



MARKET MOVEMENT

Major Indices	September 12, 2008	September 19, 2008	% Change	Change
BSE Sensex	14,000.81	14,042.32	0.3	
NSE Nifty	4,228.45	4,245.25	0.4	

INDIAN ECONOMY AT A GLANCE**POLICY WATCH**

- Review of print media policy
- Vizhinjam terminal gets Shipping Ministry nod
- DoT eases roll-out obligation for WiMax players
- Cabinet gives approval to amend the APEDA act, 1985
- Lunar Mission Chandrayan 2 approved

Review of print media policy

THE Union Cabinet gave its approval to review the print media policy by allowing publication of India editions of Foreign magazines publishing news and comments on public news i.e. periodicals falling in the news and current affairs category. Publishers of such editions would continue to be eligible for attracting 26% foreign investment. The decision will provide Indian readers access to foreign magazines at cheaper rates in comparison to the same magazines imported at much higher rates. The Indian reader would be benefitted immensely as he/she would be able to keep abreast with the latest events and happenings on the global scale.

Vizhinjam terminal gets Shipping Ministry nod

THE Union Ministry of Shipping has given its go-ahead to the Rs 53.48 billion Vizhinjam Deepwater Container Transshipment Terminal proposed to be set up at Vizhinjam, 16 Kilo Meters (KM) from here. A consortium of companies led by the Hyderabad-based Lanco Kondappally is executing the project. Other members of the consortium include Lanco Infrastructure and Pembinaan Redzai, a Malaysian company. The consortium will have a 76% stake in the project, with the State Government holding the remaining 24%.

DoT eases roll out obligation for WiMax players

THE Department of Telecom (DoT) has decided to give WiMax players five years to fulfil their roll out obligations instead of the earlier proposed two years. DoT had earlier mandated that operators using technologies such as WiMax for offering broadband should cover at least 25% of the rural areas within two years of acquiring spectrum. In the revised guidelines, DoT has done away with this and said that the operators will have to roll out their network to 50% of the rural areas and 90% of the urban areas in five years time.

Cabinet gives approval to amend the APEDA act, 1985

THE Union Cabinet gave its approval to amend the Agricultural and Processed Food Products Export Development Authority act (APEDA act) to vest it with statutory authority for registration and protection of intellectual property rights or similar rights (including Geographical Indications) in the special product names in India and elsewhere.

Lunar Mission Chandrayan 2 approved

THE Union Cabinet gave its approval for undertaking Lunar Mission Chandrayan 2 and upgrading the associated existing ground segment at a total cost of Rs.4.25 billion including a Foreign Exchange (FE) component of Rs.2.93 billion.

INDUSTRY WATCH

- **Infrastructure segment set to draw over US\$ 345.28 billion investments by 2012**
- **3 pronged strategy for 16% growth in textile industry**
- **Industrial growth touches 5 month high of 7.1% in July**
- **Stainless steel industry banks on Railways for its growth**
- **Private sector growth showed upward trend in 2007-08**
- **Indian healthcare segment to fetch PE funding worth US\$ 500 million in three years**

Infrastructure segment set to draw over US\$ 345.28 billion investments by 2012

ACCORDING to Credit Rating Information Services of India Limited (CRISIL) research estimates, eight infrastructure sectors, including oil and gas, power, roads, ports, airports, railways, urban infrastructure and telecom, are expected to draw more than US\$ 345.28 billion investment in India over the 2007-08 and 2011-12 period. Rising financial overheads due to high interest rates as well as a global slowdown are not likely to impact investments much as infrastructural projects have long gestation periods.

3 pronged strategy for 16% growth in textile industry

THE Ministry of Textiles is adopting a 3 pronged strategy encompassing short, medium and long terms to ensure that the textile industry registers a growth of 16% a year in value terms to reach the level of US\$ 115 billion consisting of exports at US\$ 55 billion and domestic market sale of US\$60 billion by 2011-12, the final year of the Eleventh Plan.

Industrial growth touches 5 month high of 7.1% in July

HIGH growth in production of capital goods and consumer durables in July 2008 pulled up the Index of Industrial Production (IIP) to a five month high of 7.1%. For the April-July period, first four months of the current financial year, the overall growth in IIP stood at 5.7%. The IIP growth rate for March, April, May and June were 3%, 7%, 3.8%, and 5.4%, respectively.

