



Orissa Round up

Cross section view - Industry interaction meeting with the Minister of State, GoI, held in UCCI hall, Bhubaneswar, last month. (L to R) - Secretary PPP, Addl Secretary Industry, Director Industries, MD, IPICOL, Audience, Gen Secy UCCI, Hon'ble Minister, Chairman MPEDA.

Kerala to build Rs 4,000 cr thermal station in Orissa!

Thiruvananthapuram: The Kerala government is gearing up to set up Rs 4,000-crore coal-based thermal station in Orissa. The first set of allocations for this outside-state project is ready, according to KSEB sources. Union minister of state for coal Dasari Narayana Rao has informed Kerala government of Kerala State Electricity Board (KSEB) getting allotment of coal for captive power generation from the Baitarani coal block in Orissa. KSEB had applied for the allotment as early as in 2003. The allocation means that Kerala government may soon sign MoU with Coal India Ltd and Orissa government for the new

“Considering the coal transportation costs and environmental burden, it was thought feasible to locate the KSEB power station at Orissa,” Kerala power minister AK Balan said. Power Grid Corporation of India’s East-South Interconnector-II HVDC Bipolar Transmission System (from Talcher in Orissa to Kolar in Karnataka) will be harnessed for transmitting the power to Kerala grid.

venture. The proposal is for generating 1,000 mw power annually for 25 years. KSEB will have to cough up the coal mining costs near Baitarani river basin and land price to Orissa government, besides bearing the resettlement package for those displaced from the project site. Orissa is to get 12% of the power produced in the proposed thermal station. Kerala is now substantially reliant on hydel resources for its power requirement. This works out to about 90 paise per unit in production costs.

Surplus rail land for warehouses

After opening up container train operations to private players, Indian Railways will be leasing out its vacant land to private players to set up warehouses. Industry heavyweights and logistics companies have already evinced their interest in setting up rail side warehouses to optimise the cost of logistics and capitalise on retail growth. Corporate houses vying for rail station warehouses include Reliance Industries, Bharti Group, Future Group and ITC while logistics majors such as Gateway Distriparks, DRS Logistics, Gati and VRL Logistics are keen on this space to supplement their network. "The warehouses planned on rail land will help Indian trade to store cargo, to be cleared in a later stage. To begin with, the ministry of Railways had entered into a memorandum of

understanding with Central Warehousing Corporation (CWC) for developing 22 rail side warehousing complexes. These are proposed to be located at Mysore, Indranagar, Dehri-on-Sone, Kanhan, Tambaram, Nasik, Badnera, Saswad, Naini, Yamuna Bridge, Sambalpur, Shakurbasti, Ghaziabad, Alamnagar, Roza, Dankuni, Burdwan, Sanathnagar, Hatia, Kudalnagar, Kandla and Nishtpura. Private Public Partnership mode is currently being worked out. Apart from warehouses, Indian Railways is developing 48 freight terminals, out of which 16 freight terminals will be handling at least 15 trains per month. These 16 freight terminals are proposed to be set up at Ahmednagar, New Mulund, Balabgarh, Gonda, Barbil, Noamundi, Lakshmbai Nagar, Saharsa, Danapur, Sukinda Road, Yamuna Bridge, Sanvardam, Sankaval, Gosalpur, Mandideep and Mandi Govind Garh.

Gopalpur SEZ cleared

New Delhi: The government has cleared the Tata group's proposal to set up a multi-product SEZ at Gopalpur in Orissa. The commerce ministry's board of approval gave its nod to the Tata's Gopalpur project which will come up on

more than 1,173 hectares. The clearance was delayed because the board wanted an approval from security agencies. The project is located close to a crucial missile base. In all, 23 SEZs were cleared and six given in-principle approval.

Engineering exports from India are estimated to have touched US 6 billion dollars mark in 2006-07 making the engineering sector one of the major contributors to India's rapidly growing exports.



