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Building Strong Partnerships



 **NEW
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Founder Chairman
Late Shri R.K. Prasad

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collected from various sources, which are considered to be
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before making business decisions using the same.



Dear Reader,

Greetings. Economic relations between India and the United States have been on an upswing in the last two years, since the path-breaking visit of Prime Minister Manmohan Singh to that country in June 2005, followed by President George Bush's India trip in March 2006. The last two years have been dotted with frenzied exchange of visits, business delegations to and from both countries exploring the possibilities of investment opportunities and joint ventures. All this has happened on the ground work laid by dedicated organizations which had a vision of building a great edifice of Indo-US relations. One such organization is Indo-American Chamber of Commerce (IACC), which thoughtfully launched Indo-US Economic Summit, the first edition in September 2004, laying down an agenda for both countries to consider in order to take their relations forward. This September, IACC will be holding its 4th Indo-US Economic Summit 2007, with "Building Strong Partnerships" as its theme. We are delighted to give you a mega issue on the occasion of the Summit. The cover story of the current issue of Indo-US Business presents a curtain raiser for the forthcoming Summit, highlighting its importance in the overall context of the relations between the two countries and its significance as a facilitator and motivator in further forging them. In the magazine's focus section, we carry a couple of reports on Intellectual Property Rights (IPRs). One of them, a presentation by D.B. Modak at the recent IACC conference on IPRs, argues that it is essential to protect IPRs in order to encourage innovations. The other, which deals with the legal aspects of IPRs, was presented by Pratibha Singh. It calls for an independent mechanism for preventing misuse of databases. Maharashtra's Chief Minister Vilasrao Deshmukh knows that his state is strapped for funds, especially for building infrastructure, which is essential for economic growth and to spur the flow of further investment into the state. Keeping this in mind, Deshmukh visited the United States recently to campaign for funds. He attended a seminar organized by Maharashtra Investment Forum and called on top notch industrialists such as Microsoft's Bill Gates. We carry a report. Madhya Pradesh has an altogether a different agenda. The state is hosting a Global Investors' Summit in October. In order to make it a big success, Chief Minister Shivraj Singh Chouhan led a business delegation recently to the US where he met up with a number of prospective investors. We present a write-up. Then there is plenty of corporate news covering acquisitions, expansions, etc. Added to all this, are the magazine's regular features.

Satya Swaroop

Managing Editor

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My Dear Fellow Members,

I sincerely thought that the Indo-US nuclear deal will be taken to its logical end during my tenure as the President. There was overwhelming support for the pact from both sides. Energy self-sufficiency is a long cherished dream of India to accelerate the process of growth. Widening power deficit among the States, despite a half-hearted effort to reform the power sector, is definitely a cause for concern. There is a limit for tapping other forms of energy since the projects will be experiencing long gestation periods. Also, a hydel project can be set up only where water is available in plenty with the attendant attributes like presence water falls, facility for keeping water in the reservoir without inundating into other areas etc. Thermal and gas based power generation can be undertaken only where the coal and gas are available in abundance. Nuclear energy can be set up anywhere in the country. The recent estimates say that in 15 years time, India would generate, rather it has to generate 25,000MW to meet the increasing peak demand. This is a tall order having regard to the fact that since independence, we could augment the power generation only by 3500MW. No doubt, tapping nuclear energy is a must for generation of power to that magnitude. I am sure sooner or later, we have to bury the political differences and start thinking what is good for the country. That way, I believe that the Indo-US nuclear deal will be in stream in the conceivable future.

Yet beyond the nuclear deal or the skirmishes surrounding that, the bilateral relationship between our two countries has touched a new high. I am not talking about increasing trade, investment or the recent trend of India investing in the US. That, no matter, is significant. But more important are the increasing number of pacts that are being signed between the two countries in

the field of education, agriculture, aviation, protection of intellectual property rights and the list goes on. These are segments that were not given the right importance in the past. I remember, I was advised by the secretariat to write my first message in these columns on agriculture. On hindsight, I turned down that proposal on the ground that it was not the high point of the two-way economic cooperation. But that is now history. The Indo-US Knowledge Initiative on Agriculture Research and Education is a landmark agreement. The pact will pave the way for joint research and sharing of information on agriculture, a critical component of India's growth.

Indo-US Aviation pact signed between the Ministry of Civil Aviation, Government of India and the Federal Aviation Authority (FAA) this year and subsequent high level consultations between the two countries, would open up new vistas of cooperation. Boeing, the largest aircraft manufacturer, is focusing on India as never before, not only for selling commercial and military aircrafts to India, but to position itself in the emerging huge aerospace of India. Boeing is setting up manufacturing bases for the production of ancillary products and for training pilots. Education is another Greenfield area, where there is heightened activity. Against the backdrop of India's decision to set up over 1500 universities and over 200 institutes of excellence, one can only imagine the type of support that the US can extend to India in providing quality education and research infrastructure.

Happily, 4th Indo-US Economic Summit is taking place at a time when there is a renewed vigor and dynamism in the bilateral relationship. Our effort is to catalyze the forces that can further cement our economic relationship. We have carefully selected subjects that are contemporary viz farm to retail, medical and healthcare, education and management, infrastructure



and manufacturing for subjects of discussion for various sessions of the Summit. There are huge business opportunities and challenges in these segments. I am sure in-depth and informed discussions on these subjects will take place at the Summit.