Stainless steel industry banks on Railways for its growth

THE Indian stainless steel industry is looking ahead to a 10% growth this year, with the railways keen on the increased use of the material for its rolling stock. The Railways is expected to need over 70,000 tonnes of stainless steel this fiscal for building coaches and wagons, where per tonne cost of high grade material could be in the range of Rs 95,000. The total industry production should cross 1.8 million tonnes this year when compared to 1.6 million tones last year and 5-8% of 1.8 million should go towards serving the demand of the railways.

Private sector growth showed upward trend in 2007-08

THE Reserve Bank of India (RBI) stated that private sector companies registered a 26% upsurge in net profits in the financial year 2007-08, bolstered by a healthy sales growth, despite high interest rates and tax provisions. In 2007-08, about 2,359 non-governments, non-financial firms contributed to a 26.2 % rise in net profits from the US\$ 24.2 billion in 2006-07 to US\$ 29.23 billion, according to RBI September data sales rose by 18.3% during the same period.

Indian healthcare segment to fetch PE funding worth US\$ 500 million in three years

ACCORDING to industry experts, the Indian healthcare industry is expected to get around US\$ 500 million in Private Equity (PE) funding within the coming three years. PE investment in the healthcare sector is primarily going into three segments, which are pharmaceutical companies, hospitals and healthcare services. The emerging healthcare services segment, which is attracting an increasing amount of investments from venture capitalists, includes, medical device manufactures, disease management services, diagnostic chains and allied healthcare services.

CORPORATE HIGHLIGHTS

- **Novartis launches healthcare project for rural markets**
- **Bigadda.com launches mobile-friendly version**
- **Ramco ties up with Hindustan University**
- **NHPC signs pact with Myanmar to develop two hydel projects**
- **Intel unveils six-core microprocessor**
- **Magneti Marelli joins hands with Unitech Machines**
- **Atom Technologies ties up with BPO firm**
- **AP in pact with UAE to develop Hyderabad Economic City**
- **Emirates Airline launches chauffeur service for premium passengers**
- **Alok Industries, Zameen in pact to promote fair-trade cotton**
- **MapmyIndia ties up with Ford, GM**
- **Crompton Greaves acquires MSE group**
- **Japan's Suntory eyes United Spirits Stake**

Novartis launches healthcare project for rural markets

PHARMACEUTICAL company Novartis has launched the Arogya Parivar project, which aims to reach out to the rural population by making essential medicines available to them. The target is to cover half of India's rural population, which is estimated to be around 350 million, in 2 years. Initially, 24 products from the Sandoz generics and consumer healthcare business unit that address tuberculosis, mother and childhood malnutrition, respiratory and gastro-intestinal problems will be sold to the rural masses.

Bigadda.com launches mobile-friendly version

TO bring the growing number of mobile users on to its platform, social networking portal Bigadda.com, a division of Reliance Big Entertainment, has launched its mobile-friendly version of the portal. The portal, which can be accessed through the General Packet Radio Service (GPRS) enabled mobile handsets, will have key features of social networking such as searching for friends and communicating with them through text, voice and photo scribbles.

Ramco ties up with Hindustan University

RAMCO Systems Ltd and Hindustan University (Chennai) have formed an alliance to provide industrial inputs to students of the Hindustan Institute of Technology and Science. The collaboration will focus on Ramco's Aviation Maintenance, Repair and Overhaul (MRO) Software Training Programme. The collaboration will help impart domain knowledge to the prospective students of aeronautical and mechanical engineering, and also to management students with engineering background in the field of Aviation MRO.

NHPC signs pact with Myanmar to develop two hydel projects

NHPC Ltd has signed a pact with the Myanmar Government for development of two hydel power projects on the Chindwin river basin. Under the Memorandum of Understanding (MoU), NHPC would play a lead role in developing the 1,200 Mega Watt Tamanthi project and the 600 Mega Watt Shwzaye project in Myanmar, marking India's debut in harnessing hydel resources in Myanmar.

