



Indian Economic & Business News

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INDIAN ECONOMY

Indian economy to grow at 6.5% in 2013: Goldman

The Indian economy is likely to grow 6.5 per cent in 2013 driven by favourable external demand outlook and domestic structural reforms push, a Goldman Sachs report said. According to a research note by the investment banking major, growth is likely to pick up gradually to 6.5 per cent in 2013 and further to 7.2 per cent in 2014. This is on the back of “easing financial conditions, in part driven by some reduction in policy rates, a continuation of reforms boosting confidence, and a normal agricultural crop”, it said. The report further noted India’s GDP growth is likely to accelerate from 5.4 per cent in 2012 to 7.2 per cent in 2014, and remain high through 2015-2016, provided the Government continues with its reforms push. A continuation of structural reforms is an important assumption underlying these views, it said. “While allowing FDI in retail, the goods and services tax, direct cash transfer of subsidies, and dedicated freight corridor will help, we believe further reforms on fiscal consolidation, financial liberalisation and infrastructure growth will be needed to sustain an improvement in trend growth,” the report said. Source: Economic Times

RBI, Bank of Japan ink currency swap pact to boost bilateral trade

The Reserve Bank of India (RBI) and the Bank of Japan (BoJ) have concluded a three-year Bilateral Swap Arrangement (BSA) between India and Japan. The BSA, which was signed by RBI Governor D. Subbarao and BoJ Governor Masaaki Shirakawa, has become effective as of December 4, 2012. The arrangement aims at addressing short-term liquidity difficulties and supplementing the existing international financial arrangements, as one of the efforts in strengthening mutual cooperation between Japan and India. The BSA will enable both countries to swap their local currencies against US dollar for an amount up to \$15 billion. In the past, both the countries had a similar arrangement for an amount up to \$3 billion for a period of three years from June 2008 to June 2011. The enhancement of the BSA will further strengthen economic and financial cooperation between the two countries and accordingly contribute to ensuring financial market stability, said an RBI statement. Source: Hindu Business Line

India set to be fastest growing trading nation: HSBC

Rising bilateral trade with China, growing consumer wealth and high confidence level among its traders will push India to the top league of trading nations beginning 2013 and it is set to retain the fastest growth rate till 2020, says HSBC. "The growing Indo-China bilateral trade is set to increase significantly and the country will be the fastest expanding market for Chinese products, with import growth averaging 20 per cent annually during 2013-15 and 17 percent during 2016-20, while exports clipping at 23 per cent during 2013-15 and 19 percent during 2016-20," says the HSBC trade forecast released recently. India tops the tables for all 23 markets surveyed as either their fastest import or export growth partner out to 2020, it said. The country also tops the HSBC trade confidence index apart from having the most promising global outlook with 61 per cent of traders expecting to see growth." With a score of 135, India is the most confident country. Source: Times of India

INDIA - CANADA

Mrs. Neelkamal Darbari, Joint Secretary, Department of Chemicals & Petrochemicals led a 3-member delegation to Toronto

Mrs. Neelkamal Darbari, Joint Secretary, Department of Chemicals & Petrochemicals, accompanied by Mr. S. Ilangovan, Chief Manager (Technical), Central Institute of Plastics Engineering and Technology (CIPET), and Mr. Manoj Mehta, Deputy Director, Federation of Indian Chambers of Commerce and Industry (FICCI), visited Toronto during December 9-15, 2012. The main purpose of the visit was to review the research work undertaken by the CoE-GREET (Centre of Excellence -Green Transportation Network) PhD scholars at University of Toronto. CIPET and University of Toronto, both, are in the process of implementing the joint research and innovation agenda under the CoE-GREET programme. CIPET has signed an MOU with UOT for transferring knowledge-based skills in the areas of Bioplastics and Biodegradable composites.

The delegation had meetings with Ms. Wendy Tilford, Deputy Minister, Ontario Ministry of Economic Development and Innovation, Deans of Faculty of Engineering and Chemistry, Prof Mohini Sain, Dean and Professor, Faculty of Forestry, and Director, Centre for Biocomposites & Biomaterials Processing, University of Toronto, President of Canadian Plastic Industry Association, President of Ontario BioAuto Council and had interaction with PhD scholars from CIPET. Visits to Windsor Ford Power Train Research Centre, Magna NRC (National Research Council) facility, Woodbridge Foam factory and Greencore Composites facility were also undertaken. The delegation availed this opportunity to discuss the potential partnerships in areas of new technologies and potential areas of cooperation and investment opportunities in chemical sector in India. The 2nd International Exhibition on Plastics and Petrochemicals – Poly India 2013 – was also promoted in various interactions and invitation was extended to stakeholders for participation in this exhibition.

Ontario Ministry of Economic Development and Innovation led delegation to India

The Ontario Ministry of Economic Development and Innovation led a telecom mission to India in December 2012. The purpose of the mission was to advance business alliance between Ontario and Indian companies in the telecommunication sector. The 16 member delegation visited Mumbai and New Delhi. Some of the companies exhibited at the India Telecom trade show in New Delhi from December 13-15.

Canadian province eyes 10-fold jump in trade

Michael De Jong, the Finance Minister of the Canadian province of British Columbia, says he is eyeing a 10-fold jump in trade with India over the next few years. De Jong is betting on companies from India exploring opportunities in sectors such as coal and natural gas while businesses from the Canadian province seeking opportunities in areas such as life sciences, aerospace and agri-food processing. "We did \$300 million of trade last year, (but) I see a potential for \$3 billion. India has more to offer Canada than shrimp, which I believe registers as one of the top exports. We can do way better. For us, we are blessed with abundant natural resources and we understand that in India there is an insatiable appetite for coal, natural gas and fertilizers. These are areas where both sides can work together," he said.