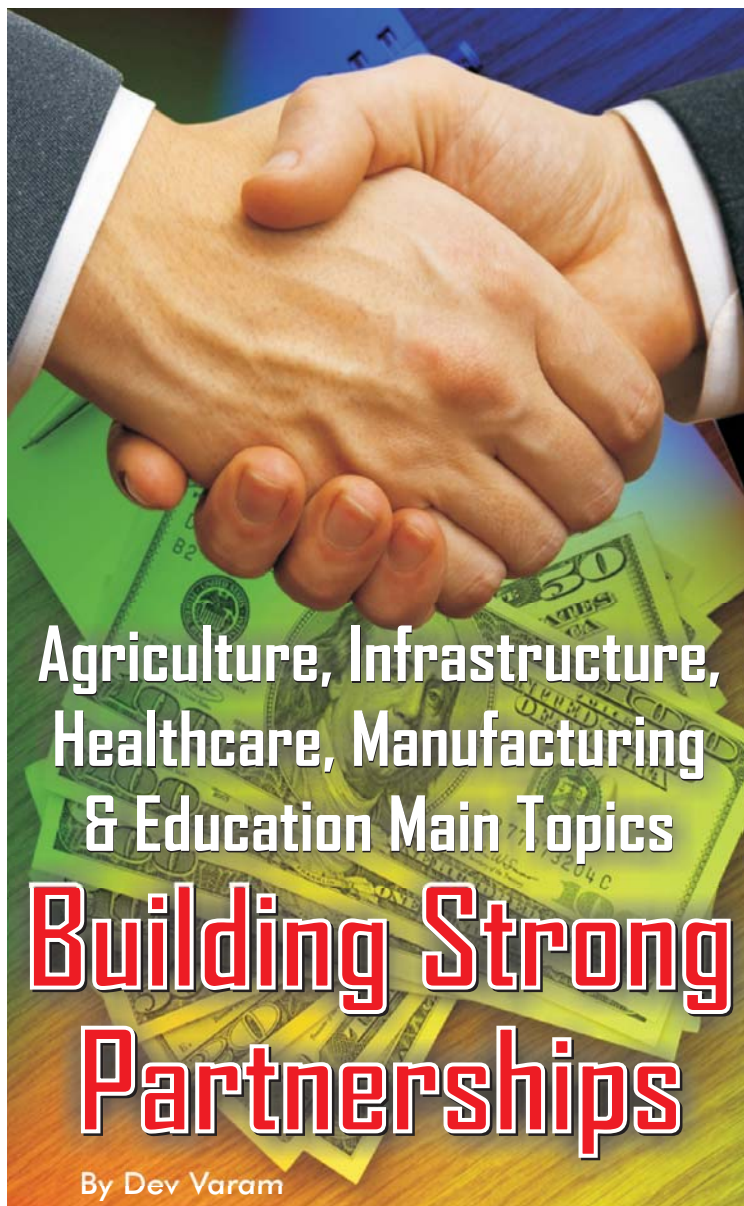
Indo-US Economic Summit is now the flagship event of IACC and helped us to brand ourselves and build connectivity across the businesses of India and the US. That as the base, we have treaded into new areas, which no business organization has ever attempted. Indo-US Business Confidence Index, which we are launching along with the Economic Summit is the first scientific effort to measure the level of business confidence among the businesses of both the countries. We have commissioned ICRA to construct the indices, which I am sure will become a source of reference not only for

the two Administrations and businesses but also for researchers, academia etc. I am confident that the effort that we have initiated this year will be consolidated and built on in future. My dream is that the Index that we have pioneered should be first point of reference for the businesses of both countries.

During the close of this month, I am laying down my office as the President of IACC. It was a stimulating experience for me. I have received unstinted support from Regional Presidents and the Secretariat led by Secretary General R.K. Chopra. I am grateful to all of them. Friends, we started making impact. Let that impact more pronounced and sustained. Let us all work together to keep the IACC flag flying high.

Deepak Pahwa

National President, Indo-American Chamber of Commerce



Agriculture, Infrastructure, Healthcare, Manufacturing & Education Main Topics **Building Strong Partnerships**

By Dev Varam

Economic relations between India and the United States in recent years have reached such a stage that only building strong partnerships can sustain and boost them further. Hence, Indo-American Chamber of Commerce (IACC), which is holding the 4th Indo-US Economic Summit from 18 to 20 September 2007 in New Delhi, has appropriately chosen the theme - Building Strong Partnerships for the three-day annual mega event.

4th



18-20 Sept 2007, New Delhi

The 4th Indo-US Economic Summit, in which nation-building industrialists, policy and decision makers, economists and educationists make presentations and participate in brain-storming sessions, will surely lay down a roadmap for stronger partnerships between India and the United States at various levels of public and private sector and governments of both nations.

The Summit will kick off with the inaugural session on 18 September, when David Mulford, US Ambassador to India and Montek Singh Ahluwalia, Deputy Chairman of the Indian Planning Commission, addressing the delegates. Other celebrities of the day include S.S. Menon, India's Foreign Secretary and William Norbraga, CEO of Conrad Group of the US, besides Deepak Pahwa, President, IACC.

Quite logically, the first session of the summit takes up agriculture, food processing, cold chain management and food retailing in India. The topic is of great significance for India, whose economy is based on agriculture and where nearly 70 percent of the country's population depends on it for a livelihood. Subodh Kant Sahay, India's Minister of State for Food Processing Industry will participate in the proceedings. Food processing is one the areas in there is tremendous scope for foreign direct investment in view of the country's growing requirements of technology, cold storage facilities and transportation in this crucial area. In fact, Ambassador Mulford had highlighted agriculture, along with energy and infrastructure as a key area for partnerships during the 3rd Indo-US Summit in



September 2006. India and the US have also signed Agricultural Knowledge Initiative (AKI) which enables this country to derive benefits from American research and technological know-how in the farm sector.

The Indian government is keen to step up agricultural growth from the tardy average of less than 2.0 percent per annum at present to 4.0 percent. For this, agriculture needs diversification, modern technology, marketing and private sector linkages. This is where the US fits in. While India is the second largest producer of fruits and vegetables, only 2.0 percent of it is processed. According to a recent study of the Indian food processing industry, the total turnover of the food market is \$70 billion, of which food products constitute \$22 billion. The government has been encouraging FDI and joint ventures in food and agro processing and 100 percent export-oriented units. The Summit will look at all these issues.

The second session of the Summit deals with the timely topic of healthcare; how it is viewed in India in the context of rising incomes and resultant awareness of wellness as an essential ingredient of today's lifestyle. In the last few years, India's pharmaceuticals industry has made phenomenal progress in terms of growth and several companies have established a global base for operations, marketing and future expansion. The growth of the pharma sector has coincided with the current phase of India's economic liberalization and the country's

endeavour to globalize its economy. Healthcare has opened up opportunities for private investment and side by side medical tourism has begun to flourish. Issues that will come up for discussion at the Summit will include emerging trends in healthcare in India, investment opportunities that this sector offers, the debut of nano technology and opportunities and challenges in medical tourism. Naresh Dayal, Secretary in the Ministry of Health and Family Planning, Shivinder Singh, Chairman of Max Healthcare are among the panellists for discussion.

Healthcare, a \$35 billion industry, is expected to grow to \$75 billion in the next five years. The private sector today accounts for more than 80 percent of the turnover. The Indian government is engaging the private sector in delivery mechanism to achieve desired goals and improve upon macro health indicators. A wide range of Public-Private Partnerships (PPPs) have been initiated.

The third session on the Summit's second day will have Education Management as the topic of discussion. It is a fact that Indian students go to the US for higher studies in large numbers and that country remains number one destination for them to work and to settle down. Sam Pitroda, Chairman, National Knowledge Commission, will participate in the discussion on education through a video conference.

A major problem faced by industry today, particularly in the manufacturing sector, is non-availability of technically qualified people. The demand for such skilled manpower





far exceeds supply. Management of Education by providing requisite skills is the need of the hour.

It is apt to quote Prime Minister Manmohan Singh in this context. "We need to ensure far greater availability of educational opportunities at the higher levels so that we have not just a literate youth but a skilled youth, with skills which can fetch them gainful employment. As our economy booms and industry grows, I hear a pressing complaint about an imminent shortage of skilled employees. As country endowed with huge human resources, we cannot let this be a constraint."

