



“Fly Ash & BFS Mission Orissa”, of Government of Orissa was launched by Mr.B.B.Harichandan, Minister-Industries, Rural Development & Law on 14th May 2007. The first meeting of the mission was held in a workshop mode which was organised by Team Orissa at Bhubaneswar.



Section view of the Dias (L to R) Director-Industries, Chairman-OSPCB, Adviser-TIFAC, Minister-Indusrries, Secretary-Industry, Secretary-Energy, Secretary-PPP, MD-IPICOL, Director-IMMT

Orissa Roundup

New Delhi: Small and marginal farmers in Orissa and Andhra Pradesh would now be able to earn some additional income by selling carbon credits to World Bank. **World Bank's Bio Carbon Fund (BiCF)** signed an agreement to buy 2.76 lakh tonne of carbon dioxide equivalent emission reduction between 2008 and 2017, with an option to purchase an additional 3.70 lakh tonnes of CERs. The farmers will sell the CERs or carbon credits by planting trees on their degraded lands. The project has been **jointly developed by JK Paper Ltd in Orissa and a Hyderabad-based cooperative society VEDA MACS Ltd in Andhra Pradesh, a World Bank release**

Pioneering efforts by J K Papers

World Bank to buy carbon credits from Orissa & AP farmers

said. As part of the agreement, 2,800 farmers in Andhra Pradesh and Orissa will make plantations in their 3,500 hectares of dry and waste lands with the help of JK papers and VEDA. JK Paper would provide saplings for the plantation and purchase all the produce at mutually agreed rates. **"The agreement is the first of its kind in India. It is India's first land use and land use change and forestry project to sell emission reductions earned through carbon sequestration in newly-established agro-forestry plantations,"** Martien Van Nieuwkoop, World Bank's task team leader for the project, said.

Policy on Petrochem investment zones

New Delhi: The Minister for Chemicals and Fertilizers, Mr Ram Vilas Paswan on 8th May 07 announced **the new policy on petroleum, chemicals and petrochemical investment regions (PCPIRs)**, the first of which is likely to come up before the year-end. **The PCPIRs would be specifically delineated investment regions with an area of around 250 sq km.** The area might include one or more special economic zones (SEZs), free trade and warehousing zones, export-oriented units or growth centers notified under relevant Central or State legislation policy. The region would have manufacturing facilities for domestic and export-led production in petroleum, chemicals and petrochemicals along with associated services and infrastructure. **Each PCPIR will have a refinery/petrochemical feedstock company as an anchor tenant.** It will give a thrust to

industrialisation in the regions by way of setting up of downstream units. According to the policy, the Central Government will ensure the availability of external physical infrastructure including rail, national highways, ports, airports and telecommunication facilities in a time-bound manner. **This infrastructure will be created/upgraded through public-private partnerships (PPPs) to the extent possible.** The various state governments will be responsible for providing infrastructure facilities such as power, water, sewerage and health, safety and environmental concerns. The Department of Chemicals and Petrochemicals will be the nodal department and a high-powered committee will be constituted by the Centre to scrutinize applications for setting up the PCPIR and then monitor and expedite the implementation.



Cross-section view of audience in the Fly-ash mission

Orissa gets two SEZs - BoA clears 16

NEW DELHI: Government on 9th May 2007 approved 16 SEZs to boost setting up of special economic zones (SEZs) in the country. The board of approvals (BoA) **approved SEZs of London-based Vedanta Alumina (242.81 hectares SEZ) and DLF in Orissa, Suzlon's two zones in Gujarat and Karnataka and Unitech's infotech SEZ in West Bengal**, among others. BoA also approved the **Tamil Nadu Industrial Development Corporation's 1,020 hectare multi-product SEZ at Nanguneri in Tirunelveli**. But, it deferred a decision on

Besides, Navi Mumbai, six other SEZs that came for formal approval was deferred because of land issues. **BoA took up 23 proposals**, which had in-principle approval for final clearance. **In the next meeting, the board will take up 40 proposals that already have in principle approvals**. These 40 proposals have also acquired land. There are **369 SEZ proposals** pending before the board, of which **160 have already acquired land**. After a two-months freeze due to agitation in West Bengal against land acquisition for the SEZ of Indonesia's

Applications for the 234 SEZs throughout the country involved 34,000 hectares of land. SEZs are expected to play a vital role in boosting exports. It is expected that exports from SEZs of Rs 1, 00,000 crore can be achieved by 2009. The total exports from SEZ recorded 52 per cent growth at Rs 34,787 crore in 2006-07, which would jump to Rs 67,000 crore in 2007-08.

Precisely 100 special economic zones were notified by the government as on May 1 since the SEZ Act of 2005 came into effect. These included 234 applications for which formal nod had been given when the new rules came into force. In addition, in-principle approvals were also given to 162 applicants while 19 others had been approved before the new legislation. A majority of 26 such notified projects are proposed in Andhra Pradesh, followed by 15 in Tamil Nadu, 14 in Karnataka, 13 in Maharashtra and seven each in Gujarat and Harvna

the 1,250 hectare Navi Mumbai SEZ, which would be again taken up for consideration in the board's next meeting. The Navi Mumbai SEZ failed to get clearance as a railway line and a highway pass through the proposed zone.

Salim Group, the government started considering the proposals in the last week of April. On **March 25 meeting**, the board had **approved Reliance's SEZ in Jamnagar in Gujarat**.

Honourable Minister of Industries

Shri Biswa Bhusan Harichandan lead Team Orissa delegation to UNIDO at Vienna & WTO, UNCTAD at Geneva. UK Trade & Investment, London



Team Orissa delegation at UNIDO HQ, Vienna

Honorable Minister, Industries, RD & Law led a high level deligation to Vienna ,Geneva and UK, which gave world bodies a greater understanding of Orissa and paved way for possible co-operation in promoting Orissa in international arena. UNIDO has been working with Government of Orissa in implementation of projects, namely "Investment Promotion" and "Cluster Development" as part of the Industrial Policy Resolution Implementation Programme. **In Vienna Team Orissa delegation was received by the Chief of Asia & Pacific Programme, at UNIDO HQ**. There were two working sessions – the first one with the Head of Investment Promotion Branch regarding the progress made in the UNIDO supported projects with relation to the objectives,

A report



Team Orissa delegation with Dy. D.G, WTO at WTO HQ

goals and action plans. The second session pertained to the independent evaluation of the two projects by UNIDO's evaluation team from the perspective of the organisation's Country Service Framework. The views of the Government were shared on the evaluation report for further strengthening the impact of UNIDO programmes in Orissa. **Minister, Industries met with Mr. Yoshiteru Uramoto, Deputy Director General and conveyed the satisfaction with the efficacy of UNIDO's interventions in the State. Mr. Sheel Kant Sharma, Ambassador of India called upon the Minister and offered the fullest cooperation of the Indian Permanent Mission to the Orissa delegation in it's deliberations with UNIDO.**

In Geneva, the delegation met with **Mr. Ujal Singh Bhatia (Permanent Representative of India to WTO), Dr. Harsha Vardhan Singh (Deputy Director General, WTO), Mrs. Lakshmi Puri (Director, UNCTAD), Mr. Khalil**

Hamdani (Director, UNCTAD), Ms. Patricia Francis (Executive Director, ITC) and other senior officials, regarding growth strategies of export oriented sectors in Orissa. Possibility of a technical assistance programme

through the support of UNCTAD and ITC was discussed to boost the SME sector & micro-finance to agriculture in Orissa. UNCTAD expressed keenness to be associated with capacity building for developing commodity exchanges and rural market-making mechanisms similar to e-choupals, in Orissa. **Team Orissa was advised by UNCTAD to join the membership of World Association of Investment**



Team Orissa with the Permanent Representative of India to WTO

Promotion Agencies (WAIPA) to foster greater international network building and sharing of mutual experiences leading to a greater culture of being a knowledge-based and forward-looking institution. Orissa was complemented for being the only other State besides Gujarat to have built in facets pertaining to international trade and exports in its Industrial Policy.

