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THE NEW SPIRIT OF AFRICA



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The news items and information published herein have been  
collected from various sources, which are considered to be  
reliable. Readers are however requested to verify the facts before  
making business decisions using the same.

**Dear Reader,**

Greetings. India and South Africa are historically linked. The two nations have further forged their relations with South African President Jacob Zuma's recent visit to India. During his three-day stay in this country in June 2010, President Zuma held in-depth discussions with Prime Minister Manmohan Singh during which the two leaders urged upon Indian and South African business communities to work towards raising bilateral trade to US\$10 billion by 2012. The cover story of the current issue of Indo-African Business covers President Zuma's India visit in detail, including a joint statement issued by the two nations and the agreements signed on agriculture and allied sectors, S&T and air services. The annual CII-Exim Bank India-Africa Project Partnership conclaves have achieved spectacular results since they commenced six years ago. The 6th Conclave, held recently in New Delhi, and where an estimated business deals worth US\$9 billion were generated, urged the Indian private sector to support government's initiatives in strengthening human capital in Africa. We carry an in-depth report. Mozambique is a country bestowed with rich agricultural and mineral wealth, where government-owned GAZEDA is carrying out a mission of promoting the country as the most sought-after investment destination in Africa. We present a feature. The Export Import Bank of India (Exim Bank) has announced its annual results for the fiscal year (2009-10), declaring an increase of 26 percent in its profit before tax and a 14 percent rise in loan assets. Along with a report on Exim Bank's excellent financial performance, the magazine carries two important studies conducted by the Bank on the aluminium and Information Technology (IT) industries. We also present an in-depth article written by Dr. Suresh Kumar, Head of the Department, African Studies in Delhi University, on how agriculture outsourcing can ensure food security in Africa, Latin America and the Caribbean (LAC) region. More and more Indian companies are eyeing commercial farming in Africa in agricultural products ranging from roses to tea. We carry a report. In June South Africa successfully hosted the FIFA World Cup 2010. The magazine carries a photo feature on the event, billed as the greatest show on the Earth and one that has made the African continent proud. There is plenty of corporate news covering Indo-African joint venture collaborations in areas ranging from communications to Information Technology, automobiles to agricultural pumps and pharmaceuticals. The magazine carries the usual French section besides other regular features.

Wish you happy reading

A handwritten signature in blue ink, which appears to read 'Satya', followed by a long, sweeping horizontal line.

**Satya Swaroop**

Managing Editor

[satya@newmediacomm.biz](mailto:satya@newmediacomm.biz)

## Pacts Inked on Agriculture & Air Services

# India, S. Africa Call for Boosting Bilateral Trade to \$10bn by 2012

India and South Africa, the two countries closely linked with each other historically, have further forged their strong relations with the recent visit to this country of the latter's Head of State, President Jacob Zuma. During his three-day visit President Zuma had in-depth discussions with Prime Minister Manmohan Singh and other leaders on matters of mutual concern.

President Zuma and Prime Minister Singh, who issued a joint statement at the end of their talks, urged Indian and South African business communities to work towards raising bilateral trade to US\$ 10 billion by 2012.

At the end of President Zuma's visit, India and South Africa signed Memoranda of Understanding (MoUs) on cooperation in the field of agriculture and allied sectors, science and technology, human resource development and a tie-up between the Diplomatic Academy of the Department of International Relations and Cooperation of South Africa and the Foreign Service Institute of India. The two countries also signed an Air Services Agreement.





Making a statement on President Zuma's visit to India from 2 to 4 June 2010, Prime Minister Manmohan Singh said: "The links between India and South Africa are rooted in history. We can never forget that South Africa was the land of the awakening of the Father of our Nation, Mahatma Gandhi, for which we owe a deep debt of gratitude to its people."

He said India was honoured by the fact that President Zuma had chosen this country as his first destination in Asia during his first State visit to this region.

Prime Minister Singh said that President Zuma had led South Africa with great distinction in the last one year. "South Africa plays an influential role in world affairs. Its voice is heard with respect not only in Africa, but also on all major global issues. In a week from now South Africa will host the Football World Cup. On behalf of the people of India, I have conveyed our best wishes to President Zuma for its grand success."

The tournament has since established South Africa's credentials as a great organizer of the spectacular world event as the FIFA World Cup, 2010.

"Today, President Zuma and I have decided to impart a forward-looking character to these ties, and to further broad-base our cooperation. We have agreed to focus on the expansion of our economic, trade and investment relationship. Our economies have come of age. A growing number of companies are investing in each other's countries, and South Africa has become

one of the most significant economic partners for India in Africa," Prime Minister Singh said.

He said both countries had decided to provide fresh impetus to their co-operation in the areas of science and technology, agriculture, human resource development, people-to-people exchanges and security. "India is willing to work with South Africa in addressing the shared challenges of capacity-building, skill development, job creation and combating disease, which are essential for achieving inclusive growth," Prime Minister Singh added.

He said the both countries had tasked the next meeting of the Joint Commission to develop concrete plans for implementation of the decisions the two leaders had taken.

Prime Minister Singh said India and South Africa had been working closely in several international forums such as the United Nations, Non-aligned Movement, Commonwealth, WTO, G-20 and the IBSA and BASIC groupings. "We have agreed to intensify our coordination in these bodies," he added.

#### **Joint Declaration issued on 4 June 2010 on the occasion of the visit of President of South Africa Jacob Zuma to India.**

At the invitation of the President of India Pratibha Devisingh Patil, Jacob Zuma, President of South Africa, paid a State visit to India from 2-4 June 2010. During the visit, President Zuma met the President of India, Vice



*The President of South Africa, Dr. Jacob Zuma meeting the President, Smt. Pratibha Devisingh Patil, in New Delhi.*



*The Union Minister of Commerce and Industry, Anand Sharma and the President of South Africa, Dr. Jacob Zuma at the Business Meeting, organized by the ASSOCHAM, CII & FICCI, in New Delhi*

President Hamid Ansari and Prime Minister Manmohan Singh.

Prime Minister Singh and President Zuma reaffirmed the vitality of the India-South Africa strategic partnership, based on their commitment to a global order built upon the principles of peace, justice and equality, upon the two countries' shared history of solidarity and partnership in the struggle against colonialism, imperialism and apartheid and encouraged by the legacy and stature of Mahatma Gandhi and former President Nelson Mandela.

Both leaders underscored the importance of making the strategic partnership more result oriented and of greater direct benefit to the peoples of South Africa and India. They emphasized their commitment to cooperation towards raising the existing level of friendship and partnership between South Africa and India to even higher levels.

The leaders recalled the defining documents of the South Africa - India relationship, the Red Fort Declaration of 1996, the Joint Declaration of 2003 and the Tshwane Declaration of 2006, and expressed satisfaction with the progress that had taken place. Both leaders welcomed the continued interaction between India and South Africa at the highest political levels. Such interactions are marked by an exceptional degree of cordiality, understanding, mutual trust and confidence. They expressed satisfaction at the

consolidation of bilateral relations and underscored that the visit of President Zuma would contribute to consolidating the practice of regular political-level consultations.

The leaders recognized that South Africa and India draw their strength and inspiration from the diverse, multi-cultural societies constituting their respective nations; and stated that the best assurance for continued peace and prosperity lies in the adherence to democratic governance that is rooted in respect for human dignity and the fundamental rights of all people in accordance with their respective Constitutions.

Recognizing that since the establishment of bilateral relations in November 1993, the two countries had established a framework for cooperation through bilateral and multilateral agreements and Memoranda of Understanding. President Zuma and Prime Minister Singh committed their Governments to the fullest implementation of these milestones of the bilateral relationship. They noted with satisfaction the strengthening of the growing partnership between the two countries with the signing of the following bilateral agreements / MoUs during the visit:

- Air Services Agreement;
- MoU on Cooperation in the field of Agriculture and Allied Sectors; and
- MoU between the Diplomatic Academy of the





*The President of the Republic of South Africa, Dr. Jacob Zuma and the Prime Minister, Dr. Manmohan Singh chaired the Indo-South African delegation level talks, in New Delhi.*

Department of International Relations and Cooperation of South Africa and the Foreign Service Institute of India.

They expressed satisfaction at increasing cultural exchanges between the two countries and agreed to further promote educational exchanges including through University-to-University linkages. President Zuma and Prime Minister Singh agreed that a more extensive and active network of cooperation in Science and Technology would be promoted by the concerned Departments, which would focus on cooperation between designated agencies and specialized institutions. Towards this end, the two leaders noted that the MOU for cooperation in the field of Communications and Information Technologies has expired in September 2009 and called for an early renewal of the MOU and a meeting of The Joint Working Group to identify projects for joint cooperation in the ICT sector.

Both leaders reaffirmed the importance of strengthening relations under the aegis of the India-South Africa Joint Ministerial Commission (JMC) which affords both sides an opportunity to address a range of bilateral, as well as multilateral political and economic issues. They confirmed that the 8th Session of the JMC will take place in Delhi in 2010, allowing both sides to evaluate the implementation of bilateral agreements and decisions taken during the State Visit.

The two leaders noted with satisfaction the progress recorded in developing a multi-faceted strategic partnership. They welcomed the fact that bilateral trade

had grown to the extent that India was now one of the top ten trading partners of South Africa. The two leaders noted that there has been a healthy growth in two-way investment flows, which have increased substantially during the past five years. The two leaders welcomed the reconstitution of the India-South Africa CEOs' Forum as an institutional mechanism for closer business interaction with Government support. They look forward to its first substantive meeting in South Africa along with an India Show in August 2010.

In the area of economic cooperation, the leaders underlined the need to utilise their respective strengths to mutual advantage through greater cooperation between respective business entities. In this regard, they agreed that the focus should be upon sectors such as infrastructure and manufacturing, energy, mines and minerals, oil and natural gas, banking and financial services, tourism, pharmaceuticals, automobiles and auto components, textiles and garments, fertilisers, information technology, small and medium enterprises and forestry-based produce.

The leaders urged Indian and South African industry to work towards raising bilateral trade to US\$ 10 billion by the year 2012. They expressed satisfaction at the significant increase in investment flows in both directions, as businesses on both sides recognized complementarities and benefited from opportunities. In this context, the leaders recognized that the vast latent potential in the relationship was yet to be fully exploited.

In the regional context, President Zuma affirmed the importance of India as a partner of the African Union in

the consolidation of peace and stability in the Continent, through its contributions to peacekeeping, and as a partner in the development of Africa through its support for the objectives of the New Partnership for Africa's Development (NEPAD).

In addressing wider areas beyond the bilateral realm, and in recognition of the historical and civilization links between the African continent and India, the leaders committed themselves to strengthening the India-Africa Forum and to the advancement of the seven pillars of the Action Plan of the Framework for Cooperation launched in Delhi in March 2010. The Action Plan will intensify India-Africa cooperation in various fields including Commerce, Politics, Social Development and Capacity Building; Science, Technology, Research and Development; Tourism; Infrastructure, Energy and Environment and Media and Communication. With this in mind, the leaders undertook to work even more closely to reinvigorate their cooperation for Africa's development.

Both leaders acknowledged the increasing contribution of their countries in Africa towards the achievement of peace, security, stability, development and economic prosperity. President Zuma took special note of India's active participation in all United Nations sponsored peace missions in Africa, and the role it continues to play in peace and security on the Continent. They noted the progress made in bilateral defence cooperation, and underlined the need to expand cooperation in areas of potentiality, such as military training and cooperation in UN peacekeeping.

Recognising the importance of the strategic partnership, the two leaders agreed on the need to expedite the ongoing negotiations on the India-Southern Africa Customs Union (SACU) Preferential Trade Agreement so as to provide a significant incentive to business to explore mutually beneficial commercial opportunities and contribute to growing trade and investment relations.

The leaders recognized the importance of the emerging economies of the South, the structural changes taking place in the global economy and the importance of strengthening trade and investment relations with these new poles of economic growth. They acknowledged that new economic relationships will be based on the principles of partnership, complementarity and mutual benefit.

The leaders expressed satisfaction at the outcome of the

4th IBSA Summit in Brasilia on 15 April 2010. They reaffirmed the importance of IBSA as an effective instrument for promoting closer cooperation and coordination on global issues between the three major and diverse democracies of Africa, Asia and South America.

Both leaders reiterated their commitment to intensify consultations and cooperation at multilateral fora such as NAM, Commonwealth, G77+ China and G20. They share the view that developing countries, need to have a greater voice and vote in the international financial institutions. The two leaders reaffirmed their commitment to increase the voice, vote and representation of emerging and developing economies, including those in Africa, in the decision-making bodies of multilateral institutions.

The two Leaders emphasized the need for the reform of the United Nations (UN) to render it more democratic and consistent with the priorities of the developing world. They emphasized that no reform of the UN would be complete without the reform of the UN Security Council, including an expansion in both permanent and non-permanent categories of membership, with increased participation of developing countries in both, for the Security Council to have the representativeness and legitimacy it needs to face contemporary challenges. The two leaders undertook mutual support for their candidature for non-permanent Security Council seats for 2011-2012.

The leaders reaffirmed that people must come first in the formulation and implementation of public policies, allowing for fair, equitable and sustainable development. They considered this issue a priority in the context of an increasingly globalized world, in which the economic and financial crisis, and the need for restructuring of the international financial architecture directly affect the welfare of people, particularly of vulnerable groups. In this regard, they stressed the need to strengthen social policies and to fight hunger and poverty, especially in times of global economic crisis. The leaders also reiterated the need to promote a job-intensive recovery from the downturn and create a framework for strong, sustainable and balanced growth. Sustainable recovery and growth will also depend on several factors such as enhanced investment for infrastructure development, stable capital flows to the developing markets, appropriate macroeconomic adjustments, and avoiding complacency in the area of financial sector reforms.



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*The Minister for Public Enterprises, Republic of South Africa, Ms. Barbara Hogan meeting the Union Minister of Commerce and Industry, Shri Anand Sharma, in New Delhi.*

Financial inclusion will be a major determinant of success.

The leaders stressed the need to reform the Bretton Woods Institutions to increase their effectiveness and to enhance their accountability, credibility and legitimacy. They underlined the importance for a greater voice and participation by developing countries in these institutions.

The two leaders stated that a positive outcome of the Doha Round of trade talks within the World Trade Organisation would be instrumental in economic recovery, particularly in job creation, as international trade has experienced its sharpest decline in several decades. A development oriented, balanced and successful conclusion of the Round at an early date would bolster the credibility of the multilateral trading system in the face of increased protectionist pressures. The Leaders confirmed their intention to continue to work to strengthen the alliances of developing members that have effectively changed the negotiating dynamic in the World Trade Organisation, placing developing countries, for the first time in the history of the global trade system, at the centre of the negotiations.

The leaders reiterated the unwavering commitment of South Africa and India to the goal of the complete elimination of nuclear weapons in a comprehensive, universal, non-discriminatory and verifiable manner and urged immediate efforts towards the realization of this goal. They reaffirmed the inalienable right of all States to the peaceful application of nuclear energy,

consistent with their international legal obligations.

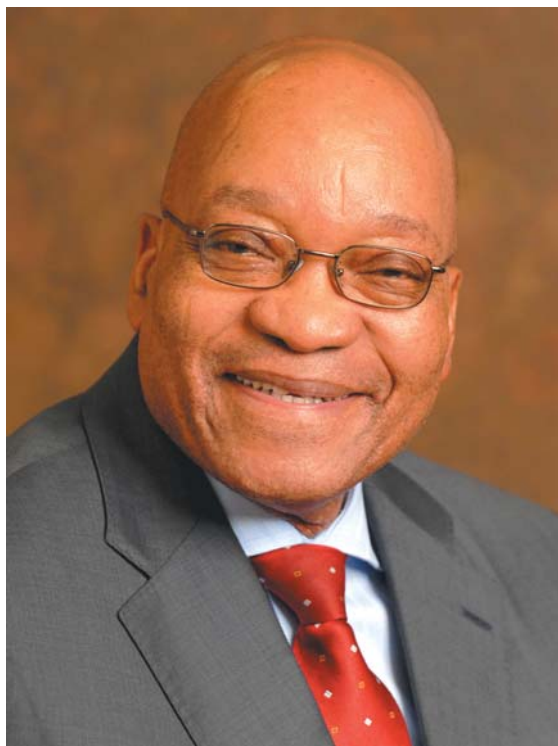
The leaders condemned terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purposes, as it constitutes one of the most serious threats to international peace and security. President Zuma condemned attacks in India that resulted in the loss of innocent lives. The two leaders agreed on the need for greater cooperation among States and regional organizations in this regard. They emphasized the urgent need to finalize the

Comprehensive Convention on International Terrorism, and called upon all States to cooperate in resolving outstanding issues with the objective of an expeditious conclusion of negotiations and adoption of this Convention. They note that the fight against international terrorism must be done with full respect to the UN Charter and International Law.

The leaders reiterated the importance of a positive result for the current climate change negotiations at the 16th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) and the 6th Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, in Mexico. They stressed that the result should be reached in an inclusive and transparent manner, and should effectively address the challenge of climate change, in accordance with the principles of the UNFCCC, especially the principles of equity and common but differentiated responsibilities and respective capabilities. They urged developed countries to take ambitious action to reduce their greenhouse gas emissions, and to provide adequate international financing and transfer of technology to support the efforts of developing countries to mitigate and adapt to the impact of climate change.

The leaders agreed to work closely together in the field of sports cooperation and on sharing experiences on upcoming events such as the 2010 FIFA Soccer World Cup and the Commonwealth Games. They expressed confidence that this would form the foundation for enhanced partnership in their sporting relations. ■





## India, a Key Partner to S. Africa's Economic Growth

- President Jacob Zuma

The historical ties between India and South Africa need to be converted into a strong economic partnership. India is a very important partner to South Africa at all three levels - political, economic and social, said South Africa's visiting President Jacob Zuma, in an interactive session organized by Confederation of Indian Industry (CII) in Mumbai recently.

President Zuma urged Indian and South African businessmen to work towards increasing bilateral trade between the two countries from the present \$4.5 bn to \$10 bn by 2012. He reiterated the need to expand the value added trade between the two countries. He mentioned that 'India is one of the most attractive destinations for FDI inflows and also offers a very large consumer market.

President Zuma said that a strong relationship between both the countries would build long term capacities to effectively compete in the global market. He mentioned that the large business delegation of more than 200 members accompanying him were very keen in doing business in India in diverse sectors such as ICT, Transport, Infrastructure, Agriculture, Financial Services, Energy & Mining, Pharma and Healthcare to name a few.

Zuma said that India and South Africa had a

shared global understanding on diverse issues covering trade negotiations, climate change, poverty alleviation, and peace and stability. Referring to the bilateral investment ties, he said that Indian investments in South Africa already amount to \$6 billion and many Indian companies had become household names in South Africa.

President Zuma said the bilateral opportunity rests on identifying the complementarity in trade and investment relations. This would also open up the broader southern Africa and rest of Africa markets for Indian companies, "since South Africa is a gateway to the African markets as a whole." Likewise, South African companies would also be able to enhance their footprint in the Indian market.

He said that the extensive physical infrastructure development programmes initiated by the South African government will open up several investment opportunities for Indian companies in South Africa.

President Zuma said India and South Africa should develop joint initiatives to promote innovations to ride the current global wave of technologies to bring about the socio-economic transformation of their respective economies.