Best Western – brings hotel and institute to Bhubaneswar

Bhubaneswar: **Best Western International** (Cabana Group) has lined up investments worth US \$1.2 billion in India over the next 10 years. It has plans to set up a premier hotel and a management institute in Bhubaneswar. Government has allotted a **seven-acre plot near Dumduma**. It will have hostels for 1,500 students, classrooms, labs, kitchens, along with an attached 200-bed hotel. The group will represent Best Western brand in India, provide hotel management services and consultancy. Over the next 10 years, the group intends to add more than 100 hotels and 10,000 rooms to the growing Indian hospitality market. "We have visited places like Chilika, Puri, Konark and Paradip. We are interested to set up hotels there. We have plans to invest around Rs 350 crores in developing properties in the state," said Goel. **Co-chairman of Cabana Hotel Management Private**

Ginger Hotels will invest over Rs 204 crore to set up 17 budget hotels in Tier-II cities in the next 12 months.

Limited and venture capitalist, Prabhu Goel, said the institute will be the group's first training venture anywhere in the world. "Since the industry demand is huge, we hope that all students will be absorbed after training," Goel added. "We are planning premier hotels in tier-I and tier-II cities. Later, we would set up 3-5 star hotels depending on the traffic," Goel said. David Kong, president and CEO of Best Western International, said everyday Best Western hotels host nearly 4, 00,000 guests. "Some of them would definitely like to come to India. And we hope, by expanding our chain here, international travelers would be interested to visit the country." **Chief Minister of Orissa Sri.Naveen Patnaik, who presided over the ground-breaking ceremony of the hotel and the institute, hoped that the move would "set new standards of service and related training"**

Vasant Group to expand state IT unit

Hyderabad-based **Vasant Group** plans to open its shop in Bhubaneswar. For the moment, Vasant Scribes, a group subsidiary in the field of **medical transcription has started operations out of Bhubaneswar**. The Orissa government has decided to provide 5,000 square feet area to Vasant Scribes in the IT hub Infocity-I. "In the initial phase the company would be investing around Rs.3.5 crore spread over

a period of two years for setting up the facility." K Nageshwar Rao, senior manager, Vasant Scribe said. In all, Vasant Scribe plans to have 15,000 square feet area at a 3-storeyed building in the Infocity. Mr. Rao said, "We would be putting up a training centre in the proposed 3-storeyed facility. Bhubaneswar is going to be one of our most potential units, as the city is gradually emerging as a prominent industrial zone in the east".

ORTEL to invest Rs.35 crore on CTV network

Ortel Communications Ltd, the leading cable and broadband service provider of Orissa, proposes to invest Rs 35 crore during the current financial year in network expansion and up gradation. With this the total investment of the company in creating infrastructure network to support its cable TV and broadband operations is expected to go up to Rs 100 crore by March 08. ORTEL is now focusing on expanding and

improving its reach and quality by investing large amounts in capital expenditure, says BP Rath, Vice President of Ortel Communications Ltd. "We are committed to invest large sums in our core business of broadband networking in the state which will generate a large quantum of employment and revenue for the state exchequer", he said.

Emami to invest Rs.3500 cr

Emami group having interest in health care and paper businesses is keen to invest in cement, paper, hospitals and bio-diesel businesses. **The group is looking at developing commercial as well as residential projects in Orissa and Gujarat.** Emami is also planning to **enter the bio-diesel**

business and set up a hospital in Orissa, according to the Emami group director Aditya Agarwal. Initially Rs.50 crore would be invested in speciality hospital and a total of Rs.150 crore will be invested in phases. It is also entering into bio-diesel production and jatropa cultivation in Orissa.

Visa plans Rs 4500 cr power plant

Visa group plans to invest Rs 4,500 crore in setting up a 1000-MW mega thermal power plant in Orissa and all-India power trading, diversifying from steel. Besides setting up the 4 x250 MW power plants, supposed to be operational in phases from 2010, the company planned to get into third party power trading by the next quarter. Later it will sell the power generated on its own, Visa Power Limited (VPL) Managing Director Vikas Agarwal has said. The first transaction of trading of power is expected to be executed by August," he said. VPL

will participate in tenders for surplus power from the eastern region and will sell its produce in north and western parts of the country. Agarwal said that its first 250 MW power unit will be operational by September 2010 and every six months thereafter a unit of 250 MW will be added. "The 1000 MW capacity would be reached by March 2012," he said. VPL intended to fund the equity component of the project from its parent companies, Visa Minmetal AG, Switzerland and Visa International Limited.