Source: Economic Times

'New trade and investment office to boost Indo-Canadian ties'

British Columbia Finance Minister Michael de Jong, who was on a visit to Punjab recently said the opening of a new trade and investment office in Chandigarh will strengthen economic ties between India and Canada. "Trade and Investment office (at Chandigarh) will boost the business prospects (between India and Canada)," Jong said. A new trade and investment office was opened at the Canadian Consul-General in Chandigarh on December 7th. Jong said there is a huge potential for mutual trade in sectors of energy, coal, technology, education, wood products, digital media ability, etc. "Trade must go both ways and both the countries have to go a long way in this regard," he said. On immigration, Jong said there are some "difficulties" in the matter of immigration even though India is the second largest source of immigration to Canada. "Our biggest challenge in coming years is people. We need people in our economy but we need to have a fair system that encourages movement of people in both the countries," he said. Source: Economic Times

Canadian provinces for more trade with Punjab

The Consulate General (CG) of Canada in Chandigarh has received requests from the provinces of Manitoba, Alberta and Saskatchewan seeking increased trade ties between them and the state of Punjab in the fields of food processing and agro-industry. CG officials said that the provinces in the country have expertise in handling food grain storage and processing and are proposing technology sharing agreements with the government of Punjab. Officials handling the trade and investment work at the CG office here said that Canada is looking at setting up a food park jointly with the state of Punjab. They added that closer ties between Canada and Punjab will help the state to pursue a crop diversification program and look beyond paddy-wheat growing cycle. Consul General, Scot Slessor, said that the consulate in Chandigarh is looking at increased trade ties as part of the plan of the two countries to move up from the current 5-6 billion (Canadian dollar) trade between India and Canada.

Source: Indian Express

India state oil firms press ahead with Canada oil sands bid

India's state oil companies intend to press ahead with plans to buy stakes in Canada's oil sands and believe they will not run afoul of tougher Canadian rules on foreign ownership of the sector. A consortium of Oil and Natural Gas Corp, Oil India Ltd. and refiner Indian Oil Corp is among three bidders shortlisted to buy stakes in Canadian oil sands owned by ConocoPhillips. The assets could be worth up to \$5 billion. Canada recently approved a \$15.1 billion bid by China's CNOOC for Nexen and a \$5.3 billion takeover of Progress Energy by Malaysia's Petronas, but shut the door on similar deals in the future. Prime Minister Stephen Harper said Canada would not deliver control of the country's oil sands-the world's third-largest reserves of crude-to another government. T.K. Ananth Kumar, director of finance at Oil India Ltd, one of the consortium partners, said the group would be discussing the development with bankers. India's state oil companies, tasked with scouting for oil and gas assets abroad to meet rising demand in the nearly \$2 trillion economy, have moved with uncharacteristic speed in recent months to secure interests overseas. State-run GAIL India is also considering buying liquefied natural gas (LNG) assets in Canada, Peru, and Trinidad put up for sale by Spain's Repsol. Source: Reuters

BHEL open to collaboration with Canadian companies in atomic space

State-run Bharat Heavy Electricals Limited (BHEL) is open to collaboration with Canadian companies in the atomic space once the nuclear power generation climate is feasible in India, a top company official said. "We are now hoping to see that once the nuclear scenario is clear in the country, there can be talk of co-operations between us and the Canadian companies," BHEL Chairman and Managing Director B.P. Rao said. BHEL has had association with Canadian companies in the past. "Canada is a country where technology is there, joint work with them would be beneficial to the company as well as the country, in the past we have worked with the Canadians for the transmission systems, hydro power generation etc," Rao said. He also said that the company is setting up an ultra super critical technology project along with NTPC and IGCAR (Indira Gandhi Centre for Atomic Research). The project is fully funded by the government. Source: Economic Times

Canada's Fairfax may float NBFC

The tightening of lending norms by Indian banks has fuelled the way for global financial institutions to shift focus to the non-banking finance business. The latest entrant who eyes a strong foothold in this segment is Canada's largest property and casualty insurer, Fairfax Financial Holdings. A \$32-billion financial institution based out of Toronto, it had opened an Indian office through its subsidiary, Fairbridge Capital, last year. The latter had hit the headlines after agreeing to buy Thomas Cook Group Plc's 77 per cent stake in its India operations for about \$150 million in May this year. Fairfax is already engaged in India's insurance space through ICICI Lombard General Insurance Co, the largest private sector general insurance company, a 74:26 venture between ICICI Bank and Fairfax. Rajeev Suneja, partner, financial services, Ernst & Young, said: "In an NBFC, 100 per cent foreign direct investment is allowed. NBFCs can further invest in areas where external commercial borrowing is restricted, like real estate. Also, it is much easier to structure loans using a domestic entity. Source: Business Standard

Canadian agency to grant Hindalco \$100 million for MP project

Aditya Birla Group company Hindalco will receive \$100 million in financing for its Mahan Aluminium Project in Madhya Pradesh from Export Development Canada. The agreement will support the supply of technology and capital equipment to the project by subsidiaries of Canada's Rio Tinto Plc, operating under the umbrella of Aluminum Metals Group of Rio Tinto Plc. The Mahan Aluminium Project consists of a 359-ktpa aluminium smelter and a 900-Mw captive thermal power plant. This is the largest financing deal approved by EDC in India this year. Earlier this year, it also announced it would provide up to \$50 million in financing to Reliance Industries to support the Indian company's engagement with Canadian exporters in the energy sector to meet its procurement needs. India's infrastructure sector, and Canada's aerospace and clean technology industries are EDC's three key corporate priorities for the ongoing 2011-15 five-year term. India is the only country to be designated a corporate priority by EDC, reflecting its potential and importance to Canada as a growing trading partner. Source: Business Standard