Infrastructure - Economy's Lifeline

The first session of the Summit's third day is devoted to infrastructure - Civil Aviation and Aerospace, Roads, Ports and Real Estate. The speakers include Vivek Lall, Vice President and Country Head, Boeing, Ron Somers, President, US India Business Council.

Today, most of India's developmental programmes are depending on

simultaneously building the country's matching infrastructure, which alone needs an estimated \$320 billion in the next five years. Investment in infrastructure is only 5.0 percent of India's GDP and needs to be pushed up to 8.0 percent, by 2011. The break-up of the investment required immediately for building highways (\$ 48.9 billion), airports (\$15 billion), major ports (\$11.1 billion) and minor ports (\$4 billion) for upgrading them to international standards. These investments in projects spread across the country will provide opportunities for Public-Private Partnerships (PPPs).

Real estate is still in a beginning stage and hence the opportunities are immense. It is believed that investments in infrastructure will spur real estate activity. Housing requirements of this country of more than one billion population are mind-blowing. That is why the government has allowed 100 percent foreign equity in the infrastructure sector, considering its potential as a single, mega, growth engine. The Indo-US Economic Summit will address all the issues, from the point of view of opportunities, challenges, and bottlenecks.

Manufacturing

The final session of the Summit on the final day centres around manufacturing, an activity that has gathered tremendous momentum in the post liberalization era. The topic of discussion is Manufacturing in India: Leading Opportunities; to begin with, India as a manufacturing Destination for Hardware; knowledge-based Manufacturing; Outsourcing of Engineering, Design and Research &

Indo-US Trade in '07 First Half Up 19 pc at \$17 bn

Trade between India and the United States during the first six months (January to June 2007) of the current year stood at US \$ 17.98 billion, an increase of 19.79 percent over the same period previous year.

US Exports to India have gone up from US \$ 4.64 billion to US \$ 6.27 billion, an increase of 35.25 percent and US Imports from India have gone up from US \$ 10.37 billion to US \$ 11.71 billion, an increase of 12.87 percent during the same period.

US Exports to India increased by 26.31 percent from US\$ 7.99 billion to US \$ 10.09 billion and US Imports from India crossed US \$ 21.82 billion

from US \$ 18.80 billion, an increase of 16.07 % for the same period over previous year.

Trade with India : 2007

NOTE: All figures are in millions of U.S. Dollars.

Month	Exports	Imports	Balance
January 2007	1,031.6	1,999.0	-967.4
February 2007	898.1	1,700.6	-802.5
March 2007	958.5	2,131.6	-1,173.1
April 2007	773.1	1,980.2	-1,207.1
May 2007	1,522.2	1,995.0	-472.7
June 2007	1,091.8	1,901.5	-809.7
TOTAL	6,275.4	11,707.8	-5,432.5



Development Services; Pertinent Legal Issues arising in Outsourcing to Indian companies.

There will be keynote addresses by leading industrialists highlighting India's business strengths and how to take advantage of them.

It is a fact that India's economic reforms initiative has life into domestic manufacturing activity contrary to fears that it will stifle life out of domestic companies. Liberalization and globalization have provided unprecedented and unlimited opportunities for the growth

and expansion of Indian industries, especially the manufacturing segment. India is fast emerging both as an attractive manufacturing location as well as a market for manufactured items.

India's skilled workforce is skilled and possesses technical expertise to turn this country into a manufacturing base for hardware electronics. The country has also emerged as a base for knowledge and design-based manufacturing and a centre for Research and Development Services.

India has competitiveness in high-end manufacturing and the economy is expected to witness a boom in hardware manufacturing, especially in the IT and Telecom sectors. Major global players have already committed heavy investments in the manufacturing sector.

The Indo-US Economic Summit will delve deep into various aspects of manufacturing that needed to be spruced up for attracting more joint ventures and an uninterrupted flow of FDI. ■



India is currently the 21st largest export destination for the US. US exports to India for January - December '06 was \$10.0911 billion. US imports from India for January - December '06 is \$21.8263 bn. ■

Trade with India : 2006

NOTE: All figures are in millions of U.S. Dollars.

Month	Exports	Imports	Balance
January 2006	596.4	1,857.6	-1,261.2
February 2006	722.1	1,565.4	-843.3
March 2006	810.0	1,841.2	-1,031.1
April 2006	832.6	1,682.6	-850.0
May 2006	937.8	1,792.2	-854.4
June 2006	740.8	1,633.5	-892.7
July 2006	696.2	1,783.2	-1,087.0
August 2006	950.1	2,100.3	-1,150.2
September 2006	1,037.7	1,983.7	-946.0
October 2006	922.3	2,034.2	-1,111.9
November 2006	784.3	1,798.1	-1,013.9
December 2006	1,025.9	1,758.8	-732.9
TOTAL	10,056.2	21,830.8	-11,774.6

The Previous Summits - Visual Highlights





IPRs Protection Vital for Innovation

D.B. Modak, Managing Director, Spectrum Business Support, in a presentation at the Intellectual Property Rights (IPRs) conference organized recently by Indo-American Chamber of Commerce (IACC), quotes authoritative sources to prove that if intellectual property rights are not protected there would be no innovation. Modak touches upon the issues relating to Copyrights, Software Protection or Digital Rights Management followed by suggestions about exclusive rights that a Copyright owner should have.

In his presentation Modak has stressed on the five exclusive rights of Copyright owner. These include rights:

- To fix (store) info in tangible form
- To reproduce copyrighted work
- To sell, rent, lease, or otherwise distribute copies to public

- To perform or publicly display copyright work
- To prepare derivative works based on copyright work

According to Modak, caching, browsing, mirroring, downloading, uploading and file swapping all infringe copyrights in the strict sense.

Websites catering to e-commerce are typically dynamic using technologies such as Active Server Pages. However "short" duration the appearance on the web maybe this could amount to a "reproduction in a material form" and could be taken as "fixed" thereby yielding copyright.

When a webpage is "viewed" by a person using a browser, it appears clear that "display" occurs, akin to "publication". Website owner is deemed copyright owner.

Hence, WIPO Copyright Treaty and WIPO Performances & Phonograms Treaty, 1996 between nations and subsequent nation-specific enactments worldwide.

Key provisions of WIPO Treaties

- Interactive or otherwise communication of a work (a performance or a programme) is covered by exclusive rights
- Authors enjoy exclusive right to authorize any communication to the public by wired or wireless means, in such a manner as to be accessible to public at a time and place of their choice

Some key Definitions

- Sec 2 (o) defines Literary Works to include: "Computer programmes, tables and compilations including computer databases"
- Sec 2 (ffc) defines Computer Programme as: "a set of instructions expressed in words, codes, schema(e)s, or in any other form including a machine readable medium, capable of causing a computer to perform a particular task or achieve a particular result"
- Sec 2 (ffb) "Computer includes any electronic or similar device having information processing capabilities"
- Sec 2 (d(iv)) "Author of a computer generated work is



the person who causes the work to be created”

- These technology-neutral definitions are capable of absorbing future developments in digital tech
- Sec 14 (b) introduced in 1994 bestows upon computer programmes all the rights enjoyed by a literary work and in addition sale and rental rights
- Multi-media works combine different elements viz text, sound, still and moving images of different classes of works

A case study on Copyright

The Delhi High Court in *Microsoft Corporation v Deepak Raval & Anr* has given a strong and candid judicial response to the menace of copyright infringement and infringement of other IPRs. The Court held that rampant IP rights violations can only be prevented by imposing punitive damages and not by merely making the infringer reimburse the IP owner for the losses suffered.

