

## Think London, Think India

INDIA has emerged as the second-largest investor country in London, with 14 Indian companies having set up or expanded their operations in the UK capital so far this year. According to data released in October 2009 by Think London, the foreign direct investment agency in London, projects from India represent almost 10 per cent of all successful investments during 2009.

Assisted by Think London, Indian companies have contributed nearly US\$ 770 million to the London economy, besides generating 4,000 jobs, making India the second-highest creator of jobs after America. Over the past 14 years, Think London has assisted several Indian companies, including Haldiram's, ICICI Bank and Kingfisher Airlines, set up base in the British capital. Recently, Wipro and Infrastructure Leasing and Financial Services (IL&FS) have chosen London to set up their European headquarters.

"The strength of the Indian community in London and their commitment to this city never fails to impress me," remarked Boris Johnson, the Mayor of London, at a recent reception to celebrate London's strong links with the Indian business community. "Indian-owned businesses in the capital generate US\$ 24 billion in revenue and represent five per cent of London's economy," Johnson added.

According to Michael Charlton, ceo, Think London, the British capital has long been seen as the natural

home for ambitious companies from India. "Our results to date clearly demonstrate that Indian companies are showing a high degree of resilience against the current economic climate, especially as the Indian economy registered an impressive growth this year. Investment from growth markets such as India is the key for London to continue to grow and maintain its position as a global hub for business."



## SEBI issues new norms for SMEs

IN a bid to boost the access to capital for small and medium enterprises (SMEs), the Securities and Exchange Board of India (SEBI) has formulated norms relating to fund-raising from the public. According to the capital market regulator, companies listed on the SME exchange/platform would be exempt from the eligibility norms applicable for initial public offers (IPOs) and follow-on public offers (FPOs).

It has decided to stipulate a minimum IPO application size of US\$ 2,155 to ensure that only informed, financially sound and

well-researched investors with certain risk-taking abilities apply to these issues. The minimum trading lot would also be of an equivalent amount.

An upper limit of US\$ 5.4 million paid-up capital has been prescribed for a company to be listed on the SME platform and a minimum paid-up capital of US\$ 2.15 million for listing on the main boards of the National Stock Exchange and the Bombay Stock Exchange. The SME firm, however, will have to migrate to an equity exchange/segment on exceeding the upper limit for capital.



## German solar research body in tie up with Hyderabad Knowledge Park

THE Fraunhofer Institute for Solar Energy Systems, a leading German research centre, has signed a memorandum of understanding with the University of Hyderabad's Knowledge and Innovation Park (KIP), and the Indian Semiconductor Association, covering collaborative research.

The institute is also in talks with other Indian companies in the solar generation sector to share its research and development expertise. According to Prof Eicke R. Weber, director, Fraunhofer Institute, its research has helped bring down the cost of generating solar energy. "And we are in the process of sharing this knowledge with the industry," he says. Weber was the keynote speaker at Solarcon India, a premier event of the solar photo-voltaic industry, held in Hyderabad in November 2009.

The KIP is a joint venture between the University of Hyderabad and the Andhra Pradesh Industrial Infrastructure Corporation Ltd (APIIC), formed to provide an enabling platform for academia-industry interface and to attract global R&D majors.

The APIIC is developing a Solar City, a cluster of solar farms near Anantpur in the state. According to B P Acharya, managing director, APIIC, four companies – Sun Borne and AES Energy



of the US and Lanco Solar and Titan Energy from India – will be investing a total of US\$ 650 million to generate 2,000 MW of solar power.

## Essar firm to develop deep-draught coal berth at Paradip

ESSAR Paradip Terminals Ltd (EPTL), a special purpose vehicle (SPV), has signed a concession agreement with the Paradip Port Trust for the development of a 14 million metric tonnes per annum (MMTPA) deep-draught coal berth at the port.

The project is to be implemented by EPTL on a build, operate and transfer (BOT) basis within three years. Paradip port in Orissa is entitled to a revenue share of 31 per cent and the concession period is for 30 years.

"The project is being undertaken by EPTL at a cost of US\$ 120 million, the financial syndication for which would be launched soon," says V Ashok, director, Essar Shipping Ports & Logistics Ltd, which set up EPTL as an SPV with Essar Shipping & Logistics Ltd. "We have won this project against competitive bidding and given Essar's track record in the ports and terminals business, I am confident that the financial community will repose their trust in it as they have been doing so with all our earlier projects."



## Briefs

### Advik Group ties up with European partner

PUNE-based auto components major, the Advik Group, has entered into a technical collaboration with Trochocentric GmbH of Europe for design, development and manufacture of oil pumps for four-wheelers. The company plans to set up three new plants at Chakan near Pune, Manesar near Delhi, and Pantnagar in Uttarakhand over the next three years. It plans to export 20 per cent of its production by 2013.

### Nivio, Bharti Airtel to sell low-cost desktops

TECHNOLOGY firm Nivio has partnered with Bharti Airtel to launch low-cost desktops. According to Sachin Duggal, president and ceo, Nivio, the new desktop will be sold at less than US\$ 65. Nivio, which launched the world's first 'Windows PC in the cloud,' aims to provide computing to consumers that is available on-demand, is reliable, secure, inexpensive and subscription-based.

### Aditya Birla Minacs to open rural BPOs

ADITYA Birla Minacs, the BPO subsidiary of Aditya Birla Nuvo Ltd, plans to set up rural delivery centres in a 'hub and spoke' model as part of its Connect India initiative. The rural centres would act as 'spokes' to the large urban units (the hubs). Each urban hub would be linked to a dozen rural BPO units, each of which will employ about 100 people. According to Deepak Patel, ceo, Aditya Birla Minacs, the first such rural BPO would be established by early 2010.