In London, Sri B.B. Harichandan, Minister Industries discussed with United Kingdom Trade & Investment (UKTI) and Investment & Technology Promotion Office (ITPO) regarding building up a sustainable partnership between UKTI and Team Orissa that would support project development and promotion interventions. Discussions were held with Mr. Bradley Jones, Head for South Asia Unit and Mr. Chris Fisher of UKTI. Two business missions consisting of industrialists from diverse sectors have already visited Orissa. Discussions with

some of them are at a mature stage regarding their potential investments in Orissa. Possibility of a promotion event in United Kingdom, focused on the SME sectors and non-traditional sectors, during the 2nd half of 2007 was discussed. It was felt that the presence of Honourable Chief Minister in such an event in U.K. would provide a boost to attracting investments in non-mineral sectors. The senior officials of ITPO, Mr. John McFadzean and Ms. Sarah Martin, coordinated the programme of the delegation.

Tata Parivar-Orissa trip for displaced

Jamshedpur: **Tata Steel has unveiled its plans to first rehabilitate the displaced even before starting on their Greenfield projects at Kalinga Nagar in Orissa and Tontoposhi in Jharkhand.** Under the "Tata Parivar" scheme, the displaced would first be shifted to a residential colony with assured electricity, water, sewerage and other modern amenities. Arrangements will be made for health and education services and training will be imparted to each according to his needs. **Tata Steel has also planned to take villagers from Jharkhand to Orissa on a conducted tour so that they could see what the company has already done for the displaced at Kalinga Nagar.** It has also set up a training institute at Seraikela (Jharkhand) and an information centre is also being set up to provide answers to the villagers and the curious. Tata Steel plans to set up a 10 million tonne Greenfield steel plant at Kalinga Nagar and a 12 million

According to available data (as reported by Press), 24 plants in Orissa have entered the production stage having a capacity of 0.95 million tonne per annum (MTPA) of steel, 0.60 MTPA of pig iron and 4.030 MTPA of sponge iron.

tonne steel plant in Jharkhand. The company has taken steps for relief and rehabilitation even before reaching an agreement on land prices. The rehabilitation plan will also take care of people marginally or indirectly affected by the project, like those running roadside eateries. An identification process will precede registration of the people, each of whom will receive an identity card. Independent social audits will maintain transparency and monitor steady growth of income of the displaced. **The Tata Parivar project is on the lines of a similar project unveiled at Kalinga Nagar**, but will be significantly different because of regional requirements, local traditions and customs as well as geographical conditions. **A number of families at Kalinga Nagar have already been shifted to their new homes in the proposed township. A dedicated team of experts is already at work at Kalinga Nagar, to make lives of the displaced comfortable.**

Industrial gas unit may come up at Kalinganagar

Air Liquide India Holding (P) Ltd is interested to set up an industrial gas manufacturing unit at Kalinganagar in Jajpur with an investment of **Rs. 600 Cr.** It has two large plants at Roorkee (Uttaranchal) producing air gases. The proposed ASU will produce and supply Oxygen, Nitrogen & other gases that are essential for the

several Large scale Steel complexes like TATA, JINDAL, VISA coming up in the region besides catering to the requirements of numerous small & medium scale downstream & ancillary units existing and proposed in the industrial areas of surrounding districts.

Two new cement units may come up in Orissa

Cement Manufacturing Company Limited (CMCL) is interested for setting up an **3mtpa** cement plant, with an investment of Rs. 1350 Cr. in Sundargarh district over 175 acres of land. Similarly, **Jaykaycem (Eastern)**

Limited (JEL) also intend to set up a **3.5 mtpa** cement plant near Biramitrapur, Rourkela in the district of Sundargarh, Orissa **utilizing the Blast furnace slag and fly ash** with an investment of Rs.1100 Cr.

Hyderabad Industries for Asbestos Cement Sheets unit in Orissa

Hyderabad Industries Limited is interested to put up an Asbestos Cement Sheets and Accessories Manufacturing Plant at Somanathpur Industrial Estate, Balasore at a cost of Rs. 25 crore with capacity of **0.25**

mtpa over a land of 20 acres. The company has an installed capacity of 6, 75,000 MT for fibre cement products at Hyderabad, Hariyana, Jharkhanda, Maharashtra, U.P. and Kerala.

Fresh coal blocks and linkages to Orissa

Orissa gearing up for generation of 20,000 MW of power

New Delhi: Coal Ministry is already supplying about **25 MT** of coal per year to the power plants of **OPGENCO** and **NTPC** in the state, which can produce **5,000 MW** of power. **Long-term coal linkages have been sanctioned for 3,000 MW capacity and coal blocks were sanctioned for supporting 7,200 MW capacity.** Allocation of more blocks is under consideration to support **generation of another 4,000 MW of power.** Shri Naveen Patnaik, Chief Minister, Orissa requested coal ministry for allocation of coal blocks to Independent Power Producers (IPPs), so that the state could generate **20,000 MW** to meet the growing demand of power in the context of the massive

industrialisation drive taken up in the state. All the existing linkages and those sanctioned recently, including the blocks, can support power generation of **18,600 MW.** The Coal Minister, Mr.D.N.Rao has said that, these will be considered by the screening committee when it takes up allocation of 15 coal blocks for captive mining. The Ministry has **recently sanctioned coal linkages for the 2,000 MW power plant to be set up by the Neyveli Lignite Corporation in Orissa** and to three IPPs who will generate another 1,000 MW. These IPPs are **KVK Nilachal Power Private Limited, (250 MW), Jindal Photo Limited (250 MW) and NPPL (500 MW).**

Orissa – Preparing SME for downstream Industries

The Orissa government has decided to develop sites for ancillary and downstream industries in Kalinga Nagar, Paradeep, Rayagada, Jharsuguda and Angul to take advantages of the ongoing industrialization in the state. In the first phase, the DICs in these zones will be developed and training will be given to potential SME entrepreneurs for setting up industries. In this context a review meeting was held under the chairmanship of chief minister Sri.Naveen Patnaik. **It was decided to prepare an action plan for ancillary and downstream industries by taking inputs from state owned and private business houses operating in the state.** After the meeting Dr. Dalwai, Secretary, Industries informed the press that **the government wants to set up one Industrial park near each mega project where the ancillary and downstream**

industries will be established for creation of more employment generation in the state. For this the government will take the help of mega projects. The state government has put a condition in MoU for the mega projects to provide facilities to ancillary and downstream industries. The mega projects will train the interested individuals for setting up their projects with the help of concerned DICs. **An advisory committee will be formed for private projects. The committee will advise from time to time and speed up the work of Industrial Parks. In the first phase NALCO, Vedanta and Jindal would be asked to set up Industrial Parks. In the meanwhile NALCO has proposed to set up an aluminium park at an investment of Rs.58 crores.**

Mittal India to use own R&R package for Orissa plant

Mittal Steel India, which will require 8,000 acres—a mix of government and private land—in Keonjhar, Orissa, for its proposed 12 million tonne plant, has decided to develop its own rehabilitation and resettlement (R&R) package in line with the guidelines set forth by the state government's policy. Sanak Mishra, chief executive officer (CEO), Mittal Steel India said, even though it was

not part of the memorandum of understanding signed with the Orissa government, the company would come out with its own R&R package. "It has become a requisite given the scenario," he said. The company would appoint an agency to work on the package by the end of the month.