Global venture capital fund dedicated to real estate

Fire Capital Fund Mauritius Pvt. Ltd. a global venture capital fund plans to invest up to **\$250 million** to develop integrated townships in **10 cities in the country**. By the year-end, the firm would also raise a \$500 million fund to be dedicated to real estate and components of infrastructure. The fund made its first investment in Indore-based **M Jhaveri Group for its upcoming**

township Silver Springs which marks first FDI in real estate in Madhya Pradesh. Fire Capital MD Om Chaudhury said that they have invested in the range of \$10 million each for townships in Chennai, and primarily Tier II cities like Bangalore, Nagpur, **Bhubaneswar**, Jaipur and Dehradun.

Bhubaneswar Infocity notified as Special Economic Zone

The **Infocity Special Economic Zone (SEZ)** of Orissa Industrial Infrastructure Development Corporation (IDCO) has been notified by the Union government. The Union ministry of commerce and industry has come out with the necessary notification for development and operation of this sector specific SEZ. The SEZ will be set up over **69.15 hectares** area in Infocity in Chandaka Industrial Estate. Infocity SEZ will include IT/ITES

projects by Tata Consultancy Services (TCS), Wipro, Mind Tree Consulting, Genpact and Perfectus Technologies. Significantly, these IT majors will be anchor tenants as they will be roped in as the co-developers by IDCO. The notification is expected to expedite the implementation of the projects by the anchor tenants.

Orissa to set up IT hubs in 314 blocks

Orissa government plans to set up an Information Technology (IT) hub in each of the **314 blocks** of the state through the public-private-partnership (PPP) route. This is as part of the exercise to spread IT Knowledge and uses among the masses, especially in districts. Alongside, the government has initiated moves to set up village knowledge centers (**VKCs**) in the **48,000 villages** of the state. For the purpose, the government has **tyed up with the country-famed M S Swaminathan Research Foundation (MSRF)**. A Memorandum of Understanding (MoU) has also been signed. IT hubs in each block would act as mass facilitators for a better understanding of the state administration. The farming community would be the biggest beneficiary. Meanwhile as a first hand exercise; the United Nations Development Programme (**UNDP**) has already tied up with NASSCOM Foundation to set up VKCs. This programme is as part of the **Nasscom Foundation Coastal Knowledge Centre Mission Programme 2007 of UNDP**.

Orissa bio-diesel policy soon

To give a boost to **energy plantations and bio-diesel production in the state**, the Orissa government is all set to announce a new policy guideline soon. The main thrust of the policy could be:

- Accelerating economic growth of the state through maximization of bio-diesel production.
- To set up bio-diesel projects in the state after approval of the policy by the cabinet.
- Policy may aim to put barren, uncultivated and fallow land to effective use, bring under energy plantations.
- Emphasis may be given to enable the poor and the disadvantaged sections of the society to take up cultivation of oilseed bearing trees.
- Encouragement to interested and eligible entrepreneurs to set up bio-diesel production plants.
- To provide suitable market linkage to bio-diesel producers for selling their products
- Setting up quality control facilities to guide entrepreneurs to produce bio-diesel conforming to the standards set by Bureau of India Standards
- Various promotional and long term fiscal incentives for raising energy plantation and establishment of bio-diesel production units
- Orissa Renewable Energy Development Agency (OREDA) can act as the nodal agency for the sector.
- For bio-diesel plantations, Van Sanrakhyan Samities, Pani Panchayats, Co-operatives, SHGs may be provided with subsidy.
- Individual farmers above poverty line may get fewer subsidies, while the farmers as a group may be entitled to higher subsidy.