India's Minister of Commerce & Industry Anand Sharma, during the interaction said that India shared its icons and heroes with South Africa and had similar patterns of history, challenges and dreams.

He emphasized that the cooperation opportunities in areas of Agro processing and Infrastructure were enormous and

must be exploited to the fullest. Minister Sharma affirmed that India was less impacted in the recent downturn owing to its strong domestic demand and it now aspires to achieve double digit growth in the near future.

He said the two countries should also develop strong partnerships in capacity building and skills development to complement the economic resurgence. Noting that India was the first Asian country that President Zuma chose to visit since assuming the presidency of his country, Minister Sharma said the two governments should look to step up the joint efforts to obtain their rightful places in the emerging economic and political architecture and promote the reforms of the United Nations and Brettenwoods institutions.

Hari Bhartia, President, CII & Co-chairman & Managing Director, Jubilant Organosys Ltd, outlined an agenda for both the countries for enhancing economic relations. 'We must expedite the PTA talks between India and SACU towards rapid conclusion. The issues on market access and legal matters that have been identified need to be quickly resolved. Further, there is need to diversify and expand our baskets of traded goods', he said.

Bhartia said, "We need to strengthen and develop linkages between the SME sectors of the two countries so that they may take advantage of global opportunities. The SME platform could help expand exchanges between the two sides. CII has been active in this area and has assisted in SME capacity-building in South Africa". He also suggested setting up dedicated investment platforms to assist companies in entering each other's business sectors.

Ratan Tata Chairman, Tata Sons Ltd, emphasized on leveraging upon complementary skills and strengths. Both the countries could develop a worthwhile entrepreneurial environment, he added.

Rob Davis, Minister of Trade & Commerce, South Africa, said the strategic importance of the bilateral engagement stems from the seismic shifts in the global economic architecture with India and South Africa leading the change. He also pointed to the similarity in socio-economic challenges that both countries face.

Referring to the bilateral trade ties, he said that the trade flows have come a long way, from \$45 million in 1993 to \$4.5 billion in 2008.

He said that the target of \$10 billion bilateral trade is

achievable with due government and industry engagement on both sides, and added that the current negotiation on India-SACU preferential trade agreement (PTA) should conclude soon. Of equal importance would be the conclusion the a bilateral investment protection agreement (BIPA), he observed.

Mr Symal Gupta, Chairman, Emeritus, CII-Africa Committee, set the tone for the session by welcoming President Zuma and by underlining the opportunities for greater India-South Africa business ties.

Mr Sizwe Nxasana, Chairman, Business Unity South Africa (BUSAS), pointed to the opportunity for enhancing cooperation in the SME segment. Reiterating that South Africa is a hub for the southern African markets, he said that the anticipated India-SACU PTA will play a key role in enhancing bilateral trade and investment flows.

Mr Vikramit Singh Sahney, India-South Africa Business Forum of FICCI, said the focus of attention would be on attaining the \$10 billion bilateral trade target.

During the session, there was a launch of an IndiaSouth Africa CEOs Forum. The CEOs Forum is expected to provide an institutional framework for strengthening and deepening the business relationship between our two countries. The Conference also witnessed the signing of important MoUs between J M Financial & First Rand Bank SA and also between Green Harvest & KZNAC Industrial SA.

Earlier, Mr Subhash C Aggarwal, Senior Member, Assocham Africa Committee, provided an overview of the India-South Africa economic ties.

During his stay in Mumbai, President Zuma met Indian industry leaders Ratan Tata, Mukesh Ambani, Adi Godrej and Jet Airways chief Naresh Goyal.

### **Indian Companies Investing in South Africa**

Indian companies are currently executing projects of the order of \$2 billion in South Africa, said a senior trade official from that country.

Major investors include Tatas (vehicles, IT, ferrochrome plant), the UB Group (beer manufacture, hotels), Mahindras (utility vehicles) and a number of pharmaceutical companies, including Ranbaxy and Cipla, informed Iqbal Meer Sharma, Deputy Director-General of South Africa's Department of Trade & Industry.

South Africa is an excellent investment destination and



also a "Gateway" to Africa and African investment and also to the US and European Union, he said. Besides, Indian companies felt the tax regime did not pose a challenge, as it was in line with global tax systems.

"India features among the top 10 countries investing in South Africa, with current investment estimated at \$6 billion, with investments from Tata, Cipla, Apollo, Godrej, Genpact, Aegis, M&M, Ashok Leyland and Aurobindo Pharmaceuticals. IT has emerged as a significant area of Indian interest," Sharma said.

He said Tata Group companies, mainly Tata Steel, Tata Motors and Tata Consultancy Services, had made considerable investments in South Africa. Further, State Bank of India, ICICI and Bank of Baroda were increasing their presence by establishing more and more branches.

In automobiles, Tata Motors, Mahindra & Mahindra and Ashok Leyland are actively pursuing plans to set up a manufacturing base in South Africa. Tata Motors was keen to produce the Indica, while M&M wished to manufacture tractors and Ashok Leyland for buses to supply to the US, European Union and African countries. "These companies want to take the advantage of the quota-free and duty-free regime of South Africa to make entry into these markets," said Sharma.

Currently, these companies are exporting their vehicles to South Africa and have been in talks with authorities for opening manufacturing units there. Similarly, Maruti is selling cars in South Africa and may consider setting

up a factory.

Indian companies have also evinced interest in acquiring coal, iron ore and manganese mines. In April, JSW Energy acquired a majority stake in South African Coal Mining Holdings for securing long-term fuel linkages. Indian companies are looking at the procurement of uranium and nuclear technologies from South African companies, too.

### **South African Firms Keen on JVs in India**

On the other hand, South African companies are keen to explore investment opportunities in India in the fields of agro-processing and cold storage chains, tourism, hotel, the retail sector, iron and steel, organic and inorganic chemicals, fertilizers, gold and diamond. Besides, South African banks, insurance and financial services companies have chalked out India-specific strategies to increase their presence in India. "South African investors will prefer to pursue investments in collaboration with Indian players," Sharma said.

According to Sharma, since 1994, the South African economy has been undergoing structural transformation just as the Indian one had since 1991. "The signing of a preferential trade agreement between the two countries will help increase trade. The agreement is expected to be signed within a year and it will address issues relating to tariff and non-tariff barriers. South African companies feel various states are imposing non-tariff barriers in the form of labelling and health standards," he noted.

Sharma said South African companies must use their capacities to reap benefits from mega investments being planned by India in infrastructure projects. Besides, there is need to promote greater government to government participation. Further, India Inc and South Africa must leverage the India-Brazil-South Africa. ■



# Botswana Inks S&T, MSME Pacts, Invites Investment

Botswana is making a strong case for Indian companies to invest in a variety of business sectors in the country, even as many of them have established larger footprints in Southern Africa.



Making a strong pitch for Indian investments, Lt. General Mompoti S Merafhe, Vice President, Botswana, said at an interactive session organized recently by the Confederation of Indian Industry (CII) in New Delhi, saying that "the event is a wake up call for us to put more effort and emphasis on exploring and utilizing investment opportunities to their full potential."

To strengthen the bilateral business engagements, Lt. Gen Merafhe will open the BEDIA liaison office in Mumbai on 18 June 2010 "This office will serve as a one-stop information centre for all your enquires on trade and investment in Botswana, and it will also help in cementing the foundation for long lasting commercial relations between our two countries," he said.

The two governments are also signing two agreements in the fields of science and technology and micro, small and medium enterprises (MSMEs) the same day.

Lt. Gen Merafhe mentioned that the Local Enterprise Authority (LEA) in Botswana and National Small Industries Corporation in India have just signed a memorandum of understanding (MoU) to facilitate cooperation between SMEs in both countries.

Earlier, Joint Secretary (E&SA) in the Ministry of External Affairs Gurjit Singh said in his introductory remarks that there is significant scope for building India-Botswana bilateral trade ties on the plank of strong complementarity.

He said that in terms of investments, both the Indian

government and private sector companies could play a key role in leveraging the opportunities in Botswana in the banking and financial services sector.

BEDIA Director Favor Marebole in his presentation focused attention on investment opportunities in Botswana in the areas of physical infrastructure development, mining operations, diamond beneficiation, rail infrastructure, and agriculture, among a host of other promising sectors.

Stating that Botswana imports the bulk of its energy and power supplies, Marebola said that Indian companies could consider investing in these areas and take advantage of the business opportunities that they present.

He said that BEDIA will proactively support Indian companies in forging joint ventures. The business body is engaged in investment promotion, building 'Brand Botswana', export promotion, and policy advocacy. BEDIA also facilitates the provision of 'land and property' for overseas companies investing in Botswana.

Botswana International Financial Services (BIFS) Senior Business Development Executive Letsebe Sejoie said that Botswana is an attractive destination for business process outsourcing (BPO) businesses as the country has the infrastructure, financial and human resources to support this industry.

He said that BIFS will serve as the intermediary for investments not only in Botswana but also other southern African countries.

Botswana Innovation Hub's Principal Project officer Budzanani Tacheba said that Indian private equity, venture capital funds and other investment arms would see significant opportunities in funding innovative businesses in Botswana.

Botswana Tourism Organization also made a strong pitch for Indian investments in the country's designated wildlife development areas. These could take the form of joint ventures with local partners who have been given the land rights to develop the sanctuaries and wild life eco-systems. ■



# A2Z Group.

A powerhouse of 360 degree solutions and success.



A leader in diverse business verticals, the A2Z Group has evinced unprecedented growth. A2Z is much sought after Engineering, Procurement and Construction (EPC) company among the public and private sector clients. It has gained an enviable reputation of executing complex project within extremely challenging time frames to the satisfactions of exacting and highly demanding clients. A2Z consistently delivers 360 degree solutions to all its clients with international parameters.

Founded in 2002, it has grown today into an admirable and versatile business group with Approx 1200 crores (FY 10 E) turnover. A2Z has established sound leadership in an exciting portfolio of opportunities viz. Power Transmission and Distribution EPC, Solid Waste Management, Biomass Power Generation, Facilities Management & IT Application-Power Sector etc. The company received accolade in form of E&Y conferring Start-up of the Year Award to Mr Amit Mittal (Founder-MD)



**Mr Amit Mittal (Founder-MD)**



## A2Z Maintenance & Engineering Services

- ISO 9001-2000 certified by MOODY
- Leader in Building Primary and Secondary Power Distribution Network on EPC basis.
- Concept to commissioning of Power Transmission line Project upto 765 kV and substation of upto 400 kV.
- One-stop-shop for complete Engineering Maintenance/ Asset Management & Utility Infrastructure Services the Power Generator Transmission & Distribution Enterprises Electrical.



## A2Z Infrastructure

- JCB-CII Award for Excellence in Waste Management Year 2010
- Early entrant in IRRF mode MSW Management Company.
- Operating a large 1500 TPD MSW Project in India at Kanpur on an integrated mode
- Portfolio of approx 5000 TPD across various municipalities/urban local bodies
- Strong experience in PPP model
- Deploying unique technologies for operational efficiency
- Integrated waste management entails collection of waste, transportation of waste, processing of waste, disposal of waste & converting waste into energy.



## A2Z Infra-Services

- Unique approach as Integrated Facilities Management Organization.
- Professionally managed with almost 800 technical people on roll out of the total approx 12000 employees.
- Pan India Presence.
- Focus on energy savings and green solutions.

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## 6th India-Africa Partnership Conclave generates US\$9 billion Worth Deals

Joint Food Security Drive vital to alleviate Hunger & Poverty

# Pvt. Sector Urged to Support Govt. Initiates to Develop Human Capital in Africa

The Indian private corporate sector has a key role in supporting the Government's capacity building and skills development initiatives in Africa, External Affairs Minister S.M. Krishna has said.

Delivering his inaugural address at the 6th CII-EXIM BANK Conclave on India-Africa Project Partnership 2010 in New Delhi on 15 March 2010, Minister Krishna said the Joint Action Plan, drawn up to implement the decisions made at the first India-Africa Forum Summit held in 2008, laid great emphasis on India extending its technical expertise and financial support to building human capital in Africa.

He said the Plan was also aimed at helping the African governments achieve their Millennium Development Goals (MDGs).

Focusing attention on the broader partnership goals, Minister Krishna said the Government would revive the annual 'Africa Day' lecture and that India-Africa cultural exchanges were also being planned to boost the age-old cultural links between the two countries. The Indian Government would steadfastly fulfill the financial commitments made to further Africa's development programmes, he added.

Minister for Commerce & Industry Anand Sharma, in his keynote address



to the Conclave said that India and Africa had a major say in the emerging global economic order.

The economic strengths of the two regions also came to the fore in the aftermath of the global economic meltdown that was triggered by the financial crisis in the western economies, he pointed out. South countries such as India and the African nations held the key to the global economy recovery, Minister Sharma said, adding that the challenges for the economies would continue to be poverty alleviation and strengthening of food security and both the regions had to jointly address these challenges."

He said that accelerated economic growth would aid India and the African countries to address the endemic issue of poverty, and pointed out that Issues linked to global climate change were also related to it.

Minister Sharma said that Indian and African governments and industry should strive to establish the essential linkages to spur development. The Pan Africa eNetwork project was an example of this linkage, he said. He also made a mention of India's key contributions in Africa in making available affordable medicines

including anti-retro virals (ARVs).

Minister Sharma that a vibrant India and a resurgent Africa should strive for the reforms of the international organizations and Brettonwoods institutions. "These institutions should reflect the real world of today," he added.

Referring to the trade and investments front, Minister Sharma said that while India-Africa engagements had increased manifold, the opportunities for further growth in these areas "are limitless".

Ghana's Vice President John Dramani Mahama said in his special address that the annual Conclave had greatly supported the continuous India-Africa dialogue for mutual cooperation.

Mahama said that physical infrastructure development was an imperative for Africa's growth and development and added that India could play a key role in this. He said that Africa was on a relatively high growth path and was expected to register 4-5 percent GDP growth in 2010-11. "Africa's time has come," he said, adding that Africa's economic priorities were similar to that of India.

Mahama said that capacity building was key to Africa's growth and added that his country and rest of the continent would welcome India's initiatives in this regard.

Underlining the importance of food security, he said Africa had large tracts of arable land that could be cultivated with Indian support to feed not just Africa but rest of the world.

Mahama said that Africa remained one of the most attractive investment destinations in the world and offers returns of up to 65 percent. He concluded by saying that African countries would benefit much more from this partnership by focusing upon regional economic integration within the continent.

Earlier, welcoming the delegates to the Conclave, CII Africa Committee's Chairman Sanjay Kirloskar said the Indian government and industry strived to establish business linkages in Africa, instead of merely focusing upon resources trade. "India's engagement is functional and has a consultative approach, which is a sustainable way of doing business," he added.

Kirloskar said the Conclave was taking place at an opportune time, when 30 AU ministers were in the capital city of New Delhi.

Chandrajit Banerjee, Director General, CII, welcomed the delegates and said the large participation at the Conclave underlined the growth India-Africa economic engagements. Over 500 African delegates including 39 ministers attended the Conclave.

A memorandum of understanding (MoU) was signed between CII and BEDIA to promote mutual cooperation for the purposes of promoting investment opportunities in Botswana.

## Ties Based on Collaborative Approach: Shashi Tharoor





India has all along pursued a functional collaborative approach toward building the partnership with Africa, Minister of State for External Affairs Shashi Tharoor has said.

In his special address at the luncheon session of the India-Africa Project Partnership Conclave 2010 Tharoor said relations between the two regions were founded on the fundamental principles of equality, mutual respect and understanding. "India and Africa have pursued mutual benefits through a consultative process," he added.

Minister Tharoor said the Indian government had not wavered from the objective of initiating projects that contributed to Africa's development process, adding that India believed in extending "non-intrusive support" to Africa. Besides, the Indian government had contributed significantly to Africa's human capital development, he said, adding that more than 15,000 African students were enrolled in Indian educational institutions every year.

Talking about the Indian private sector engagement in Africa, Minister Tharoor said that Indian companies operate independently in Africa with "no heavy government footprint". He added that the Conclave had once again demonstrated the positive intent with which Indian private corporate sector was engaging Africa.

Tharoor observed that Indian investors were highly respected in Africa. "They have contributed to local employment generation and capacity building," he said.

The Minister said the Indian government had not stepped back from its commitments toward Africa's development. "The Government of India's lines of credit (LoC) have contributed to asset creation in Africa and have acted as catalytic confidence builders," he said.

He said the Indian government had also pursued partnerships for multilateral cooperation in Africa. Talking about the socio-economic and cultural proximity that existed between India and Africa, the Minister said that "India resembles your own countries". "We offer an accessible development model for you," he added.

## Focus on Knowledge, Advances in S&T Vital for Partnerships

Access to knowledge and latest advancements in science and technology will determine the quality and sustainability of India-Africa partnerships, Vivek Katju, Secretary West, Ministry of External Affairs, has said.

Delivering his valedictory address at the India-Africa Project Partnership Conclave, Katju said that all efforts to further the partnerships between the two regions would be jeopardized if the initiatives were not aligned with the dynamic changes in the knowledge domain.

Katju said that countries became colonized in the past because they did not keep pace with the scientific and technological developments in other parts of the world. The current focus on capacity building and skills development would prevent such a scenario, he said, adding that "it is here that India-Africa cooperation attains vital importance. Due focus on knowledge and science and technology will give our nations the rightful positions in the global economic order".

Katju said that the Joint Action Plan drawn up to implement the key decisions taken at the first India Africa Forum Summit, would contribute toward building "solid structures" for furthering cooperation in knowledge sharing.





"We need the support of the business community to realize these goals," he said, adding that a comprehensive partnership involving government and private corporate entities would help realize these goals.

Referring to the various recommendations made during the course of the Conclave, he said that what is important is how they are implemented.

Prime Minister of Togo S. E. M. Gilbert Fossoun Hounbo in his address said that India-Africa partnerships had come a long way, but identified four key areas to be addressed. Stating the need for more creative and innovative financing solutions, Hounbo said the Government of India's lines of credit alone would not be enough to meet the development needs of Africa.

He said the second key challenge was to see "how to unleash the full potential that we have". The third imperative would be to promote India-Africa partnerships in the true spirit of South-South Cooperation. By this he meant the engagements should not be limited to business deals but must extend to all areas of development including humanitarian goals, good governance, etc.

The fourth challenge that he identified was capacity building, not just at the individual level, but one that worked at the institutional, governmental and societal levels. "No country can sub-contract its development. Development comes about when you develop the capacity to manage your own resources," he said.

Attaching key importance to the annual Conclave,

identifiable deliverables," he said.

CII Africa Committee Chairman Sanjay Kirloskar in his wrap up presentation said capacity building and skills training were the key talking points right through the Conclave. "The Joint Action Plan has already laid great emphasis on India extending its technical expertise and financial support toward building human capital in the African countries. To broaden this engagement, both government and corporate leaders have said that Indian companies should step up their capacity building initiatives in Africa and facilitate greater transfer of technical skills."

"The Indian government and the private corporate sector have believed in contributing to asset creation in Africa, all along, and this approach has been a catalytic confidence builder for us all in this journey toward long-term sustainable partnership," he said, adding that cooperation in strengthening food security, energy security, green agenda and poverty alleviation were among the key areas that merited special attention in the broad framework of India-Africa cooperation.

