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Exports cross US \$ 200 bn mark in April 2010-February 2011, beat Govt estimate

Maintaining a steady growth momentum, India's merchandise exports touched US \$ 208.2 billion in the April 2010 – February 2011 period of the financial year 2010-11. The 11-month total exceeds the Government's target of US \$ 200 billion for the entire financial year. In February 2011, exports rose 49.8 per cent to US \$ 23.60 billion,

India in top 10 manufacturers list

As per a United Nations report, India was amongst the top 10 manufacturers in 2010 and together with Brazil and China accounted for a third of the world manufacturing output, up from one-fifth 10 years ago. India along with other leading developing economies such as Brazil and China showed strong performance in economic growth in 2010 and the manufacturing value added of all these countries grew by over 10% last year, the agency said. The share of these three countries in world manufacturing output reached 32% compared to 20% 10 years ago, the report, released in Vienna added. World manufacturing value added, or MVA, rose 5.3% in 2010, as per the agency's estimate. The MVA of industrialised countries was up 3.4% in 2010. India topped developing countries (excluding China) in production of textiles, chemical products, basic metals, general machinery and equipment, and electrical machinery. It overtook Brazil in the production of motor vehicles and now ranks second among developing countries after Mexico.

Economy grows 8.2% in Q3 on good agri show

Indian economy expanded 8.2% in the third quarter of the financial year 2010-11 on the back of robust growth in agriculture and services sectors. The growth number was in line with expectations, but lower than 8.9% growth recorded in the previous two quarters, government data showed. Farm output grew 8.9% over the year-ago period, boosted by strong monsoon rains.

FII's allowed to invest \$20 b more in bonds of infrastructure cos .

In keeping with its thrust on infrastructure development and also deepening the corporate debt market, the Government of India has hiked the foreign institutional investors (FII) investment limit in corporate bonds to \$40 billion. It represents an increase of \$20 billion over the earlier limit of \$20 billion under this window. Finance Minister, Mr Pranab Mukherjee highlighted that the additional limit of \$20 billion would be available to FIIs only for investments in corporate bonds issued by companies in the infrastructure sector. Also, the investments would have to be made in bonds with residual maturity of over five years. This move would in effect take the overall limit for FII investment in corporate bonds of companies in the infrastructure sector to \$25 billion. Prior to this announcement, the total FII investment limit in corporate bonds was pegged at \$20 billion, including a \$5-billion sub-limit for bonds with a residual maturity of over five years and issued by companies in the infrastructure sector. Mr Mukherjee also announced that FIIs would also be permitted to invest in unlisted bonds with a minimum lock-in period of three years. This is being allowed as most of the infrastructure companies are organised in the form of special purpose vehicles, it was pointed out. However, the FIIs will be allowed to trade among themselves during the lock-in period.

Engineering exports to touch US \$ 50 billion in the current fiscal

Engineering Export Promotion Council (EEPC) India with the Ministry of Commerce and Industry organized a Buyer Seller Meet at Indian Trade Promotion Organization (ITPO) on 4 March, 2011. Buyer Seller Meet (BSM) had participation of over 40 delegates from USA, Canada, CIS, ASEAN & South Asian countries. The export of engineering goods are in a state of flux at present and highlighted that the growth of exports of engineering goods

during April 2010 - January 2011 has been to the tune of 70% over the same period last year, he added.

14 FDI proposals totalling US \$ 286.66 million

The Government has cleared 14 proposals of foreign direct investment (FDI) amounting to US \$ 286.63, an official statement said on 23 March, 2011. The proposals include US \$ 117.77 million investment by Mauritius-based Ghir Investments for induction of foreign equity in an investing company and US \$ 158.88 million by Dhunseri Investments of Kolkata to issue and allot equity shares to non-resident shareholders consequent upon demerger. The other proposals include that of G+J International Magazines GmbH, Germany (publication and sale of speciality and life style magazines), Kyuden International Corporation, Japan (renewable power projects) and Pipavav Shipyard Ltd., Gujarat (defence sector).

India to be in Sony's list of top five market soon, says global chief

Sony, the Japanese consumer electronics giant, has prepared a plan to make India among its top five global markets in terms of revenue. Currently, India is among the top 10 of its markets, with annual revenue of US \$ 1266 million. Speaking after inaugurating a centre of excellence for the company here, Howard Stringer, chairman, president and chief executive officer stated that India would be among the top five markets for Sony in a few years. He highlighted that Sony in India was growing at 50 per cent per annum in terms of revenue. He further added that the key to this growth would be from three-dimensional (3D) technology-based products. Sony is targeting annual sales of about \$12 billion from 3D-related products by the end of financial year 2012-13 across the world.