The Court awarded punitive damages of Rs. 5 Lakhs (\$10,500) and held that punitive damages should be really punitive and not a flea bite and the quantum thereof should depend upon the flagrancy of infringement.

Management and administration of Copyright in the Digital Environment for fostering business interests in the case of product software companies IPRs are like money to Banks.

TRIPS Agreement

- “Computer programmes whether in source or object code, shall be protected as literary works under the Berne Convention” Article 10.1
- Advances in technology have produced radical shifts in the ability to reproduce, distribute, control and publish information
- With its commercialization and integration into everyday life, the information infrastructure has run headlong into intellectual property law
- Theft in the commonly understood meaning of the term is depriving the owner of property from access or use thereof in the case of information, it really means inappropriate or illegal movement of information to a person who should not have it without depriving the person who has it from access thereto
- Reiterated in Art 4 of the WIPO Copyright Treaty (WCT) Protection applies to computer programmes,

whatever may be the mode or form of their expression

- Berne Convention Art 2 defines Literary and Artistic works as including “every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression”

Reasons for Difficulties

- Stakeholders are many and varied
- Content creators have different agendas, handle IP according to varying strategies, and look for different kinds of ROI
- Fundamental legal concepts can be interpreted differently
- Laws and practices vary worldwide, yet networks have a global reach
- Economics of information products and IP can be subtle
- The information infrastructure blurs the distinction between publication and private distribution inviting a fresh look at the very concept of publication

Management of Copyright in the Digital Environment

- Technology made cheaper, faster and with absolute fidelity
- Solutions thru' new technologies of access control or copy control mechanisms such as encryption technology or water marking incorporated into works distributed over digital networks with a view to protecting them from illegal exploitations
- Counter technologies developed

Copyrights vs. Patents

Software patents do not patent programs; they patent the idea on which the software is developed. And if ideas can be patented, then a range of applications can be claimed to have infringed some idea or the other.

Unlike copyright, which only protects the code as written, patents protect the idea underpinning the code. Thus, copyright protection protects what we write; others can copy the idea but not the actual code. Thus we can copy Shakespeare's plots (which is also what Shakespeare did) but not his language

Quite often, neither the patent holder nor the others know the extent of the area which it covers and thus can

be used by large companies to drive out competition. Even if a completely novel idea is used by a company, say IBM (or Microsoft), such a company could say that the package as a whole violates some other patents that it holds and therefore the smaller company should cross-license its idea with IBM in lieu of IBM allowing them to use these patents. As neither the patent office nor the judicial system understands the concepts and ideas on which software is built, they then tie up smaller companies for years.

Opposition to software patenting

In Europe, there is huge opposition to software patenting, with small business organisations, leading scientists, and economists opposing this measure. The European Parliament has been forced to defer software patenting several times.

"Software Patents Directive" aims to clarify what is patentable and what is not at a European level, given the many different national laws on patenting. In this directive, only software, which is embedded in hardware, is sought to be opened for patent protection.

Most small business organisations in the EU and a number of countries have opposed the directive. At present, even this limited patenting of software in EU is on hold.

Indian Software & Intellectual Property in the Future

Shift in Software company strategies

Software Industry business model is changing. Being a low-cost vendor of entry level customized software services is no longer the main basis for competing by Indian software companies.

The industry is seeking to move up the value chain toward more complex tasks of design, systems integration, and consulting that require more customer contact, more domain knowledge, more innovation, and more project management.

There is also an attempt on the part of some companies to develop mass-marketed packaged software products for themselves or others. iFlex, Persistent Technologies.

Rights Management

Currently a wide variety of business models, legal mechanisms and technical protection services are

being created, tried out, and in some cases discarded, at a brisk pace. This process will continue to allow all parties to find models & mechanisms well suited to their needs.

Rights holders should carefully consider different business models for distribution of digital information. Proper selection of the business model may reduce need for technical or legal protection lowering development, monitoring and enforcement costs. While the appropriate business model can obviate need for technical protection in some products eJurix vs Grand JURIX; for others viz, movies, substantial protection may be necessary. And, even the strongest protection mechanisms are likely to be soon inadequate/obsolete.

Research and data collection needs to be pursued to better understand what types of digital copying people think are permissible, what they regard as infringements, and what falls into murky ill-defined areas; how these views differ from one community to another, how they differ according to type of material, how user behaviour follows user beliefs, and to what extent further knowledge about copyright law is likely to change user behaviour.

Copyright law should foster the maintenance of a viable economic framework of relations between owners and users of copyrighted works.

Copyright laws should encourage enhanced ease of compliance rather than increasingly punitive enforcement measures.

Determination as a methodology (Like PILs/ ADR) to help determine legal issues rather than waiting for disputes to happen

Conclusion

The industry is still a Work-in-Progress, and will likely remain so for at least a decade more resultantly, legal issues around its use fair or otherwise are still evolving. Hence, Internet trading poses some important legal problems to be considered when making the commercial decision to move into e-business

To ensure you're doing the right thing, apply the tests mentioned earlier, but equally importantly, monitor current legislative and case law developments to keep yourself well enough informed before making IPR related decisions. ■



Independent Mechanism Must for Checking Database Misuse



Prathiba M. Singh

Prathiba M. Singh, LLM (Cantab) of Singh & Singh, Advocates, in a lucid and detailed presentation at the IPRs Conference organized recently by Indo-American Chamber of Commerce (IACC), talks about database protection, the practices prevailing in the US, the European Union and India. She calls for an independent mechanism to check the misuse of database and which has been formulated solely for database protection.

Just Think...

- How often have you got a marketing call and wondered where the caller got your name and number?
- How often have you created a complete list of your client's names & addresses and found that an ex-employee has walked away with it?
- How often do you feel apprehensive of the enormous amount of data on your office systems and wondered if you should collate and preserve them?
- Credit card companies, airlines, telephone companies, publishers, music companies... all have their databases
- We are all aware of the commercial value of databases
- The question today is

How are Databases Protected?

What are Databases

- Can be described as an information set with a regular structure
- Collecting data from many different sources and translating them into meaningful information,
- Front-end allows data access, searching and sorting routines, whereas, its back-end affords data inputting and updating.
- Usually but not necessarily stored in some machine-readable format accessed by a computer.