Chairman Emeritus, CII Africa Committee & Chairman TCE Ltd Syamal Gupta, in his opening remarks said that the Conclave had once again paved the way for long-term sustainable India-Africa partnerships. ■

Hounbo expressed hope that the next conclave would be organized in Lome, the capital city of Togo.

Dean of the African Diplomatic Corps Jonathan Wutawunashe said the action points drawn up for India-Africa partnership should be implemented and monitored on a continuous basis. "We need to look at

Mozambique Offers Myriad Investment Opportunities

# Building Partnerships, the GAZEDA Way



**Mozambique is a multi-faceted country. It is bestowed with rich agricultural resources and a vast mineral wealth. The country, situated on the south-eastern coast of Africa, holds immense potential for investments in agricultural produce and processing industries, heavy industries and manufacturing, infrastructure and tourism. GAZEDA, a government organization, is entrusted with the mission of promoting Mozambique as the most sought-after investment destination in Africa. Building partnerships is GAZEDA's motto.**

Mozambique is a democratic country, well-known for its political stability and considered one of the safest countries in Africa. The country's economy is stable and so is its currency, Metical.

The Republic of Mozambique is situated on the south-eastern coast of Africa. It borders on Tanzania to the north, Zambia, Malawi and Zimbabwe to the west and Swaziland and South Africa to the South Africa. Mozambique has.

The country, measuring 799,380 sq km, of which is firm land, are firm land except for 13.000 sq km covering interior waters, has a population of around 20.37 million, spread over 11 provinces from north to south: Cabo Delgado, Niassa, Nampula, Tete, Zambézia, Manica, Sofala, Inhambane, Gaza, Maputo province and Maputo City.

The climate is moderate and varies from subtropical to tropical (south to north). The temperature ranges from 18, 3 ° C to 20 0° C, during the dry season (May - September) and 26, 7°c to 29, 4°C, during the rainy season (October - April).

Though Portuguese is the official language, English is spoken to establish business relations across the country.

## GAZEDA

The organization has a responsibility to promote and coordinate all activities related with the creation, development and management of Special Economic Zones (SEZ's) and Industrial Free Zones (IFZ's).

- Coordinate and develop activities that encourage national and foreign investment initiatives for SEZ's and IFZ's;
  - Receive, verify and registers investment proposals to be carried out whitening the SEZ's and IFZ's;
- The Government of Mozambique represented by GAZEDA grants the following tax benefits based on the Income Tax of Legal Persons:

### Corporate Income Tax for Special Economic Zones Enterprise

- Exemption from IRPC (Income Tax of Legal Persons) in the first three fiscal years;
- 50% reduction in tax rate from the 4th to the 10th tax year;
- 25% reduction in tax rate from the 11th to the 15th tax year.

### Tax Incentives for Operators and Enterprises Industrial Free Zone

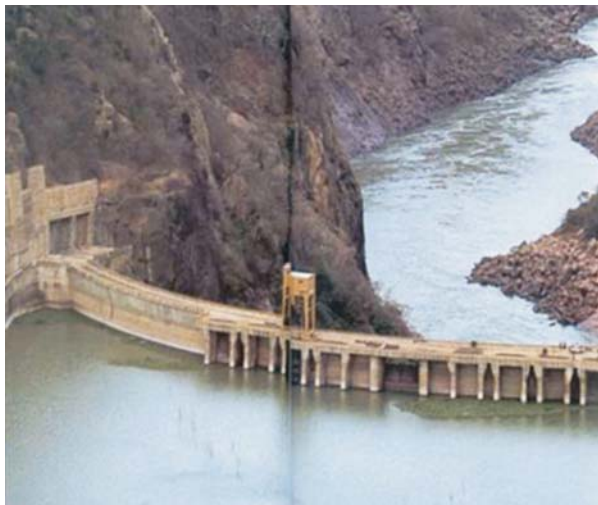
- IRPC exemption in the first 10 tax years;
- 50% reduction in the rate of IRPC tax from the 11th to the 15th tax year;
- 25% reduction in the rate of IRPC for the remaining life of the project.

### NACALA SPECIAL ECONOMIC ZONE

### NACALA (NSEZ) IS THE FIRST SPECIAL ZONE IN MOZAMBIQUE

Is a pole of economic and social development in the region, in the north part of the country, with a favorable tax and customs in order to strengthen the economic





activities in the region and attract national and foreign investment, for various projects in all sectors of economic activities.

The NSEZ involves integrated projects in the areas of infrastructure, agriculture and agro-industry, tourism, trade, transport and communications, mineral resources, housing and services.

### **THE ZEEN IS SERVED BY NACALA CORRIDOR PORT OF NACALA**

### **THE LARGEST PORT OF DEEP WATERS OF THE COUNTRY**

Along the Nacala Corridor, is the only on the Indian coast with deeper waters, about 14 to 16 feet deep from the line of navigation.

Located at the southern end of the Bay of Bengo, the Port of Nacala, because of depth of its waters, offers exceptional conditions of navigability which allows entry/exit of vessels without limitation draft, 24 hours a day and does not require dredging. These characteristics give it the rank of major natural deepwater harbor on the east coast of Africa.

Are exports from this port, cotton, tea, tobacco, wood, cashew nuts, among, others. The port of Nacala shares Malawi is traffic with the ports of Beira, Dar-es-Salaam and Durban. There are prospects for the use of the port by the Republic of Zambia.

### **ROAD AND RAILWAYS LINE**

- Railway and road linking Nacala to Lichinga, in Niassa province and the Republic of Malawi.
- Ensures to Malawi and Zambia a shortest connection profitable by sea.

### **NACALA AIRPORT**

The military base is being transformed in international airport to serve as a platform for regional redistribution. The airport will ensure increased tourist traffic in the region and consequent economic growth of countries included in the Corridor, in the context of regional integration (SADC).

### **INDUSTRIAL FREE ZONE**

Recently has been delineated two Industrial Free Zones in Nacala, located at the southern part of Port of Nacala, which connects Nacala Porto to Nacala-á-Velha and the railway line, part of Nacala Corridor. Both are traversed by water pipeline and electrical transmission line. Defining these areas is aimed at industrial development of NSEZ.

Industrial Free Zone (Locone)

- Area: 163 hectares;
- Approximately 15km to the Port;
- Approximately 70m to the Railway Line;

Industrial Free Zone (Munheweni)

- Area: 350 hectares;
- Approximately 4km to the port;
- Approximately 70m to the Railway Line

The development of these areas is a priority of GAZEDA and to this intended to build partnerships in the

implementation of basic infrastructure and exploration of them.

### **POTENTIAL**

1. Agriculture and Forest: Tobacco, Cotton, Cashew Nut, Sugar Cane, Rice, Cassava, soybean, sesame, sunflower, corn, wheat, wood;
2. Agro Processing Industries;
3. Heavy Industries and Manufacturing;
4. Tourism;
5. Infra-structure;
6. Mineral resources, greater preponderance of limestone;





Loan Assets Up 14pc  
Profit before Tax Zooms by 26pc

## Exim Bank Posts Excellent Overall Performance in 2009-10



*N. Shankar, Executive Director, T.C.A. Ranganathan, Chairman & Managing Director, and P.R. Dalal, Executive Director, at the Press Conference of Export-Import Bank of India, in Mumbai*

The Export-Import Bank of India (Exim Bank) maintained its excellent overall performance in the financial year 2009-10 ending March, posting a 14 percent growth in Loan Assets and a 26 percent increase in profit before tax.

The annual financial result were announced Exim Bank Chairman & Managing Director T.C.A. Ranganathan for the 28th year of the Bank's operations at a press conference in Mumbai on 7 May 2010.

### FINANCIAL PERFORMANCE

Profit before tax amounted to Rs. 772.4 crore, an increase by 26% over the previous year and Net Profit was Rs. 513.5 crore. Capital Adequacy (Capital to Risk Assets) Ratio as on 31 March 2010 stood at 18.99%, as compared to 16.77% as on 31 March 2009.

### BUSINESS PERFORMANCE

Loan Assets increased by 14 % moving upwards to Rs. 39,371 crore as on 31 March 2010 from Rs. 34,505 crore as on 31 March 2009. Loan approvals aggregated Rs. 38,843 crore during 2009-10, registering a growth of 16% over the previous year. Loan disbursements aggregated Rs. 33,249 crore, posting 15% growth over the previous year.

Net NPAs decreased to 0.20% of net loan assets as on 31 March 2010, as compared to 0.23% in the previous year.

During the year, the Bank extended 22 Lines of Credit (LOCs), aggregating US\$ 753.31 million, covering 20 countries to support export of projects, goods and services from India. A total of 136 LOCs covering 94 countries in Africa, Asia, CIS, Europe and Latin

America, with credit commitments aggregating US\$ 4.5 billion are currently available for utilization, while a number of prospective LOCs are at various stages of negotiation. The Bank lays special emphasis on extension of LOCs as it is an effective market entry mechanism especially for Indian exporters.

Project export contracts supported by the Bank during the year amounted to Rs. 13,993 crore and the contracts were secured by 13 companies in 12 countries.

During the year, 18 corporates were sanctioned funded and non-funded assistance aggregating Rs. 1,054 crore for part financing their overseas investments in six countries. Exim Bank has so far provided finance to 259 ventures set up by over 209 companies in 64 countries including Austria, Canada, China, Ireland, Indonesia, Italy, Malaysia, Mauritius, Morocco, Netherlands, Oman, Romania, Singapore, Spain, South Africa, Sri Lanka, UAE, UK and USA.

As on 31 March 2010, guarantees on Bank's book were at Rs. 2,274 crore.

## RESOURCES/TREASURY

During the year, the Bank received a capital of Rs. 300 crore from the Government of India, increasing its paid-up capital to Rs.1,700 crore as on 31 March 2010, as against authorized capital of Rs. 2,000 crore.

During the year, the Bank raised borrowings of varying maturities aggregating to Rs. 20,266 crore comprising rupee resources of Rs. 13,037 crore and foreign currency resources of US\$ 1.61 billion equivalent.

As on 31 March 2010, outstanding Rupee borrowings including bonds/commercial paper/certificate of deposit amounted to Rs.24,584 crore, and the Bank had a pool of foreign currency resources equivalent to US\$ 4.16 billion. Total borrowings as on 31 March 2010 stood at Rs. 40,509 crore, as compared to Rs. 37,202 crore.

Market borrowings as on 31 March 2010 constituted 88% of the total resources of the Bank.

The Bank's rupee term deposits increased from Rs. 950 crore as on 31 March 2009 to Rs. 1,296 crore as on 31 March 2010 with the number of depositors exceeding 17,800.

The Bank's domestic debt instruments continued to enjoy the highest rating viz. 'AAA' rating from the rating

agencies, CRISIL and ICRA.

As on 31 March 2010 the Bank was rated Baa3 (Stable) by Moody's, BBB- (Stable) by Standard & Poor's, BBB- (Stable) by Fitch Ratings and BBB+ (Stable) by Japan Credit Rating Agency (JCRA). All the above ratings are of investment grade or above and are the same as the sovereign rating.

The Bank issued Reg S bonds of US\$ 300 million in the international debt markets in January 2010 and US\$ 200 million in April 2010.

## NEW INITIATIVES

### Opening of Representative Office in Chandigarh

The Bank, during the year, opened its Representative Office in Chandigarh which would serve Indian companies in the North West region of the country, in their efforts to become internationally competitive.

### Co-Financing Agreement with African Development Bank

A Memorandum of Understanding (MOU) was signed with the African Development Bank (AfDB) in November 2009, which envisages joint financing of projects in regional member countries of AfDB. The MOU would leverage the resources of both the institutions and enable supporting of larger number of projects, and would mitigate cross-border and payment risks normally associated with project exports. Programme for SMEs

### Sustainable MSME Development

The Bank has partnered the Commonwealth Secretariat in the 9th and 10th editions of Commonwealth - India Small Business Competitiveness Development Programme. The 9th edition, held in Bangalore in June 2009, was on the theme 'Sustainable MSME Development: The Role of Financing and Appropriate Technologies', and the theme for 10th edition held in Jaipur in February 2010, was on 'MSME Development: Sustainable Practices through Collaboration, Financing and Technologies'.

### Co-operation Pact with Development Banks of BRIC Countries

The Bank, in the recently concluded BRIC (Brazil, Russia, India, China) Summit held in Brasilia, Brazil, entered into a Memorandum of Cooperation (MOC) with three major development banks of Brazil, Russia

and China, viz. Brazilian Development Bank (BNDES), Bank for Development and Foreign Economic Affairs of Russia (Vnesheconombank), and China Development Bank. The MOC signed in the presence of Heads of States/Governments of four BRIC countries, seeks to develop cross-border transactions and projects of common interest; strengthen and enhance trade and economic relations between BRIC countries and its enterprises; and finance the investment projects and to work towards economic development of BRIC countries. Rural Grassroots Business Initiatives

### Globalisation of Rural Industries

The Bank has in place a facility to support globalisation of rural industries through its Grassroots Business Initiative. Under the Memorandum of Cooperation (MOC) signed between the Bank and the Ministry of Panchayati Raj (MOPR) the Bank has been designated as the gateway agency for implementing rural business hubs in Wayanad, Kerala; Nagapattinam, Tamil Nadu; and Bastar, Chhattisgarh.

Exim Bank is actively involved in extending export market access support to rural products through innovative export marketing services, effectively utilizing its overseas offices and institutional linkages. Exim Bank has earmarked funds for setting up a Rural Technology Export Development Fund to promote exports as also enhance the export worthiness of rural grassroots innovative technologies from India.

### Corporate Social Responsibility

As part of its endeavours in supporting social causes, Exim Bank supported the under-14 girls Rugby Team of the Kalinga Institute of Social Sciences (KISS), Bhubaneswar. The mission of KISS is to provide a combination of formal education with vocational education to tribal children in Orissa. Exim Bank's support to the Rugby Team of KISS encompasses training facilities with associated infrastructure, participation in select tournaments.

### RESEARCH & PLANNING

Eight Occasional Papers were published by the Bank during the year, namely MSMEs and Globalisation: Analysis of Institutional Support System in India and in Select Countries; International Trade, Finance and Money: Essays in Uneven Development; Sikkim: Export Potential and Prospects; Mizoram: Export Potential and Prospects; Floriculture - A Sector Study; Biotechnology

Industry in India: Opportunities for Growth; Indian Gems and Jewellery: A Sector Study; and SADC: A Study of India's Trade and Investment Potential.

### GLOBAL NETWORK OF EXIM BANKS AND DEVELOPMENT FINANCIAL INSTITUTIONS

The Global Network of Exim Banks and Development Finance Institutions (G-NEXID) was set up in Geneva in March 2006 through the Bank's initiative, under the auspices of UNCTAD. With the active support of a number of other Exim Banks and Development Finance Institutions from various developing countries, the network has endeavoured to foster enhanced South-South trade and investment cooperation and annual meetings of the Forum.

As part of the continuous process of interaction among G-NEXID members, a seminar on 'Global Financial Crisis: Significance of South-South Trade Finance and Cooperation' was organized as a prelude to the Fourth Annual Meeting of the G-NEXID. G-NEXID signed a Memorandum of Cooperation (MOC) with the International Finance Corporation in the presence of Dr. Supachai Panitchpakdi, Secretary General, UNCTAD.

### ADFIAP DEVELOPMENT AWARD

The Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) Development Award recognizes and honours ADFIAP member institutions, which have assisted projects that have created a development impact in their respective countries. The Bank has been conferred the 2010 "Trade Development Award". The Award is in recognition of the Bank's "Lines of Credit Programme" which is an effective market entry mechanism especially for Indian exporters.

### COMMENCEMENT DAY ANNUAL LECTURE 2010

Dr. Supachai Panitchpakdi, Secretary General, United Nations Conference on Trade and Development (UNCTAD) delivered the Bank's Twenty-Fifth Commencement Day Lecture for the year 2010. Dr. Panitchpakdi spoke on 'Reconstructing Economic Governance: An Agenda for Sustainable Growth and Development'. Dr. Subir Gokarn, Deputy Governor, Reserve Bank of India, presided over the function. ■



# Agriculture Outsourcing Can Ensure Food Security in Africa & LAC

By Dr. Suresh Kumar



The concept of agriculture outsourcing has different connotations since European Industrial Revolution of 1848 that led to colonialism in Asia, Africa and Latin America & the Caribbean (LAC) countries. This revolution required the raw materials such as cotton, tea, palm, cocoa and iron ore and human labour on the one hand and an urgent market to sell the finished goods to sustain themselves on the other.

India, Africa & LAC (IALAC) countries fought against colonialism. The post Second World War (the 1940s) began neo-colonialism and the economic exploitation through Structural Adjustment Programme (SAP) in agriculture outsourcing in Africa & the LAC region, which continued till 1990. Consequently, the food scarcity and poverty in the developing countries has become a major challenge.

The post 1990 end of Cold War has opened the gateway for the developing countries to share their common concerns of food security. India's current population is around 1.15 billion in 2010 that is the second largest in the world. Approximately 50 percent of its agricultural land has been used to fight against food insufficiency. Similarly, the African continent has approximately 840 million people in 2010 using nearly 3.0 percent of its land for agriculture by employing the traditional methods of agricultural productivity. The LAC countries approximately consist of about 795

million population and a large area of its agricultural land need balanced scientific techniques for agricultural production. The water table is falling as per the NASA imagery in India. The optimum cultivation of land with the availability of water in India is not sufficient to cater to the billions of population. The Worldwatch Institute observed that India will be the second food grain importer requiring around 45 million tonnes by 2030 after China. India is ready to share its agricultural scientific knowledge with Africa and LAC (ALAC) countries for the benefit of all.

## Issue of Food Security

The issue of food security is the genuine concern in the IALAC region. India has faith that ALAC regions are not accepting the Concept of Aid in terms of quantity, rather demand quality to be an integral part of economic development. Science and Technology (S&T) of India shaped a new vision in the agriculture sector that believes in self-reliant agricultural growth in the IALAC region that will lead to self-reliant development. The development cooperation should not be based on a donor-recipient basis but stand on equal partnership. The Delhi Declaration 2008 mentioned that India is committed on technology transfer and capacity building. There is also need for a closer look at the IPR regime to ensure cost-effective transfer of appropriate and advance clean technologies to ALAC countries.



India endeavors capacity building in policy analysis, planning and training in agriculture sector to ALAC region. It has adopted collective engagement of food security in ALAC countries that will promote the region's agriculture outsource and agro-industry by producing surplus agriculture output.

India targets food security and education among the youth in the ALAC region. Oil prices are quadrupled and are sucking the economy of developing countries badly. There is a need to look for alternate source of renewable energy, which should not harm the environment. Developed world is misusing wheat, corn or soya in the production of ethanol and hence a direct threat to food security. Ethanol is used in preparing bio-fuel and almost US\$12 billion spent to divert edibles in the production of ethanol in the US. As a result, there is a crisis situation in the international food market and food prices have shot up. Consequently, people of IALAC are dying of hunger and starvation. India neither supports such inhumane use of cereals for bio-fuel on international platforms nor is encouraging Indian Research & Development (R&D) sector to work on it. One SUV fuel tank (of 45 liters) is filled with the bio-fuel produced by corn may serve a person's food for one year. It is clear that India's agriculture knowledge will enhance production five to seven times in the ALAC region not for ethanol but to promote food security.