## US\$ 1 billion innovation park planned in Mumbai Metropolitan Region

AN innovation park, estimated to cost more than US\$ 1 billion, is being planned in the Mumbai Metropolitan Region (MMR) under the public-private partnership model. The Mumbai Metropolitan Region Development Authority (MMRDA) has invited bids from both domestic and international companies to set up a state-of-the-art innovation park.

According to Ratnakar Gaikwad, metropolitan commissioner, MMRDA, the project will initially cost about US\$ 1 billion, but could ultimately attract investments of up to US\$ 4.3 billion. "About 5,000 acres of land is needed for this project," explains Gaikwad. "We have already identified the location and the land will be acquired over the next few months."

The proposed innovation park will ultimately provide employment to about 25,000 scientists and professionals.

MMRDA has taken up several public and infrastructure projects, including the first two phases of the Mumbai Metro, on a public-private partnership basis. The Maharashtra government agency normally contributes its share of equity by way of land and helps the private partner in obtaining clearances from various government bodies.

## Wipro in new relationship with Microsoft

WIPRO Technologies, the global IT services business of Bengaluru-headquartered Wipro Ltd, has formed a relationship with Microsoft to address the growing high performance computing (HPC) and parallel computing segments. The relationship includes joint investments in engineering and technology assets.

Wipro's HPC practice has been providing services to customers in domains such as oil and gas, financial services and manufacturing. The relationship with Microsoft will facilitate development and deployment of a new class of applications, which exploit the parallel computing features in Windows HPC Server 2008.

"Wipro has tremendous experience in accelerated, cost-effective application development and infrastructure optimisation," points out Vince Mendillo, senior director, HPC, Microsoft. "With the extension of our relationship to high performance computing, Windows HPC Server 2008 customers can benefit from new, innovative parallel applications and optimal performance."

According to V R Venkatesh, senior vice-president, product engineering services, Wipro Technologies, the new relationship "will help us serve our customers who are looking at maintaining a consistent development environment across desktops and clusters."



## SKF opens global testing centre in Bengaluru

INTERNATIONAL bearings major SKF opened its global testing centre in Bengaluru in November 2009. "We are putting in place in India a 'knowledge infrastructure' that allows us to provide state-of-the-art technology solutions from SKF," remarks Tom Johnstone, group president and ceo. "The new testing centre will significantly reduce lead time for our customers and ensure that we are able to respond speedily to their requirements for new products."

The centre will be a hub of testing activities ensuring greater focus on customer requirements, cost, quality and operational efficiency. It fully supports SKF's strategy of providing knowledge engineering solutions to its customers, adds Johnstone.

Initially, the centre will cater to the two-wheeler, automotive and sealing solutions businesses of SKF. Subsequently, it will be expanded to encompass the industrial segment as well. The Swedish group began operations in India way back in 1923. Globally, it is present in over 130 countries and reported annual sales of US\$ 9.3 billion in 2008.

## Blackstone Group to invest US\$ 65 million in Gateway Rail Freight

INTERNATIONAL private equity major, Blackstone Group, will invest US\$ 65 million in Gateway Rail Freight Ltd, a subsidiary of container freight station major Gateway Distriparks Ltd (GDL). Blackstone will subscribe to compulsorily convertible bonds of the company, which would be converted into shares in five years. Post-conversion, Blackstone's stake would range between 37 per cent and 49.9 per cent, depending on performance parameters. According to Prem Kishan Gupta, chairman and managing director, Gateway Rail, the money would be used to develop new terminals, deploy additional trains and road trailers, besides expanding existing capacities. The company, which operates three internal container depots at Gurgaon in Haryana, Ludhiana in Punjab and Navi Mumbai in Maharashtra, plans to open its fourth terminal in Faridabad in Haryana. It operates a fleet of 17 trains and 235 road trailers, providing end-to-end transport solutions to exporters and importers in north India.

GDL has invested nearly US\$ 130 million in the ICD business over the last three years. Gopinath Pillai, chairman, GDL, notes that Blackstone's presence will help the group strategically, as the private equity major has acquired expertise in the logistics trade globally. Akhil Gupta, chairman and managing director, Blackstone Advisors India, points out that infrastructure development is one of the key themes for its investments in the country. This is Blackstone's ninth investment in India since August 2006 when it began operations in the country. Earlier this year, Blackstone acquired a 10.38 per cent stake in Allcargo Global Logistics, a leading Indian logistics firm.



### Briefs

#### IAMAI opens its doors to start-ups

The Internet and Mobile Association of India (IAMAI), the representative body of Internet and mobile value-added services companies, has opened its doors to start-ups in the online and mobile value-added services segments. The association, which primarily represents mature businesses, has begun an aggressive drive to recruit start-ups as members. IAMAI believes that inclusion of start-ups will enrich the organisation's knowledge base and make its workings more innovative.

#### Tata Elxsi partners with Narayana Hrudayalaya

TATA Elxsi has signed an agreement with Narayana Hrudayalaya, Bengaluru, to develop affordable healthcare solutions. Tata Elxsi will undertake the design and development work of devices, while Narayana Hrudayalaya will provide support for problem identification, domain knowledge and clinical trials.

#### Posiflex acquires majority in Bengaluru distributor

POSIFLEX Technologies Inc., a professional POS (Point of Sales) hardware solution provider worldwide, announced the acquisition of a majority stake in one of its leading distributors in India, Protocol Solutions, Bengaluru. Posiflex products are widely used by large retail outlets in India. This strategic move will help shorten the lead time of delivery and provide satisfactory service to customers, to increase brand awareness and expand market share.