Velan Valves opens new offices and plant in India

Montreal-headquartered Velan Inc., a manufacturer of industrial valves, announced that its wholly-owned subsidiary, Velan Valves India Pvt. Ltd. (VVI), located in Coimbatore, Tamil

Nadu, India, has opened a new manufacturing plant. The plant, valued at approximately US\$10 million, will begin producing small forged valves with the aim of producing products to cater to the Indian energy and fertilizer markets. Source: Marketwire

SECTORAL NEWS

Cochin airport to become first in India to use solar power for its grid

Cochin International Airport is set to become the first airport in the country to use solar power for running its utility grid system. A Kolkata-based solar module manufacturing company, Vikram Solar, would be installing a 100 kWp solar power facility at the airport situated at Nedumbassery in Cochin. Giving details of the system, a senior company official said Vikram Solar would design, install and commission the solar photo-voltaic (PV) power system consisting of mounted solar panels. "The panels would generate DC electric power, which unlike the general practise, would not be fed directly into the utility grid," Gyanesh Chaudhary, Director of the company said. "Instead, inverters would convert the direct current output from the solar array into a grid-compliant AC voltage which will feed it into the utility grid system to be used for lighting in the terminal building," Chaudhary said. Source: IBN Live

Infosys plans to roll out project for India Post in 2 years

IT major Infosys plans to roll out in about two years, its Rs 700-crore project that would help India Post transform its banking and insurance operations across 150,000 post offices in the country. Infosys would implement and manage its flagship Finacle Core Banking and McCamish Insurance products to help India Post transform its banking and insurance operations - covering more than 200 million banking customers across urban and rural India, including a large base of insurance customers. "We are expecting to roll out the project for India Post in 18-24 months. We will roll it out for 150,000 branches across 22 circles. It will change the way India Post operates at present," Infosys Vice-President and Head (India Business) Raghupathi N Cavale said. "We are looking at mobility as a very strong theme," Cavale said. As per an agreement between Infosys and India Post, the two would embark on a transformational initiative, which encompassed financial services system integration. The project, estimated at Rs 700 crore, aimed to transform India Post into a technology-enabled and autonomous market leader, by revolutionising its financial operations and end-user services, according to an earlier statement by Infosys. Source: Money Control

In India, a 10-story tower built in just 48 hours

The incredibly speedy construction of prefabricated towers so popular in China has officially made its way over to India. On December 1, India welcomed a 10-story building that was put up in just 48-hours. Aptly named "Instacon," the newly finished tower sits in the town of Mohali, a suburb of Chandigarh in northwest India. The man in charge of the entire project, entrepreneur Harpal Singh, came up with the rapid construction process after becoming increasingly frustrated with the development of his own house, which took two years. To ensure that Instacon would be completed promptly, Singh and his infrastructure company, Synergy Thrislington, used prefabricated components that were assembled beforehand in a nearby factory. "All the components have been manufactured already, doors that can be pre-fitted, water supply components, wiring, sanitation, air conditioned ducts and everything

else,” Singh said in a statement before construction began. “These will be shifted in state-of-the-art transporting vehicles to the actual site for installation.” Source: Smart Planet.com

Centre expects four captive coal mines to go on stream soon

The Centre expects four more captive mines to be operational this fiscal, taking the tally to 34, with the capacity to produce 42 million tonnes of coal. The captive segment currently registers approximately 28 mt of output. The Government estimates 100 mt of coal will be produced through the captive route in 2016-17, the terminal year of the 12th Plan, according to the Union Coal Secretary, S.K. Srivastava. According to the recent report by the Comptroller and Auditor General, the Union government estimated 86 captive blocks to be operational by 2010-11, producing 73 mt of coal and justifying the distribution of nearly 200 captive assets between 2004 and 2008. The 11th Plan target was set even higher. While allowing the private sector in commercial coal production needs consensus-building and is “not on the priority list” now, the Government is pushing Coal India (CIL) to enter into agreements with private sector mine developers and contractors (MDOs). Source: Hindu Business Line

Hyderabad Metro, GIFT City in `Strategic 100' infra projects

Hyderabad Metro Rail project has been selected as one of the top 100 strategic global infrastructure projects to be showcased at the forthcoming Global Infrastructure Leadership Forum being held in New York during February-March, 2013. Apart from the Rs 14,132 crore (\$2.6 billion) Hyderabad Metro Rail project, two other Indian projects have also figured in this prestigious list: GIFT city (Gujarat International Financial Tech city) costing Rs 72,600 crore (\$13.2 billion) and Mumbai-Ahmedabad High Speed Rail project costing Rs 60,000 crore (\$10.89 billion). "Strategic 100" is a list of the top 100 infrastructure projects selected through a rigorous selection process on the basis of their potential to make significant difference to their cities/region/country in terms of overall performance and competitiveness. The list has been prepared by an American agency after undertaking research of a large number of major infra projects in 66 countries. Source: Hindu Business Line

India Inc raises \$4.29 billion via ECBs, FCCBs

Indian companies raised \$4.29 billion, through external commercial borrowings (ECBs) and foreign currency convertible bonds (FCCBs) in October, to fund modernisation, foreign acquisitions, import of capital goods and onward lending. This is highest since December last year. In December 2011, companies had raised \$4.4 billion from the ECBs and FCCBs. The comparable figure for last month, according to Reserve Bank of India (RBI) data, was \$2.77 billion. Of the total, \$2.40 billion was via automatic route while \$1.89 billion was raised through the approval route, which requires case-by-case approval from RBI. Reliance Industries Ltd alone contracted ECBs worth \$1.5 billion for importing capital goods. The loan tenure is 64 months under the approval route. October saw a number of ECBs raised by the government companies. Indian Oil Corporation, Bharat Petroleum, GAIL, Indian Railways Finance Corporation and Air India were the public sector enterprises that had borrowed through ECBs. Source: Business Standard