The additional food surplus of the ALAC region through Transfer of Technology will promote agriculture outsourcing to India ensuring food security of this region and not for the use of bio-fuel. India as per its present and future status of food security needs active support from ALAC region that will give a real shape to South-South Cooperation in which the practice of neo-colonialism using cereals for bio-fuel has no space.

Relevant queries that raised a genuine concern as to why and how the land of the ALAC region will provide

food security to India are as follows:

1. ALAC has abundance of land and water that will be used to develop the agriculture sector. India's S & T in agriculture will initiate another Green Revolution in these regions that will secure the Food Security of ALAC countries on the one side and provide additional employment opportunities to indigenous people in this sector on the other. The surplus agricultural products will be shared with India by using agriculture outsourcing that will provide foreign reserve to ALAC countries. The idea of India ushering in neocolonialism in Africa & LAC region will shrink down by its transparent practices in this sector. Agriculture and agro-infrastructure are inter-linked and need mutual support, which persuaded the ALAC region to share Indian experience through National Research Development Corporation (NRDC), Central Food Technological Research Institute (CFTRI), Council of Scientific and Industrial Research (CSIR) and Indian Council of Agricultural Research (ICAR) that have assisted its agriculture engineering and developing their business ideas in the ALAC region. It is already clear that India needs outsourcing of production of different cereals to feed Indian population and the above discussion will work on mutual basis to strength the South-South Cooperation in practice.

2. Today, ALAC is the hub for resources with leading world powers eyeing these continents for its natural resources. Only an average 3.0 percent of cultivatable land using conventional methods in Africa is being used now, which is not sufficient to feed the entire population of Africa. Similarly, 37 percent of the world's unexplored arable land having 12 percent of the world's fresh water reserve is found in the LAC region. It is imperative to incorporate the development of the agriculture sector as a prerequisite to country's progress and overall prosperity in contemporary IALAC regions. The outsourcing in the agriculture sector is inter-linked and



needs mutual support, which persuaded ALAC countries to share Indian experience in this sector and benefit by sharing the surplus production for the Indian population.

## Issue of Agriculture Outsourcing

Being the second largest population of the world, India is overusing agriculture land by producing cereals to feed the billion-odd people of its population. As a result, the water table is declining and may pose a serious challenge to produce cereals in the future by 2020. The climate change is another major challenge that leads to unpredicted weather conditions (droughts or floods) in India. Dave Ramaswamy, partner of Allied Venture, highlighted during the 4th CII India-LAC Conclave that 'the land per capita in India is shrinking from 1 to 1.5 acres (0.3 hectares) and farming has become a terrible business and about 45 percent of the farming community wishes to quit their vocation. The average land in India (from 10 to 100 acres) is distributed unsystematically that leads to bleak supply side. The rapid urbanization has increased the cost of land to about \$20,000 per acre in India. The climate change and drying glaciers as per NASA image of water table is showing the dangerous red signs in India' (emphasis mine).

This situation poses a challenge before India that despite highly developed S& T of agriculture sector, it cannot sufficiently feed its people. The discussions during the last 6th India-Africa & 4th India-LAC Conclaves came forward with the idea of agriculture outsourcing within the framework of South-South Cooperation to strengthen the food security of IALAC regions through reciprocal distribution. India will be the largest importer of the food in the world. The agriculture development in ALAC regions will not only strengthen the food security to its indigenous people but will also play its role as the world granary. It will be the additional source of income for the ALAC countries as it will bring the foreign exchange by outsourcing numerous items related to agriculture sector.

The ALAC regions produce a surplus of soybean, coffee grains, sugarcane & sugar, fats, vegetable & animal oils, ethanol, oranges, beverages & vinegar, organic chemicals, pulses and other cereals. It is worth mentioning here that sugarcane should be outsourced to India for the production of sugar and not to South Africa for the production of ethanol oil. The priorities to use the different agriculture outsourcing needs to be fixed under South-South Cooperation whether the outsourcing should be used for the survival of human beings or to produce bio-fuel to cater to selected

sections of the population.

India, South Africa, Tanzania, Nigeria, Sudan, Ethiopia, Kenya, Egypt, Morocco, Brazil, Argentina, Venezuela, Mexico, Colombia, Peru, Chile, Jamaica, Cuba and others are showing their presence and strengthen political economy globally. India is working for technology transfer that contributes to growth, poverty reduction and socio-economic security. There is a need to conglomerate the technology and majority of people's need. This IALAC partnership primarily is a step towards development and mingling the common idea of mutual progress and prosperity will facilitate the way towards mutual India-Africa-LAC socio-economic transformation.

## Conclusion

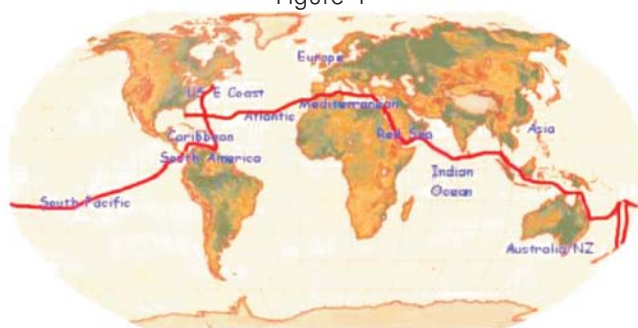
Public-Private Partnership (PPP) in the ALAC regions is concerned about the relative decline of agricultural production for domestic food and industrial requirements. It is estimated that the use of 15 percent of the total land in ALAC countries is sufficient for the domestic consumption including food stock for the emergency. Indian investors are buying land in Africa for agricultural outsourcing. The sharing of the total produce should be in the ratio of 70:30, where 70 percent should be reserved for the export & industry and only 30 percent should be used for domestic consumption. This ratio may vary from 70:30, 75:25, 85:15 and so on depending on particular country's land fertility and the requirements of the total population of the country concerned. The suggestion to put this ratio is that the lower proportions are sufficient to cater to the population of a country. ALAC governments should adopt a method of assessing the quantity of food production required for local markets versus production for outsourcing. Along with it, a similar method should be used for local agro-industrial activities. These measures will help to develop mutual understanding among PPP.

The improved connectivity between India and ALAC regions (Figure-1) are the essential first step towards developing a deeper agriculture outsourcing and a economic relationship. Developing logistic chains and creating inter-connected transportation hubs (Figure-1) will address more than just the trade needs on both sides and there is need for policy intervention with strong private sector involvement in this critical area.

Overall, India's worry about future food security to cater to its population will not snatch bread from Africa and LAC countries. The scientific investigation leads to miraculous results that strengthen the real way towards South-South Cooperation such as:



Figure-1



Indian government approved sector wise FDI in manufacturing, financial & non-financial services and trading. This data does not show anywhere the government's investment in procurement of land. In the agricultural sector in general, it proves that it is not being used for land grabbing or for food piracy.

The average use of 15-20 percent of the total land in Africa and LAC countries to produce the cereals for the domestic consumption as well as storage.

A hundred million hectares of land is farmed in LAC

countries and nearly 170-200 million hectares can be brought online for agriculture production.

The IALAC regions' agriculture outsourcing is a challenge to the SAP policies that failed to provide the food sufficiency in Afro-Asia-LA regions in the last forty years and focused only to fulfill the demand of industrial raw materials. The agriculture outsourcing will work as linkage among the largest part of the world (Asia-Africa and LAC). It will prove that the mutual partnership of the developing countries is sufficient to fulfill their food security needs. Also, it will strengthen their human resource in the long term and will not have to depend on the developed world for food aid.

*About the Author: Dr. Suresh Kumar is the Head, Department of African Studies, the University of Delhi. He was CII's invitee-delegate to both the 6th Conclave on India-Africa Project Partnership of 13-15 March 2010 and 4th CII India-LAC Conclave of 29-30 April 2010, held in New Delhi.* ■



**Distinguished banker T.C.A. Ranganathan has been appointed as Chairman & Managing Director of Export-Import Bank of India (Exim Bank). Prior to this appointment, Ranganathan was Managing Director of State Bank of Bikaner & Jaipur.**

## T.C.A. Ranganathan Exim Bank's New CMD

Ranganathan is a career banker with an experience of 35 years with State Bank of India (SBI). He has held diverse assignments including, inter alia, Chief General Manager, International Operations; Head, Corporate Finance; Regional Controller of Branches. He was also member of the Technology Planning Group set up by SBI in early 2000 for introducing new technology and change management initiatives. He was also the North India Head of SBI Capital Markets Ltd. and also General Manager, Mid-Corporate Group, New Delhi Region. In 2005, he opened the first branch of SBI in Shanghai, making SBI the first Indian Bank to commence operations in China. He has also subsequently been the Chief General Manager of the Bank's Gujarat operations during the period when State Bank of Saurashtra was getting integrated into the main Bank during 2009 after the financial merger.

Ranganathan holds a Masters degree in Economics from Delhi School of Economics, and has also attended Executive Development Programs at Wharton, and IIM, Lucknow. ■

# Indian Corporates Eying Commercial Farming in Africa



KARUTURI GLOBAL LIMITED

Indian companies are making a beeline for Africa to explore commercial farming opportunities through acquisition of agricultural land. One of them is Sai Ramakrishna Karuturi.

Karuturi, a Bangalore businessman who has been acquiring land in African nations, has already become the biggest rose grower in the world, and one of the world's biggest private

land owners. Interestingly, he also owns Karuturi Sports, a Kenyan football club (earlier called Sher Agencies) that plays in the country's premier league.

If Kenya had qualified this time around, one of Karuturi's boys would have been in the team. His flowers made it though, thanks to his African pursuit.

What Karuturi started a few years ago has opened the floodgates for many Indian corporates. Several Indian companies have already leased land in Africa and many others too are eyeing opportunities in commercial agriculture in different countries in the continent.

"In many cases, Indian companies that already have a presence in Africa are looking at getting involved in the agricultural sector, even if they are not intrinsically farming majors. There are companies, which are doing large infrastructure projects, that are offered land holdings usually on lease. To enter commercial agriculture, such companies will have to look for



expertise within the farming community," says Shipra Tripathi, Director and Head of CII Africa.

The Tata group has been given a land lease in Uganda to run a pilot agricultural project, while the Jaipurias of RJ Corp have a lease of a 50-acre model dairy farm. The latter is already active in dairy products in African markets such as Uganda and Kenya.

Construction major Shapoorji Pallonji & Co has acquired the lease for 50,000 hectares of land in Ethiopia and may look at agricultural projects in future. And it's not just large Indian companies, small and medium enterprises in sectors ranging from spices and tea to chemicals are looking at entering the commercial agriculture space in Africa.

There are roughly about 70 Indian companies which are already in the process of making a foray into the farming sector in Africa. The countries which offer big opportunities include Ethiopia, Malawi, Kenya, Uganda, Liberia, Ghana, Congo and Rwanda.

Various Indian tea companies, for instance, are making a beeline to acquire estates. BM Khaitan-owned McLeod Russel India, the largest integrated tea company in the world, has already taken the acquisition





route with Uganda's Rwenzori Tea Investments which it bought for \$25 million (Rs 117 cr).

The acquisition is being carried out through Borelli Tea Holdings of the UK, which is a wholly-owned subsidiary of McLeod Russel India. The Rwenzori Tea Investments has six estates within its fold and can produce 1.5 million kg of tea annually.

"It is a profit making and dividend paying company. We are also scouting for gardens in Africa to expand our African production. Africa produces some of the best black teas in the world. Our aim is to control 8.0 percent market share of the global black tea market of two billion kg by 2015," says Aditya Khaitan, Managing Director of McLeod.

B.K. Birla controlled Jay Shree Tea & Industries, which has recently acquired three tea gardens in East Africa, two in Rwanda and one in Uganda, is looking at increasing its presence in Africa.

"With these acquisitions, we have set our foot in Africa and our next job will be to strengthen our presence there through more acquisitions, both in Rwanda and Uganda. We are scouting for gardens there and will acquire estates at the right time and at the right

opportunity," says D.P. Maheswari, Managing Director of Jay Shree Tea & Industries.

Faced with the high price of tea garden acquisition in India, Rossell Tea is looking at possible acquisitions in Africa. "Any future acquisition is possible only outside the country," says Harsh M Gupta, Executive Chairman of Rossell Tea.

"We are closely watching the gardens in countries such as Malawi, Kenya and Tanzania. If there is a good offer we are ready to grab that. Typically, we are looking at estates, which can produce 3.5-5 million kg of tea annually," he adds.

Likewise, Dhunseri Tea & Industries is also eyeing acquisitions in Africa. CK Dhanuka, Chairman of Dhunseri Tea says, "We have set our eyes on gardens in Africa. We will acquire gardens there at the right opportunity."

While acquisitions may work for the tea sector, the right formula for Indian companies looking at commercial farming in Africa is through value-added products, feel experts. The perception about Indian companies in the African countries is that they generate local employment and engage in local skills development. The way forward will be to build on these advantages.

"We are looking at companies which will set up food processing units and contribute towards the food security in the region. Uganda will welcome not just large corporates, but even small companies from various Indian states who may wish to set up farming ventures. We are open to transfer of technology and value-added exports," says Nimisha Madhvani, the High Commissioner of Uganda in New Delhi.

The Indian Government too is playing the role of facilitator in the African safari. "The business model for commercial farming in Africa will have to be through local investments and value-addition. Indian companies could even look at going beyond horticulture and floriculture and explore products such as oilseeds and pulses which will have a big market in India too," says Gurjit Singh, Joint Secretary, East & South Africa, in the Ministry of External Affairs. ■







## Ethiopian Links Pointe-Noire to Airline's African Network

In line with its commitment of expanding its route network within Africa, Ethiopian launched new services to Pointe Noire, the second largest city in Congo, effective 16 June 2010.

Pointe-Noire is Congo's main commercial center. The city is the main source of oil industry in the country and indeed in central Africa. Pointe-Noire is the major seaport for the country and with its famous beaches attracts tourists from all over the world.

Ethiopian will serve Pointe-Noire three times weekly. Ethiopian will fly its Boeing 767-300 aircraft on the route, offering 235 seats in a two class configuration.

The thrice a week (Wed, Fri, Sun) service to and from

Pointe Noire will link the city with Ethiopian's extensive route network, with immediate connections to and from cities throughout the world, including Paris, London, Beirut, Mumbai, Bangkok, Hong Kong, Beijing, Nairobi, Cairo, Dubai, Stockholm, Rome and Washington. No carrier will provide more connections to more cities in Asia from Pointe Noire than Ethiopian Airlines.

Pointe-Noire will be Ethiopian's fourth major petroleum destination in Africa, after Luanda, Malabo and Libreville. Ethiopian is committed to providing more service to more energy centers in Africa than any other carrier.

## Ethiopian's Improved 2010 Summer Schedule

Ethiopian Airlines is proud to unveil its plans to increase flight frequencies to 20 of its destinations in Africa, Europe, Asia and the USA beginning June 16, 2010 with its summer season timetable. The following table reflects the biggest increase in frequencies by the carrier in any given season in the past.

The move underscores Ethiopian strategic goal to provide efficient and most convenient services to its customers at all times and on any of its network.

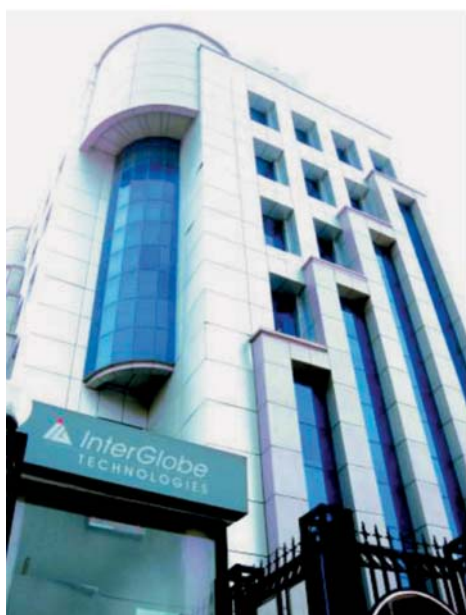


Commenting on the current extension of the frequencies Chief Operating Officer of Ethiopian Airlines Tewolde G. Mariam said, "We are experiencing rapid growth and progress in our operations throughout our network, especially in Africa. We believe that the decision to step up frequencies

reinforces the airline's commitment to avail convenient and adequate services to its customers around the globe."

He added that "Passengers looking to travel to many of Ethiopian destinations will have more choices and flexibility with the additional frequencies". ■

## Ethiopian Sets Up 24/7 Global Call Center



Ethiopian Airlines has announced that it has entered into an agreement with InterGlobe Technologies (IGT) to establish a call center that will provide Ethiopian customers access to its services 24 hours a day, seven days a week. The initial phase of the call center service is planned to go live as of June, 2010 covering North America, Europe and Asia. The project will be completed in three phases through October, 2010 covering the rest of the world.

The call center will compliment the company's website and e-ticketing activities as customers now have the option to reach Ethiopian via phone at any time. The services encompass

reservations, sales, ticketing, flight information, flight irregularity handling, Sheba Miles enrollment and support programs and other similar queries.

IGT will be managing the call center operations across its centers based in Gurgaon (India) and Cairo (Egypt), supporting calls in English, French, German and Arabic, while setting up the infrastructure and process to handle Amharic and local calls in Addis with the same system. Ethiopian long term objective is to establish a similar call center in Ethiopia. The projected call center is therefore, a precursor to the eventual transfer of technology and capacity building at home.

Ethiopian's Chief Operating Officer Tewolde G. Mariam, said, "Our objective has always been to explore ways and means to enhance our services so as to provide efficient and convenient traveling experience to our customers. Hence, our latest move to avail real-time information is part of the effort to increase passengers' convenience."

The call center will enable customers to get accurate information regarding their flight status. The center will have the capacity to reach customers at a short notice and avail information using multi-media channels such as email, SMS, or even calls at preferential outbound rates at all times.



"This partnership with Ethiopian Airlines integrates our technology, processes and best practices to provide high quality customer satisfaction to the airline industry," said InterGlobe Technologies Chief Executive Officer Vipul Doshi. "We are delighted to support Ethiopian Airlines to enhance their passenger experience." ■

# Gemini Communication Acquires African Wireless & ISP Company

Chennai-based Gemini Communication has acquired 100 percent stake in Rosy Blue Wireless Africa (RBW), a telecom and Internet service provider in Africa. RBW is said to be strongly positioned to deliver 4th generation wireless network infrastructure to countries in Africa. The company uses WiMAX for Last Mile Access.

Gemini Communication is a 15-year old network integration and telecom company. Its subsidiaries include Pointred telecom, Sanat technologies, Gemini Traze RFID and Veeras infotek. Gemini is listed in BSE & NSE stock exchanges.

RBW holds 60 percent stake in JV companies in Zambia, Malawi and in Mozambique. The balance stake in the JV companies in each of these regions is held by local

partners who have a good understanding of the local market. The JV companies are called Morse Communications.

RBW, through each of its JV companies, has already been allotted WiMAX spectrum Licenses with channel space of 30 MHz slot. The WiMAX spectrum licenses have been secured in all the above three countries.