Examples of Databases

- Lists of phone numbers and addresses of a particular organisation or club
- Law reports
- Lists of clients and their addresses
- Dictionaries
- Schedules of parts or articles and their rates or process
- Engineering or architectural drawings
- Works of art, photographs and other drawings/images
- Music and sounds
- Texts of documents
- Mixed text and graphics
- Films and film extracts
- Computer programs
- A combination of two or more of the above.

Protection of Databases

- Databases in today's world have a huge market & commercial utility.
- Enormous effort, labour and skill is expended in creating them.
- Are they entitled to protection like other IPRs is the question.

Databases are broadly of three kinds:

1. Containing purely public domain information;
2. Containing purely new or information exclusive to a person or organisation;



3. A combination of public domain and new/exclusive information.

THE EXTENT OF PROTECTION DEPENDS ON THE NATURE OF THE DATABASE.

Database Right Vs. Copyright

Copyright protection for databases

- Under copyright laws, Databases are protected as "original literary works"
- Separate tests have been evolved for protection of databases.
- The fundamental test is ORIGINALITY
- USA Test of originality is "The work must be original and must possess a modicum of CREATIVITY".

Database Right Sui Generis Systems

- Database Right is granted if;
- The Database is commercially viable
- If substantial investment is expended.
- Some databases could enjoy protection under both Copyright laws and under the Sui Generis Systems.

Differences

- Database right is in many ways very similar to copyright so that, for example, there is no registration for database right it is an automatic right like copyright and commences as soon as the material that can be protected exists in a recorded form.
- Database right can apply to both paper and electronic databases.

Protection of Databases in the US

Feist Publications, Inc. v. Rural Telephone Service Co. 499. US 340 (1991)

- The United States Supreme Court denied copyright protection to the white pages of a telephone directory
- The Court made it clear that a compilation does not qualify for copyright protection unless information is selected, coordinated or arranged in an original manner.
- Non-original, non-creative databases (such as an alphabetical listing of names of people in a particular geographic area) do not qualify for copyright protection, no matter how much labour and capital have been expended to create them.

As a result of Feist, database producers receive very limited protection for their efforts and investment. Even if the data are compiled in an original and creative fashion, the US Copyright Act only grants protection to the particular selection or arrangement. The underlying data, however, remains free for people to copy, extract or reutilize. Thus, except against wholesale copying, copyright protection is virtually unavailable to databases.

Though, Feist decision did close the door for copyright protection of non-original, non-creative databases, the decision suggests unfair competition laws, such as those protecting against misappropriation, as an alternative form of protection for databases

National Basketball Association v. Motorola 105 F.3d. 841 (2nd Circuit 1997)

- The Second Circuit confined the protection of state misappropriation laws to time-sensitive materials that were appropriated for competition purposes.
- Was decided that since most database contents are archival, rather than time-sensitive, in nature, state misappropriation laws offer very limited protection for databases.

Database Protection in the European Union

- In 1996, the European Union promulgated the European Parliament and Council Directive on the Legal Protection of Databases. This directive required member states of the European Union to implement database protection laws by January 1, 1998.
- EU Directive defines database as "a collection of independent works, data or other materials arranged in a systematic or methodical way and individually accessible by electronic or other means," thus offering protection to both electronic and non-electronic databases.
- EU Directive also seeks to harmonize European copyright laws with respect to their protection of databases that constitute "the author's own intellectual creations."
- Databases are protected against unauthorized extraction and reutilization for a term of 15 years regardless of their eligibility for copyright protection. Additional terms of 15 years will be granted upon showing of changes that constitute a "substantial new investment."



- It also grants sui generis protection to databases created as a result of "substantial investment" by the database producers.

- EU Directive also includes a reciprocity provision that denies protection to databases produced in non-European Union member countries that do not offer comparable protection to databases.

International Norms and Treaties

Copyright protection of original databases is well established and harmonized through international treaties like:

- Berne Convention for the Protection of Literary and Artistic Works
- Trade-Related Aspects of Intellectual Property Rights [TRIPS Agreement]
- WIPO Copyright Treaty.

Provisions under WTO Agreement

- Two basic principles put forth in the Agreement for the protection of databases are:
- The copyright protection of compilation of data or other material in machine-readable or other form is given to the intellectual creations of the selection or arrangement of the contents as such
- The protection is not extended to the data or material itself and is without prejudice to any copyright subsisting in the data or material itself.

Provisions under the Indian Copyright act

The Indian Copyright Act, 1957 was amended in 1994 to extend more effective protection to owners of copyright by making provision for the special nature of computer programmes as literary works and for the protection of computer generated works. The amendments included in the meaning of 'Literary Work' the works such as computer programmes, tables and compilations including computer databases.

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Protecting Personal Information in Databases

- Many databases are established which contain the personal information about individuals e.g. members of a library or business card holders.

- Such databases have raised issues regarding protection and misuse of personal information of individuals

- Misuse may occur wherein unwanted mail is dumped to individuals whose addresses are obtained from the computerised databases

- Many countries have responded to privacy concerns of such databases by introducing data protection legislation

- The legislation allows individuals who are the subject of such databases the right to know what records there are about them and the contents of those records

Conclusion

- Many databases are a collection of copyright works, such as an on-line database of poetry from the last fifty years where each poem will be protected by copyright.

- People compiling databases need to make sure that they have permission from the copyright owners for use of their material and people using databases need to be aware of the rights of copyright owners as well as database right owners.

- Where a database has been delivered on-line, though, there will often be a contractual agreement between the database owner and the user setting out what use is permitted, and this will generally take precedence over any exceptions in the law.

- Protection equivalent to database right should exist in other countries in the European Economic Area but not necessarily in the rest of the world, although all members of the World Trade Organisation do have an obligation to provide copyright protection for some databases

- The need to provide appropriate protection to data and databases in general is crucial in today's times, when a small loophole in their protection has the potential to cause havoc of a mammoth nature.

What is currently needed in most parts of the world, including the United States is something like the EU Database Directive, which is an independent mechanism to check the misuse of database, and which has been formulated solely for database protection, thus taking out of the archaic definitions of the Copyright Act. ■



Maharashtra CM's Visit to US MIF Gets Strong Response from Investors & Funds

Chief Minister Vilasrao Deshmukh's eight-day visit to the United States started on June 27 in New York, with attending a seminar of MIF (Maharashtra Investment Forum) 2007, the first of its kind to be organized by any state from India in the US. The conference, held in New York, was attended by more than 250 delegates.

Several panel sessions were planned to enlighten the delegates of the investment opportunities, strengths of the State. They were also apprised of the measures taken to address the critical issues those were highlighted during the panel discussions. The subjects for panel sessions included Strengths of state and investment opportunities in the areas of SEZs, Infrastructure, Knowledge-Based industries, and manufacturing industries. One session also focused on how the investors view India and what are their expectations from State Governments. The Speakers from the State Delegation assured the delegates that the State is firmly behind the investors and is committed to provide fast track implementation of the project and ensure that the infrastructure will keep pace with the demands of the investors.