National & International Roundup

Innovative move by Jindals- first time in the country

Jindal offers shares for land

Calcutta: **The Jindals, will build a steel plant in Bengal with a capacity of 3 million tonnes in the first phase, has offered cash and stock to compensate 742 families from whom they expect to buy land at Salbani in West Midnapore district.** "I think it is a good model. We will tell all businessmen who want to set up industries to look at it," a smiling chief minister of West Bengal said. Under the scheme, each family will be paid the entire value of the land in cash and an equivalent amount in shares. The cash component will have two parts — one half will be paid directly and the other will be placed in an annuity scheme to be managed by the Life Insurance Corporation that will hand the family a

NASSCOM President Kiran Karnik, a strong proponent of inclusive growth, welcomed the Jindal model and revealed that in an upcoming IT park in Pune, landowners themselves had formed a co-operative and teamed up with a developer.

monthly income. On offer is also a job for one member of the family in the project. The shares of JSW Bengal Steel Ltd, the company that will put up the project, will be held for the landowners in a trust under the district magistrate's management. When the company gets listed on a stock exchange closer to the start of production in 2011, the landowners will have the option to sell the shares. "The shares are being offered at par at Rs 10 now. I think it will appreciate substantially when listed," Jindal said. **About 4,060 acres belong to the government that will be made available to the Jindals at a price of Rs 1.9 lakh an acre while 570 acres have to be bought directly from the farmer.**

Rockman to set up auto parts plant in Uttaranchal

Ludhiana based **Rockman Industries**, part of 3.2 billion-dollar **Hero Group**, will invest over Rs 100 crore for setting up its **second auto component plant in Uttaranchal** to tap the growing domestic and export auto parts market. "We will invest more than Rs 100 crore for setting up a new auto component plant in Uttaranchal this year, which is expected to be fully operational by the year 2008," Rockman Industries **Managing Director Suman Munjal** has said. The proposal for the plant, at which non-ferrous castings and other auto parts will be manufactured, would be funded through a mixture of internal accruals and

debt. The company's second plant would cater to both domestic and international markets including US and Europe. Rockman Industries diversified into auto component business in 1999 and started manufacturing drive chain, aluminium high pressure die-casted components. It supplies auto parts to Hero Honda and other major companies. Considering huge potential in domestic markets for auto parts, the company had invested over Rs 20 crore in last two years for doubling its production capacity at existing plant in Ludhiana.

Gurgaon based Amtek Auto buys UK firm

Gurgaon-based, forging firm, Amtek Auto has acquired the entire assets of the UK-based JL French's (witham), a company engaged in manufacturing high pressure die casting (HPDC) aluminium for automotive application. Amtek has been expanding its presence in the UK for the last few years.

With French's acquisition Amtek will now cater to clients like Land Rover, Jaguar, Trellborg, Ford and PSA (Peugeot). In India, the company is the second largest forging company and is also a Tier-I supplier to auto majors like Maruti, Hyundai, Mahindra, Ford and Tata Motors among others.

ASSCOM & DRDO join hands to develop new technologies

NEW DELHI: National Association of Software and Services Industry (NASSCOM) and the Defence Research and Development Organisation (DRDO) have decided to develop innovative technologies for the industry, leveraging their expertise to develop cutting edge projects for the IT industry. "Creating upstream linkages with the Indian R&D institutions is a key part of NASSCOM's focus on developing India's innovation ecosystem," said its president Kiran Karnik. DRDO

has been responsible for developing a number of leading technologies in multiple focus areas spanning across aerospace, control systems, communication etc, which makes it the obvious choice for this partnership. According to the DRDO, the partnership would also help in increasing the involvement of the leading Indian IT companies in various development projects of DRDO.

French leading systems group picks Chennai as hub

CHENNAI: Thales, is a leading French electronics and systems group, serves defence, aerospace and security markets globally with sales of over 200 million euros annually. Before Thales Software Centre opened its doors in Chennai nine months ago, an extensive survey was undertaken by the company of other prospective cities. Delhi, Mumbai, Bangalore and Hyderabad were in the race before the company zeroed down on Chennai. Presence of communications solutions provider Alcatel-Lucent in Chennai, with whom Thales share an informal agreement to work together in India on a long-term basis in terms of technology and their 'go to market strategy,' helped Thales set up operations in the metro. Moreover, the educational system and abundant talent pool in the city went in Chennai's favour. "Thales has plans to create intimate links with educational

institutions like Anna University and IIT, Madras. About 20 people, mostly researchers and PhDs, half from Thales and the remaining from the educational institutes are likely to work in the lab for two to three years on select topics relating to the BUSINESS DOMAIN, advanced software programming and **avionics**. Thales may absorb some of the researchers later. "Chennai was chosen over other cities because it is one of the software centric cities in India producing over 50,000 engineering graduates per year and offering a lower attrition rate than other locations," noted Country Corporate Director for Thales India, Francois DuPont. **After Chennai, next in the running are Gurgaon and Mumbai for setting up the company's service and support centre for avionics next year.** The centre is expected to handle system problems of airlines.