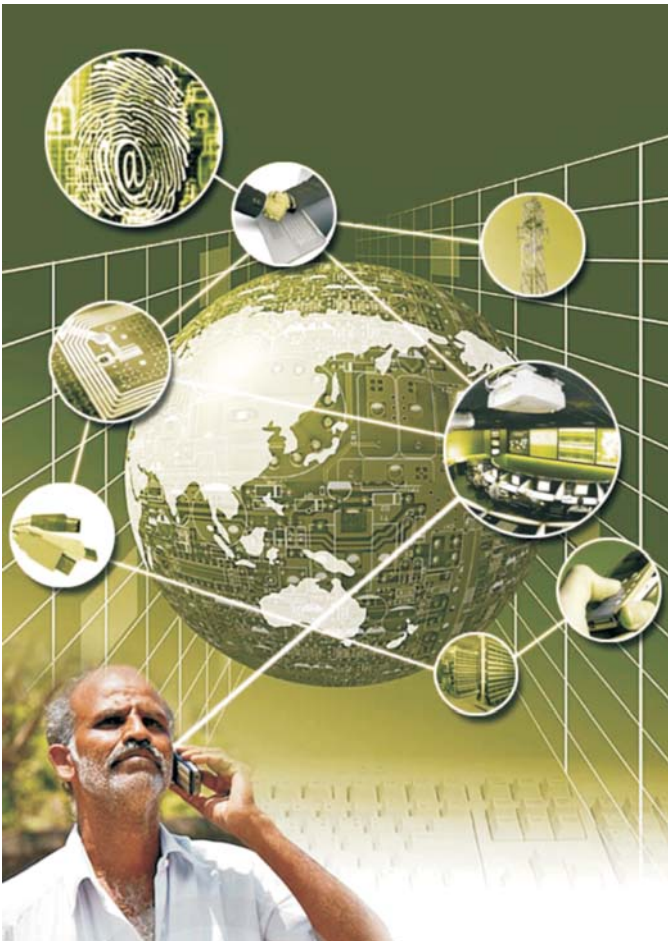
Gemini said in a press release recently, that RBW, having the advantage of WiMAX spectrum, can leverage on the vast untapped market that exists in Africa in providing mobile Broadband connectivity. Gemini views this as a huge opportunity and looks forward to take its other areas of business into this geography.

"This acquisition is an exciting step in our growth strategy and offers tremendous growth potential. We have close association with Rosy Blue and we look forward to develop similar collaborations with them in the African territories in future also", quoted B. Sree Krishna. Managing Director of Gemini Communication.

Gemini Communication has already proven itself as a leading player in the WiMAX space along with its 100 percent-owned subsidiary Pointred Telecom. With this acquisition, Gemini will be expanding its lines of businesses into newer verticals as well.

The entire WiMAX network rollouts will happen using Pointred Telecom's WiMAX products. PointRed Telecom will tremendously benefit due to equipment orders being placed on them.

In India, WiMAX spectrum, which falls under BWA category is only now to be auctioned. Major telecom players in India have already positioned themselves well for these auctions. The Base Price for these BWA auctions is set at Rs. 1750 Crores for PAN India license. ■





# Mahindra Satyam BPO Inks Pact with South Africa Firm

Hyderabad-based Mahindra Satyam BPO has announced that it had entered into an agreement with the Johannesburg-based Direct Channel Holding Ltd, a contact centre and BPO (business process outsourcing) company with multiple delivery centres in Africa.

For Mahindra Satyam BPO, the association would mean extension of services to its global customers to the African continent, particularly South Africa. "It will be handy for those with operations in Africa and for those considering South Africa as an alternative delivery centre for call centre or any other transaction-based back-office services," Vijay Rangineni, Chief Executive Officer, Mahindra Satyam BPO, informed the Bombay Stock Exchange in a communication recently.

"This tie-up will help us strengthen our positioning as a service provider offering services spanning from transactional to high-end strategic services," he said.

In a press release issued in Hyderabad, Chief Executive Officer of Direct Channel Suleman Shaik said, "The alliances will allow Direct Channel to extend its services to its extensive domestic customer base. The offerings include business process consulting, knowledge process outsourcing, finance and account outsourcing."

Direct Channel's operational experience in the Continent and Mahindra Satyam BPO's domain expertise would be a strong combination. This partnership would be the logical next step in the rapid evolving BPO sector into a more KPO intensive sector, Shaik said, adding that customers were looking to their vendors to add business intelligence to an "otherwise purely transactional type service offerings."

Direct Channel runs delivery centres in Durban, Cape Town, Nairobi (Kenya) and Lagos (Nigeria). ■

# Tata Motors Plans Assembly Plant in SA to Boost Sales

Mumbai-based Tata Motors is looking at setting up an assembly unit in South Africa for medium and small trucks by the end of 2010-11 financial year to boost sales in African markets such as Zambia, Nigeria and Ghana.

"We are looking at assembling medium-sized and small trucks there for now and may later look at the world truck range," said P.M. Telang, Managing Director, Tata Motors India. The initial capacity will be 3,000 units, which will later scale up to 4,500 units, he said. At present, the auto major is exporting close to 3,000 units to South Africa.

In 1994, the Tata Group set up Tata Africa Holdings in Johannesburg. Later in 2006, it acquired a manufacturing plant of Japanese auto major Nissan in South Africa. South Africa is an integral market for Tata Motors and has charted out a five-year growth plan, company officials said.

The company also disclosed it plans to set up an assembly plant in Nigeria in the next two to three years. Tata Motors currently has plants in Thailand, Bangladesh, Spain, UK and South Korea.

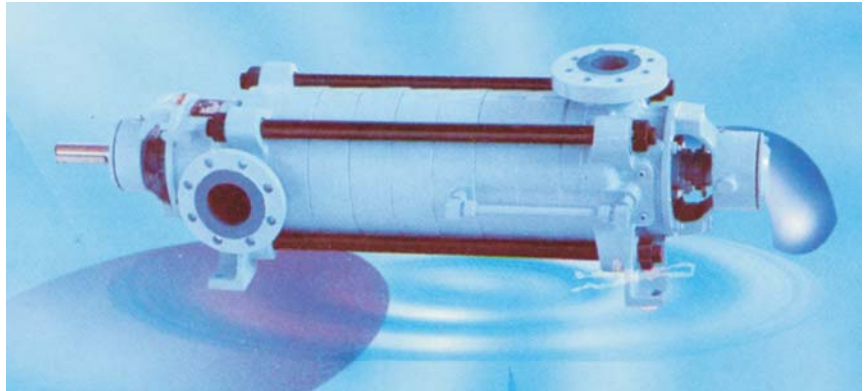
Tata Motors is targeting a sale of 2.2 lakh light trucks in the current financial year, which will include around 1.5 lakh Ace trucks and around 70,000 Magic trucks. Last year, the company sold 1.1 lakh Ace and 48,000 Magic trucks. The company is looking at a 15 percent growth in the commercial vehicles segment this fiscal. The auto major also plans to launch four models under its premium Prima range of trucks, which include two tippers, one tractor and one simple truck, between September and March 2011, said Ravi Pisharody, president, commercial vehicles.

The company is also looking at increasing production of the one-tonne Ace mini-truck to 20,000 units from 10,000 units a month at its Panthnagar facility. ■

# Kirloskar Acquires S. Africa's Braybar Pumps, Widens Base

India's Kirloskar Brothers Limited (KBL), through its wholly-owned subsidiary Kirloskar Brothers International B.V., Netherlands has acquired 90 percent shares in Braybar Pumps, based in South Africa.

Braybar Pumps is a well known company, operating since 1980 which is actively involved in manufacture of high head multistage pumps in excess of 1200 meters head for dewatering in copper, coal and gold mines and rubber lined slurry pumps. In addition to this they are involved in repairs and servicing of various types of pumps, especially supply to the mining Industry. Braybar Pumps specializes in repairs of split case pumps where they have a



substantial market share.

Braybar Pumps has well established repair and in-house machining facilities. The acquisition would provide KBL immediate supply and service base, for its products in South African markets.

On the way forward, these facilities can be utilized for assembling various pumps required for the entire South African region as well as supporting KBL with white metal lined bearings which is another product that they manufacture. The acquisition cost for the business of Braybar Pumps is Rs. 110 millions. ■

## Strides Acquires Stake in Aspen

Strides Arcolab has bought the stakes owned by South African generics drug major Aspen Pharmacare in two 50:50 cancer drug making joint ventures - Onco Therapies in India and Onco Laboratories in Cyprus for \$117 million (Rs 531 crore).

Strides Arcolab said the payment terms for the deal were based on certain future milestones. As part of the deal, Strides would also license existing and future oncology products to Aspen Pharmacare, an Aspen Group company, for certain territories.

Aspen has been a long-term partner of Strides Arcolab since 2003. It had entered into a series of transactions with the Bangalore-based company in November 2007 to enter the Latin America market and to develop oncology and generic products. Aspen, Africa's largest

pharmaceutical manufacturer and one of the top 20 generics manufacturers worldwide, already has a developing oncology business in most of these territories.

"We are delighted to strengthen our existing partnership with Aspen by entering into a licensing agreement in territories where Aspen has established distribution," Strides Arcolab Vice-Chairman and group chief executive Arun Kumar said in a statement.

Strides Arcolab, which follows a January-to-December financial year, also revised its guidance for 2010. The company said its consolidated revenue was expected to grow 35-37 per cent to Rs 1,775-1,825 crore. The Rs 1,300-crore company had earlier projected a revenue growth of 25-30 per cent in 2010. ■

# Bharti Inks \$10.7-bn Deal with Zain to Acquire African Assets

New Delhi-based Bharti Airtel took a big step towards fulfilling its international ambitions with a deal recently to acquire most of the African assets of Kuwait's Zain Telecom.

Sunil Bharti Mittal, the founder and CMD of India's largest mobile phone firm, described the acquisition as a "pioneering step towards South-South co-operation" as he started laying the groundwork for the most important tasks that lie ahead, winning regulatory approvals in 15 countries and replicating Bharti's successful low-cost model in Africa.

The \$10.7-billion deal, including \$1.7 billion of Zain's debt, was signed in Amsterdam, the base of Zain's African unit. With Zain Africa's 42 million customers, Bharti Airtel will have 179 million subscribers, making it the world's fifth-largest mobile phone operator.

"This is India's first and truly post-independence multinational. We will demonstrate to the world the business model we have built," Mittal said. "This is a game-changer for India in Africa," he added.

The newly-acquired business, he assured, will be an operation led by Africans and supported by the Indian team. Mittal said his company is committed to partnering with African governments to take "affordable telecom services to the remotest geographies

and bridging the digital divide."

Winning regulatory approvals will be an important hurdle for Bharti Airtel to cross. Twice political sensitivities thwarted its attempts to merge with South Africa's MTN, the largest mobile phone company in Africa. The Nigerian unit of Zain is embroiled in tussles over ownership that the Gabonese government "disapproves" of the sale of Zain's assets in the country.

The pioneer of the low-cost outsourced model of operations has started discussions with partners to transplant the successful example in Africa, Mittal said. "We have had a number of conversations with our partners. And I have no doubt that all of them will come along with us to Africa because it's not just a great opportunity for Bharti but for all its partners in the ecosystem."

Bharti was the target of criticism from analysts who said it may be overpaying when the deal with Zain was first unveiled in the middle of February. Ratings agencies S&P and Fitch have put Bharti's long-term credit rating on watch with negative implications citing a likely heavy debt burden.

Bharti will be inheriting an operation that made a net loss of \$112 million in the nine months to September 2009. Seven of Zain's African units are loss-making, including its highest revenue earner, the Nigerian arm. Zain's profitability is lower than Bharti's despite average higher spending by its users.

But Mittal characterised Zain Africa as a well-run company which is a market leader by number of users in 10 countries. "Now the question is, will we be able to take it to greater heights. The answer is 'Yes'. That's the confidence with which we're entering into this company."





# Indoco in Drug Supply Pact with Africa's Aspen



Indoco Remedies has recently entered into a long-term drug supply pact with Aspen Pharmacare, the largest pharmaceutical manufacturer in Africa and one of the top 20 generics manufacturers in the world.

The deal encompasses a number of ophthalmic products and will extend to 30 countries in emerging markets. Indoco will offer these products for registration and supply the same from its global standard manufacturing facilities in India. Aspen will market and distribute these products in various geographies immediately on obtaining the regulatory approval, said a company press release.

Aspen enjoys a market share of over 30 percent of the generics market in South Africa and going by this success rate, Indoco anticipates a substantial market share in different territories, including Brazil, Venezuela, Mexico, South Africa and Russia, said Suresh G Kare, company Chairman and Managing Director.

"This arrangement will provide a steady stream of revenues, even during the process of product registration in the form of milestone payments, and the sale proceeds are expected to commence from the first quarter of 2011," he said.

A few months ago, Indoco had signed an alliance with the US-based Watson Pharmaceuticals to develop and manufacture a number of generic drugs with a current market size of \$670 million for the US market.

Bangalore-based Strides Arcolab had recently bought

the stake owned by Aspen Pharmacare in two 50:50 cancer drug making joint ventures - Onco Therapies in India and Onco Laboratories in Cyprus - besides one plant in Brazil. Earlier, companies such as Lupin had alliances with Aspen Pharmacare.

A dwindling new drug pipeline and drugs losing patent protection are now forcing multinational drug companies to take up generic drug selling, which they had shunned earlier. India has capability to supply such generic products at 40 percent of the development costs incurred in the US and Europe.

In the last one year, leading drug company Pfizer Inc had entered into long-term generic drug sourcing pacts with Aurobindo, Strides Arcolab and Claris Life Sciences.

Dr Reddy's also had entered into a similar deal with GlaxoSmithKline (GSK), the second largest drug maker in the world. GSK also had entered into a similar collaboration agreement with Aspen in 2008 to significantly extend its pharmaceutical portfolio in emerging markets.

The over Rs 400-crore Indoco Remedies had earlier partnered with Amneal Pharmaceuticals to market a few ophthalmic products in the US market.

It targets major growth from contract research and manufacturing business in future years. More than 75 percent of the Rs 100 crore-plus export revenues of Indoco are from contract manufacturing services, especially from large companies in Europe. ■

# Aluminium Industry Must Develop New Products to Compete Globally

- Exim Bank Study

The aluminium industry is of the leading segment of the Indian economy and is expected to play a significant role in its future growth, according to a study conducted by the Export Import Bank of India (Exim Bank). India is ranked sixth in the world having largest proven and probable bauxite reserves (over 140 million metric tonnes). Production and consumption of aluminium had grown over the years in India. Aluminium production in 2008-09 was 1.33 million tonnes, and aluminium consumption in the same year was estimated to be 1.32 million tonnes. In order to take advantage of its position as a large producer, the aluminium industry must continue to develop new products and processes to combat the threat from other competitive materials and maintain aluminium's sustainable credentials, the Exim Bank study says.



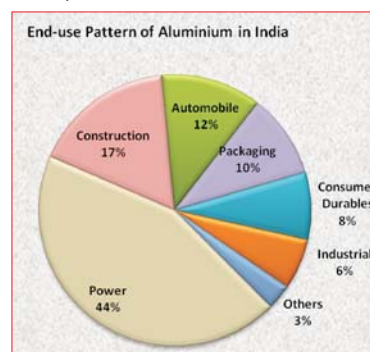
Note: \* Estimated, Source: Crisil Research

During 2005-06, 2006-07 and 2008-09, the domestic aluminium industry witnessed deficit in production, as compared to the demand. During the period 2000-01 to 2008-09, aluminium production in India witnessed a CAGR of 9.4 percent, while consumption witnessed a CAGR of 11.2 percent.

## Consumption

Aluminum is the most widely used non ferrous metal, and its usage is increasing mainly because of its inherent characteristics such as light weight, strength, moderate melting point, ductility, conductivity, corrosion resistance, and ability to be recycled without loss in quality. The pattern of end-usage of aluminium in India significantly differs from that of the world; power sector holds large share of aluminium usage in India with 44 percent share,

followed by construction (17 percent), automotive (12 percent), packaging (10 percent), and consumer durables (8.0 percent). The share of usage of aluminium in industrial applications, especially in manufacture of machinery / capital goods is estimated to be 6.0 percent in India.



Source: Crisil Research

## Exports

During 2007-08, exports of aluminium had grown by 30 percent from US\$114.01 million in 2006-07 to US\$142.71 million in 2007-08. However, during 2008-09, exports fell by 47.3 percent from US\$142.71

million to US\$ 75.17 million, the main reason being the slowdown in demand associated with the global economic crisis. During April-January 2009-10, the exports showed a negative growth of -4.1 percent compared to corresponding period in the previous year. Imports of aluminium too had declined by -21.1 percent during 2008-09 and the total import during this period was US\$ 99.58 million.

production in 2010. The Asia region would dominate the global aluminium industry, both in terms of capacity addition (mainly in Gulf region) as well as consumption (driven by China and India). According to an estimate by the Middle East Economic Digest, of the 6.5 million tonnes of potential aluminium capacity planned beyond 2010, as much as 4.4 million tonnes will be built in the GCC. In the longer term, MEED estimates

### India's Exports and Imports of Aluminium (US \$ Million)

Trade	2006-07	2007-08	2008-09	April-Jan 2008-09	April-Jan 2009-10	% change 2007-08 vs 2006-07	% change 2008-09 vs 2007-08	% change Apr-Jan 2009-10 vs Apr-Jan 2008-09
Exports	114.01	142.71	75.17	427.62	410.30	25.2	-47.3	-4.05
Imports	97.6	126.17	99.58	-	-	29.3	-21.1	-

Source: DGCIS

The major item of export from India under aluminium category was unwrought aluminium, with a share of 37.3 percent in total aluminium exports, followed by stranded wire, cables, plaited bands, and such products of aluminium, not electrically insulated (18.6 percent); and aluminium plates, sheets and strip (13.7 percent). Major items of import under the aluminium category were unwrought aluminium (37.9 percent), aluminium waste and scrap (27.2 percent), and aluminium plates, sheets and strip (9.9 percent)

The major export destination for aluminium during 2008-09 was Singapore with a share of 27 percent in total aluminium exports, followed by Malaysia (9.0 percent), USA (6.0 percent), UAE (5.0 percent), and Nigeria (5.0 percent). Major import sources (of aluminium) for India during this period were China (17 percent), UAE (10 percent), South Africa (8.0 percent), Thailand (7.0 percent), and Germany (6.0 percent).

## Outlook

The world aluminium production is estimated to have declined by around 14 percent in 2009. As most of the end-use sectors for aluminium are recovering, world aluminum production is estimated to grow by 3.0 percent in 2010. A number of smelters that have previously reduced their output or partially shut down their operations are expected to restart or increase

that by 2020 the GCC alone is expected to produce around 10 million tonnes/year of aluminium, accounting for 20 percent of global market share. Globally, newer packaging applications and increased usage in automobiles is expected to keep the demand growth for aluminium in the long-term.

With key consuming industries forming part of the domestic core sector, the aluminium industry is sensitive to fluctuations in performance of the economy. Power, infrastructure and transportation account for almost three-fourth of domestic aluminium consumption. Hence, the demand is expected to revive and help in the growth of the industry.

