



Trade-Technology E-Zine 29

(Centre for International Trade in Technology)

Bilcare inks deals for new anti-counterfeit technology

Pune-based Bilcare has commercialized its nanotechnology-based anti-counterfeit technology by inking deals with global and domestic pharma companies such as MSD, Ranbaxy, Mankind and Panacea.

The company estimates that technology when applied in the pharma sector would increase each blister pack's cost by around Rs 1.50-2 for the manufacturing company, which aims to protect its brand. The technology can track and trace a product through the supply chain till it retails. In future, the company claims it would look at commercializing it at the end consumer-level also.

“Internationally, this technology has been accepted by a leading wine producer in USA as well as by the security force of the President of Indonesia. Bilcare is about to close a deal with a European consumer product company.”

Worldwide, counterfeit market is estimated at around \$500 billion. Interpol estimates that around 5 to 7% of world trade involves counterfeits.

(The Financial Express, 22 July 2010)

Hyderabad firm ties up with Italian co for earth-moving gear

Puzzolana, a leading crushing and grinding equipment manufacturer, has set up a special purpose vehicle (SPV) with Italian company Guidetti for manufacturing earth-moving equipment such as graders, compactors and pavers.

Puzzolana holds 80% in the SPV and Guidetti the remaining. Products manufactured at the Puzzolana-Guidetti facility at Pashamailaram would be sold in India and abroad. The factory is expected to produce 1,200 units of equipment in different categories annually.

The privately-held Hyderabad-based company registered a turnover of Rs 400 crore in 2009-10 and claims a 55-60% share of the premium segment of the construction equipment market in India. Exports contributed 10% to the turnover.

(The Hindu Business Line, 22 July 2010)

Manufacturing's share in outward FDI slips

The manufacturing sector accounts for the bulk of overseas investment (FDI) by Indian companies. Its share in total outward FDI has, however, declined significantly over the past one year. It fell from 50% in FY09 to 43% in FY10, according to a latest study by the Reserve Bank of India.

The second-largest sector for outward FDI is ‘financial, insurance, real estate and business services’ followed by ‘wholesale and retail trade and restaurants and hotels’.

Their respective shares have picked up in the latest year. India’s outward FDI is largely financed in the form of equity, loan and guarantee. These include sources, such as drawal of foreign exchange in India, capitalization of exports, funds raised through external commercial borrowings, foreign currency convertible bonds and ADRs/GDRs, and also through leveraged buyouts by way of setting up of special purpose vehicles (SPVs), according to RBI.

(The Economic Times, 22 July 2010)

MIC Electronics, Taiwan firm tie up

MIC Electronics Ltd has entered into an agreement with Taiwan-based home lighting appliances maker, Home Resources Ind. Co. Ltd (HR). According to the agreement, the Hyderabad-based company would work with HR to jointly develop and manufacture innovative and cost effective LED lighting products for both urban and rural applications. Products to be developed include LED portable lights that would be ideal for grid-based and off-grid based applications, with features like choice of direction and colour of light and FM Radio. The agreement was aimed at manufacturing around one lakh lights in the next six months which would go up to a million in 18 months.

(The Hindu Business Line, 22 July 2010)

BHEL, GE unit sign pact for oil, gas compressors

Bharat Heavy Electricals Ltd (BHEL) and a unit of GE have signed a 10-year licensing pact to manufacture oil and gas compressors. GE's range of centrifugal compressors will be manufactured under licence at BHEL's production site in Hyderabad, for sale in India and South Asia, GE said in a statement.

The agreement for the compressor units was signed through GE Oil & Gas' Italian entity Nuovo Pignone. The units are vital to infrastructure development projects, including oil and gas production and transportation, refinery and petrochemical industry applications, and fuel gas boosting.

The technical scope of the licensing agreement provides for the licensing of GE's advanced range of centrifugal compressors, specifically several models of horizontally- and vertically-split, pipeline and integrally gear compressors.

(The Hindu Business Line, 22 July 2010)

FDI Trends and Prospects: UNCTAD's WIR 2010

Global FDI witnessed a modest, but uneven recovery in the first half of 2010. This sparks some cautious optimism for FDI prospects in the short run and for a full recovery further on. UNCTAD expects global inflows to reach more than \$1.2 trillion in 2010, rise further to \$1.3–\$1.5 trillion in 2011, and head towards \$1.6–\$2 trillion in 2012. However, these FDI prospects are fraught with risks and uncertainties, including the fragility of the global economic recovery, says the UNCTAD's *World Investment Report 2010: Investing in a Low-Carbon Economy*.

Developing and transition economies attracted half of global FDI inflows, and invested one quarter of global FDI outflows. They are leading the FDI recovery and will remain favourable destinations for FDI. India remained in the list of top 10 countries in 2009 to have the highest FDI with inflows at \$34.6 billion and outflows at \$14.9 billion.

Africa is witnessing the rise of new sources of FDI. Industrial upgrading through FDI in Asia is spreading to more industries and more countries. Latin American TNCs are going global. Foreign banks play a stabilizing role in South-East Europe, but their large scale presence also raises potential concerns. High levels of unemployment in developed countries triggered concerns about the impact of outward investment on employment at home.

(www.unctad.org, 22 July 2010)