The Forum generated lot of interest in investor's community - portfolio Investors as well as Funds. The success of the Forum will be measured not only by the investors setting up plants in the State but the FDI flow into the State in various projects undertaken in Infrastructure, SEZs, Various domestic companies undertaking green

field and brown field projects in the State. After the forum was over, Investors had one on one meeting with various sponsors. The initial feedback is very encouraging.

Round Table Conference with Ratan Tata

The much awaited Round Table conference with Ratan Tata, chairman of the Tata Group took place on the second day of Chief Minister Vilasrao Deshmukh's US visit.

Tata called upon the Government to ensure that there is a balance growth across the State. It is necessary to take steps to ensure that all the people across the State,





whether residing in urban or rural areas need to reap the benefits of development, he said, adding that this can be done by ensuring that adequate opportunities are created in agro processing, service sectors including logistics, retail and areas other than IT.

Deshmukh assured that his government is fully seized of the issues concerning the investors and his government has already initiated short term as well as long term measures to tackle these issues. He said that it is the policy of the Government to ensure that there is all inclusive growth and the common man does not feel left out. The Government believes in development with a human face. The Government is committed to ensure that the infrastructure keeps pace with the development. The measures initiated on this front necessitate tremendous investment and it in this context the State has come to enlighten the investors of the opportunities that exist for investment in the State, Deshmukh said.



V.K. Jairath, Principal Secretary (Industries) told the gathering that the Industrial, investment and Infrastructure policy of the State Government has been evolved taking into account the various concerns highlighted during the discussions. It envisages a focused approach for infrastructure development, special policies to promote agro-based industries, retail, entertainment etc.

MIDC Sings Pact with Vornado Realty Trust on Hinjawadi Township



MIDC and Vornado Realty Trust, USA. signed a shareholder's agreement at the Metropolitan Club in New York City in the presence of Chief Minister Vilasrao Deshmukh. This agreement paves the way for an investment of around US\$200 million over a period of five years at Hinjawadi for the development of an integrated township to provide walk to work culture for software professionals working in MIDC's IT parks.

Vornado is famous for creating world class infrastructure and is credited with creating the globally renowned Crystal City in Washington DC and the Bloomberg towers at New York. Vornado Realty Trust is the third largest real estate investment trust in the US.

Meeting with Bill Gates

Chief Minister Vilasrao Deshmukh met legendary Bill Gates of Microsoft in Seattle and spent more than an hour with him. Gates listened to the proposals from the State delegation in which Microsoft and state government can work together.

Following areas were identified where MICROSOFT has agreed to help the state government. These include: School Management Software; Unicode Standardisation; Land Record Application Enhancement; and Microsoft Unlimited Potential Program.

Besides the above areas, MICROSOFT has agreed to work together with Concerned departments of Government for developing software that will help disseminate information to farmers in improving price realization and productivity as also for developing software to implement the policy initiative of setting up Labour Market Information Cell.

To strengthen the relationship, the company announced to set up its third facility in India in the State at Hinjawadi. Meeting with Boeing Chief Carson.

Chief Minister Vilasrao Deshmukh also met CEO & President, Scott Carson of Boeing at the Head Office in Renton, Washington State on 28th June. Carson said that the Maharashtra Government had been fully supportive of Boeing in its MRO project in the state at Mihan SEZ in Nagpur. ■



Maharashtra Grapes Put India on Global Wine Map

Grape is one of the most commercially important crops of the world and is a fairly good source of minerals like calcium, phosphorous, iron and vitamins like B1 and B2. Its juice is mild, laxative and acts as stimulant for kidneys. It is one of the most ancient crops known to man.

Among all fruit crops, grape is one of the major crops in India with 60,000 hectares cultivated area and 16 lakh tonnes of annual production. Maharashtra is a leading state in cultivation, production and export of grapes in the whole country. The total area under grape in the state is 40,000 hectares with an annual production of 11 lakh tonnes. The main grape producing districts in the state are Nasik, Sangli, Solapur, Pune, Ahmednagar, Latur, Osmanabad and Satara.

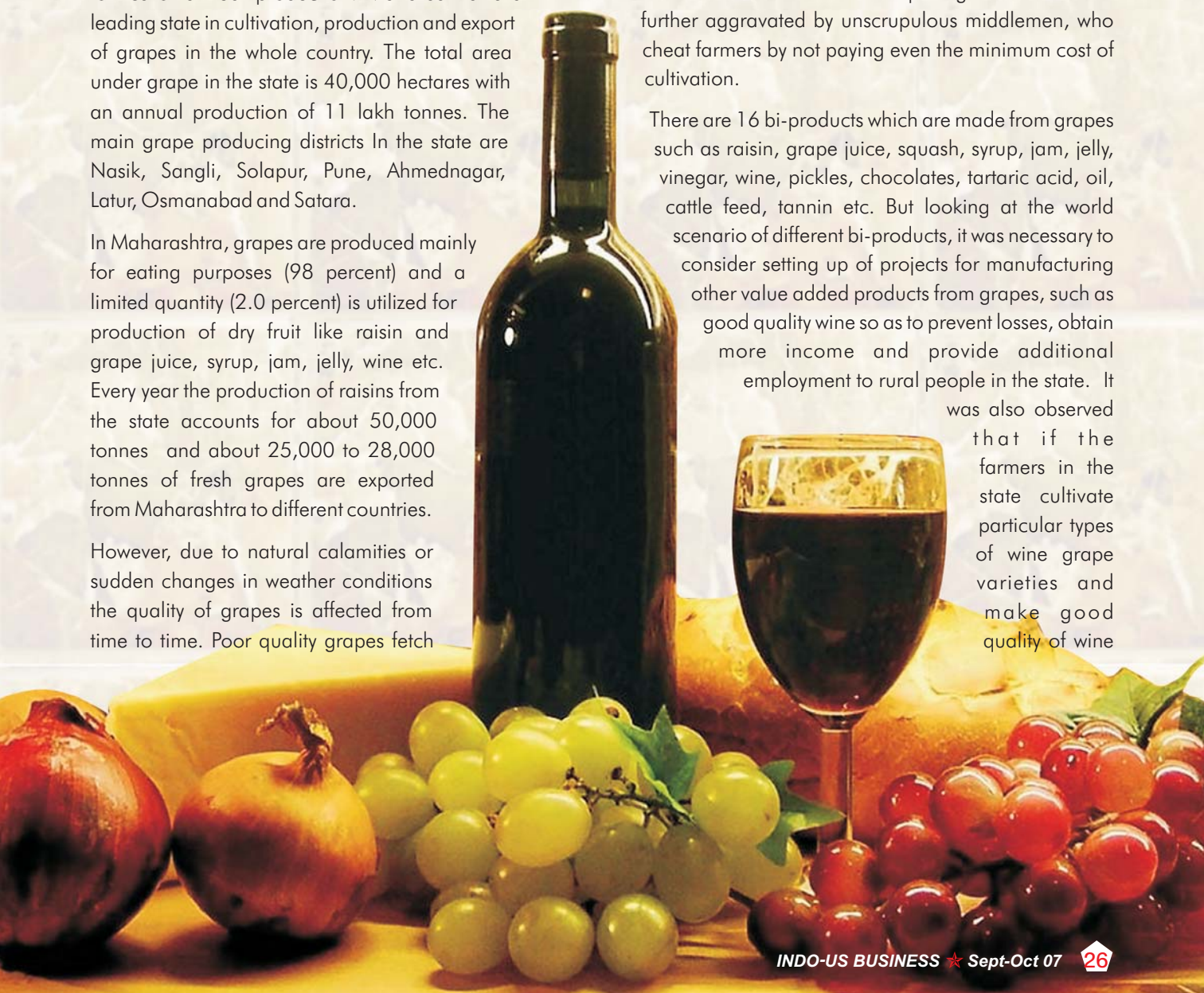
In Maharashtra, grapes are produced mainly for eating purposes (98 percent) and a limited quantity (2.0 percent) is utilized for production of dry fruit like raisin and grape juice, syrup, jam, jelly, wine etc. Every year the production of raisins from the state accounts for about 50,000 tonnes and about 25,000 to 28,000 tonnes of fresh grapes are exported from Maharashtra to different countries.

