineers to Continental's global automotive organisation,” a press statement from the company said. Continental currently employs about 1.38 lakh people across 46 countries.

“All the more so in the face of past challenges, Continental will focus on growth potential especially in the BRIC (Brazil, India, China and Russia) countries. India is one of the key future markets for the company,” said Mr Claude dGama Rose, Managing Director, Continental Automotive Components (India) Pvt Ltd.

Continental, which posted sales of about €20 billion in 2009, supplies brake systems, power-train systems and components and chassis, instrumentation, infotainment solutions, vehicle electronics, tyres and technical elastomers to the auto industry.

*(The Hindu Business Line, 01 July 2010)*

### **L&T arms bag Rs 1,383-cr orders**

Subsidiaries of engineering and construction major L&T have bagged orders worth Rs 1,383 crore, the company said. Part of L&T's construction division, Electrical and Gulf Projects Operating Company, has secured orders worth Rs 1,015 crore for transmission and distribution projects. Another company arm, the Metallurgical, Material Handling and Water Operating Company, has got orders worth Rs 368 crore from various customers.

*(The Financial Express, 01 July 2010)*

### **CG in overdrive with US plant**

Power equipment major Crompton Greaves (CG) has set up a new transformer manufacturing facility at Washington as the \$4 billion (Rs 18,400 crore) Gautam Thapar-led Avantha Group steps on the pedal with its go-global drive launched five years ago.

The new facility, which would produce medium capacity transformers of 100 MVA (mega volt amperes), is part of the group's broader corporate strategy to expand its footprint across different geographies.

CG currently has a market cap of Rs 16,284 crore and had clocked a revenue of Rs 5,284 crore in 2009-10.

*(Hindustan Times, 28 June 2010)*

### **India-led M&As touch \$40 billion in January-June 2010**

M&As in India touched \$40 billion in the first six months of the year, according to a Thomson Reuters M&A report. This is the best first half since 2007. “This calendar has seen outbound M&As pick up substantially on the back of good economic growth and valuations,” said Raj Balakrishnan, Head of M&A at BankofAm Merrill Lynch.

Indian transactions accounted for a sixth of the total Asian deals of \$242.1 billion from 5,078 deals, a rise of 21%. Bharti's acquisition of Zain assets in Africa for \$10.7 billion tops the Asian list.

*(The Economics Times, 25 June 2010)*

### **CII-INSEAD Global Innovation Index 2009-10**

In recent years, innovation has proved to be a key enabler of progress and competitiveness, especially in times when the world is recovering from the global recession. The *Global Innovation Index* stresses on the importance of innovation for a country's competitiveness and development strategies. India is 56<sup>th</sup> on the index among 132 nations but is higher on some parameters such as human capacity, quality of education institutes, innovation potential, innovation ecosystem and investor, creditor conditions.

*(The Economic Times, 24 June 2010)*

### **Need to formulate R&D policy for textile industry: study**

Raising concern over India's share in the US imports of technical textiles and non-woven fabric which is way behind China, FICCI says domestic industry needs R&D support.

"India's share in the US imports of special purpose fabric (technical textiles) and non-woven fabrics was merely 2.6% and 1.2% respectively in 2009 compared to China's share of 15% and 12%", a FICCI study says.

The study points out that only a small portion of revenue of the Indian textile industry is derived by innovative or technology intensive products.

"The policy should aim at increasing the country's share of advance technology-based products and high value-added items in global market to 7% in next five years from less than 2% currently," the study says.

FICCI has also recommended setting-up of a National Textiles Research Council with a seed money of Rs 30 crore and an annual grant of Rs 10 crore.

"Development of eco-friendly and sustainable linkages is key to competitiveness. Also, the competitive edge for Indian textile industry will come from adoption of new and advance materials with functional properties (like anti-microbial fabrics for patients dress) in the textiles sector," it said.

*(Business Standard, 23 June 2010)*

### **Auto component makers to invest Rs 9,000 cr in capex**

The burgeoning demand for automobiles in India and revival in demand in markets abroad has put pressure on auto component manufacturers. The 500-odd manufacturers in India, big and small, are together investing Rs 9,000 crore in 2010-11 for setting up new capacities and upgrading the existing ones. This is nearly 33% higher than 2009-10, when they put in Rs 6,750 crore.

*(Business Standard, 22 June 2010)*