Indian Options grow fastest in world as Sensex tops BRICs

India's options market is growing at the fastest pace in the world, helping restore investor confidence in a stock market yet to recover from a 52 percent plunge during the global

financial crisis. Equity options traded on the National Stock Exchange of India Ltd. rose 36 percent in the first half, the most among the 10 largest bourses, according to the World Federation of Exchanges. The BSE India Sensitive Index's volatility has dropped below measures in Brazil, Russia and China to the lowest level since at least 1993, data compiled by Bloomberg show. Foreigners bought a net \$21 billion of local equities this year, pushing the Sensex (SENSEX) up 26 percent, the most of the so-called BRIC markets. While the increase in options reflects speculation by Indian investors, it also provides international money managers with the opportunity to hedge their bets. Options trading may grow at a 20 percent annual pace during the next four years as Asia's fifth-biggest equity market matures, said Rakesh Somani, the President of the Association of National Exchanges Members of India and a director at Eureka Stock & Share Broking Services Ltd. Source: Bloomberg

FDI IN INDIA

100% FDI Permitted in Power Sector

The Minister of State (Independent Charge) for Power Mr. Jyotiraditya Scindia informed the Lok Sabha on December 14th that as per extant policy, Foreign Direct Investment (FDI) up to 100% is permitted in the power sector, under the automatic route, for:

1. Generation and transmission of electric energy produced in hydro electric, coal/lignite based thermal, oil based thermal and gas based thermal power plants;
2. Non-Conventional Energy Generation and Distribution;
3. Distribution of elective energy to households, industrial, commercial and other users
4. Power Trading.

Accordingly, any foreign power company can enter power sector through FDI route. Further, several global power plant equipment manufacturing companies from Japan, Europe and USA have formed Joint Ventures with Indian Companies for establishing manufacturing base in India for the manufacture of supercritical boilers/turbine generators and technology transfer. The companies are Mitsubishi Heavy Industries Ltd., Japan with L&T at Gujarat; Hitachi, Japan with BGR at Tamil Nadu; Toshiba, Japan with JSW at Tamil Nadu; Alstom, France with Bharat Forge at Gujarat; Ansaldo Caldie, Italy with Gammon at Tamil Nadu; Babcock & Wilcox, USA with Thermax at Maharashtra; Hitachi Power Europe GmbH (Germany) with BGR at Tamil Nadu. Doosan, Korea (100% FDI) has come to establish its manufacturing facilities on their own strength in Tamil Nadu. Source: Press Information Bureau

Government nod must for FDI in all existing pharma projects

The present policy of taking approval for every proposal of foreign direct investment (FDI) in existing pharmaceutical projects will continue for the time being. FDI in pharmaceutical was discussed recently at a meeting called by Prime Minister Manmohan Singh, which was attended by the Finance Minister, P. Chidambaram, and the Commerce and Industries Minister, Anand Sharma, among others. The inter-ministerial group earlier recommended that any proposal for more than 49 per cent FDI needs to be approved by the Foreign Investment and Promotion Board (FIPB). A senior Commerce and Industry Ministry official said, "Each and every brown-field (existing) proposal will require approval from the FIPB till amendments to the Competition Commission of India (CCI) Act are approved." At present, 100 per cent FDI is permitted in the pharmaceutical sector. It is automatic for greenfield (new) projects while Government (FIPB) approval is required for brownfield projects.

Source: Hindu Business Line

FII limit in domestic debt raised by \$10 billion

To attract long-term investments into the debt market and to narrow the current account deficit, the finance ministry recently raised the foreign institutional investor (FII) limits in government securities and corporate bonds by \$5 billion (Rs 27,600 crore) each. The additional \$10 billion would raise the total FII investment limit allowed in a year in domestic debt to \$75 billion (Rs 4.14 lakh crore). The high-level committee on external commercial borrowing, headed by Economic Affairs Secretary Arvind Mayaram, took the decision, to encourage long-term foreign funds into the Indian debt market. According to ministry officials, the \$5-billion window in government securities would be without any stipulated residual maturity. It would be open to pension funds, central banks and sovereign wealth funds. The other \$5-billion segment would be open for corporate bonds. This overall limit of \$75 billion in domestic debt is distributed through a host of categories across government, corporate and infrastructure debt. Source: Business Standard

FDI inflows jumps over two-fold to \$4.67 billion in September

India's foreign direct investment (FDI) inflows more than doubled to USD 4.67 billion in September, according to an official of the Department of Industrial Policy and Promotion (DIPP). In September 2011, the country had attracted FDI worth USD 1.76 billion. The September 2012 figure is the highest for any month in this fiscal so far. Foreign inflows, in August 2012, had declined by 20 per cent to USD 2.26 billion after registering an increase in July at USD 1.47 billion. In April, May and June, the inflows ranged between USD 1.24 billion and USD 1.85 billion. For the April-September 2012 period, FDI inflows, however, declined by about 33 per cent to USD 12.84 billion from USD 19.13 billion in the year-ago period as inflows were small in the initial months. Sectors which received large FDI inflows in September include services (USD 3 billion), metallurgical (USD 685 million), construction (USD 644 million) and automobile (USD 635 million). For the April-September 2012 period, India received maximum FDI from Mauritius (USD 6.25 billion), Japan (USD 1.32 billion), Singapore (USD 1.12 billion) the Netherlands (USD 968 million) and the UK (USD 592 million). Source: Economic Times