FM allows foreign access, gives MFs reason to smile

The Indian mutual fund industry, reeling under strict regulatory norms related to commissions and disclosures, has finally got a reason to smile. Finance Minister Pranab Mukherjee, while presenting the Union Budget 2011-12, has allowed fund houses to tap foreign nationals for investing in equity schemes. It is widely believed that the move would lead to a lot of mid-sized foreign funds and wealthy individuals

looking at the Indian equity market more seriously. According to the current norms, foreign investors need to first register with the Securities and Exchange Board of India (SEBI) before investing in the domestic equity markets. As a result, mid-sized and smaller funds which did not have a significant India allocation chose alternative investment avenues, including offshore funds and participatory notes (PNs). Going forward, they just need to comply with the KYC norms and start investing. Experts feel the government's initiative could prove to be a "game-changer" for the Indian fund industry, as this would pave the way for large global investors to invest directly into mutual fund schemes.

World's first carbon foam battery unit comes up in Gujarat

The world's first facility to manufacture carbon foam batteries will be set up at Bavla near Ahmedabad. Firefly Energy India is planning to build a plant to produce carbon foam batteries at an investment of US \$ 27.77 million, the company's chairman Mukesh Bhandari said. The promoters of furnace maker Electrotherm acquired the US battery maker, Firefly Energy, in October 2010 along with its patented technology. Firefly Energy India will start production of carbon foam batteries, which are environment-friendly and have longer discharge cycles, by June. The Ahmedabad plant will have an initial capacity of 0.3 million batteries of one kilo watt hour per annum. Carbon foam batteries will command a premium owing to its high-end applications, he said, but the company is yet to work out the pricing. Firefly developed the carbon foam batteries technology a decade ago in the US, but the technology will be commercialised now, he added. Unlike conventional lead acid batteries, carbon foam batteries are designed to take deep discharge cycles and can last for up to 1,200 cycles, thrice the life of the former, said Firefly's chief technical officer Kurt Kelley. Apart from being light weight, these batteries can withstand extreme weather conditions, have rapid recharge capability, and are 98% recyclable owing to high density of carbon, he said. Firefly is planning to tap the `70,000 million organised energy storage market in India which is growing at 25%, said Bhandari. Recently, Electrotherm developed alpha-weaver technology-based batteries to power electric scooters. The company also set up a lead acid battery plant in China for use in its e-bikes. The acquisition of Firefly En-

ergy will help the company consolidate its battery business in India, Bhandari said.

Nestle India opens new plant for culinary products in Karnataka

Nestle India inaugurated a new manufacturing plant at Nanjangud in Mysore district, Karnataka. The plant, set up with an investment of US \$ 80 million, will manufacture a range of culinary products. Nestlé Chief Executive Officer, Paul Bulcke, inaugurated the plant. The company plans to manufacture its culinary products like ketchups, pasta, instant noodles, mixed condiments and seasonings at the new plant. When fully operational, the new plant is likely to employ 630 people. Nestle already has a plant at Nanjangud for processing coffee. The plant started production in a record time of eight months and 20 days to meet the growing demand for Nestlé products. The company had signed a memorandum of understanding with the state government at the global investors' meet in June, 2010. Nestle is among the few companies to have completed its investment programme, as announced at the investors' meet. Nestlé India operates seven factories and employs around 6,000 people. The company's net sales in 2010 were worth US \$ 1389.93 million, a growth of 21.9 per cent over sales in 2009.

Franke Faber invests US \$ 11.11 million in new technology plant at Pune

Franke Faber India Limited (FFIL), a kitchen chimneys and hob manufacturer in India with Swiss and Italian parentage for Franke and Faber brands respectively said that they began construction of their new plant at Sanaswadi near Pune with an investment of US \$ 11.11 million, it is one of the largest investments Franke Faber has made outside Europe, the company officials added. The plant has an annual production capacity of 0.9 million units

0.5 million hoods, 0.3 million hobs and 0.1 million other appliances. The plant will use futuristically designed state-of-the-art equipment and will be the export hub for Asia and Middle East.

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