Jindal Stainless to set up Rs 5,600-cr Orissa plant

In a major expansion drive, Jindal Stainless (JSL) plans to spend Rs 5,600 crore to set up a 0.8 million tonne (mt) per annum stainless steel plant at the Kalinga Nagar Industrial Complex, Orissa. The investment is part of the second-phase expansion of the integrated stainless steel project. The company intends to reach a final capacity of 1.6 mt by 2012. The first phase entailing an investment

of Rs 2,250 crore would be completed by year end. Work on the second phase would start simultaneously so that we commission the 0.8 mt plant by December, 2009. Jindal hopes to become one of the cheapest producers of stainless steel since all the input linkages for the plant have already been assured.

Cotton crop in Orissa

Following the introduction of contract farming system in the state, the procurement of cotton in Orissa has registered a jump of 212 per cent. **The Cotton Corporation of India (CCI)** has procured about 1 lakh quintal of cotton from Orissa last year, which is 212 per cent higher compared with 32,000 quintal registered in the previous year. Contract farming was taken up in over 14,000 hectares in the districts of Rayagada, Kalahandi, Nuapada, Ganjam, Bolangir and Sonepur involving about 20,000 farmers following an **amendment of the Orissa Agricultural Produce Markets Act in 2006.** Total area under cotton cultivation was around 60,000 hectares,

while the total production was 5.50 lakh quintals in Orissa in 2006. About 35,000 farmers in 40 cotton growing blocks in the districts of Bolangir, Ganjam, Gajapati, Kalahandi, Nuapada, Rayagada and Koraput have decided to cultivate cotton through contract farming. With the government plan to promote contract farming in a bigger way, some private entrepreneurs have submitted proposals for taking up cultivation of organic cotton in about 32,000 hectares involving 26,000 farmers under contract farming in Nuapada, Kalahandi, Ganjam and Bolangir districts. Moreover, the proposals submitted by the Cooperation for establishment of two

new cotton mandis with processing units at Digapahandi in Ganjam district and at Parlakhemundi in Gajapati district have been approved under the **Technology Mission for Cotton (TMC) of the Government of India.**

Similarly NAFED have submitted a proposal for taking up contract farming in white sesame (til) during the current kharif season in the district of Angul, Dhenkanal, Puri, Nayagarh, Cuttack and Ganjam.

Talcher power plant fly ash helps crops

Talcher Thermal Power Plant (TTPS), a NTPC unit, is successful in utilisation of its by-product slurry. TTPS is successful in managing its ash disposal burden by back filling method of coal mine. There would be a requirement of 1.4 lakh acres of land in next five years to cope up with the slurry disposal of about additional 175 million tonne. Currently 125 million tonne of ash is being produced for which one lakh acre of land is required for storage and disposal of produced ash water in conventional method, according to the deputy general manager of the plant A.K.Sinha. As the plant consumes an average of 8000 tonne of coal per day with the running of all six units, about 27000 to 28000 cubic

meter of slurry is generated and disposed off to the mine, said Sinha. The ash water released from the plant also came as boon for drought stricken farmers of village Gobara near the mine. The ash water having ash and water content in the ratio of 1:8 after being settled in the mine are being recycled and evacuated to the village lands by pipe for the agricultural and non-drinking purposes. "NTPC water collected from the mine actually saved our crops last year and is highly beneficial for the entire village. In the current summer unlike in past our tanks and wells are full for the water getting from mine", said a village leader of Gobara

NTPC on social responsibility in Orissa

Talcher Thermal of the National Thermal Power Corporation Limited (NTPC) as part of its corporate social responsibility (CSR) is **going to construct an ash dyke. For the purpose it has acquired about 280 acres of land from four villages of Santapada Gram Panchayat unaffacting any family.** However, the corporate has extended the Rehabilitation and Resettlement (R&R)

facilities to the project affected people under Rehabilitation Action Plan, which included various community development works. Construction of the approach road to the entire Gram Panchayat has commenced. The infrastructure facility in the area is expected to improve vastly after the completion of the road.

Record performance by Orissa Mining Corporation Limited

Orissa Mining Corporation Limited (OMC) is likely to exceed Rs.1080 crore turnovers during 2006-07 which is the highest in Coporation's history. This represents an increase of 59% over the previous year's turnover. Simultaneously, the Corporation's provisional operational profit is likely to reach a record high of Rs.540 crore in 2006-07 representing 67% growth. OMC was the first Public Sector Undertaking in the mining sector in India jointly established by the Union and State Governments in 1956 and became a wholly state owned company by

1962. The corporation to its credit has received many awards, notably the Golden Peacock Award and Mines Safety Award. Quality Management has been the top most priority in the OMC's agenda. OMC has not only implemented the high end E-governance initiative Enterprise Resource Planning (ERP), but also introduced Quality Management System in Chrome ore mines in Sukinda Valley, which is ISO 9001-2000 certified. Besides, the OMC's expenditure on peripheral development has gone up to Rs.14.56 crore in 2006-07.

National & International Roundup

Maharashtra had 163 sugar mills across the State, out of which 52 have been shut down permanently. Maharashtra faces peculiar problem of excess crop during this season, perhaps for the first time. Till now 728, 00,000 metric tonnes of sugarcane has been cut and delivered to sugar mills. Around 32, 00, 000 metric tonnes of sugarcane crop is expected to be cut and delivered. The State Government has decided to give 25,000 rupees as compensation to the farmers.

Sundarbans, collection of islands in India's Ganges delta, are sinking as result of confluence of natural and human forces, not least rising sea level caused by global warming; more than 31 square miles of Sundarbans have vanished entirely in last 30 years, and more than 600 families have been displaced; Ghoramara Island, one of Sundarbans, is half the size it was in 1969; farmers and fishermen who live in Sundarbans are far too poor to produce much in way of carbon emissions that threaten their way of life

Global warming will displace seven mn Indians!!

Global warming and subsequent sea level rise will hit the eastern cost of India by the end of this century and displace over seven million people.

New Delhi: A study conducted by the central government on the impact of climate change has projected alarming signals for India. In the event of one meter sea-level rise, 5,764 sq km of land in coastal areas of India is projected to be lost, displacing approximately 7.1 million people along with 4,200 km of roads by the end of the 21st century. Further, the coastal areas are also vulnerable to projected increase in frequency and intensity of extreme weather events like storm surges and cyclones. In the eastern coast, the vulnerable districts include Jagatsinghpur and Kendrapara in Orissa and Nellore in Andhra Pradesh and Nagapattinam in Tamil Nadu.

Almost reiterating the Intergovernmental Panel on Climate Change (IPCC) report, which projected similar environmental disaster, the minister for forest & environment, GoI has said that the ocean adjoining the Indian subcontinent was likely to warm at its surface by about 1.5 to 2 degrees Celsius by the middle of this century and by about 2.3 to 3.5 degrees by the end of the century.