The aluminium industry must continue to develop new products and processes to combat the threat from other competitive materials and maintain aluminium's sustainable credentials. R&D in the aluminium industry is thus very essential for India. Also India should concentrate more on recycling aluminium for sustainable development as recycling would help in saving both energy and resources. In the long term, the aluminium industry is expected to bring about sustainable growth contributing to the economic development of the country. ■



# India Will Continue to be Global Outsourcing Hub for IT Services

- Exim Bank Study

The Indian IT industry, which has emerged as the pride of the national economy in recent years, will continue to contribute a major chunk of the country's foreign exchange earnings, says a study by the Export Import Bank of India (Exim Bank), quoting NASSCOM figures and estimates for the future. The study also says that India is expected to assert its dominating position as the global outsourcing hub for IT-enabled software and services.

The Indian IT industry can be segregated into four main components:

- IT Services
- ITES-BPO
- Software products and engineering services
- Hardware

According to estimates released by NASSCOM, Indian IT-BPO grew by 12 percent in 2008-09 to reach US\$71.6 billion in aggregate revenue. Software and services exports (includes exports of IT services, ITES-BPO, software products and engineering services) reached US\$47 billion, contributing nearly 66 percent to the overall IT industry revenue. IT industry exports (including hardware exports) reached US\$47.3 billion in 2008-09 as against US\$40.9 billion in 2007-08, a growth of 16 percent. Contributing 66 percent to the overall revenue, exports remained the mainstay of the Indian IT-BPO growth story. Software and services exports, accounting for over 99 percent of the total exports directly employed over 1.7 million professionals in 2008-09. IT services contributed 57 percent to total

exports to reach US\$26.9 billion in 2008-09. BPO services exports, up by 17 percent, was the fastest growing segment across software and services exports driven by scale as well as scope. BPO service portfolio was strengthened by vertical specialization and global delivery capabilities. Complementing the strong growth in IT services and BPO exports was the continued growth across software product development and engineering services, which also reflected India's increasing role in global technology IP creation. Export revenues from these relatively high-value-added services such as engineering and R&D, offshore product development and made-in-India software products grew at 15 percent, and clocked US\$7.3 billion in 2008-09.

Domestic IT market (including hardware) reached US\$24.3 billion in 2008-09 as against US\$23.2 billion in 2007-08, a growth of 4.7 percent. Hardware grew at 2.6 percent; software and services spending supported by increasing adoption, grew by almost 4.5 percent. The performance of the Indian IT sector is given in Table: 2.

According to the estimates released by NASSCOM, export revenues for the Indian IT-BPO services industry are expected to record a growth of 5.5 percent, to reach US\$49.7 billion in 2009-10. The growth was led by domestic market buoyed by increased Government spending in IT.

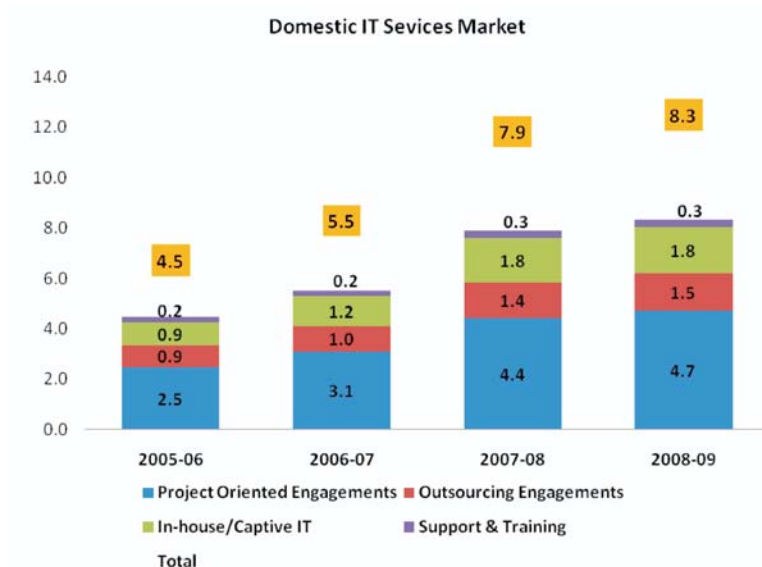
(Table: 1)

Exhibit 3 shows the domestic IT services market. During

Table: 1

Key highlights of the IT-BPO Services Industry in 2009-10		
Financial year	Exports (USD bn)	Domestic (INR bn)
FY 08-09	47.1	590
FY 09-10	49.7	662
FY 10-11 (outlook)	56-57	761-775
Source: NASSCOM		

## Exhibit: 1



2008-09 the domestic revenue from IT services was US\$8.3 billion and the largest contributing segment for this growth was the project oriented engagements with a share of 57 percent of the total domestic revenue from IT services, followed by In-House/captive IT (22 percent), outsourcing engagements (18 percent) and support and training (3.0 percent) (Exhibit: 1)

The industry's export vertical market exposure is well diversified across several mature and emerging sectors. Banking, Financial Services and Insurance (BFSI) remained the largest vertical market for Indian IT services exports, followed by hi-tech/Telecom (20 percent), manufacturing (17 percent) and retail (8.0 percent) in 2007-08. Others sectors such as healthcare, airlines & transportation, construction & utilities accounted for 3.0

**Table: 3**

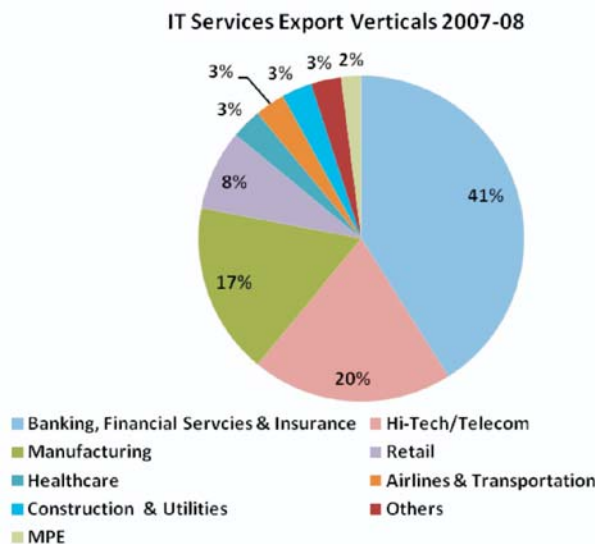
### The Performance of the Indian IT sector

(US \$ Billion)

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	% Growth in 2008-09 vs 2007-08	CAGR
<b>Exports Revenue</b>								
IT Services	7.3	10.0	13.3	17.9	23.1	26.9	16.5	29.8
ITES-BPO	3.1	4.6	6.3	8.4	10.9	12.8	17.4	32.8
Software products and engineering services	2.5	3.1	4.0	4.9	6.4	7.3	14.1	23.9
Total IT-BPO Services								
Export revenue	12.9	17.7	23.6	31.2	40.4	47.0	16.3	29.5
Hardware	0.5	0.5	0.6	0.5	0.5	0.3	-40.0	-9.7
Total IT Exports revenue (A)	13.4	18.2	24.2	31.7	40.9	47.3	15.6	28.7
<b>Domestic Revenue</b>								
IT Services	3.1	3.5	4.5	5.5	7.9	8.3	5.1	21.8
ITES-BPO	0.3	0.6	0.9	1.1	1.6	1.9	18.8	44.7
Software products and engineering services	0.5	0.7	1.3	1.6	2.2	2.3	4.5	35.7
Total IT-BPO Services								
Domestic revenue	3.9	4.8	6.7	8.2	11.7	12.5	6.8	26.2
Hardware	4.4	5.2	6.5	8.0	11.5	11.8	2.6	21.8
Total Domestic revenue (B)	8.3	10	13.2	16.2	23.2	24.3	4.7	24.0
Total IT Industry (A+B)	21.7	28.2	37.4	47.9	64.1	71.6	11.7	27.0

Source: NASSCOM

percent each in the IT services exports. (Exhibit: 2)



## Outlook

According to NASSCOM, direct employment in Indian IT-BPO crossed the 2.2 million mark, an increase of about 226,000 professionals over 2007-08; indirect job creation is estimated at about eight million. IT services (incl. engineering services, R&D, Software products) exports, BPO exports and Domestic IT industry provides direct employment to 947,000, 790,000 and 500,000 professionals respectively.

Broad-based growth across all the segments of IT services, BPO, software products and engineering services, is reinforcing India's leadership as the key sourcing location for a wide range of technology related services with Increasing traction in application management and widening service portfolios.

The performance of the industry in 2009-10 is far stronger than what is reflected through the growth numbers. The industry has reinvented itself by increasing its cost efficiencies, utilization rates, diversification into new verticals and markets and new business and pricing models. In the process, it was also able to turn itself into a business transformation enabler for its clients. As per the findings of NASSCOM, the coming years are going to represent a significant shift in terms of business models, service lines, customers and talent structure. There will be increased focus on higher end offerings such as system integration, consulting, business intelligence, knowledge services and vertical specific BPO services. The industry is expected to generate an increasing share of revenues from the untapped SMB segment through improved pay per use

business models and platform solutions. It is also expected to acquire domain expertise and near shoring capabilities to further advance India's value proposition as a global outsourcing hub.

Another likely challenge that may affect the IT sector is the Eurozone crisis. Eurozone nations like Greece, Spain and Portugal are facing financial crisis because of heavy borrowings by their governments, leading to erosion in investor confidence across the world. There has been widespread belief that the European crisis could affect other parts of the world, especially those countries which have high deficits, mainly on account of international borrowings. According to NASSCOM estimates, USA with a share of 60 percent and UK (19 percent) remained the largest IT-BPO export markets for India, followed by Continental Europe with 13 percent. The industry footprint is steadily expanding to other geographies as well, with the exports to Continental Europe in particular growing at a CAGR of more than 51 percent during FY 2004-2008. So the recent Eurozone crisis, along with the new government in UK deciding to start reviewing all international projects again, might affect the IT industry in the short run as the projects may get delayed due to such a review. The long run perspective, however, remains better as of now, assuming that the Eurozone crisis might not percolate to other regions.

With the Improving economic conditions, signifying return of consumer confidence and renewal of business growth, and the drive in IT spending, the industry is expected to post greater level of growth in the year 2010-11. IT services is expected to grow as companies coming out of recession harness the need for information technology to create competitive advantage. Even though India has a 51 percent market share in the off-shoring market, there is tremendous headroom for growth as current off-shoring market is still a small part of the outsourcing industry.

NASSCOM predicts the outlook for 2010-11 to remain bright with software and services exports revenues expected to grow by 13-15 percent, and domestic revenues to grow by 15-17 percent. The industry is also expected to generate an increasing share of revenues from the untapped SMB segment through improved pay per use business models and platform solutions. It is also expected to acquire domain expertise and near shoring capabilities to further advance India's value proposition as a global outsourcing hub. ■





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# *The Greatest Show on Earth*

The FIFA World Cup 2010 held in South Africa. It was billed to be the most spectacular event of the year. And it turned out to be one; the greatest show on Earth, that boosted Africa's pride in general and of South Africa in particular.

Only 12 km separate Spain from Africa at their closest point and they were united in celebration at the finish of a 19th FIFA World Cup™ that sent a fault line of happiness stretching all the way from Bloemfontein to Barcelona.

This was Africa's first FIFA World Cup and it will live in the memory as much for the spirit and smiles of the host nation as for the success of a Spain team who achieved their own first when Andres Iniesta's 116th-minute winner against the Netherlands put them into the record books as the eighth



country to capture football's most prized crown.

Spain's concluding triumph in the magnificent 'calabash' of Soccer City brought the curtain down on 31 days of football: 64 games at nine venues featuring 599 players from 32 teams who between them scored 145 goals.

At the end of it all Vicente del Bosque's men held the trophy but South Africa's success was the other defining story, the Rainbow Nation putting on a show of pride and purpose that gave a message





Colour and rhythm in African celebration

The South Africa 2010 party got under way in style with a joyous and truly African FIFA World Cup Kick-off Celebration Concert in Soweto.



of hope to an entire continent.

The fact South Africa's footballers became the first hosts to fall in the first round did nothing to damage the enthusiasm or dim the ubiquitous hum of the vuvuzelas.

South Africa 2010 was a tournament not short on surprises but European title-holders Spain overcame their opening loss to Switzerland to win their remaining six matches, the last four all by a 1-0 scoreline.

No side has won the FIFA World Cup with fewer goals than Spain's eight but their football still caught the eye not least the contributions of pass masters Xavi Hernandez and Iniesta, leading scorer David Villa, and Iker Casillas, beaten just twice and whose two one-on-one saves from Arjen Robben in the Final underlined why he fully merited the adidas Golden Glove for best goalkeeper.

For the Netherlands, the memories of South Africa will be mixed after they completed a hat-trick of Final heartbreaks, adding to the defeats in 1974 and '78. Bert van Marwijk's Dutchmen won all six games en route to the Final and if this was a more pragmatic Netherlands than some of their forebears, their attacking players





still shone in the 4-2-3-1 formation that was the vogue at these finals, Wesley Sneijder helping himself to five goals along the way.

### Individual accolades

Joachim Low's Germany offered another success story, impressing the watching world with some scintillating counterattacking play when putting four goals past both England and Argentina before their charge ended with a repeat of their UEFA EURO 2008 final defeat by Spain. Bronze medallists as in 2006, they finished as the 16-goal top scorers and their forward Thomas Muller took home the Hyundai Best Young Player prize together with the adidas Golden Boot the latter reward for his five goals and three assists. Villa, Sneijder and Diego Forlan also managed five but failed to match Muller who scored with every shot on target for assists.

The other big individual honour went to Forlan, who earned the adidas Golden Ball for his outstanding displays for the tournament's biggest surprise package, Uruguay. Oscar Tabarez's team returned to the semi-finals for the first time in 40 years, their traditional obduracy supplemented by the scoring expertise of Forlan, who arguably mastered the Jabulani better than anybody, and fellow striker Luis Suarez.

### PAUL, the Real Winner

Forget Forlan, forget Muller, forget Iniesta. If there was one undisputed star of the FIFA World Cup™ just past, it was not any of these on-song stars, but a certain cephalopod over 5,000 miles away.

After all, impressive though Forlan and Co were, none could claim that their performances throughout South Africa 2010 were flawless. Paul the octopus, on the other hand, never put a foot, or tentacle, wrong during a month that witnessed his meteoric rise to superstardom - and ended with a transfer tug-of-war.

For anyone somehow unaware of what all the fuss was about, Paul's celebrity status was earned by an unblemished run of eight successful predictions from the first round of group matches all the way through to the Final. The method by which Oberhausen Sea Life Centre's most famous resident picked his winners was to eat a mussel from one of two containers, each adorned with the flags of the competing nations. So unerring did he prove that several news channels across Europe began to broadcast Paul's predictions live, while the phrases 'Paul the Octopus' and 'Pulpo' - the Spanish word for octopus - generated huge internet traffic, taking their place Twitter's top ten global trends.





Not that his success gained him universal popularity. When, after correctly predicting the outcome of Germany's first four matches, Paul tipped Joachim Low's side to see off Argentina, Nicolas Bedorrou – a famous Argentinian chef – reacted by posting an octopus recipe on facebook. Worse was to follow when an erstwhile adoring German public turned on their 'psychic' mascot for foreseeing their semi-final defeat to Spain, with anti-octopus songs chanted at Berlin's Fan Fest and newspapers filled with headlines such as 'Throw him in the frying pan' and suggestions that he be transferred to the shark enclosure.

However, at the same time he was being labelled a 'traitor' in Germany, Paul was becoming a hero in Spain, especially after he followed up his last four forecast by predicting La Roja's first-ever FIFA World Cup Final win. Spanish prime minister Jose Luis Rodríguez Zapatero even light-heartedly promised to send a team of bodyguards to protect this unlikeliest of football icons, while environment minister Elena Espinosa promised protection under conservation laws. ■





## 6ème Réunion à huis clos d'Association d'Inde-Afrique produit le milliard US\$9 d'Affaires de valeur

Trajet de Sécurité de Nourriture Collectif essentiel  
de soulager la Faim et la Pauvreté

# Le Secteur privé Préconisé Soutenir Gouvernement. Les initiés pour Développer la Capitale Humaine en Afrique

Le secteur privé indien d'entreprise a un rôle clé dans le soutien du bâtiment de capacité du Gouvernement et des initiatives de développement d'adresses en Afrique, Ministre d'Affaires Externe S.M. Krishna a dit.

En livrant son adresse inaugurale à la 6ème Réunion à huis clos de BANQUE CII-EXIM sur l'Association de Projet d'Inde-Afrique que 2010 à New Delhi le 15 mars 2010, le Ministre Krishna a dit le Plan d'Action Collectif, tiré jusqu'à l'outil les décisions prises au premier Sommet de Forum d'Inde-Afrique tenu en 2008, a posé la grande accentuation sur l'Inde étendant son expertise technique et soutien financier à la construction de la capitale humaine en Afrique.

Il a dit que le Plan a été aussi visé à l'aide des gouvernements africains à accomplir leurs Buts de Développement de Millénaire.

En concentrant l'attention sur les plus larges buts d'association, le Ministre Krishna a dit que le Gouvernement réanimerait le 'Jour Africain annuel' la conférence et ces échanges de cultures d'Inde-Afrique étaient aussi planifiés pour promouvoir les liens culturels très vieux entre les deux pays. Le Gouvernement indien réaliserait fermement les engagements financiers faits aux programmes de développement de l'Afrique de plus, il a ajouté.



Le ministre du Commerce et de l'Industrie Anand Sharma, dans sa tonique adresse à la Réunion à huis clos a dit que l'Inde et l'Afrique avaient un commandant disent dans l'ordre économique global émergeant.

Les forces économiques des deux régions ont aussi attiré l'attention après la fusion du cœur d'un réacteur économique globale qui a été déclenchée par la crise financière dans les économies occidentales, il a montré. Les pays sud comme l'Inde et les nations africaines ont tenu la clé de la récupération d'économie mondiale, le Ministre Sharma a dit, en ajoutant que les défis pour les économies continueraient à être le soulagement de pauvreté et le renforcement de sécurité de nourriture et tous les deux les régions ont dû conjointement adresser ces défis."

Il a dit que la croissance économique accélérée aiderait l'Inde et les pays africains à adresser l'édition endémique de pauvreté et a montré que les Éditions reliées au changement climatique global y ont été aussi rattachées.

Le ministre Sharma a dit que les gouvernements indiens et africains et l'industrie devraient s'efforcer établir les liaisons essentielles pour encourager le développement. La Casserole l'Afrique e-réseau du



projet était un exemple de cette liaison, il a dit. Il a aussi fait une mention des contributions clé de l'Inde en Afrique dans la réalisation des médecines abordables disponibles en incluant anti-retro viraux.

Le ministre Sharma qu'une Inde pleine de vie et une Afrique renaissante devraient s'efforcer pour les réformes des organisations internationales et des institutions Brettonwoods. "Ces institutions devraient refléter le monde réel d'aujourd'hui," a-t-il ajouté.

Se rapportant au commerce et au front d'investissements, le Ministre Sharma a dit que pendant que les engagements d'Inde-Afrique avaient augmenté le collecteur, les opportunités pour la croissance de plus dans ces régions "sont illimitées".

Le Vice-président du Ghana John Dramani Mahama a dit dans son adresse spéciale que la Réunion à huis clos annuelle avait beaucoup soutenu le dialogue d'Inde-Afrique continu pour la coopération réciproque.

