



## ***Trade-Technology E-Zine 28***

(Centre for International Trade in Technology)

### **SEZ exports skyrocket 67% in Q1**

Exports from SEZs as of 30 June 2010 stood approximately at Rs 58,756.68 crore, a 67% growth than the corresponding period last financial year. Exports from SEZs in the first quarter of last financial year were Rs 35,013 crore.

Exports from SEZs in 2008-09 were approximately Rs 99,000 crore, which increased to Rs 2,20,000 crore in 2009-10--a growth of 120%. Hence, this 67% exports growth in Q1 from SEZ is on top 120% growth registered last year. Exports from SEZs have gone up from Rs 22,000 crore in 2005-06 (SEZ Act and Rules were made operational from 10-2-2006) to Rs 2,20,000 crore in 2009-10, showing a growth of approximately 10 times in four years.

Total direct employment in the SEZs as of 30 June 2010 is 5,50,323 as against 5,03,611 as on 31 March 2010 and accordingly additional direct employment for 46,712 has been created in the first quarter of current financial year. Total investments in the SEZs till 30 June 2010 is Rs 1,66,526 crore as against investment of Rs 1,48,488 crore as on 31 March 2010.

*(The Financial Express, 20 July 2010)*

### **Govt to spend Rs 20,000 cr more on e-gov projects**

The Government of India, which has already spent about Rs 10,000 crore till now on tech initiatives, will pump-in another Rs 20,000 crore in various projects under the National e-Governance Plan (NeGP) in the next few years. While 14 major e-governance projects, including some high-profile ones such as MCA-21 have already gone live, the Government expects all the 27 mission mode projects envisaged under the e-governance blueprint, to take off by end of 2014.

“Of 27 mission mode projects under NeGP, 14 have commenced delivery of services in different parts of the country. By the end of 2014, all mission mode projects will go live — this will enable the delivery of public service to citizens of the country as outlined in the programme,” the Cabinet Secretary, Mr K.M. Chandrashekhhar said.

“In all, the total outlay for all projects together is almost Rs 30,000 crore, inclusive of both capital expenditure and the operational expenditure. Almost Rs 10,000 crore has already been done, and another Rs 20,000 crore will be incurred during the remaining project life. Since this includes the operational expenditure, it will spill even beyond 2014,” the IT Secretary, Mr R. Chandrashekhhar said.

*(The Hindu Business Line, 17 July 2010)*

### **R&D centres in India save \$40 bn for MNCs**

Multinational companies (MNCs) with R&D centres in India have made cost saving of \$40 billion over the last three years, said a study by Zinnov Management Consulting. The study ‘R&D Operations Cost 2010: The Need to look Beyond Cost Control’ stated that the cost of running R&D centres in India had continued to decline over the last two years and currently stood at Rs 18.2 lakh (\$38,199 or EUR 27,028) per person per year.

*(Business Standard, 15 July 2010)*

### **John Deere, Ashok Leyland venture to start production at Chennai**

The 50:50 JV between John Deere India Pvt Ltd. and Ashok Leyland will start production of construction equipment at Chennai by end-2010. The green-field project will be initially manufacturing loader-backhoes and four-wheel drive loaders. The company, which set up its micro-irrigation equipment manufacturing plant at Vadodara in January, plans to launch drip irrigation products in Madhya Pradesh and Tamil Nadu this year, with annual business target of \$2 million.

John Deere India, part of the \$23.1-billion multinational behemoth with 43 manufacturing facilities globally and India's largest tractor exporter, exported 13,000 tractors to 68 countries and sold 25,000 in the domestic market last year.

*(The Hindu Business Line, 13 July 2010)*

### **Tata Motors and JLR to develop engines, vehicles**

Tata Motors has kickstarted a move to jointly develop engines and vehicles with its UK subsidiary, Jaguar Land Rover (JLR), over two years after its \$2.3-billion acquisition of the British marques.

"Initiatives have been taken on joint development programmes for engines, vehicles and platforms, which would leverage skills of the company (Tata Motors) and JLR, resulting in synergies in operations of the company and its subsidiary," Tata Motors said.

Tata Motors had acquired the two iconic brands from US car giant Ford in 2008 for \$2.3 billion. As part of its strategy to expand the company's domestic and global footprint, Tata Motors had announced it would invest about Rs 10,000 crore in the next two-three years in product development, facility modernization and other capex purposes. Earlier, JLR had announced plans to increase sourcing of components from low-cost countries, including China and India, in the coming years to reduce input costs.

*(Business Standard, 12 July 2010)*

### **Indian IT firms seek greener pastures in low carbon market**

Leading Indian IT companies are planning to tap the \$380-million low-carbon IT market, which is projected to grow at a CAGR of 40% to \$4.2 billion by 2017, according to US-based Pike Research, a clean technology market research and consulting firm.

In 2009, the market included a carbon management software pie worth \$132 million, and consulting, implementation and outsourcing services chunk of \$248 million. The carbon management software market is expected to grow to \$1.2 billion and the consulting, implementation and outsourcing services market is slated to touch \$3 billion by 2017.

*(The Financial Express, 11 July 2010)*