However, due to natural calamities or sudden changes in weather conditions the quality of grapes is affected from time to time. Poor quality grapes fetch

the farmers lower prices for both their exportable produce and that marketed locally. The average price realized by the farmer is around Rs. 8 - 10 per Kg. This situation is further aggravated by unscrupulous middlemen, who cheat farmers by not paying even the minimum cost of cultivation.

There are 16 bi-products which are made from grapes such as raisin, grape juice, squash, syrup, jam, jelly, vinegar, wine, pickles, chocolates, tartaric acid, oil, cattle feed, tannin etc. But looking at the world scenario of different bi-products, it was necessary to consider setting up of projects for manufacturing other value added products from grapes, such as good quality wine so as to prevent losses, obtain more income and provide additional employment to rural people in the state. It

was also observed that if the farmers in the state cultivate particular types of wine grape varieties and make good quality of wine



from them, then they can get more income from domestic and export markets.

Keeping in view the above objectives, the Union Government has announced an Agri-Export Zone (AEZ) for Nasik, Sangli, Pune, Solapur, Ahmednagar, and Satara for grapes and a Grape Wine Park in Maharashtra. The concept of Agri Export Zone (AEZ) is to take a comprehensive look at a particular produce located in a contiguous area for the purpose of developing and sourcing the raw material, processing, packaging and preservation leading to export of the produce and value added products.

The effort will mainly center around a cluster approach of identifying a particular crop / food item grown in the area and providing and integrating the entire process from production to marketing. The objective of AEZ is to provide remunerative returns to the farming community in a sustained manner and to improve their competitiveness.

To give impetus to the grape growing region in Maharashtra, the State Government has declared the "Maharashtra Grape Processing Industrial Policy 2001" in September that year. The salient features of this policy are :-

- 1) Declared as a preferential area.
- 2) Declared as a small scale industry.
- 3) 100 percent exemption from excise duty for 10 years.
- 4) Relief in sales tax levels.
- 5) Single window clearance facility.
- 6) Licensing procedure for new wine units and wine sales vastly simplified.
- 7) Units will have the status of "Food Processing Industry."
- 8) Establishment of a "Wine Institute" to train the farmers and "Maharashtra Grape Board" to promote the wine industry and exports.

The policy aims at sustaining wine grape cultivation & wine industry in India in general and Maharashtra in particular. Hence,

interest of table grape grower gradually switching over to grape wine varieties.

Further, a Memorandum of Understanding between the Government of India (Agricultural and Processed Food Products Export Development Authority, APEDA) and the Government of Maharashtra (Maharashtra Industrial Development Corporation, MIDC) for the development of Agri Export Zone (AEZ) for Grapes and Grape Wine was signed on 7 January, 2002.

The Government of Maharashtra has nominated MIDC as a Nodal Agency for setting up grape wine parks in the state and would coordinate efforts of various organizations from Central and State Government and also as the main link between the Central and State agencies and the stakeholder (farmers, processors, service providers, etc.).

So as per the Government policy MIDC is developing initially Godavari Wine Park at Vinchur in Nasik district and Krishna Wine Park at Palus in Sangli district. The role of MIDC is to provide mainly land to entrepreneurs at reasonable rates and to provide infrastructure facilities like high quality internal roads, water supply, effluent treatment plants, a quality control and analytical laboratory, power and telecom facilities.

The location of Godavari Wine Park is on Nasik-Aurangabad highway. From Nasik city is about 53 km and 233 km from Mumbai. Krishna Wine Park is near Pune-Bangalore national highway. From Sangli city it is about 40 km and 300 km from Mumbai. In wine park of Nasik initially 97 plots and in Sangli 107 plots have been





developed for winery activities with average plot size of 2000 sq mts in both wine parks.

In order to create an awareness of the advantages of grape processing, MIDC and Bharati Vidyapeeth Deemed University, Pune have taken up a joint project to train farmers in this area. So Bharati Vidyapeeth has set up a Grape Processing and Research

Institute at Krishna Wine Park, Palua, Sangli. The objectives of the wine Institute are :-

- 1) To give training to the farmers through various courses like certificate or diploma or degree in cultivation of wine grape varieties, manufacturing of good quality of wines and marketing of wines.
- 2) To set up a nursery of grape wine varieties to provide authentic plantlets to farmers.
- 3) Manufacturing of good quality of wines in a pilot plant for demonstration purpose.
- 4) To set up quality control laboratory for wines.
- 5) Impart blending techniques.
- 6) Explore domestic and international markets.
- 7) Set up a 'Mother Unit' for processing of grapes to help the farmers for manufacturing of wines.



In Vinchur in Nasik district too MIDC has set up a 'Mother Unit' to help the farmers for manufacturing wine. The concept of a mother unit is to set up a common facility for the grape processors for use of equipment such as pneumatic press, crusher, destemmer, filtration unit, bottling unit, quality control lab, cold storage (cellar), packaging house and the services of wine master and wine taster which are very costly and required for short period of two to three days to two weeks in a season.

The wine Industry is totally depend upon three basic major factors, i) Viticulture :- Cultivation of suitable grape wine varieties, ii) Enology :- Manufacturing of different types of wines, iii) Marketing :- Marketing of wines in domestic and international markets.

There are three major types of wine available in the market.

i) Still Wine or Table Wine :-

- a) White Wine
- b) Red Wine
- c) Rosae Still Wine

For White Wine, Shenin Blanc, Sauvignon Blanc, Uni Blanc, Risling etc., for Red Wine, Cabernet Sauvignon, Shira Shiraz, Merlo, Pinotnoir etc. and for Rosae Still Wine, Zinfandel grape wine varieties are required for manufacturing of wines. This wine grape contains 21-22.5% sugar, 7-8% acid and pH 3.3.

ii) Sparkling Wine :-

This wine called champagne in





France.
Chardoney variety is required
for sparkling wine.