Mahama a dit que le développement d'infrastructure physique était un impératif pour la croissance de l'Afrique et le développement et a ajouté que l'Inde pourrait y jouer un rôle clé. Il a dit que l'Afrique était sur un relativement haut sentier de croissance et a été attendue enregistrer la croissance de PIB de 4-5 pour cent dans 2010-11. "Le temps de l'Afrique est venu," a-t-il dit, en ajoutant que les priorités économiques de l'Afrique étaient semblables dans celle de l'Inde.

Mahama a dit que le bâtiment de capacité était clé à la croissance de l'Afrique et a ajouté que son pays et reste du continent accueilleraient les initiatives de l'Inde à ce propos.

En soulignant l'importance de sécurité de nourriture, il a dit que l'Afrique avait de grandes étendues de terrain arable qui pourrait être cultivé avec le soutien indien pour nourrir non seulement l'Afrique, mais le reste du monde.

Mahama a dit que l'Afrique est restée une des destinations les plus attrayantes d'investissement dans le monde et les retours d'offres de jusqu'à 65 pour cent. Il a conclu en disant que les pays africains profiteraient beaucoup plus de cette association en se concentrant sur l'intégration économique régionale dans le continent.

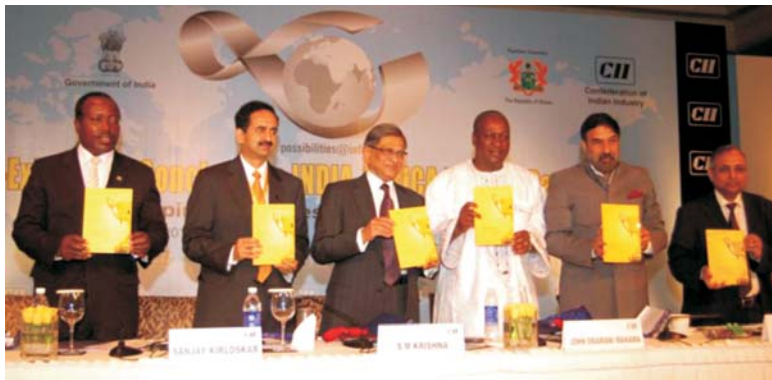
Plus tôt, en accueillant les délégués à la Réunion à huis clos, CII le Président de Comité d'Afrique Sanjay Kirloskar a dit le gouvernement indien et l'industrie strié pour établir des liaisons d'affaires en Afrique, au lieu de simplement se concentrer sur le commerce de ressources. "L'engagement de l'Inde est fonctionnel et a une approche consultative, qui est une façon durable de faire des affaires," a-t-il ajouté.

Kirloskar a dit que la Réunion à huis clos survenait à un temps opportun, quand 30 ministres AU étaient dans la ville capitale de New Delhi.

Chandrajit Banerjee, le Directeur général, CII, a accueilli les délégués et a dit que la grande participation à la Réunion à huis clos a souligné l'Inde-Afrique de croissance les engagements économiques. Plus de 500 délégués africains en incluant 39 ministres ont assisté à la Réunion à huis clos.

Un mémorandum de comprendre a été signé entre CII et BEDIA pour promouvoir la coopération réciproque pour les buts de promouvoir des opportunités





d'investissement au Botswana.

## Les Liens Fondés sur l'Approche En collaboration: Shashi Tharoor

L'Inde a toujours poursuivi une approche en collaboration fonctionnelle vers la construction de l'association avec l'Afrique, le Ministre délégué pour les Affaires Externes Shashi Tharoor a dit.

Dans son adresse spéciale à la séance de déjeuner de cérémonie de la Réunion à huis clos d'Association de Projet d'Inde-Afrique 2010 Tharoor a dit que les relations entre les deux régions ont été fondées sur les principes fondamentaux d'égalité, respect réciproque et compréhension. "L'Inde et l'Afrique ont poursuivi des avantages réciproques par un processus consultatif," a-t-il ajouté.

Le ministre Tharoor a dit que le gouvernement indien n'avait pas vacillé de l'objectif de lancer des projets qui ont contribué au processus de développement de l'Afrique, en ajoutant que l'Inde a cru en extension "le soutien non-indiscret" en Afrique. En plus le gouvernement indien avait contribué de façon significative au développement de capitale humain de l'Afrique, il a dit, en ajoutant que plus de 15,000 étudiants africains ont été inscrits aux institutions éducatives indiennes chaque année.

En parlant de l'engagement de secteur privé indien en Afrique, le Ministre Tharoor a dit que les compagnies indiennes opèrent de façon indépendante en Afrique avec "aucune lourde empreinte de pas gouvernementale". Il a ajouté que la Réunion à huis clos avait de nouveau démontré l'intention positive avec laquelle le secteur privé indien d'entreprise retenait l'Afrique.

Tharoor a remarqué que les investisseurs indiens ont été hautement respectés en Afrique. "Ils ont contribué à la génération d'emploi locale et au bâtiment de capacité," a-t-il dit.

Le Ministre a dit que le gouvernement indien n'avait pas reculé de ses engagements vers le développement de l'Afrique. "Le Gouvernement des lignes de l'Inde de crédit a contribué à la création de capital en Afrique et a agi comme les entrepreneurs de confiance catalytiques," a-t-il dit.

Il a dit que le gouvernement indien avait aussi poursuivi des associations pour la coopération multilatérale en Afrique. En parlant de la proximité socio-économique et culturelle qui a existé entre l'Inde et l'Afrique, le Ministre a dit que "l'Inde ressemble à vos propres pays". "Nous offrons un modèle de développement accessible pour vous," a-t-il ajouté.

## Concentrez-vous sur la Connaissance, les Avances dans S&T Indispensable pour les Associations.

L'approche à la connaissance et aux derniers avancements dans la science et la technologie déterminera la qualité et viabilité d'associations d'Inde-Afrique, Vivek Katju, l'Ouest de Secrétaire, le Ministère d'Affaires Externes, a dit.

En livrant son adresse d'adieu à la Réunion à huis clos d'Association de Projet d'Inde-Afrique, Katju a dit que tous les efforts à davantage les associations entre les régions twi seraient compromis si les initiatives n'ont pas été des alliés des changements dynamiques dans le domaine de connaissance.

Katju a dit que les pays sont devenus colonisés dans le passé parce qu'ils n'ont pas marché de pair avec les développements scientifiques et technologiques dans d'autres parties du monde. Le courant se concentre sur le bâtiment de capacité et le développement d'adresses préviendrait un tel scénario, il a dit, en ajoutant que "il est ici que la coopération d'Inde-Afrique atteint l'importance essentielle. Le foyer dû sur la connaissance et la science et la technologie donnera les positions légitimes à nos nations dans l'ordre économique global".

Katju a dit que le Plan d'Action Collectif



tiré jusqu'à l'outil les décisions clé prises à la première Inde le Sommet de Forum d'Afrique, contribuerait vers la construction "les structures solides" pour augmenter la coopération dans le partageant de connaissance.

"Nous avons besoin du soutien de la communauté d'affaires pour réaliser ces buts," a-t-il dit, en ajoutant qu'une association complète le gouvernement impliquant et les entités privées d'entreprise aiderait à réaliser ces buts.

Se rapportant aux recommandations différentes faites pendant le cours de la Réunion à huis clos, il a dit que ce qui est important est comment ils sont exécutés.

Le Premier ministre du Togo S. E. Gilbert Fossoun Hounbo de m dans son adresse a dit que les associations d'Inde-Afrique étaient venues une longue voie, mais ont identifié quatre régions clé à être adressées. En exposant le besoin pour les solutions de financement plus créatrices et innovatrices, Hounbo a dit que le Gouvernement des lignes de l'Inde de crédit seul ne serait pas assez pour rencontrer les besoins de développement de l'Afrique.

Il a dit que le deuxième défi clé était de voir "comment lâcher le potentiel complet que nous avons". Le troisième impératif devrait promouvoir des associations d'Inde-Afrique dans le vrai esprit de Coopération Sud-sud. Par cela il a voulu dire que les engagements ne devraient pas être limités aux affaires, mais doivent s'étendre à toutes les régions de développement en incluant des buts humanitaires, un bon gouvernement, etc.

Le quatrième défi qu'il a identifié était le bâtiment de capacité, non seulement au niveau individuel, mais celui qui a travaillé sur les niveaux institutionnels,

gouvernementaux et sociétaux. "Aucun pays ne peut sous-traitant son développement. Le développement arrive quand vous développez la capacité pour diriger vos propres ressources," a-t-il dit.

En attachant l'importance clé à la Réunion à huis clos annuelle, Hounbo l'espoir exprimé que la réunion à huis clos suivante serait organisée dans Lome, la ville capitale du Togo.

Le doyen de la Société Diplomatique africaine Jonathan Wutawunashe a dit les points d'actions établis pour l'association d'Inde-Afrique devrait être exécuté et contrôlé sur une base continue. "Nous devons regarder deliverables identifiable," a-t-il dit.

CII le Président de Comité d'Afrique Sanjay Kirloskar dans sa déformation en haut la présentation a dit que le bâtiment de capacité et l'entraînement d'adresses étaient les sujets de discussion clé directement par la Réunion à huis clos. "Le Plan d'Action Collectif a déjà posé la grande accentuation sur l'Inde étendant son expertise technique et soutien financier vers la construction de la capitale humaine dans les pays africains. À broadcasté cet engagement, les chefs tant gouvernementaux que d'entreprise a dit que les compagnies indiennes devraient augmenter leur capacité construisant des initiatives en Afrique et faciliter le plus grand transfert d'adresses techniques."

"Le gouvernement indien et le secteur privé d'entreprise ont cru en contribution à la création de capital en Afrique, toujours et cette approche a été un entrepreneur de confiance catalytique pour nous tous dans ce voyage vers l'association durable à long terme," a-t-il dit, en ajoutant que la coopération dans la sécurité de nourriture fortifiante, la sécurité d'énergie, l'ordre du jour vert et le soulagement de pauvreté était parmi les régions clé qui ont mérité l'attention spéciale dans le large cadre de coopération d'Inde-Afrique.

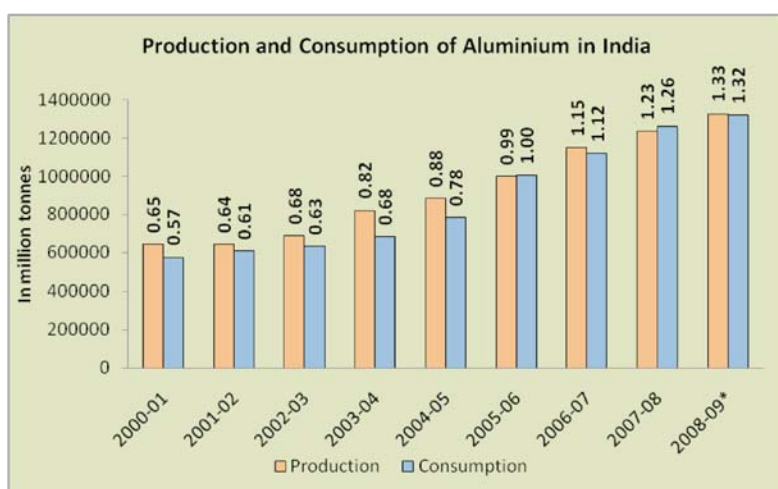
Le Président Honoraire, CII Afrique Comité et Président TCE Ltd Syamal Gupta, dans ses remarques préliminaires a dit que la Réunion à huis clos avait de nouveau ouvert la voie aux associations d'Inde-Afrique durables à long terme. ■



# L'Industrie d'Aluminium Doit Développer de Nouveaux Produits pour Rivaliser À l'échelle mondiale

- Étude de Banque d'Exim

L'industrie en aluminium a du principal segment de l'économie indienne et est attendue jouer un rôle significatif dans sa croissance future, selon une étude accomplie par la Banque d'Importation D'exportation de l'Inde (la Banque d'Exim). L'Inde est classée sixième dans le monde ayant les plus grandes réserves en bauxite prouvées et probables (plus de 140 millions de tonnes métriques). La production et la consommation d'aluminium avaient grandi au cours des ans en Inde. La production en aluminium dans 2008-09 était 1,33 millions de tonnes et on a estimé que la consommation en aluminium dans la même année a été 1,32 millions de tonnes. Pour profiter de sa position comme un grand producteur, l'industrie en aluminium doit continuer à développer de nouveaux produits et des processus pour combattre la menace d'autre matériel compétitif et maintenir la pièce d'identité durable d'aluminium, l'étude de Banque Exim dit.



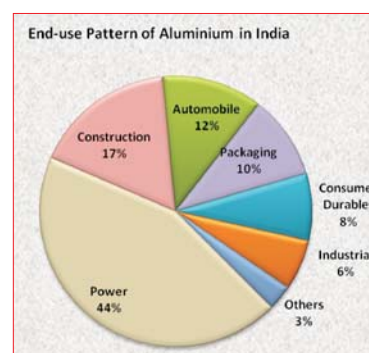
Note: \* Estimated, Source: Crisil Research

Pendant 2005-06, 2006-07 et 2008-09, l'industrie en aluminium domestique a été témoin du déficit dans la production, en comparaison de la demande. Pendant la période 2000-01 à 2008-09, la production en aluminium en Inde a été témoin d'un CAGR de 9,4 pour cent, pendant que la consommation a été témoin d'un CAGR de 11,2 pour cent.

## Consommation

L'aluminium est le plus largement utilisé non le métal ferreux et son usage augmente surtout à cause de ses caractéristiques inhérentes comme le poids clair, la force, le point de fusion modéré, la ductilité, la conductivité, la résistance de corrosion et la capacité à être recyclée sans perte par qualité. Le dessin d'usage de fin d'aluminium en Inde diffère de façon significative de ce du monde; le secteur de pouvoir tient la grande part d'usage en aluminium en Inde avec la part de 44 pour cent, suivie par la construction (17 pour cent), (12 pour cent) automoteurs, l'emballage (10 pour cent) et bien durable

de consommateur (8,0 pour cent). On estime que la part d'usage d'aluminium dans les applications industrielles, surtout dans la fabrication de machines / les biens de production est 6,0 pour cent en Inde.



Source : Recherche de Crisil

## Exportations

Pendant 2007-08, les exportations d'aluminium avaient grandi de 30 pour cent d'US \$ 114,01 le million dans 2006-07 au million US\$142,71 dans 2007-08. Pourtant, pendant 2008-09, les exportations sont tombées de 47,3 pour cent du million US\$142,71 à US\$ des 75,17 millions, la raison principale étant le ralentissement demandé associé à la crise économique globale. En janvier-avril 2009-10, les exportations ont montré une croissance négative de-

4,1 pour cent comparés à la période correspondante dans l'année précédente. Les importations d'aluminium avaient aussi décliné de 21,1 pour cent pendant 2008-09 et l'importation totale pendant cette période était US\$ les 99,58 millions.

augmentent la production en 2010. La région asiatique dominerait l'industrie en aluminium globale, tous les deux du point de vue de l'adjonction de capacité (surtout dans la région de Golfe) aussi bien que la consommation (conduit par la Chine et l'Inde). Selon

### Les Exportations de l'Inde et les Importations d'Aluminium (Les Etats-Unis million de \$)

Commerce	2006-07	2007-08	2008-09	Avril-Janvier 2008-09	Avril-Janvier 2009-10	% changer 2007-08 contre 2006-07	% changer 2008-09 contre 2007-08	% le janvier-avril de changement 2009-10 contre le janvier-avril 2008-09
Exportations	114,01	142,71	75,17	427,62	410,30	25,2	-47,3	-4,05
Importations	97,6	126,17	99,58	-	-	29,3	-21,1	-
Source: DGCIS								

L'article important d'exportation de l'Inde sous la catégorie en aluminium a été non travaillé l'aluminium, avec une part de 37,3 pour cent dans les exportations en aluminium totales, suivies par le fil bloqué, les câbles, plaie les bandes et de tels produits d'aluminium, pas électriquement isolé (18,6 pour cent); et les plaques en aluminium, les draps et la bande (13,7 pour cent). Les articles importants d'importation sous la catégorie en aluminium ont été non travaillés l'aluminium (37,9 pour cent), gaspillage en aluminium et petit morceau (27,2 pour cent) et plaques en aluminium, draps et bande (9,9 pour cent).

La destination importante d'exportation pour l'aluminium pendant 2008-09 était la Singapour avec une part de 27 pour cent dans les exportations en aluminium totales, suivies par la Malaisie (9,0 pour cent), les Etats-Unis (6,0 pour cent), UAE (5,0 pour cent) et le Nigeria (5,0 pour cent). Les sources d'importation importantes (de l'aluminium) pour l'Inde pendant cette période étaient la Chine (17 pour cent), UAE (10 pour cent), l'Afrique du Sud (8,0 pour cent), la Thaïlande (7,0 pour cent) et l'Allemagne (6,0 pour cent).

### Perspective

On estime que la production en aluminium mondiale a décliné d'environ 14 pour cent en 2009. Comme la plupart des secteurs d'utilisation de fin pour l'aluminium se rétablissent, on estime que la production en aluminium mondiale grandit de 3,0 pour cent en 2010. On s'attend à ce qu'à un certain nombre de fonderies qui ont auparavant réduit leur production ou ont partiellement fermé leurs opérations recommencent ou

une estimation par le Digest Économique du Moyen-Orient, de 6,5 millions de tonnes de capacité en aluminium potentielle planifiée au-delà de 2010, jusqu'à 4,4 millions de tonnes seront construits dans le GCC. À un terme plus long, MEED estime que d'ici à 2020 on s'attend à ce que le seul GCC produise environ 10 millions de tonnes/années d'aluminium, en représentant 20 pour cent de part de marché globale. À l'échelle mondiale, on s'attend à ce qu'à de plus nouvelles applications emballantes et un usage augmenté dans les automobiles gardent la croissance de demande pour l'aluminium dans l'à long terme.

Avec les industries consommasse clé faisant la partie du secteur domestique de base, l'industrie en aluminium est sensible aux fluctuations dans la performance de l'économie. Le pouvoir, l'infrastructure et le transport représentent presque trois quatrièmes de consommation en aluminium domestique. Dorénavant, on s'attend à ce que la demande réanime et aide dans la croissance de l'industrie.

L'industrie en aluminium doit continuer à développer de nouveaux produits et des processus pour combattre la menace d'autre matériel compétitif et maintenir la pièce d'identité durable d'aluminium. Le recherche et développement dans l'industrie en aluminium est ainsi très essentiel pour l'Inde. Aussi l'Inde devrait se concentrer plus sur le recyclage de l'aluminium pour le développement durable comme le recyclage aiderait dans l'économie tant énergie que ressources. À long terme, on s'attend à ce que l'industrie en aluminium provoque la croissance durable contribuant au développement économique du pays. ■

# L'Inde Continuera à être le Moyeu Outsourcing Global pour Informatique les Services

- Étude de Banque d'Exim

L'indien IT l'industrie, qui a émergé comme la fierté de l'économie nationale au cours des dernières années, continuera à contribuer un gros morceau important des profits de commerce des devises du pays, dit une étude par la Banque d'Importation d'exportation de l'Inde (la Banque d'Exim), en citant des figures de NASSCOM et des estimations pour l'avenir. L'étude dit aussi que l'Inde est attendue à affirmer sa position de domination comme le moyeu outsourcing global pour informatique - a permis le logiciel et les services.