Intel unveils six-core microprocessor

INTEL Corporation launched its first 6-core x86 microprocessor, which is also the first microprocessor to be designed entirely in India. The company said the new Intel Xeon 7400 series processor has up to six processing cores per chip, 16 Mega Byte (MB) of shared cache memory and 1.9 billion transistors. Platforms based on these processors can scale up to 16 processor sockets to deliver servers with up to 96 processing cores inside, offering scalability, ample computing threads and extensive memory resources.

Magneti Marelli joins hands with Unitech Machines

FIAT Group Company Magneti Marelli has announced that the Gurgaon based Rs 7 billion company, Unitech Machines Limited, will be its 5th Joint Venture (JV) partner in India. The JV, which entails an amount of Rs 750 million, would have Magneti as the majority partner with 51% stake and the remaining will be held by Unitech Machines. The agreement, which includes, design, production and assembly of motor vehicles and electronic components such as instrument cluster, body electronics and telematic devices, is expected to be operational by the first quarter of 2009.

Atom Technologies ties up with BPO firm

ATOM Technologies, the digital retail unit of the city based Financial Technologies Group, and Business Process Outsourcing (BPO) firm Plat 5 have joined hands for offering loyalty programmes to the credit card holders of various banks. Atom will accept payments from credit card holders of various banks especially for holiday-specific loyalty initiatives designed by Plat 5 through its mobile payment gateway service in India

AP in pact with UAE to develop Hyderabad Economic City

THE Andhra Pradesh (AP) Government has signed a Memorandum of Understanding (MoU) with Government of Ras Al Khaimah (UAE) to develop the Hyderabad Economic City, as an integrated financial hub and health care city on the outskirts of Hyderabad. The Hyderabad Economic City project is envisaged with an investment of US\$ 5 billion. The integrated financial city component of the project would include infrastructure facilities for financial services operations like back office for banking, insurance and asset management companies.

Emirates Airline launches chauffeur service for premium passengers

EMIRATES Airline has launched its complimentary chauffeur drive service for first and business class passengers travelling to and from Hyderabad. The first and business class customers will be

treated to a personal chauffeur service to and from anywhere in the city within a range of 50 (Kilo Meters (KM) at no additional charge. For every additional KM travelled therein, they will be charged Rs 51 a KM. Apart from Hyderabad, currently this service is available in Mumbai, Delhi and Bangalore.

Alok Industries, Zameen in pact to promote fair-trade cotton

ALOK Industries Ltd, one of the leading integrated textile companies, has signed a Memorandum of Understanding (MoU) with **Zameen Organic Ltd**, a cotton trade company owned by Small Farmers Associations, for promoting organic fair-trade cotton. About 6,000 small cotton farmers from Vidarbha in Maharashtra and Adialabad in Andhra Pradesh are members of this company. Alok Industries would procure 1,500 tonnes of organic and fair-trade cotton from Amravati in Vidarbha and Adilabad in Andhra Pradesh in the cotton season 2008-09 beginning next month.

MapmyIndia ties up with Ford, GM

DIGITAL maps provider **MaymyIndia** has tied up with **Ford** and **General Motors (GM)** to install in car voice navigation to all its customers, the pocketable navigator guides a person sitting in the car or walking around to its destination through a digital map and voice directions. It doubles up as an in car entertainer with 1 Giga Byte (GB) card to download movies, music, games and photos. It is available in around 174 cities of India at a price of Rs 17,990. The 3.5 inch colour touch screen is currently available through 500 outlets and in consumer electronic chains and car accessory outlets.

Crompton Greaves acquires MSE group

CROMPTON Greaves has acquired **US based MSE Group**, an **Engineering, Procurement and Construction (EPC) contractor for US\$ 16 million**. MSE Group is into the business of constructing high voltage electric power systems. This acquisition will increase the company's strength as a systems integrator in the EPC international business arena, particularly in the renewable energy (wind) segment.

Japans Suntory eyes United Spirits Stake

JAPANESE spirits maker **Suntory** is keen on buying a 10-15% stake in **India's United Spirits**. United Spirits, the world's third largest spirits maker with brands such as Whyte & Mackay and McDowell's, is already in talks with Diageo, Pernod Ricard and Bacardi for a stake sale. At current market prices the 15 % stake in United Spirits would be worth US\$ 430 million