



**MARKET MOVEMENT**

| Major Indices | Apr 09, 2010 | Apr 16, 2010 | % Change | Change  |
|---------------|--------------|--------------|----------|---|
| BSE Sensex    | 17,933.34    | 17,591.18    | (1.90)   |  |
| NSE Nifty     | 5,361.75     | 5,256.15     | (1.96)   |  |

**INDIAN ECONOMY AT A GLANCE****POLICY WATCH**

- India, New Zealand ink education agreement
- Government sign MoU with the Republic of Tatarstan
- State Government, Transport Ministry ink pact to expedite highway projects
- Pact to enhance India-Canada business ties
- Government approved Rs 240 billion Plan outlay for Rajasthan
- Government extends import subsidy on pulses till September 2010

**India, New Zealand ink education agreement**

INDIA and New Zealand have concluded a formal education agreement that includes collaborative projects, open & distance learning, research cooperation, teaching education and development and quality assurance. Both countries have also agreed to encourage the exchange of officials and personnel. They planned to maximize their opportunities in this area and they will be able to compete with other countries for international students.

**Government sign MoU with the Republic of Tatarstan**

THE Republic of Tatarstan of the Russian Federation and Government signed a Memorandum of Understanding (MoU) for promotion of Joint Ventures (JV) between business houses of Tatarstan and the State. The areas identified for bilateral cooperation included pharmaceuticals, chemicals, gas-based industries, power plant equipment, bio-technology and IT. Foreign trade between India and the Republic in 2009 was about \$15.1 million. In order to promote tourism, a cultural information centre would be opened in Hyderabad by September.

**State Government, Transport Ministry ink pact to expedite highway projects**

UNION Transport Ministry signed agreements with the eighteen states Government, a move which will expedite road projects under the National Highways Development Project (NHDP) through Public Private Partnership (PPP) mode. Eighteen states signed Umbrella State Support Agreement (USSA) with the Ministry of Transportation while Karnataka, Kerala, Jammu & Kashmir and Orissa have conveyed their willingness to sign the pact soon. The USSA is a single agreement that entitles the state Government to support and facilitate the Centre in land acquisition, law and order and security in every highway project across the state.

**Pact to enhance India-Canada business ties**

**THE Confederation of Indian Industry (CII), Organizing Committee of Commonwealth Games 2010 and Indo-Canada Chamber of Commerce entered into an agreement to boost business ties between India and Canada.** As per the Memorandum of Understanding (MoU) business organizations of the two countries would promote bilateral economic and trade relations. The ICCC would promote activities of the Club in Canada and generate awareness and interest in business conferences that may be organized during the Games. The Business Club of India will explore new ideas, analyze current scenarios and exchange thoughts on economic growth through global partnerships.

### **Government approved Rs 240 billion Plan outlay for Rajasthan**

**GOVERNMENT approved a Plan outlay of Rs 240 billion for Rajasthan for 2010-11. Power, infrastructure and social sector are the priority areas of Government.** Special annual assistance of Rs 30.45 billion will be provided to the state for drinking water projects in the next eight years. Jaipur Metro Rail Project would be implemented in time-bound manner and its estimated cost would be around Rs 75 billion. The annual Plan outlay for 2010-11 is Rs 66.78 billion more than the Rs 173.22 billion sanctioned for 2009-10.

### **Government extends import subsidy on pulses till September 2010**

**GOVERNMENT has decided to extend the import subsidy on pulses till September 30, 2010, to augment domestic supplies and ease pressure on prices.** The subsidy, which was to expire on March 31, is limited to 15% of the difference between global and local prices. India, the world's largest importer and consumer of pulses, depends on imports, as domestic production is lower than annual demand.