Hitachi to invest Rs 4,700 crore over 3 years to fortify presence

Japanese major Hitachi plans to invest Rs 4,700 crore in India to set up new manufacturing plants, acquisitions and strengthening collaboration with Indian companies by fiscal 2015. Hiroaki Nakanishi President Hitachi said, "We expect to nearly triple our consolidated revenues to Rs 200 billion (Rs 20,000 crore) from the current Rs 67 billion (Rs 6,700 crore) by the fiscal year 2015. We will increase our employee strength from about 6,800 to 13,000 in this period." The company will focus on expanding its businesses for local production for the domestic market through increasing localisation. It will expand manufacturing and sales of power electronics products made by Hi-Rel Power Electronics and Hitachi NeST Control System besides promoting local production in its construction machinery business. Hitachi's other plans for expansion include increasing local production of its industrial packaged air-conditioners and maintaining market share in high-end room air conditioners. The company also plans to start a new auto components factory in Chennai besides automotive powder metal and brake factory in Neemrana. Source: Hindu Business Line

Reliance Group, China's Wanda to form realty JV

The Anil Ambani-led Reliance Group and China's leading developer, Wanda, announced a joint venture agreement to do real estate projects in India. This will cover integrated township projects in India, including commercial buildings and residential apartments, hotels and retail space. This is the first time a Chinese real estate company is investing in India, according to sector analysts, though some Hong Kong-based developers have funded Indian projects. The two signed a memorandum of understanding to set up a joint venture (JV) for a strategic long-term partnership covering several areas of mutual interest, the Reliance Group said. Among the first real estate projects of the JV will be in Navi Mumbai and Hyderabad. The 135-acre Dhirubhai Ambani Knowledge City in Navi Mumbai, owned by Reliance Communications, has a development potential of 10 million square feet (sq ft), subject to necessary approvals. The Hyderabad project is an 80-acre new business district owned by Reliance Infrastructure, having an unlimited floor-space index for development for commercial and residential purposes, hotels, etc. Source: Business Standard

Etihad may buy 24% stake in Jet Airways for Rs 1,600 crore

The deal, expected to be completed by the year-end, is likely to get Jet Airways Rs 1,600 crore, according to Aviation Ministry sources. Jet Airways and Etihad have a code-sharing agreement. "This deal will be profitable to both. Jet can gain larger market share while Etihad will get a major exposure in India and strengthen its position in West Asia," said an aviation analyst. In a statement, Jet Airways said: "There has been widespread media speculation on the potential stake sale by Jet Airways. As and when we do undertake any strategic initiatives, Jet Airways will advise the concerned authorities and relevant exchanges accordingly." Source: Hindu Business Line

INDIAN INVESTMENTS ABROAD

India plans fund to invest abroad

India is all set to join an elite club of 30 nations that have sovereign wealth funds (SWF) by dipping into an estimated surplus of Rs. 2,50,000 crore with cash-rich public sector companies in addition to using a small chunk of foreign exchange reserves. Government documents said the funds are expected to be used to secure the economy's long-term interests by buying up assets to ensure supply of critical energy and fertilisers for India. Governments use SWFs to secure their economies and smartly balance their growth and macroeconomic objectives. Trillions of dollars are parked worldwide by SWFs. "The Department of Economic Affairs feels it may be prudent to rework the concept with greater focus on mobilising resources from within, including the public sector undertakings, by creating an attractive instrument of investment," said the finance ministry's letter to the economic ministries. The capital markets division under the finance ministry is looking into developing special investment instruments through which the public sector undertakings can direct their cash surpluses into the SWF. Source: Hindustan Times

Wipro acquires Singapore FMCG firm for Rs 786 crore

Wipro Limited recently announced that it has signed an agreement to acquire 100 per cent stake in the LD Waxsons Group, a Singapore-based fast moving consumer goods (FMCG)

company for an all-cash deal of about \$144 million (Rs 786 crore). This transaction, Wipro believes, will give it the leadership position in the facial skincare market in Malaysia and Singapore; expand its presence in China, besides enhancing its position in other Asian markets. LD Waxson Group, headquartered in Singapore, is a company with a wide portfolio of brands, including leading skincare brands Bio-essence and Ginvera, and healthcare brand Ebene. The company has manufacturing facilities in China and Malaysia and a strong footprint in Singapore, Malaysia, China, Taiwan, Hong Kong and Thailand. The transaction is expected to be closed within the next 60 days. Source: Deccan Herald

IT firm MphasiS acquires US-based company Digital Risk for \$200 million

Bangalore-based IT company MphasiS has acquired Florida, US-based data analytics company Digital Risk, for \$200 million (about Rs 1100 crore) in an all-cash deal, a senior executive of the company said. The transaction value also includes about \$25-30 million in milestone-linked payments that are staggered over the next 2-3 years. The transaction is expected to close by January 31, 2013, subject to regulatory approvals. Upon completion, Digital Risk will operate as a standalone business unit within MphasiS, retaining its brand identity. Digital Risk, which owns a patent-pending data analytics software platform called Veritas specialises in offering services in the risk and compliance area, especially to the mortgage industry. Its business is limited to the US. With expected revenues of about \$127 million in 2012, Digital Risk has been growing at about 70% over the past three years. MphasiS' purchase of Digital Risk will offer an exit route for private equity firm Century Capital, which owned about 40% in the company. Source: Economic Times

Piramal Enterprises arm acquires UK-based Abacus International

Diversified group Piramal Enterprises's subsidiary Decision Resources Group (DRG) has acquired UK-based integrated market access service provider Abacus International for an undisclosed sum. The acquisition will result in a significant global expansion of Decision Resources Group's market access capabilities, Piramal Enterprises said in a statement. "Abacus is an important acquisition in Decision Resources Group's (DRG) overall strategy to expand our market access capabilities and offer our clients the most innovative, high-value advisory solutions," DRG CEO Peter Hoengsberg said, adding it would boost the company's position in Europe as an important resource for healthcare firms worldwide. Abacus will be a part of the market access business unit at Decision Resources Group. Source: Economic Times