L'indienne industrie de l'informatique peut être ségrégonniste dans quatre composantes principales:

- Services d'informatique
- ITES-BPO
- Les produits de Logiciel et les services de construction mécanique
- Matériel

Selon les estimations libérées par NASSCOM. L'indien IL a grandi de 12 pour cent dans 2008-09 pour atteindre le milliard US\$71,6 dans le revenu total. Le logiciel et les exportations de services (en inclut des exportations les services, ITES-BPO, les produits de logiciel et les services de construction mécanique) ont atteint le milliard US\$47, en contribuant presque 66 pour cent au général informatique revenu d'industrie. Les exportations d'industrie informatique (en incluant des exportations de matériel) a atteint le milliard US\$47,3 dans 2008-09 comme contre le milliard US\$40,9 dans 2007-08, une croissance de 16 pour cent. En contribuant 66 pour cent au revenu général, les exportations sont restées le soutien principal de l'indien IT-BPO l'histoire de croissance. Le logiciel et les exportations de services, en représentant plus de 99 pour cent des exportations totales ont directement employé plus de 1,7 millions de professionnels dans 2008-09. Les services

d'informatique ont contribué 57 pour cent aux exportations totales pour atteindre le milliard US\$26,9 dans 2008-09. Les exportations de services de BPO, en haut de 17 pour cent, étaient le segment de croissance le plus rapide à travers le logiciel et les exportations de services conduites par l'échelle aussi bien que la possibilité. Le portefeuille de service de BPO a été renforcé par la spécialisation verticale et les capacités de livraison globales. La complémentation de la forte croissance dans informatique les exportations de BPO et de services étaient la croissance continuée à travers le développement de produit de logiciel et les services de construction mécanique, qui ont aussi reflété le rôle d'augmentation de l'Inde dans la technologie globale la création d'IP. Les revenus d'exportation de ceux-ci évaluent relativement haut des services ajoutés comme l'ingénierie et Recherche et développement, le développement de produit au large et les produits de logiciel faits-dans-Inde ont grandi à 15 pour cent et ont trafiqué le compteur du milliard US\$7,3 dans 2008-09.

Domestique informatique commercialise (en incluant le matériel) a atteint le milliard US\$24,3 dans 2008-09 comme contre le milliard US\$23,2 dans 2007-08, une croissance de 4,7 pour cent. Le matériel a grandi à 2,6 pour cent; le logiciel et les dépenses de services soutenues en augmentant l'adoption, ont grandi de presque 4,5 pour cent. La performance de l'indienne informatique le secteur est donné dans la Table : 2.

Selon les estimations libérées par NASSCOM, les revenus d'exportation pour l'indien IT-BPO l'industrie de services sont attendus enregistrer une croissance de 5,5 pour cent, atteindre le milliard US\$49,7 dans 2009-10. La croissance a été menée par le marché domestique revigoré par les dépenses de Gouvernement augmentées dans informatique.

Exposez 3 spectacles le domestique informatique le

**Table: 1**

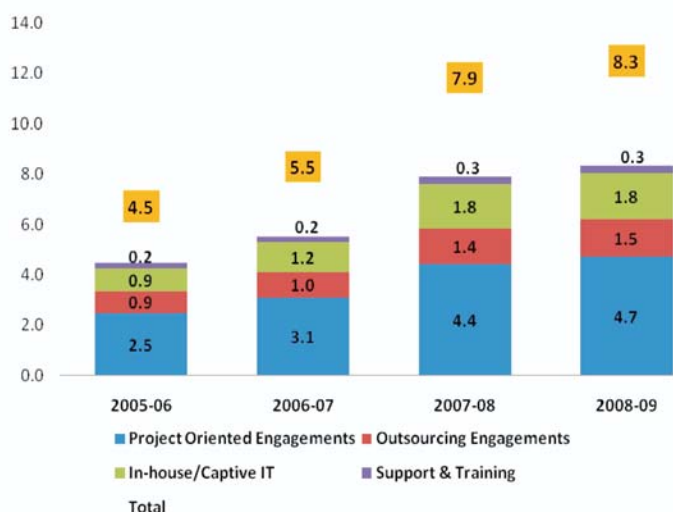
Le résumé clé de l'IT-BPO l'Industrie de Services dans 2009-10		
Exercice	Les exportations (USD milliard)	Domestique (INR le milliard)
Exercice 08-09	47,1	590
Exercice 09-10	49,7	662
Exercice 10-11 (perspective)	56-57	761-775
Source: NASSCOM		



marché de services. Pendant 2008-09 le revenu domestique de informatique les services étaient le milliard US\$8,3 et le plus grand segment de contribution pour cette croissance était des engagements orientés du projet avec une part de 57 pour cent de

## Ouvre exposée: 1

Domestic IT Services Market



Source: Recherche de Crisil, NASSCOM

la forme du revenu domestique totale informatique les services, suivis par In-House/captive informatique (22 pour cent), outsourcing les engagements (18 pour cent) et soutien et entraînement (de 3,0 pour cent) (la œuvre exposée : 1)

L'exposition verticale du marché d'exportation de l'industrie est bien diversifié à travers plusieurs secteurs adultes et émergeant. Les Services bancaires, Financiers et l'Assurance (BFSI) sont restés le plus grand marché vertical pour l'indien informatique les exportations de services, suivies par hi-tech/Télécom (20 pour cent), industriels (17 pour cent) et de détail (8,0 pour cent) dans 2007-08. D'autres les secteurs comme les soins médicaux, les compagnies aériennes et le transport, la construction et les utilités ont représenté 3,0 pour cent chacun dans les exportations de services d'informatique. (Œuvre exposée : 2)

## Perspective

Selon NASSCOM, l'emploi direct dans l'indien IL a traversé 2,2 millions de marques, une augmentation d'environ 226,000 professionnels

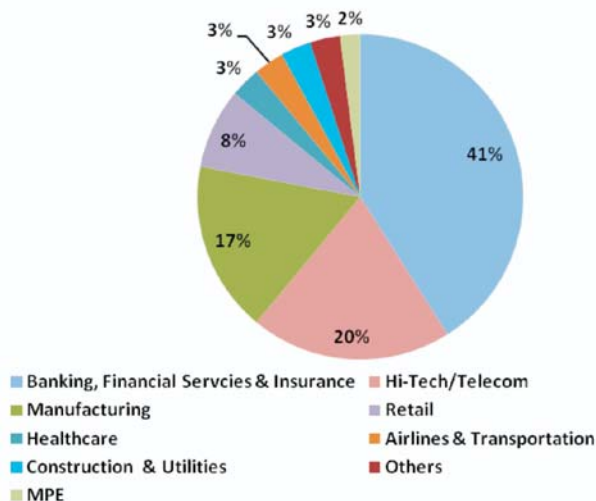
Table: 3

La Performance de l'indien le secteur d'informatique								
	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	% Croissance en 2008-09 vs 2007-08	CAGR
Revenu d'Exportations								
IT Services	7.3	10.0	13.3	17.9	23.1	26.9	16.5	29.8
ITES-BPO	3.1	4.6	6.3	8.4	10.9	12.8	17.4	32.8
Les produits de Logiciel et les services de construction mécanique	2.5	3.1	4.0	4.9	6.4	7.3	14.1	23.9
Total IT-BPO revenu d'Exportation de Services	12.9	17.7	23.6	31.2	40.4	47.0	16.3	29.5
Matériel	0.5	0.5	0.6	0.5	0.5	0.3	-40.0	-9.7
Total IT Exports revenue (A)	13.4	18.2	24.2	31.7	40.9	47.3	15.6	28.7
Revenu Domestique								
IT Services	3.1	3.5	4.5	5.5	7.9	8.3	5.1	21.8
ITES-BPO	0.3	0.6	0.9	1.1	1.6	1.9	18.8	44.7
Les produits de Logiciel et les services de construction mécanique	0.5	0.7	1.3	1.6	2.2	2.3	4.5	35.7
Le total IT-BPO les Services le revenu Domestique	3.9	4.8	6.7	8.2	11.7	12.5	6.8	26.2
Matériel	4.4	5.2	6.5	8.0	11.5	11.8	2.6	21.8
Revenu Domestique total (B)	8.3	10	13.2	16.2	23.2	24.3	4.7	24.0
Total Industrie informatique (A+B)	21.7	28.2	37.4	47.9	64.1	71.6	11.7	27.0

Source: NASSCOM

## Ouvre exposée: 2

IT Services Export Verticals 2007-08



plus de 2007-08; la création d'emploi indirecte est estimée à environ huit millions. IL les services (incl. les services de construction mécanique, recherche et développement, les produits de Logiciel) les exportations, les exportations de BPO et Domestique informatique l'industrie fournit l'emploi direct à 947,000, 790,000 et 500,000 professionnels respectivement.

La large croissance à travers tous les segments de informatique les services, BPO, les produits de logiciel et les services de construction mécanique, renforce la direction de l'Inde comme la clé sourcing l'endroit pour une large gamme de liés de technologie avec la traction Augmentant dans l'administration d'application et élargit des portefeuilles de service.

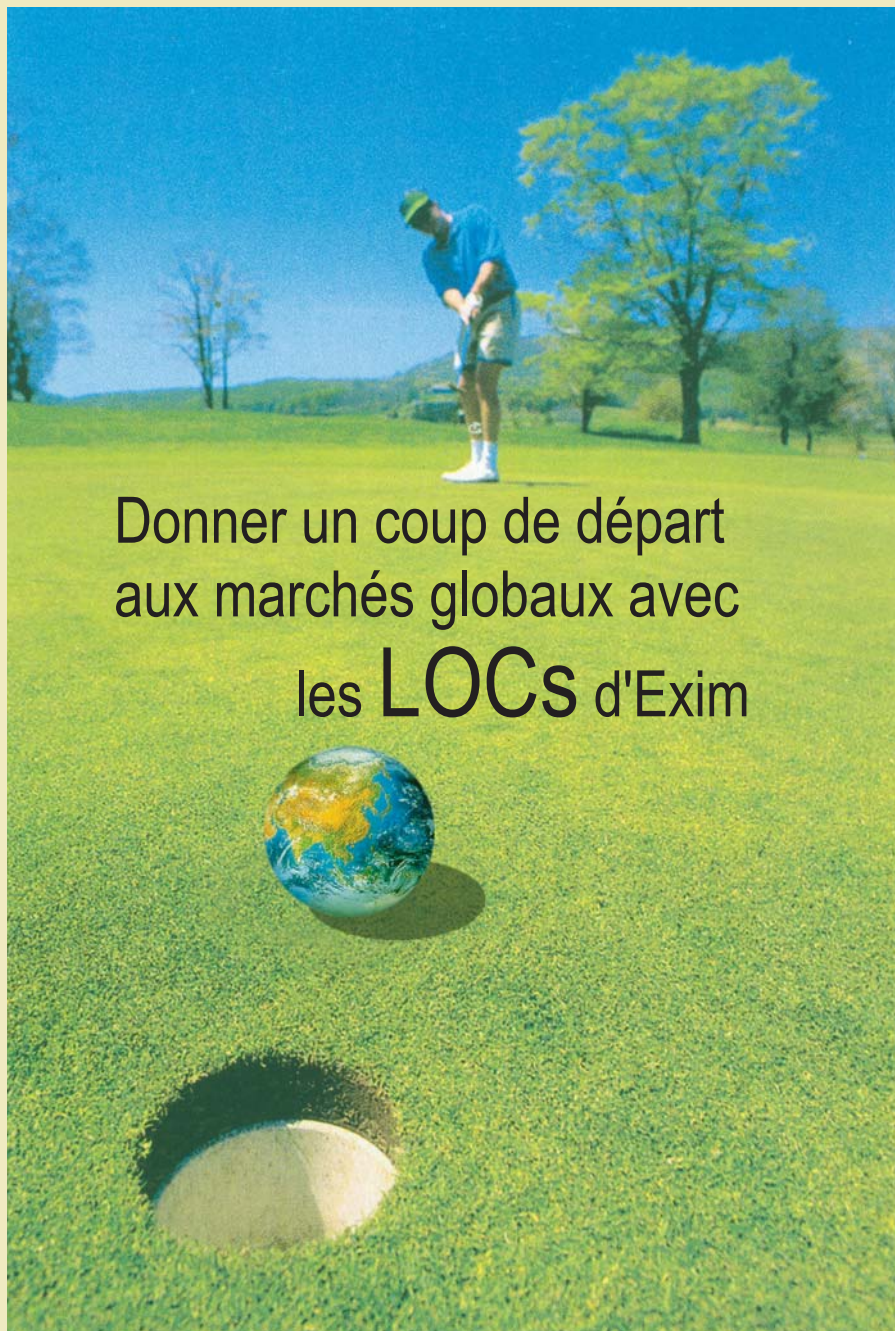
La performance de l'industrie dans 2009-10 est bien plus forte que ce qui est reflété par les nombres de croissance. L'industrie s'est réinventée en augmentant son prix efficencies, taux d'utilisation, la diversification dans nouveau verticaux et les marchés et les nouvelles affaires et en fixant le prix des modèles. Dans le processus, il était aussi capable de se transformer dans une transformation d'affaires pour ses clients. Selon les conclusions de NASSCOM, les années prochaines vont représenter un changement significatif du point de vue des modèles d'affaires, les lignes de service, les clients et la structure de talent. Là sera augmenté se concentrent sur de plus hautes offres de fin comme l'intégration de système, la consultation, l'intelligence d'affaires, les services de connaissance et les services BPO spécifiques verticaux. On s'attend à ce que l'industrie produise une part augmentant de revenus du segment de SMB inexploité à la paie améliorée par modèles d'affaires d'utilisation et solutions de quoi. On s'attend aussi à ce que informatique acquière l'expertise de domaine et près de l'étayage des capacités de davantage avancer la

proposition de valeur de l'Inde comme un moyen outsourcing global.

Un autre défi probable qui peut affecter l'informatique le secteur est la crise Euro zonale. Euro divise des nations en zones comme la Grèce, l'Espagne et le Portugal font face à la crise financière à cause de lourds emprunts par leurs gouvernements, en causant l'érosion dans la confiance d'investisseur à travers le monde. Il y a eu la conviction étendue que la crise européenne pourrait affecter d'autres parties du monde, surtout ces pays qui ont de hauts déficits, surtout à cause des emprunts internationaux. Selon les estimations de NASSCOM, les Etats-Unis avec une part de 60 pour cent et du Royaume-Uni (19 pour cent) sont restés le plus grand IL exporte des marchés pour l'Inde, suivie par l'Europe continentale avec 13 pour cent. L'empreinte de pas d'industrie progressivement se développe à d'autre géographies aussi, avec les exportations en Europe continentale dans la croissance particulière à un CAGR de plus de 51 pour cent pendant FY 2004-2008. Donc la crise Eurozonale récente, avec le nouveau gouvernement au Royaume-Uni décidant de commencer à reconsidérer tous les projets internationaux de nouveau, pourrait affecter l'industrie d'informatique à brève échéance comme les projets peuvent être retardés en raison d'une telle révision. La longue perspective de course, pourtant, reste mieux à partir de maintenant, en supposant que la crise Eurozonale ne pourrait pas passer à d'autres régions.

Avec les conditions économiques s'améliorant, en signifiant le retour de confiance de consommateur et de recommencement de croissance d'affaires et du trajet dans informatique les dépenses, on s'attend à ce que l'industrie poste le plus grand niveau de croissance dans l'année 2010-11. IL que l'on s'attend à ce que les services cultivent comme les compagnies venant de la récession exploite le besoin pour la technologie d'information pour créer l'avantage compétitif. Bien que l'Inde ait une part de marché de 51 pour cent dans le marché hors d'étayage, il y a gigantesque pour la croissance comme le marché hors d'étayage actuel est toujours une petite partie de l'industrie outsourcing.

NASSCOM prédit la perspective pour 2010-11 pour rester brillant avec le logiciel et les revenus d'exportations de services se sont attendus grandir de 13-15 pour cent et de revenus domestiques pour grandir de 15-17 pour cent. On s'attend aussi à ce que l'industrie produise une part augmentant de revenus du segment de SMB inexploité à la paie améliorée par modèles d'affaires d'utilisation et solutions de quoi. On s'attend aussi à ce que l'informatique acquière l'expertise de domaine et près de l'étayage des capacités de davantage avancer la proposition de valeur de l'Inde comme un moyen outsourcing global. ■



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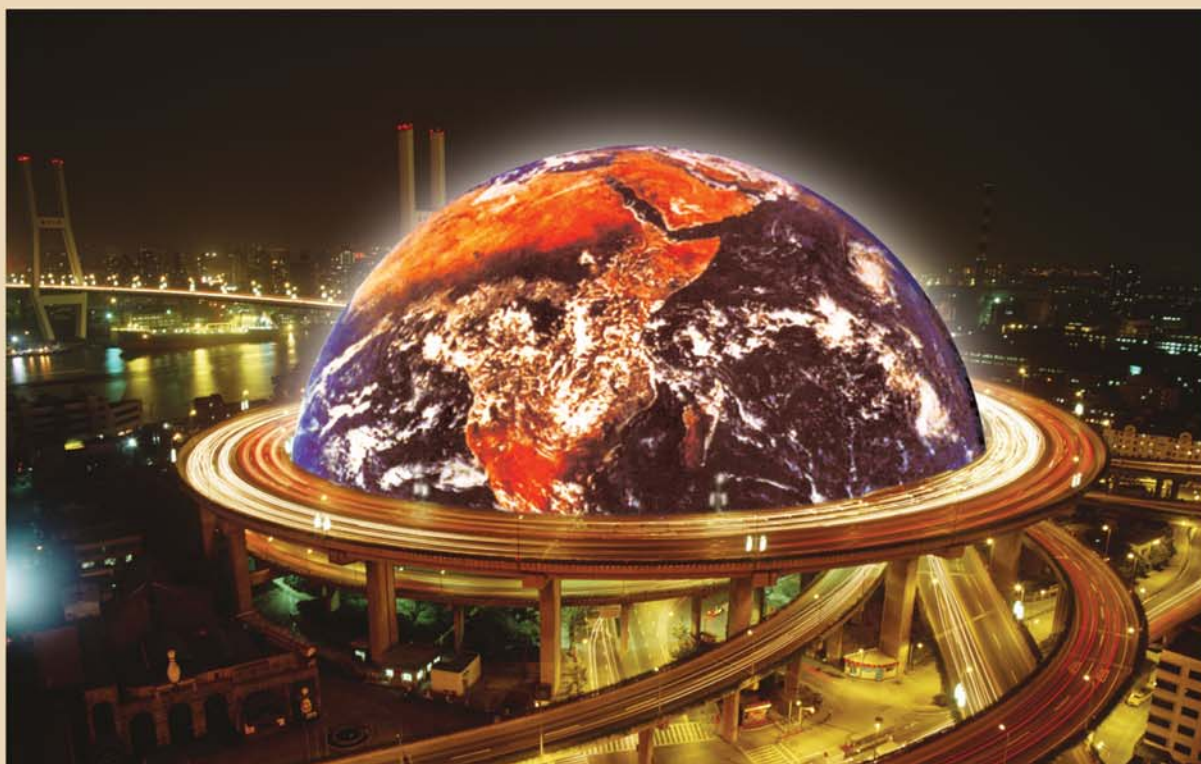
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