SIDBI to extend working capital loans to SMEs

The Small Industries Development Bank of India (Sidbi) will now extend working capital loans and performance guarantees to the small and medium enterprises (SMEs). The refinance institution can now extend not only term loans but also working capital loans, which were not within its purview before. The bank has already launched a common pool of Rs.100 crore to service working capital loans, which will be disbursed to the clients through the internet alone, in

order to cut down transaction costs. Under the performance guarantee scheme, the bank will extend guarantees to buyers on behalf of the exporters, which will help them get better contracts and exports orders. Working capital as well as performance guarantee has become essential in the sector given that small entrepreneurs do not have adequate funds to keep production rolling unless their large scale and blue chip buyers pay up on time.

Indo-British trade to touch 1.5 billion pound by 2010

Trade between India and the United Kingdom (UK) is poised to reach 1.5 billion pound by 2010 from the current level of 900 million pound led by sectors like healthcare, pharma,

automotive, infrastructure and financial services as per the study report of FICCI.

Integrated townships in 26 cities by SDL

Shobha Developers Limited (SDL) plans to construct integrated townships in 26 major cities across India. In the first phase, the group had identified 13 cities to begin with. In the current year, seven such projects would commence and other projects would be announced according to the availability of land in the cities. The group had already purchased land in 13 cities like Bangalore, Hosur, Mysore,

Chennai, Coimbatore, Pune, Delhi, Thrissur and Kochi. The Thrissur Township will be completed by 2011 at Puzhakkal on the Thrissur-Kunnamkulam highway. Rs 850 crore would be invested for the Thrissur project and the time frame set for the completion of the entire project is five years. The township will have all the amenities including hospital, shopping mall, car parking, club house and hotel.

KPMG study -Power Infrastructure in Eastern India

- Eastern India registered a 14.4% growth against the national average of 4.4%. In tandem, the transformation capacity has also grown at 14.5% CAGR over the last five years vis-à-vis the national average of 6.7%
- Eastern India is slated to attract investments to the tune of at least Rs.90, 000 crore over the next five years.
 - Rs 60,000 crore will go in for setting up capacities of 15,000 mw
 - Rs.30, 000 crore will be spent on creating transmission and distribution infrastructure.
- Power scenario in states includes West Bengal, Bihar, Jharkhand, Orissa, Assam and Meghalaya suggests that these projects are in advanced stages of implementation.
 - 550 mw is likely to be commissioned in 2007-08
 - 4,230 mw will be added in 2008-09.
 - 2,600 mw will be added in 2009-10
 - 2,800 mw will be added in 2010-11
 - 3,800 mw will be added in 2011-12
- As many as 70,993 villages still remains unelectrified and this is likely to spur the demand along with the rise in demand from the rise in industrialization especially in West Bengal, Orissa and Jharkhand.
- Villages that still remain to be electrified- Jharkhand at 74%, Bihar-50.7%, West Bengal- 20%, Assam 34% and Orissa -21%.
- Major factors that are expected to attract further investment in the sector include availability of coal and a number of ports.

B SKF to set up Greenfield facility in India

ABSKF, the parent company of SKF India, has announced an investment of Rs.270 crore to set up a Greenfield facility in India for manufacturing large size bearings. The factory is expected to start manufacturing in 2008. The investment in

the new facility will be carried out through SKF's existing 100 per cent subsidiary – SKF Technologies India. The new factory will supply the Indian market as well as the international markets.

