



Trade-Technology E-Zine 30

(Centre for International Trade in Technology)

Global tech within reach of ‘bottom of the world’: CSIR

The focus at India’s premier research organization Council of Scientific and Industrial Research (CSIR) is clear—global participation with local relevance. The CSIR has begun to partner with large national and international companies on co-development of technologies which have the potential to benefit the ‘bottom of the world’, as Dr. Samir Brahmachari, Director General, CSIR puts it.

The open source Drug Discovery programme of CSIR is a case in point. The vision behind it was to provide affordable healthcare to the developing world. “Our biggest success in making healthcare affordable was when we worked with various global players,” says Dr. Brahmachari.

One of the research labs, IIIM Jammu co-developed an anti-tuberculosis drug with Cadila. The drug is 23% cheaper and has much less side effects. In major engineering, CSIR has developed a carbon fibre technology together with industry. With Procter & Gamble, the CSIR National Chemical Laboratory developed high absorbent material, which can be used for diapers for the old in the western world. “We are also seeing how it can be used for making low-cost sanitary napkins for rural women in India,” he says.

The CSIR is also working on aircraft biofuel, a fuel cell technology with Reliance and many other solar energy technologies. “A large number of small companies are tying up with us for solar technologies that can be good for rural areas.” says Dr. Brahmachari. There are also a number of technologies in the food processing area which CSIR wants to give to small companies in India.

With the pharma sector seeing a number of sizeable M&A in recent years, CSIR is now working on a new model for its future MoUs with companies whereby CSIR holding company will have an equity stake in technologies that are co-developed with private players.

(The Economic Times, 30 July 2010)

BAE flies off with Rs 5,110-cr Hawk trainer jet deal

A Rs 5,110-crore (£700-million) follow-on deal signed on between military majors Hindustan Aeronautics Ltd and BAE Systems for 57 Hawk jet trainers. The deal includes an order worth £200 million (around Rs 1,500 crore) for Adour engines from Rolls-Royce, another British leader.

HAL will licence-build the advanced jet trainers and supply 17 to the Navy — which has started building its own ship-borne air fleet — and 40 more to the Air Force.

BAE clinched the first order, worth around Rs 8,000 crore for 66 Hawks, in 2004. It has supplied 24 while HAL has so far produced 15 at its Bangalore facility.

British engines major Rolls-Royce also inked the terms and contracts agreement for an additional lot of Adour Mk871 engines to power the new Hawk batch. HAL will assemble the Adour engine, developed by the joint-venture Rolls-Royce Turbomeca.

(The Hindu Business Line, 29 July 2010)

India ranked 124th in Economic Freedom Index

Despite being one of the fastest growing economies in the world, India is languishing down in the 'Index of Economic Freedom 2010'. India is ranked 124th among 183 countries in the index prepared by The Heritage Foundation along with the Wall Street Journal.

The 10 components of economic freedom include freedom in business, trade, investment, fiscal and monetary actions, government spending, property rights, freedom from corruption and labour rigidities. All of these components are given equal weightage and given a score on the scale of one to 100 which is later averaged out. Surprisingly, political freedom is not considered to calculate economic freedom.

India's economic freedom score is 53.8 classifying the country as a mostly 'unfree' economy. Its score is 0.6 point lower than last year due to a decline in freedom in areas such as business and monetary actions and higher level of corruption. Its ranking also dropped by one notch as compared to last year.

According to the findings of the index, the overall freedom to start, operate, and close a business remains restricted by India's regulatory environment adversely impacting business freedom in India. Corruption is also perceived to be a major hindrance. "Corruption remains a major concern, especially in government procurement of telecommunications, power, and defence contracts," the report says. Another area on concern has been the monetary freedom which has been under pressure due to the high inflation and the rising subsidy bill.

(The Hindu Business Line, 27 July 2010)

Honda to invest Rs 300 cr in Tapukara unit

Honda SIEL Cars India (HSCI) plans to invest Rs 300 crore in its second plant at Tapukara (Rajasthan) to make engine & transmission components (powertrain) that will help it cut cost of critical car components.

Till now, these components were imported from Indonesia and Thailand. Industry experts say that spares made in India could be 15-20% cheaper compared to imported products.

Honda is currently utilising the facility to export crankshaft and connecting rods to Japan. "We are looking at making the Indian manufacturing facility as significant production base for critical components by leveraging the low-cost manufacturing here for our global operations," said Mr Takashi Nagai President and CEO of HSCI.

(The Economic Times, 23 July 2010)

Thermax inks two JVs in power sector

Thermax, the energy and environment solutions major, has formed JVs with two global players to enter into the power sector. The first JV has been formed with Babcock & Wilcox (B&W) of the US for making supercritical boilers over 600-800 mw and for subcritical boilers above 300 mw. The second JV is with another US company SPX Energy Technologies to supply equipment and services to the Indian power sector.

The company has also planned for a capex of Rs 500 crore for new plants. Thermax also plans to enter businesses related to clean development mechanism. It has infused Rs 4 crore in its new subsidiary, Thermax Sustainable Energy Solutions.

(The Financial Express, 22 July 2010)