## **INDUSTRY WATCH**

- **India Inc raises \$1.2 billion through IPOs in Q1 2010**
- **Indian car exports soar 33% in FY10**
- **India Inc's hiring activity picks up 1.5% in March**
- **Global PC shipments up 27% in Q1 of 2010**
- **India Inc sees new biz in Japan's carbon trade scheme**

### **India Inc raises \$1.2 billion through IPOs in Q1 2010**

**INDIAN companies raised a whopping \$1.2 billion through initial share sale offers in the first three months of 2010, a period when global IPOs were worth over \$53 billion.** With 20 IPOs in the Q1 of the year, India had the third largest number of IPOs after China and the US. 267 deals valued worth \$53.2 billion in the March quarter, global IPO activity witnessed a fivefold growth during the period compared to 52 deals, which raised \$1.4 billion in the corresponding period a year earlier. The leading sectors in India were infrastructure, including logistics, real estate and construction, retail and information technology.

### **Indian car exports soar 33% in FY10**

**INDIAN carmakers were able to expand their overseas presence with exports from the country registering a robust 33.23% growth in the last fiscal.** Passenger car exports from India touched 4.41 units in FY10 against 3.31 units in the previous financial year. The increase in exports was driven by demand for small cars in the European nations, which offered incentives to customers for buying new cars in exchange of their old ones under a scrappage incentive programme. Overall vehicle exports from India grew by 17.90% at 1,804,619 units in the last

financial year, while the same stood at 1,530,594 units in 2008-09. Hyundai Motor India and Maruti Suzuki India took the maximum benefit of this scrappage incentive programme.

### **India Inc's hiring activity picks up 1.5% in March**

**INDIA Inc's hiring activity picked up 1.5% in March, led by Information Technology Enabled Services (ITES)**, insurance and auto sectors. Hiring in ITES and insurance sectors have seen maximum movement with the index moving up by 13% and 15% respectively in March over the last month. Recruitment in auto sector moved up by 8% and in pharma sector by 7% in March. Professionals in production, banking and HR also witnessed an increase in hiring by 8 to 12% in March over February. Among cities, Delhi has emerged as the most bullish on hiring, with the city-wise job index moving up 13% over the last month.

### **Global PC shipments up 27% in Q1 of 2010**

**WORLDWIDE Personal Computer (PC) shipments totaled 84.3 million units in the first quarter of 2010, a 27.4% increase from the same period last year.** The growth was led by a robust recovery in the Europe, Middle East and Africa (EMEA) PC market, which grew 24.8% in the Q1 of 2010. Lenovo's PC shipments increased 59.2% in the Q1 of 2010. ASUS joined the worldwide top five ranking for the first time, sharing the position with Toshiba. ASUS had PC shipments increase 114.8% in the Q1.

### **India Inc sees new biz in Japan's carbon trade scheme**

**JAPAN'S cap and trade programme to reduce emissions could open a new market for Indian carbon trade participants.** Traditionally, Indian companies have sold their carbon credits to European countries. Some Indian companies such as Delhi Metro Rail Corporation (DMRC) have entered into carbon trading deals with Japanese players but such moves have been largely voluntary and sporadic. However, a recent Japanese Government move that makes it binding on companies to limit their emissions is likely to benefit Indian sellers. Japan aims to reduce its emissions by a fourth compared with the 2000 levels by 2020. To comply with the emission targets, Japanese companies can implement their own energy saving measures or buy energy credits under the cap-and-trade system from other entities that have reduced emissions. There is a growing interest from Japan in buying carbon credits from India.

## **CORPORATE HIGHLIGHTS**

- **Suven Life gets product patent from Japan**
- **Panasonic to expand production capacity, infrastructure**
- **Mitsubishi Heavy Industries in licensing pact with Anupam Industries**
- **L&T plans JV with Japan's MHI to make industrial tyres**
- **Olympus aims to double sales to Rs 1.35 billion**
- **Triveni Engineering and GE form JV for steam turbines**
- **NTPC, CIL JV to set up 2 power plants**
- **Tata Communications partners Hibernia for media services**

### **Suven Life gets product patent from Japan**

**SUVEN Life Sciences secured product patent from Japanese Patent Office (JPO) for one of their New Chemical Entity (NCE) to treat disorders of the central nervous system (Neurodegenerative diseases).**The granted claims of the patent include the class of selective

Serotonin receptor affinity compounds discovered by the company and are being developed as therapeutic agents. According to the invention, the compounds are useful in the treatment of cognitive impairment associated with Alzheimer's disease, Attention Deficient Hyperactivity Disorder (ADHD), Huntington's disease, Parkinson's and Schizophrenia. Suven Life's several product patent applications are in the pipeline.