Signet Solar to invest \$2 bn in India in next 10 years

US-based Signet Solar will invest \$2 billion (about Rs.8, 000 crore) over the next ten years to set up three solar photovoltaic manufacturing facilities in India. The construction for the first manufacturing facility will start by early 2008 and each unit would have an annual output of about 300 mw, company CEO and President Rajeeva Lahri said. "We will invest \$2 billion over a period of 10 years and produce over one GW of annual output for export and the Indian

The central government had recently announced special incentive package scheme on the semiconductor policy and will provide equity and capital investment subsidy of 20% of the capital expenditure if the unit is set up in a SEZ and 25% if the unit is in a non-SEZ respectively.

market," Lahri said. Regarding location of the facilities, he said, "We will look for various options and a final decision will be taken after considering the incentives being offered by the state governments." Signet has also started construction of its first global manufacturing facility in Germany and will leverage that experience to ramp up large manufacturing in India, he said.

China approves renewable energy development plan

China, the world's second-biggest energy consumer, approved a plan to develop renewable energy sources to reduce pollution and cut a reliance on oil and coal. China plans to spend 1.5 trillion yen (\$ 196 billion) in next 15 years to increase the use of renewable energy sources. The use of energy forms including wind, solar and bio-mass will account for 10% of supply by

2010 and 16% by 2020. "Developing renewable energy sources is key to China's energy security and sustainable development," the government said in the statement. "China will increase investment and provide tax incentives to encourage research and implementation of renewable energy."

Bill Gates finally gets a graduate degree

CAMBRIDGE: Gates, who left the university early to found Microsoft, called 'most illustrious member' of Class of '77, got an honorary law degree this month. **"We recognize the most illustrious member of the Harvard College class of 1977 never to have graduated from Harvard,"** said Harvard University Provost Steven Hyman. "It seems high time that his alma mater hand over the diploma." Gates, 51, told the crowd, which included his father, also named Bill, "I've been waiting for more than 30 years to say this: Dad, I always told you I'd come back and get my degree". "I'll be changing my job next year, and it will be nice to finally have a college degree on my resume," said Gates in a reference to his plan to shift full time into philanthropy. The lack of a degree didn't slow Gates's rise to the top echelons of business. In 1980, Gates and his colleagues at Microsoft were

can't

"Humanity's greatest advances are not in its discoveries, but in how those discoveries are applied to reduce inequality," Gates said. "I love getting people excited about software, but why can't we generate even more excitement for saving lives?" The Bill and Melinda Gates Foundation, founded in 2000, support projects to improve health, reduce poverty and increase public access to technology. Gates's commitment to charity caught the attention of famed investor Warren Buffett, the world's second-richest man. Last year, the chief executive of Hathaway Inc, pledged the bulk of his fortune to the Gates Foundation. That **\$30.7 billion donation**, to be paid out in stages roughly doubled the size of the Gates Foundation.

public in 1986, and by the next year the company's soaring share prices had made then 31-year-old Gates the world's youngest self-made billionaire. Last year, Gates said he would step down from his day-to-day management role at Microsoft in 2008 to focus on philanthropic work.

machines use Microsoft's Windows operating system. At Harvard, Gates lived down the hall from Steve Ballmer, now Microsoft's chief executive, who stayed on to graduate and joined Microsoft in 1980. Gates dropped out to focus on Microsoft, which he founded in 1975 with childhood friend Paul Allen. Microsoft went

public in 1986, and by the next year the company's soaring share prices had made then 31-year-old Gates the world's youngest self-made billionaire. Last year, Gates said he would step down from his day-to-day management role at Microsoft in 2008 to focus on philanthropic work.



Shri. R.P. Panda, GM, IPICOL takes up Team Orissa promotion in London, in association with UK, ITPO & UNIDO



(L to R) Shri. G. Mohan Kumar, Chairman MEPDA, in conversation with Shri Ashok Meena, MD, IPICOL on fisheries sector development in Orissa. Also seen Sri. D. Bhattacharya & Dr. Asish Kumar



Dr. Dennis Rajkumar imparts hands on training in IPICOL on preparation of Sector Reports



Dr. Dennis Rajkumar & Mr. Umesh Menon, UNIDO consultants during capacity building training at XIMB

Disclaimer- The Outreach & Promotion Group in IPICOL is not responsible for the authenticity of the contents in any manner. Most of the contents have been gathered and compiled from various sources including media by different persons in the Group. Data provided in the articles are for first hand information only. Shri. Dasarathi Pattanaik- for & on behalf of Head- Outreach & Promotion, Team Orissa. IPICOL