Vedanta to increase output to 900,000 tonnes

Vedanta Resources, the country's largest producer of copper and zinc, will boost annual production of aluminum to 900,000 metric tonnes in 2009 to capitalise on the higher prices and improving local demand. A 500,000-tonne smelter at Jharsuguda in India and expansions of existing capacity will allow the company to increase output, Gunjan Gupta, vice president of sales and marketing, said at an industry conference in Bahrain. "India will be among the fastest growing consumers of aluminum in the world given the

London-based Vedanta is bidding against Hindalco Industries and Swiss commodity trader Glencore International AG for a stake in Aluminij dd Mostar, the largest aluminum smelter in the Balkans that's worth at least US \$104 million.

country's economic growth and its low usage rates per capita," Gupta said at the conference organised by London-based consulting company CRU. The Jharsuguda smelter will be commissioned next year with the first phase of production to begin by early 2009 and full output by early 2010, Gupta said. Aluminum demand growth will be strong enough in India to absorb an expected 50 per cent increase in production in Asia by 2009. The amount of surplus production will shrink in 2009 as usage in the aerospace, automotive and manufacturing industries picks up.

Chennai Petroleum Corporation Ltd to build 15mt refinery

Chennai: Chennai Petroleum Corporation Ltd (CPCL) has announced that the company would set up a 15 mmtpa greenfield grass root refinery and petrochemical complex at Ennore near Chennai at an investment between Rs 35,000 crore — 40,000 crore. The company will also implement various projects with an investment of Rs 6,000 crore in the next five years, which includes a 'delayed coker' unit along with associated facilities with an investment of Rs 3,000 crore. In the new refinery project, CPCL and its parent company Indian Oil Corporation Ltd will have a majority stake. The company is likely to give 10-12 per cent stake to a strategic partner. CPCL is implementing debottlenecking of its third

refinery unit at Manali. With the implementation of this project, the refining capacity will increase from 9.5 mmtpa to 10.5 mmtpa. The company is establishing a Rs 90-crore windmill power project with 17.6 MW capacity at Palghat pass near Pollachi in the state. The power generated from this windmill farm will be used for the needs of CPCL's desalination plant in Chennai through a wheeling arrangement with TNEB. This project is expected to be commissioned by August 2007. A 5.8 MGD seawater desalination project would be completed in December 2007. The company has achieved a gross refinery margin of \$5 per barrel in 2006-07 against \$4.6 in the last year.

Autoline to acquire 51% in US based firm

Mumbai: Auto component maker Autoline Industries has said that it will acquire 51 per cent stake in US-based Detroit Engineered Products (DEP) Inc for an undisclosed sum. The Pune-based company has executed an agreement with the promoters of DEP Inc to acquire the stake as strategic investor. Autoline Industries is a design, engineering and manufacturing solutions provider

focused on sheet metal assemblies and formed tubular products, with integrated engineering, tool design and manufacturing facilities in Pune. On the other hand, DEP Inc, a firm that specialises in Computer Aided Engineering (CAE) services and Computer Aided Design (CAD), has a subsidiary located in Chennai.

New Hyderabad airport to become operational next year

Hyderabad: Construction of the Rs.24.78 billion Hyderabad international airport is in full swing and the first flight is expected to take off March next year. The project is coming up at Shamshabad, about 25 km from here. GMR Hyderabad International Airport Ltd (GHIAL) says it will complete civil construction by the end of this year. Trials and certification will take three months after which the airport will launch its commercial operations in March 2008. GHIAL is a joint venture of the GMR Group, Malaysia Airports Holding Berhad (MAHB), Airports Authority of India (AAI) and the Andhra Pradesh government. When completed the airport will have a 4,260-metre long runway, India's longest for civil aviation and can handle 12 million passengers a year. The length of taxiway will be same as runway and

During 2006-07, the passenger traffic at Hyderabad was 5.95 million including 1.20 million international, a growth of 43 percent. The air traffic movements also registered a growth of 34 percent over the previous year (2005-06). Currently there are 19 airlines operating to over 32 destinations in India, Middle East and the Far East.

it can also be used for emergency take-off. The airport is built to handle the world's largest commercial aircraft A-380. The other special features include fuel supply system on open access basis, modular cargo terminal with an initial capacity to handle 100,000 metric tonnes per year, an airport village for shopping and a business hotel of 308 rooms. A convention centre and other commercial activities are also planned on 1,000 acres out of 55,000 of the airport land. The seven-storey passenger terminal building being built by China State Construction Engineering (Hong Kong) Company Ltd at a cost of Rs.6.15 billion is spread over 100,000 square metres.

TN plans Rs 1,300 cr export centre for electronic goods

Coming up near Sriperumbudur-will create 23,000 jobs

Chennai: The Tamil Nadu Government will set up an export centre for electronic goods. This will come up on 285 acres of land at Oragadam, to the west of Chennai, and will attract an investment of Rs 1,300 crore. Mr M. Karunanidhi, who also holds the industries portfolio, said that the centre to be set up by the State Industries Promotion Corporation of Tamil Nadu, a

government agency, would create 23,000 jobs. It would be in the vicinity of a high tech centre set up in Sriperumbudur, where companies such as Motorola, Dell, Samsung and Foxconn are putting up plants. He said that the growth centre in Perundurai promoted by the Corporation would be expanded on another 1,250 acres. An export centre for engineering goods such as pumps,

Manipal group plans stem cell venture in Malaysia

Bangalore: **The Manipal Education and Medical Group** said it has signed a memorandum of understanding (MoU) with **Malaysian Biotechnology Corporation** for setting up a **joint venture subsidiary in Malaysia for advanced stem cell R&D**. The MoU was signed in Boston on the sidelines of the **biotechnology show BIO 2007**. Dr Ramdas Pai, Chairman, MEMG, and Tan Sri Ahmad Zaharuddin Idrus from Biotech Corp, signed the MoU in

the presence of the Malaysian Deputy Prime Minister Mr Datuk Seri Najib Tun Razak, a release said. MEMG CEO, Dr Ranjan Pai, said, "We believe that joining hands with Malaysian Biotechnology Corporation will allow us to strengthen our presence and expertise in South-East Asia and together we hope to provide cutting edge healthcare solutions to the people in the region."

Tamil Nadu to set up SEZ for energy sector

Chennai: A Special Economic Zone (SEZ) for the **non-conventional energy sector** will be set up in **Kancheepuram district** in a **700-acre area**. Land had been acquired for the project and a US-based firm has evinced interest to set up a plant for manufacturing equipment for the wind energy sector with **Rs 5,000 crore investments**. Private parties were interested in setting up wind mills but in some areas the wind speed was only

around 10 kmph. "If private parties come forward to set up windmills in places where the speed was 15 kmph and above, the government will accord permission", the Tamil Nadu Electricity Minister said. The minister said at present the government was spending **Rs five crore to generate one mega-watt (mw) of hydro-electric power and Rs four crore for one mega-watt of thermal power**.

Carbon credit for ITC Hotel

The **ITC Sonar Bangla hotel in Kolkata has become the first hotel property in the world to obtain certified emission reductions (CERs)** issued under the aegis of the United Nations Framework on Climate Change Convention (UNFCCC). CERs, also known as carbon credits, are issued under the clean development mechanism (CDM) of the Kyoto Protocol. CER, the

technical term for the output of CDM projects, was a unit of greenhouse gas reduction expressed in terms of carbon dioxide equivalence. The reduction had to be achieved and certified under the provisions of Article 12 of the Kyoto Protocol. The energy conservation initiatives helped the hotel to save Rs.83 lakhs per year i.e. nearly 19 per cent of the hotels total annual energy bill

IT exports up by 39.05%

New Delhi: **IT exports have touched \$36.65 billion, reporting a growth of 39.05 per cent for the year ended March 2007** as per the estimates of **Electronics and Software Export Promotion Council**. This includes electronics hardware, software and services. While exports from computer software and services increased to \$24.27 as against \$16.9 billion in the previous year,

registering a growth of 40 per cent, ITES exports rose to \$9.4 billion up from \$6.78 billion recording a growth of 36.67 per cent. In the electronic hardware category, exports grew by 29.87 per cent to \$2.89 billion as against \$2.17 billion in the previous year. In percentage terms, growth has been significant at 38.28 per cent in April-March 2007.