### **Panasonic to expand production capacity, infrastructure**

**JAPANESE consumer electronics major Panasonic will enhance its infrastructure and production capacity, besides increasing its marketing activities**, as it aims to double sales to Rs 50 billion by 2012. The company is planning to set up a new facility by 2012 for manufacturing its various products with a focus on bringing out India-specific offers. The company is in the process of setting up its second plant by 2012, which will initially make air conditioners and later on start manufacturing other products as well. At present, the company assembles most of its products at its Noida plant. The company launched its 3D television in India, said home appliances and LCD television will be focus categories to drive growth of the company.

### **Mitsubishi Heavy Industries in licensing pact with Anupam Industries**

**JAPANESE auto major Mitsubishi Heavy Industries (MHI) has agreed to license its crane and material handling equipment technology for large scale ports to Anupam Industries**, India's largest overhead crane builder. As per their agreement the licensed products will be sold in the Indian market only. MHI will provide Anupam with technology licensing for quayside cranes such as container cranes and transfer cranes, material handling systems such as loaders and unloaders, and steel plant logistics systems

### **L&T plans JV with Japan's MHI to make industrial tyres**

**ENGINEERING and construction major L&T is planning to enter the heavy industrial tyre business in collaboration with Japanese heavy machinery manufacturer Mitsubishi Heavy Industries (MHI)**. L&T has initiated discussions with MHI to form a Joint Venture (JV) that would manufacture a wide range of heavy industrial tyres in the country. This would bring in a good blend of high-technology from Japan and low-cost manufacturing from India. The JV would also help to create a great synergy in L&T's construction business.

### **Olympus aims to double sales to Rs 1.35 billion**

**JAPANESE imaging major Olympus expects to double its sales to Rs 1.35 billion in the Indian market in FY 11 and has chalked out plans to revamp its marketing and brand building strategies for the same**. Olympus had net sales of Rs 6750 million in FY 10, is expecting sales of Rs 1.35 billion through the launch of a series of new products. They have planned to achieve the growth by launching 12 different models this year.

### **Triveni Engineering and GE form JV for steam turbines**

**TRIVENI Engineering has announced that it has signed a Joint Venture (JV) agreement with an affiliate of US based General Electric**. The Joint Venture (JV) between GE Pacific Mauritius and Triveni Engineering will design; manufacture, sell, supply, and service advanced technological steam turbines in India. The steam turbine generators manufactured will be in the range of 30 to 100 megawatts meant for power generation applications. These generators will be sold both in Indian and international markets. The JV will benefit from full and exclusive technology transfer and on-going research and development support from General Electric.

### **NTPC, CIL JV to set up 2 power plants**

**NATIONAL Thermal Power Corporation (NTPC) and Coal India Limited (CIL) have signed an agreement for setting up two 2,000-Mw coal-based power projects in Jharkhand** under a 50:50 Joint Venture (JV). The JV will execute the power projects at the Brahmini and Chichro Patsimla coal mines. The potential of these two mines is 1.5-2 billion tonnes and about 30 million tonnes per annum of coal can be extracted, which is sufficient to generate about 4,000 Mw of power.

**Tata Communications partners Hibernia for media services**

**TATA Communications and Hibernia Media, a leading service provider for video transport and managed video services, announced a partnership** to provide global solution for delivery of media services. The alliance enables both the companies to increase their reach of end-to-end video solutions by making 125 media venues in the US available to Tata's 12 video connect nodes globally. Both the companies will share each other's networks and the customers will benefit from pre-connected venues that include major teleports, cable and satellite TV head ends, sporting venues, news outlets and broadcasters.