Biomax sets up venture with Jeddah firm for bio-fuel unit

Bio-fuel maker Biomax Fuels has set up a 50:50 joint venture with the Jeddah-based Middle East Environment Protection Co. (MEEP) to set up the first bio-fuel plant in Saudi Arabia. The \$40-million plant, which is expected to be commissioned by 2013-end, will use used cooking oil as feedstock, one of the few plants in the world to use this non-food waste feedstock. Hyderabad-based Biomax operates a similar plant in Visakhapatnam, which produces 25,000 tonnes of bio-diesel a month for export to Europe. Besides this, it runs a R&D unit in Chennai, which is working on unitisation of different waste oil, including algae oil, for fuel production. MEEP is a diversified company headquartered in Jeddah having interest in waste management, real estate and healthcare. Source: Hindu Business Line

GVK Hancock, QCoal ink deal for coal transportation

Hancock Coal Infrastructure Pty Ltd. (GVK Hancock) and QCoal have entered into a memorandum of understanding to work on coal transportation services for approximately 20 million tonnes a year. The Australian company QCoal's product will be transported using the infrastructure to be developed by GVK Hancock, including the Galilee Basin North-South rail line in Queensland. This GVK project was chosen as the preferred rail corridor by the Queensland Government. The MoU outlines scope of services, pricing principles and service requirements to provide transportation services to QCoal and its joint venture parties. GVK Hancock and QCoal are in discussions to work on mutually beneficial projects contributing to the economic development of Queensland. The agreements for utilising GVK Hancock's transport infrastructure will help provide third party users with commercial access to infrastructure capacity. Source: Hindu Business Line

Apollo enters Myanmar with telemedicine service

Healthcare provider, Apollo Group of Hospitals has launched its telemedicine service in Yangon. This facility will allow Myanmar to consult Indian doctors and have accessibility to quality treatment and latest medical technology without physical presence at Apollo Hospitals in India. According to Preetha Reddy, Managing Director, Apollo Hospitals Group, Apollo Tele-Medicine Network will facilitate ready access to specialists and super-specialists for referrals, consultation, second opinion, reviews, post treatment follow-ups besides facilitating tele-continuing medical education, programmes for the medical fraternity in Yangon, Myanmar. As per company's press statement, the network will primarily provide infrastructure supports like Tele-Education, Tele-Medicine, Internet, videoconferencing and VOIP services via satellite and fibre optic network. Apollo Hospitals established in 1983, has over 8500 beds across 50 hospitals, 1350 pharmacies and over 100 diagnostic clinics.

Source: Economic Times

Kotak Capital in tie-up with Sumitomo for M&A

Kotak Mahindra Capital, investment banking arm of Kotak Mahindra Bank, has entered into an exclusive strategic alliance with Sumitomo Mitsui Banking Corporation (SMBC) and SMBC Nikko Securities for cross-border merger and acquisition (M&A) advisory services between India and Japan. SMBC acquired a 4.5 per cent stake in Kotak Mahindra Bank in 2010, through preferential allotment of shares worth Rs 1,366 crore. Kotak and SMBC had also entered an agreement for business cooperation across various businesses of mutual interest, subject to relevant regulations. Since then, both have collaborated in and are working on a number of areas such as trade, finance, treasury products, corporate customer referrals, asset management and alternate assets. The cooperation has now been extended to investment banking to complete the bouquet of offerings for companies in India and Japan. With the new agreement, Kotak, SMBC and SMBC Nikko Securities aim to play an active role in the growing cross-border M&A activity between India and Japan by leveraging their combined advisory capability, knowledge of local markets and long-standing corporate relationships.

Source: Business Standard

Suguna group in joint venture with Israeli company

Suguna group has tied up with Israel-based Shatal Engineering for marketing light construction machinery in the domestic market, top company officials have said. Shatal

Engineering, which manufactures light machinery like tiles cutting and levelling machines, was exporting its entire production of four types of machinery, so far. It would now earmark 25 per cent of its production for Indian market, initially for the Southern markets, V Lakshminarayanan, Chairman, Suguna Group and Josef Levy Chairman, Shatal Engineering said. The company would be targeting a conservative share of the huge Indian light construction machinery market estimated at about Rs 9,800 crore, it was expected that it would sell 4,000 machineries in the first year, with markets expanded to Northern and Western parts of the country. The products would be distributed through a wide network of dealers and an extensive service network was also being put in place, Josef said. Josef said the company, which started 18 months ago, has so far invested \$1.5 million and considering the new venture, would pump in more investment. Source: Hindu Business Line

TENDERS

Diesel Locomotive Works, Varanasi

| Tender No. | Description | Quantity | Due Date of opening |
|-------------------|---|-----------------|----------------------------|
| 091255010 | Cu-coated Welding Wire of 5.5 mm Diameter in Machine-Coiled Spools to AWS-5.17/SFA-5.17 Grade EL 12. As per DLW specification no. Misc-191.AWS-5.17/SFA-5.17 Grade EL 12. Drg. No. Nil Alt Nil. DLW Pt. No. 76116049 | 12077.333 kgs | 28/12/12 |
| 091270011 | Cable Size 37/30 AWG 14 EDPS-179 Drg. No. EMD No. 40071801 Alt A1 DLW Pt. No. 18330290 | 6078 metre | 28/12/12 |

Government of India, Ministry of Railways, Diesel Locomotive Works, Varanasi

Global Notice for Expression of Interest for Manufacture of Molded Case Circuit Breaker 150 & 200 AMP for Diesel Locomotives

Design office of Diesel Locomotive Works (DLW) Varanasi under Ministry of Railways is interested in developing sources for manufacture of Molded Case Circuit Breaker of 150 amperes and 200 amperes as per specification (DEL/SPN/147 Alt-06) and drawing (EL/PT/0187 Alt-R4) for diesel locomotives.