Deep-sea fishing to be allowed again

The government proposes to permit Indian entrepreneurs to acquire fish resource-specific deep-sea fishing vessels for deployment in the country's **exclusive economic zone (EEZ)**. The proposal of the agriculture ministry's fisheries department to this effect has already been cleared by the inter-ministerial empowered committee on marine fisheries. The committee has also finalised the optimum fishing capacity that will be allowed to be exploited in the EEZ in the next five years. Under this policy, **permission could be granted to a maximum of 110 tuna long liners, 500 pole and line vessels, 18 purse-seiners, 10 trap/hook and line vessels, 15 squid jiggers and 72 pelagic/mid-water trawlers**. The operation of foreign vessels for deep-sea fishing in the

Of the country's total marine fisheries potential of 3.93 million tonnes, about 3 million tonnes came from the inshore belt where there was very little scope for further augmenting fish production, the minister pointed out. The bulk of the exploitable surplus of 0.8 million tonnes lied in the offshore or deep sea belt.

Indian EEZ was disallowed in 1996 following protests from the local fisheries communities. Subsequently, the comprehensive marine fishing policy adopted in 2004 had stipulated allowing fish resource-specific vessels carrying Indian flags to operate in the Indian deep water zone subject to capacity limits to be decided by an empowered committee. The ultimate goal was to transform deep-sea fishing gradually into a limited access regime. Under this move, a new Central Act was being formulated to regulate fisheries and fishing in the EEZ. Besides, a national plan of action, with enabling legal provisions, is also proposed to be put in place to curb illegal, unregulated and unreported fishing activity in the Indian EEZ.

Tata Tea forms JV with China's Zhejiang Tea

Mumbai: Tata Tea Ltd has formed a joint venture with China's Zhejiang Tea Import and Export Company to make and sell tea beverage products. The company said

it would own 70 per cent of the joint venture. The cost of the project was estimated at Rs 700 million and would be funded through a mix of equity and debt.

TRAI for lowering FDI for ISPs

New Delhi: TRAI has recommended lowering of foreign direct investment on par with telecom sector at 74 per cent from the existing 100 per cent. ISPs having 100 per cent FDI equity should be given two years for reducing foreign holding to 74 per cent, it said. In its recommendations to Department of Telecom, TRAI has also suggested major changes in financial and regulatory levies. Instead of free entry, it recommended levying an entry fee of up to Rs 20 lakh along with a uniform licence fee of six per

cent of gross revenue. **ISPs seeking licence at national level will have to pay Rs 20 lakh as entry fee while it will be Rs 10 lakh for state level ISPs. The minimum annual licence fee has been pegged at Rs 5,000 for district level ISP, Rs 10,000 for state level and Rs 50,000 for national level ISP.** The regulator suggested that the ISPs should have licence to operate at a national and state level. ISPs operating in smaller areas like districts have been recommended to migrate to national or state level licence.

Out of 700 licences issued within three years of opening of ISP sector to private service providers, only 389 licensees exist today. Only 135 Internet service licensees are functionally active. 254 ISP licensees have nearly zero contribution to the growth of Internet-TRAI

IBM reviews new investments in India.

New Delhi: IBM Corp Chief Executive Samuel Palmisano met with Indian business leaders and executives from client companies recently as he wrapped up a two-day trip to review the company's new investments and expansion in India. **IBM is investing US\$6 billion to set up new research facilities and expand its outsourcing centers in India.** The company has hired thousands of engineers and software professionals since Palmisano unveiled the three-year investment plan last June. In

March, it won a 10-year contract to manage the information technology infrastructure of Indian mobile company Idea Cellular in a deal valued between US\$600 million and US\$800 million. IBM now employs about 53,000 people in India, second only to the United States, where it has about 125,000 employees. Most of them are employed at the company's outsourcing centers that cater to IBM's clients worldwide.

BSNL to start IPTV soon

BSNL would very soon launch **Internet Protocol Television Services in cities like Chennai, Hyderabad, Bangalore and Kolkata**, its Chairman and Managing Director A K Sinha said. BSNL was also gearing itself to expand broadband customer base and by the beginning of June 2007 it would be ready to release 3.3 million new connections in urban areas and over two million connections in rural

areas. BSNL has already identified 20,000 village telephone exchanges for broadband connectivity. The plan was to issue 20 million broadband connections by 2010. A road map had already been prepared to provide 122 million GSM mobile connections and 22 million broadband connections in the next three to four years.

Kerala SMEs gearing for Defence production

Thiruvananthapuram: The Defence Ministry is likely to spend **Rs 5 lakh crore over five years** to acquire strategic Defence capabilities on diverse fronts. As much as **30 per cent** of the projected production will be sourced from the domestic industry. The State Government's idea

is to help the SMEs get a slice of the pie. The Industries Department is planning to conduct a **workshop for SMEs in association with the FICCI and the Defence Ministry** within a couple of weeks.

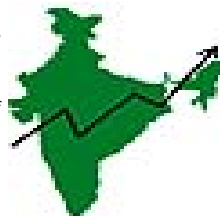
Google to expand operations in Hyderabad

Hyderabad: Andhra Pradesh government has decided to **allot 20 acres of land on the city outskirts to Google for expanding its operations in Kokapet village.** A MOU in this regard was signed at Santa Clara in US by Andhra Pradesh officials and senior executives of Google in the presence of visiting Chief Minister Y.S. Rajasekhara Reddy. In Hyderabad, Google has the second largest operations in India. Google has about 1,088 employees operating from a leased facility. The company is keen to expand its operations here by ramping up the employee

strength to over 4,000 and constructing a fully owned techno complex. Founded in 1998, the company employs more than 10,000 people worldwide. At the end of 2006, Google had global revenues of over \$10,604.92 million, with market capitalization of about \$150 billion. The Googolplex in Mountain View, California, is the world headquarters for the Google Organisation. Google has more than 20 offices around the globe and is present across four locations in India - Bangalore, Hyderabad, Delhi and Mumbai.

Standard & Poor's Challengers List: Indian industry outsmarted Chinese

New Delhi: The upbeat Indian industry has outsmarted the world's fastest growing economy China, with as many as 8 domestic firms making it to Standard & Poors' list of challengers to leading global blue-chip companies. **Rating agency S&P has included 8 Indian companies in its annual 'Global Challengers List' of 300 firms, while only 4 Chinese firms were included in the list.** The list identifies mid-size publicly traded firms that exhibit the strongest growth characteristics. **The 2007 list includes**



companies from 37 countries. It includes cement maker ACC, Hotel Leela Venture, Jain Irrigation, Lakshmi Machine Works, Marico, Siemens India, besides Tata Group's Titan Industries and Indian Hotels. The country contributing the most members is **Japan with 62 firms**, followed by the **United States (58)** and **UK (19)**. Regionally, America represents 22.67 per cent of the list's composition, followed by Asia/Pacific (41.67 per cent), Europe (33.33 per cent) and Middle East/Africa (2.33 per cent).

11 Indian firms to set up units in China

New Delhi: The memoranda of understanding (MoUs) were signed under the aegis of the Associated Chamber of Commerce and Industry (ASOOCHAM) and its Chinese counterpart, China Council for Promotion of International Trade (CCPIT). Eleven Indian companies, which were part of a 35-member business delegation to China, have entered into an agreement with Chinese business interest to set up manufacturing facilities and offices there with a total investment of \$5

billion. According to the Assocham statement, one of India's leading steel companies Fino Steel is also going to set up two plants in India in the next 4-5 years in Orissa and Karnataka. China intends to also import 150 million tonnes of iron ore from India compared to its current import level of 85 million tonnes in view of its growing requirements for steel production, it said.

- **Videcon Industries Ltd: to set up \$1.5 billion LCD (liquid crystal display) unit in Shenzhen.**
- **ZTE Telecom India Pvt Ltd and Spice Communications Pvt Ltd: to set up telecom manufacturing units in Shenzhen.**
- **Maharashtra Industrial Development Corporation, Rajasthan Industries Development Corporation and Unity Power have also struck significant investment deals.**
- **Adfactors Pvt Ltd, AKS Associates, Law Firm, International Certification Pvt Ltd and Cosmos Industries of India will be setting up their business establishments.**

Govt may cut excise on ethanol for EBP to 8%

New Delhi: The Central government may reduce the excise duty on ethanol for EBP from 16 per cent to 8 per cent. The excise cut will be directed towards encouraging the use of ethanol blended petroleum. The Ministry of Petroleum and Natural Gas has directed oil companies to sell 5 per cent EBP (EBP is a blend of 95 per cent petrol and five percent ethanol). However, the supply of ethanol has been restricted by state governments, which have been imposing high duties on ethanol that lead to an increase in its cost. The high cost of ethanol does not make its use cost-effective for oil companies. The landed cost of ethanol is compared with the benchmark price of

landed cost of petrol at a particular location, including all taxes and duties. If the landed cost of ethanol is more than that of petrol, oil companies do not use ethanol. The oil marketing companies (OMCs) are now finding it difficult to procure the required quantity of ethanol. The programme is significant since ethanol is an environmentally-friendly fuel, which also reduces the country's dependence on oil imports. As there is no subsidy on ethanol, an excise cut may just bring down costs enough to give the programme the fillip that it needs.

Rajasthan CM calls for Dubai expertise

Jaipur: Rajasthan Chief Minister Vasundhara Raje went for an eight-day tour to Dubai and New York. She receives this year's UN Women's Together Award. During her Dubai visit Raje discussed various development mechanisms in place in Rajasthan, including the financing of infrastructure projects through special purpose vehicles (SPVs). Raje went on a guided tour of the Dubai Sports City, comprising a stadium, sports academies, golf course and residential areas on an area of 50 million sq ft. A sports city project on similar lines has been

proposed near Jaipur. Spread over 500 acres, it is to include both outdoor and indoor sports facilities, a golf course, shopping arcades and restaurants. The Jaipur Development Authority has issued a request for proposal (RFP) for this project. The Dubai government will soon send a technical team to Rajasthan to give their expertise and scout for locations for developing integrated townships, theme parks and convention centers in the state.

Andhra Pradesh CM calls for US investment

Washington: Andhra Pradesh Chief Minister Mr.Y.S. Rajasekhara Reddy has invited US companies to invest in his state, saying it would become digitally-driven with the setting up of the semiconductor manufacturing facility Fab City. Speaking at the Indus Entrepreneurs (TIE) luncheon meeting at Santa Clara, California and a roundtable with CEOs of semiconductor companies at San Francisco recently, he urged them to make Andhra Pradesh their Asia Pacific headquarters. Inviting IT and semiconductor companies and other industries in the United States to invest, he said IT exports from Andhra Pradesh were expected to reach \$4.5 billion this year. Stating that 1,200 acres land has been provided for FAB City near the upcoming new international airport in Hyderabad, he said it would be developed as an integrated hub with multi-modal transportation, hi-speed custom clearances and a

centre of manufacturing excellence in semiconductors and related eco-system. Mr.Reddy said that semiconductor consumption in India was only \$3 billion and was expected to touch \$45 billion by 2015. "We hope to build a \$10 to \$12 billion manufacturing base in the entire food chain of semiconductors," he added. He also invited investments in pharmaceuticals, biotechnology, agro-processing, mineral-based industries, engineering, hi-tech manufacturing, textiles, leather goods, tourism, gems and jewellery. The chief minister said 53 Special Economic Zones (SEZs) in the private and public sector were coming up in Andhra Pradesh. "These SEZs are a combination of multi-product and product specific and provide very attractive incentives like tax holidays. Further, keeping Mr. Reddy's request, California

Y.S. Rajasekhara Reddy told the World Agricultural Congress in the US that growth in agriculture could not be sustained without a second green revolution and farmers' welfare. Delivering the keynote address at the Congress in St. Louis, he shared the experience of India, especially Andhra Pradesh, to emphasise that prosperity could be achieved through investments in agriculture. "We have embarked upon a massive programme of augmenting the entire irrigation potential available in the state. The programme is to bring three million hectares additionally under assured irrigation within the next five years. In the first three years, we had already spent about \$4.6 billion dollars on irrigation, which is much more than what was spent in the last 15 years.

Governor Arnold Schwarzenegger, hero of many Hollywood action films, has agreed to visit Hyderabad in November with a high-level business delegation to

discuss mutual cooperation and investment opportunities in Andhra Pradesh.

Indian biotech sector to touch \$5 bn by 2009-10

With the increasing number of bio-tech firms in India, the biotechnology sector is likely to grow over three times to touch \$5 billion by 2009-10 according to industry body Assocham. "The domestic biotechnology sector, which was at \$1.5 billion during 200-06, is expected to reach \$5 billion by 2009-10 with a consecutive year-on-year growth rate of 35.1 per cent," the chamber's paper on Biotechnology Future stated. India has more than 300 bio-tech firms focusing on different aspects of value chain and their numbers is going more than double in next 3-4 years. Bio-pharma, the largest segment of bio-tech industry grew by 32 per cent in 2005-06 to reach \$1 billion. Exports which accounted for 52 per cent of the industry's total revenue, stood at \$763 million. Bio

pharma accounted for 75 per cent of the total exports and 70 per cent of domestic sales. Investments in the agri biotech and bio services sector have crossed \$360 million in 2005-06, growing 36 per cent over the previous year. Vaccines and bio-generics are the areas of interest among leading biotech-companies such as Bharat Biotech, Biocon, Dr. Reddy's Lab, Panacea Biotech, Serum Institute, Shanta Biotech, Workhardt and Zydu. The sector also attract funds from international agencies like World Bank, International Finance Corporation, ventures capitals, private equity arm and other financial institutes.

Sinosteel outlines US\$4bn project for eastern India

The biggest Chinese FDI in India-

"India's steel demand which stood at 36 million tons last year, is forecasted to exceed 100 million tons in 2010," a POSCO executive said. "India has sizable iron-ore reserves and the market is expanding rapidly. That's a magnet for global steel makers to make inroads into India."