Firms who have enough experience/ capabilities in the field, have ISO certificate and are interested in manufacturing the said items are requested to submit their details in prescribed format by 15th January 2013 to the following address:

Chief Design Engineer, Diesel Locomotive Works, Varanasi-221004, U.P. India, Phone No. 011-91-0542-2642342, Fax No. 011-91-0542-2642586

Specification (DEL/SPN/147 Alt-06) and drawing (EL/PT/0187 Alt-R4) and prescribed format may be downloaded from DLW website, www.dlw.indianrailways.gov.in under main heading "Tenders" and subheading "EOI"

FORTHCOMING EVENTS IN INDIA

NRI Business Summit: (January 4-6, 2013, Hotel Sofitel, BKC, Mumbai): The Summit will provide a platform for connectivity between global and local Indian businessmen, entrepreneurs from Manufacturing, Small and Medium Industries, Infrastructure, Power, Services, Banking, Finance, Technology, IT and ITeS, ICT, Logistics, Healthcare, Education, Sports, Entertainment, Hospitality, Food Processing and allied sectors to identify emerging business, investment and collaboration opportunities.

www.nribusinesssummit.com

11th Pravasi Bhartiya Divas (PBD) Convention: (January 7-9, 2013, Hotel Le Meridien, Kochi): The PBD Convention provides a unique platform for overseas Indians to interact among themselves and with the Government of India and the Government of various Indian States. It is a forum where the Government of India showcases investment opportunities in India and its potential in various sectors. www.pbdindia.org

Vibrant Gujarat 2013: (January 11-13, 2013, Gandhinagar, Gujarat): The event provides enormous prospects to the State to display its strengths, progressive stand, initiatives, investor friendly climate and culture of Gujarat. The summit will host extensive B2B and B2G interactions, exhibitions, discussions and seminars.

www.vibrantgujarat.com

WaterEX World Expo 2013: (January 15-18, 2013, Bombay Convention and Exhibition Centre, Mumbai): The theme of the WaterEX 2013 conference is: "Managing Water...together we make a difference." It will incorporate knowledge sessions like * Technology & Process Trends (in Water and Waste Management) * Industry Initiatives in Water Management * PPP - Urban Water & Waste Management * Integrating Services * Workshop Sessions for Students www.chemtech-online.com

India Electricity 2013: (January 16-18, 2013, Pragati Maidan, New Delhi): will focus on targets for 12th five year plan: Areas of concern & the way forward, fuel and its constraints, distribution reforms, regulatory & tariff reforms. www.indiaelectricity.in

TechnoTex: (January 17-19, 2013, New Delhi): is India's premier show on technical textiles. TECHNOTEX 2013 will pool in participants from all the sub-sectors of Technical Textiles as well as from the diverse set of user segments including Army, Navy, Paramilitary forces, Railways, Border Roads Organisation, Hospitals, Construction companies etc. The event will provide sufficient opportunities to all the stakeholders to interact with each other, formally through B2Bs and Buyer Seller meets. www.technotexindia.in

2nd Industrial Expo: (18-21 January, 2013, Integrated Industrial Estate, Haridwar, Uttarakhand): The expo provides a platform for strengthening the Buyer & Supplier relationship, exploring new business opportunities, Identifying new vendors, business development for MSME's and showcasing the best in Indian Manufacturing. www.industrialexpo.in

ISA Vision Summit: (January 28-29, 2013, Bangalore): will feature a powerful line-up of industry experts and business leaders, offering their views and visions on the future of semiconductor & electronics and exploring the trends, challenges, and opportunities shaping

the Indian industry. The summit will include sessions on sector opportunities, market trends and policy directives. (www.isaonline.org)

BIO ASIA 2013: (January 28-30, 2013, Hyderabad International Convention Centre, Hyderabad): With the theme of Biologics and Biosimilars, the discussions will be focused on drug discovery, monoclonal antibodies, regenerative medicine, intellectual property Rights, financial eco-System, etc. In addition, a parallel event, AgBioAsia 2013 focusing on Agricultural Biotechnology and Food Technology with the support of International Crops Research Institute for the Semi Arid Tropics (ICRISAT) (www.bioasia.in)

India Stonemart 2013: (January 31- February 3, 2013, Jaipur, Rajasthan): would be the largest exposition of the stone industry which would showcase the world of natural dimensional stones and ancillary products and services. (www.stonemart-india.com)

BusWorld India 2013: (February 1-3, 2013, Mumbai): will showcase latest developments taking place in the Indian bus industry. With its theme as ‘Gearing-up for a sustainable public transportation system, focussed on fuel efficiency, ITS and hybridisation’ the exhibition seeks to provide an exciting opportunity for bus/coach builders, spare parts/accessories manufacturers, component suppliers and technology providers to showcase latest products, cutting-edge technology and sophisticated solutions used in the bus and coach industry. (www.busworld.org)

India Water Expo: (February 1-3, 2013, Ahmedabad): The event will showcase the latest offerings in the water market and help bridge knowledge gaps on water & wastewater management for users industries. (www.indiawaterexpo.com)

Global Steel 2013: (February 4-5, 2013, Taj Palace Hotel, New Delhi): The theme of the conference is “Growing on Steel” The conference would focus and analyse the role of the emerging markets and how they have come of age to take on the mantle to become the engine of global growth, with steel acting as a panacea of the economy. (www.globalsteel.in)