Eastern India is shaping up as a new battleground for the global steel industry. India's rapid economic growth is fueling strong local demand for steel and iron and the eastern region, with its reserves of 10 billion tons of iron-ore, seems to have the solution. Sinosteel Corp, a Chinese mineral trading company, has plans to build a US\$4 billion (HK\$31.2 billion) steel plant in India; joining global steelmakers in tapping the world's fifth-biggest iron ore deposits. Nippon Steel Corp., the world's second-biggest steel company, and Baoshan Iron & Steel, the fifth biggest, are also rushing to enter the market. Sinosteel will first invest US\$500 million in the planned five-million- tonne plant in Jharkhand, the

confident that there will be enough iron ore to support our plant," Wang said. "We have very good relations with many sellers in India for many years." Sinosteel has been buying Indian ore since at least 1991. Mittal in December 2006 agreed to build a US\$9 billion plant in Orissa, after initially announcing a US\$9 billion, 12 million-tonne-a year plant in Jharkhand state in October 2005. POSCO, the world's fourth-biggest steelmaker, is yet to get all the land required for a US\$12 billion plant in Orissa. "Foreign companies investing in India are willing to put up with some delays as long-term benefits of such investments will far outweigh such irritants," said BOB Asset Management official. Sinosteel may next month sign an

Steelmakers are not deterred by such delays as demand in Asia is growing faster than in Europe and North America. Steel usage in India is forecast to rise 7.7 percent a year from 2010 to 2015, almost twice the 4.2 percent global rate in the same period, the International Iron & Steel Institute said. Shanghai Securities News reported that Sinosteel will team up with Baoshan Iron & Steel to construct the plant. The facility will serve as base camp for Chinese steel makers in India. The International Iron and Steel Institute said the demand for steel in 2007 was 2.6 percent lower than last year. Mr Luo Bingsheng, vice chairman of China Iron and Steel Association has said that the export rebate cut for steel products, which came into effect on April 15, may dampen the enthusiasm of steel exporters in China. He predicted that China's export of steel products may level with that in 2006 or even drop slightly in 2007.

In another development, China's top banker said the country will soon set up a new agency to invest part of its US\$1.2 trillion of foreign exchange reserves. "I think soon it will be officially set up," People's Bank of China governor Zhou Xiaochuan said. The new agency will have flexibility in its investment scope and investment decisions will be made according to its own judgment, he said. China is seeking to improve returns on its foreign reserves, which grew 37 percent in the first quarter from a year earlier.

company's India managing director Wang Hongsen said in New Delhi. After Orissa, Jharkhand has the country's second-largest iron-ore reserves with 3.6 billion tons. The total investment, the biggest in India by a Chinese company, will be made over eight years, he said. Sinosteel is betting its 16-year-old relationship with India may help secure approvals faster than rivals. "We are

accord for the project with the Jharkhand state government, Wang said. It expects to get rights to mine 300 million tonnes of ore for 30 years. Sinosteel will sell as much as 70 percent of its production in India. The eastern states of Jharkhand, Orissa and Chhattisgarh account for 70 percent of India's coal reserves and 55 percent of its iron ore.

India - bridging the gap-IMD reports

Here is some good news. Emerging economies like India, China and Russia are fast 'closing the gap' between themselves and the developed world.

According to the recently released IMD World Competitiveness Yearbook 2007, while the US still ranks No 1 in the world in terms of competitiveness, 40 other economies are either increasing or maintaining

their competitiveness. "For the first time, the ranking indicates not only the competitive position of nations in 2007 but also their ability to catch up with the leader (the US)," says Stephane Garelli, director of IMD's World

Competitiveness Center and author of the report. The rankings, which take into account factors like economic performance, government efficiency and infrastructure, are brought by Laussane, Switzerland-based International Institute of Management

Development. Some of the countries that have improved their competitiveness over the last few years include China, Russia, India, Slovak Republic, Estonia, Sweden, Austria, Australia, Denmark, Switzerland and Hong Kong.

Russian co for Rs 1,500 cr titanium JV project in Kerala

Thiruvananthapuram: Kerala is gearing up to launch an unique Rs 1,500-crore titanium sponge manufacturing project with the help of titanium technology expert Rosoboron through another Russian firm Avisma. Kerala government, Avisma and Rosoboron have signed a MoU to this effect. This is the only JV that Rosoboron has forged in titanium sector anywhere in the world, Alexy V Aleshin, deputy director general, RoE, Rosoboron has said. Rosoboron has agreed to usher India into the select titanium technology club of six countries. The Indo-Russian facility is planned in Chertala on land owned by KSIDC (Kerala State Industrial development Corporation), according to industry minister Elamaram Kareem. The MoU is for technology association in

manufacturing titanium metal, titanium sponge and titanium alloy. The new venture will set up a titanium sponge plant with installed capacity of 10,000 tonne per year. This would need investment to the tune of Rs 1200 crore to 1500 crore, says the agreement. For Kerala government, the new JV would mark its third venture in utilising illminite sands. State's star profit-maker PSU Kerala Minerals and Metals Limited (KMML) will supply titanium tetrachloride for the titanium sponge project. In the second phase, this would diversify to titanium metal and titanium alloys.

Acquisition of Novalis by Hindalco- Finally approved by EU

Brussels: When the European Commission, the EU's executive arm in Brussels, was notified of the proposed takeover by Hindalco of the US based American company Novalis, it at once checked to see whether the takeover fell within the scope of EU competition policy. Hindalco, in the Commission's words, "is Asia's largest integrated producer of aluminium, and also active in the copper industry in Asia." Novelis "is active in the aluminium sector, both at the upstream level and at the downstream

Why should the takeover by an Indian company of an American company attract the attention of the European authorities in Brussels? The short answer is that the 27-nation European Union (EU) is determined to ensure that mergers and acquisitions of companies do not create monopolies and reduce competition within the EU single market, according to the Inepnext news agency.

level," the Commission noted. The Commission opened its investigation in April 2007. It concluded a month later that the takeover by Hindalco of Novalis would not affect competition on the EU market. "Hindalco's European activities are very limited," the Commission concluded. And even where they overlapped with those of Novelis, "their combined market position would not give rise to competition concerns."

Klockner to invest Rs 83 cr packaging plant in India

New Delhi: German packaging solutions provider Klockner Pentaplast (KP) has said, it will set up a pharmaceutical films manufacturing facility in Aurangabad, Maharashtra, at an outlay of Rs 83.25 crore as it plans to make India a hub for its pharma packaging research in Asia. The Greenfield facility would have a capacity of 15,000 tonnes per annum and is expected to be operational by the first quarter of calendar year 2008. "India is a key market for the company in Asia with major pharmaceutical companies here being our customers. We would invest 20 million dollars in a new pharmaceutical film making facility here which would cater to both domestic and export market," company's President and COO Joachim Kreuzburg told

Pharmaceutical packaging business in India presently stands at around USD 60 million and is growing at a rate of over 10 per cent annually. Similarly, pharmaceutical packaging business in Asia stands at USD 4-5 billion.

reporters here. He said the company would make India a hub for pharmaceutical packaging solutions in Asia and anticipates revenues of USD 30 million in the first year of operations. The company has been present in India since January 2006 and had closed the previous fiscal with revenues of USD 10 million. "Nearly 60 per cent of our produce out of Aurangabad would be used in the domestic market while the rest 40 per cent would be exported to other parts of Asia," KP India Managing Director Alok Marwaha said. Klockner Pentaplast operates out of 21 manufacturing facilities in 11 countries globally and closed the previous fiscal with revenues of USD 1.5 billion.