Aero India 2013: (February 4-6, 2013, Nimhans Convention Centre, Hosur Road, Bangalore): is one of the premier seminars in the aerospace world. Aero India seminar is organised by Defence Research and Development Organisation (DRDO), Ministry of Defence, Government of India in association with the Aeronautical Society of India. The seminar also provides an excellent opportunity to explore the possibilities to establish collaborative programmes for research as well as technology partnerships. (www.aeroindiaseminar.com)

WELD INDIA 2013: (February 7-9, 2013, Trade Centre, Karnataka Trade Promotional Organization, Bangalore): The exhibition covers Arc Welding, Solid State Process, Brazing, Soldering, Adhesive Bonding, Plastic Welding, Metallurgy, Materials Testing Techniques including NDT, Health & Safety, Robotics & Automation, Beam Processes & Special Processes like Nano Joining and other Allied Fields. (www.weldindia.com)

20th International Engineering and Technology Fair (IETF) (February 15-17, 2013, Pragati Maidan, New Delhi): IETF is a biennial flagship event of CII organised since 1975. IETF 2013 is structured as a comprehensive B2B event, segmented into well defined relevant sections of the Engineering and Manufacturing Industry. It is a must attend event for decision makers & stake holders from various verticals like Engineering & Technology, Automobiles,

Manufacturing, Industrial Maintenance, Water & Waste Management, Safety & Security, Welding, Energy & Environment, Stainless Steel, Metals & Metallurgy, Automation, Financial Institutions and Government Departments. (www.ietfindia.com)

Automach 2013: (15-17 February, 2013, Pragati Maidan, New Delhi): will showcase the latest technologies and equipments used for developing the auto components and assembly of vehicles. The exhibition will focus on the new technologies, green environment and optimization of resources, efficiency and time while delivering the quality products besides the special focus on automation and robotics. (www.automach.in)

10th Everything about Water Expo 2013: (February 28- March 3, 2013, Chennai Trade Centre, Chennai): Everything about Water Expo is South Asia's largest exhibition and conference covering the Water & Wastewater industry. The show provides a platform to network, build business and tap an exclusive industry led audience. (www.eawater.com)

Coaltrans India 2013: (March 12-13, 2013, Grand Hyatt, Goa): is the largest coal industry conference in India. The event is expected to attract over 1,000 industry executives and will feature speakers from the Government and industry. It is a must attend event for coal sellers, buyers and traders and offers ample networking opportunities. (www.coaltrans.com)

India Water Week 2013: (April 8-12, 2013, New Delhi): The theme of the event is “Efficient Water Management: Opportunities and Challenges”. The event will have a conference cum policy dialogue forum coupled with a Business to Business exhibition organised professionally. (www.indiawaterweek.in)

India Steel 2013: (April 11-13, 2013, Mumbai Exhibition Centre, Mumbai): showcases the latest Products, Technology, Machinery & Equipment, Applications and Developments in the Steel Industry. It aims to disseminate knowledge about the developments and best practices in analysis, design and construction methodology pertaining to steel amongst the users. (www.indiasteelexpo.in)

Poly India 2013: (April 25-27, 2013): is a focused international exhibition on plastics & petrochemicals. It will feature more than 250 exhibitors and more than 10,000 business visitors are expected to attend the exhibition. The exhibition will also include a buyer seller meet organized by PlexCouncil and over 100 international buyers are expected to participate. (www.poly-india.in)

Renewable Energy World India, Conference and Expo: (May 6-8, 2013, Bombay Exhibition Centre, Goregaon, Mumbai): Under the theme, Indian Power - Time to Deliver, the event brings together decision makers and influencers as well as technical experts and professionals from leading companies involved in renewable energy generation, transmission and distribution within India and around the world. (www.renewableenergyworldindia.com)

Power-Gen India & Central Asia: (May 6-8, 2013, Bombay Exhibition Centre, Goregaon, Mumbai): is expected to showcase more than 140 leading regional and international companies. The event will showcase the latest power products and technologies. (www.power-genindia.com)

INTEC 2013: (June 6-10, 2013, Codissia Trade Fair Complex, Coimbatore): provides an exclusive platform that brings together the foremost and competent industrial players from across the world to showcase their technological talents. (www.intec.codissia.com)

BUSINESS OFFERS FOR CANADIAN COMPANIES

| | | |
|----|---|---|
| 1. | <p>Snow Falcon International Coimbatore Phone: +91-94422-72099 Email: snowfalcon@rediffmail.com</p> | Exporters of food grains, rice, wheat, cereals, pulses, nuts, spices, herbs. |
| 2. | <p>R.P. Basmati Ltd. Karnal Phone: +91-184-200-2256 Email: sales@rpmil.in</p> | Manufacturers and exporters of Indian basmati rice. |
| 3. | <p>Ara India New Delhi Phone: +91-11-4158-4555, 4158-4556 Email: roopali@araindia.in Website: www.araindia.in</p> | Manufacturers and exporters of home linen. |
| 4. | <p>Manohar International Ahmedabad, Gujarat Mobile: +91-90993-31633 Email: paper.mipl@gmail.com</p> | Exporter and Supplier of Disposable paper Cups, Ice-Cream Paper Cups, Paper cups, Tea & Coffee paper cups and Plain paper cups. |
| 5. | <p>Daks International Surat, Gujarat Mobile: +91-99792-69842 Email: daksintl@gmail.com</p> | Exporters of scarves, pareos, bandanas and stoles. |
| 6. | <p>KHV Fashions Gwalior, Madhya Pradesh Mobile: +91-96178-45682 Email: rahul.sahasrabudhe@gmail.com Website: www.khvfashion.com</p> | Manufacturers of fashion jewellery including necklace sets and earring and pendent sets. |