Konecranes sets up engineering centre in Pune

New Delhi: The \$2 billion Finland-based company Konecranes, a leader in lifting devices, has set up an engineering centre in Pune to serve as a global interface for design and other services between its customers and manufacturing facilities. The Konecranes chief executive explained that the engineering centre will not only serve expanding market base in India but also their global operations. As per their estimate the size of the Indian market for lifting equipment at present is \$200

million, and growing at 30 percent annually. The Pune centre had started operations with 30 engineers for applications such as computer aided design (CAD), project plans and precision drawings and that the headcount was soon expected to rise to over 100. The company has already supplied its equipment to Bhusan Steel and the Essar group among industries, as also to the ports at Kandla, Kochi, Goa and Haldia. Its third segment of business caters to shipyards.

Airbus to invest \$1 bn in India

New Delhi: European plane maker Airbus plans to invest more than USD 1 billion in the Indian aviation industry in the next 10 years, a senior company official has said. "We have decided to invest over USD 1 billion in next 10 years in Indian aviation," John Leahy, chief operating officer (customers) of Airbus, told a news conference.

Cobra Beer plans breweries in India

The UK-based Cobra Beer will start its own breweries in India soon. The founder CEO of \$300-million Cobra Beer Karan Bilimoria, who is a member of House of Lords in UK, said that the company will invest \$30 million in India in the next couple of years to set up a number of breweries. He said the company will initially set up a brewery in North India and then several similar breweries in the other part of the countries including Hyderabad — his home town. The company is also planning to

manufacture wine in India and will set up first manufacturing unit by the end of 2007. The unit will first produce for domestic consumers, and later, will export. At present, the firm has partnered with Mount Shivalik in India to brew Cobra under licence for Indian market. Bilimoria, whose mission is to brew the finest Indian beer and to make it a global brand, had used a Bangalorean brewery to brew Cobra and imported it to UK for seven years.

Holcim hikes its ACC stake to 42%

Holcim, the world's second-largest cement maker, has raised its stake in India's top cement manufacturer ACC Ltd by three per cent to nearly 42 per cent by buying shares from the open market for over Rs 640 crore. At the end of March 31, Holcim held 37.75 per cent stake in ACC through Ambuja Cement India Pvt Ltd and 0.29 per cent through Holderind Investments. Global cement makers such as Holcim and Lafarge are

increasing their presence in world's second-fastest growing major economy by buying firms and setting up new projects. Till April, Holcim owned nearly 30 per cent in another leading cement maker Ambuja Cements (earlier known as Gujarat Ambuja) through direct and indirect shareholdings. Holcim, with a market capitalisation of over 22 billion, has a presence in over 70 countries.

India must improve transparency in power sector: Report

Washington: India, Thailand, Indonesia and the Philippines must improve transparency and public participation in their electricity sectors to provide citizens with affordable, reliable and clean energy, concludes a new report. The report is part of the Electricity Governance Initiative (EGI), a global partnership of non-governmental organisations engaged in national energy policy debates. The data analysed in the report was collected by a partnership of 20 civil society organisations in the four countries. "Unless this major shortcoming is addressed by promoting transparency, accountability and public participation in the policy making and regulation, crisis in the electricity sector can not be resolved." "Empowering People: A Governance Analysis of

Electricity" examines the decision-making processes leading to the design of and investment in electricity infrastructure in Southeast Asia. More than \$6.5 trillion of investment is needed in the sector in developing countries by 2030. But there are questions about how well efforts to privatise electricity services have supported public interests and sustainable development targets such as the Millennium Development Goals. "More open planning and regulatory processes can help manage trade offs, and allow for more investment in clean energy at affordable prices," said Smita Nakhoda of the World Resources Institute, one of the authors of the report released in New York recently.

Tata Power is India's largest private sector power utility with an installed generation capacity of 2,300MW and is part of the well-known Tata Group. Tata Power has entered into a long-term coal off-take agreement with KPC for the supply of approximately 10 million tonnes per annum for its power plant on India's west coast as well as for future power projects, including the recently won Ultra Mega Power Project of 4,000MW at Mundra in India.

Indo-American Chamber tie-up with WTC-Rhode Island

Kolkata: The World Trade Centre, Rhode Island (WTC-RI), USA, has signed a strategic alliance agreement with the Indo-American Chamber of Commerce (IACC). The agreement will not only entail promotion of various activities of the India Business Programme of WTC-RI in India, but also provide an effective platform to the trade and business communities of both US and India. Mr McCarthy said the benefits for WTC-RI would be access to selected Indian consultants to IACC members' list with endorsement of BMP programme, inclusion of WTC-

RI information and logo in the IACC Web site as a partner and joint US-India BMP seminars.

Mr McCarthy said the strategic tie-up would provide international business access to companies in Bengal through WTC's global network. According to him, many US companies in the SME segment were keen on sectors in India such as textiles, manufacturing, agri-foods, electronics and defence industries. WTC-RI has a membership of one million. Indo-US trade, expected to touch nearly \$40 billion this year.

U.S. and South Korea in Trade Agreement

Seoul, South Korea: United States and South Korean negotiators struck the world's largest bilateral free trade agreement, giving the United States a badly needed lift to its trade policy at home and South Korea a chance to reinvigorate its export economy. Free trade between the United States and South Korea — the world's largest and 11th-largest economies, respectively — could give American companies an important stronghold in Asia,

where they have steadily ceded market share to European, Japanese and Chinese competitors. The deal is the biggest of its kind for the United States since the North American Free Trade Agreement in 1994 with Canada and Mexico. It is Washington's first bilateral trade pact with a major Asian economy. Studies have estimated that the accord would add \$20 billion to bilateral trade, estimated last year at \$78 billion.

Argentina Business deligation visited India

New Delhi: A high-profile business delegation from Argentina recently visited India. The delegation is headed by the governors of Cordoba, Entre Rios and Santa Fe, the three provinces that comprise this most productive region of Argentina. The representatives were of diverse sectors from Argentina's Central Region, the economic heart of the country. The country may be located some 20,000 km from India, but it is determined to make up for this distance by seizing on new opportunities offered by the fast growing Indian economy." We have taken measures to strengthen the

Central Region accounts for nearly 80 percent of Argentine exports to India. Argentina has quadrupled its exports to India in the past decade, from \$183.3 million in 1996 to \$739.5 million in 2005. Fats, soybean oil and sunflower oil account for over 80 percent of exports. Indian exports to Argentina were estimated to be about \$249.6 million in 2005.

Argentine economy. This mission is here to establish permanent relations with India," Jorge Pedro Busti, governor of Entre Rios, told business delegates while making a presentation at Hotel Taj Mahal. The business meet, the first multi-sector business-to-business initiative between India and Argentina, was flagged off in Mumbai earlier last month. There

is tremendous scope for trade and investment between the two sides in sectors like agricultural machinery, dairy products, food processing machinery, fruits, oils, metallurgy and pharmaceuticals.

IPICOL brings fly-ash technology provider & Industry users together.

Photographs showing interaction meeting held in the conference hall of IPICOL between Power & Cement companies in Orissa and two Singapore based companies last month.



Discussion & fly-ash based innovative product demo by the Singapore Company to Secretary, Industries, GoO



Mr. Alejandro, a Bolivian by birth, an Indian by heart- has modeled many IPAs. Seen here, entertaining IPICOL team, in his recent visit to Orissa on behalf of UNIDO.



Good news coming soon. IPICOL & UNIDO takes up with XIMB on formation of a center for industry development

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D.Pattanaik & R.K.Pati for & on behalf of Head- Outreach & Promotion, Team Orissa