This wine grape contains 18-19% sugar, 8-9% acid and pH 3.2.

iii) Fortified Wine :-

It comprises sweet or desert wine.

Symphony, Tinta Madera, Muscat etc. grape wine varieties are required for manufacturing of sweet wine.

This wine grape contains 24-26 % sugar, 6-7 % acid and pH 3.4.

Now in Manarasntra, a total of 51 grape wine units (28 in Nasik, 9 in Pune, 8 in Sangli, 3 in Solapur, 2 in Buldhana and 1 in Usmanabad District) are already in 2007. Since 2001, every year, on an average seven to eight units have been coming into production in Maharashtra.

At present, the total production of wine in India is 1.42 crore liters from 54 wineries. Of this, 1.32 crore liters of wine is produced in Maharashtra by 51 wineries. The total investment on wineries of Maharashtra was Rs. 160.31 crore in 2006 and raised to Rs. 247.71 crore in 2007.

Today, wine has become an integral part of any social occasion, i.e. marriages, festivals, entertainment. France, Italy, Spain, Germany are the main grape wine producing countries in the world. Nearly 32,000 million liters wine is produced per annum in the world. India currently imports 72,000 wine cases (nine liters to a case) a year. About 32,000 of this Bottled in Origin and the other 40,000 cases are imported in bulk flexi bags, which are subsequently bottled by Indian wineries. Besides this, about 12,000-15,000 wine cases are sold in the gray market.

The Indian market is way behind heavy wine drinking countries like France and Italy where consumption of wine is 60 to 70 liters, in the US 25 liters, in Australia 25 liters, while in China consumption is four liters per person per year. But in India consumption of wine per person per year is literally a sip of 5 to 6 ml. But the Indian market has been growing at about 30 to 40 percent every year according to a survey conducted recently by Rabo International Bank and is expected to grow at this rate for the next 5-6 years in keeping the world trends.



The recent quantum jump in wine consumption is ascribed to increasing disposable incomes, changing lifestyles, easier availability and greater awareness due to factors wine tasting sessions, setting up of wine clubs, wine bar, media coverage etc. In 2006-2007 (April - September), approximately 2.36 lakhs liters of wine (Rs. 2.92 crore) was exported to France, Italy, Germany, USA, New York, U.K., Singapore, Belgium from Maharashtra State. The Biggest consumption up to 80 percent is however confined to major cities like Mumbai (39 percent), Delhi (23 percent), Bangalore (9.0 percent) and the foreign tourist dominated state of Goa (9.0 percent) where as rest of India has only 20 percent consumption.

As far as the future prospects of Indian wine is concerned, there is huge potential in the Indian market itself. For export market, the increasing popularity of Indian cuisine is an automatic opening. With more and more professionals visiting India on regular basis, and the fact that Indian wine exports are going up every year, word is going round creating greater awareness of Indian wines in international markets. The wine industry in India is in its nascent stage. By following quality parameters, the industry will be able to make wines that can make India as a brand in international markets, the same way as the Australians and Chileans have achieved. In fact, Australian Wines have taken over French wines as No. 1 sellers in UK Market.

Quantity and value wise, apart from the more obvious fact that they are more value for money

If wine units in Australia can become leaders in wine exports in over just 10 years, there is no reason why Indian wines cannot achieve the same. ■



MIDC Nurtures World Class Floriculture Park at Talegaon

Floriculture has been identified as a thrust sector for development of exports in the post liberalization scenario. Maharashtra has emerged as a leading state in production, consumption and exports of flowers in the country. The state has grabbed the opportunity arising out of high costs of labour in major flower producing countries like Netherlands, Japan, Taiwan and Israel, badly affecting their competitiveness. Maharashtra can further use its own favorable natural climate enabling a stronger foray into the international market. A close coordination is needed between the government and the cut flower industry to sustain exports of floriculture from the state.

Keeping in view the above objectives, the Government of India has announced Agri Export Zone (AEZ) for Pune, Nashik, Satara and Kolhapur for Flowers in Maharashtra. The concept of Agri Export Zone (AEZ) is to take a comprehensive look at a particular produce located in a contiguous area for the purpose of developing and

sourcing the raw material, processing, packing and preservation leading to export of the produce and value added products. The effort mainly centers around a cluster approach of identifying a particular crop or food item grown in the area and providing and integrating the entire process from production to marketing. The objective of AEZ is to provide remunerative returns to the farming community in a sustained manner and to increase their competitiveness. Memorandum of Understanding between the Government of India's Agricultural and Processed Food Products Export Development Authority (APEDA) and the State Government's Maharashtra Industrial Development Corporation (MIDC) for development of Agri Export Zone (AEZ) for Floriculture was signed on 10th June 2002.

The Government of Maharashtra has nominated MIDC as a Nodal Agency for setting up a floriculture park in the State to coordinate efforts of various organizations from Central and State Government and also to act as the





main link between the Central and State agencies and all the stakeholders (farmers, processors, service providers, etc.)

MIDC has developed a Floriculture Park at Talegaon in an area measuring 250 hectares of land. The park is located at about 35 km from Pune City and 15 km from Pimpri Chinchwad Corporation. This floriculture park would be developed as a world-class facility for production of flowers and other floricultural products. It would also provide a lifestyle business opportunity to the investors in production units, nursery and other facilities at par with international standards.

Developed plots are allotted to growers for setting up production infrastructure. Common facilities and services viz. post harvest management centre, input supply store, banks, logistics would be made available by inviting such service providers to set up in the park. Internal infrastructure such as roads, water & electricity distribution network etc. are developed by MIDC. The area is situated in the Agriculture Export Zone declared by the Govt. of India and the units will be eligible for relevant financial subsidies/incentives and fiscal benefits.

Nursery

Raising a nursery is a very crucial activity and MIDC intends to invite companies as anchor tenants to organize the same.

The Anchor Tenant will be responsible for the following activities:

1. Raising good quality seedlings for the growers units as per their requirement.
2. An Anchor Tenant would be free to charge reasonable commercial prices of seedlings from the growers. However, if MIDC found that the prices charged by the anchor tenant are not reasonable then MIDC will have full rights to interfere.
3. MIDC will provide 6000 sq. mtrs land for demonstration and trial purposes to the anchor tenants.
4. Anchor tenants will organize demonstration for the varieties and commercially viable type of flowers and to motivate growers to grow such flowers which are in demand in the international and domestic market.

Post Harvest Facilities

Post harvest management is the single most important operation on which the success of floriculture park depends. Post harvest management starts from the culling of the flowers and includes all care and treatment till it reaches the market/consumer. Post harvest activities include collection, grading, sorting, post harvest treatment including preservatives, bunching, packing and maintenance of cold chain which includes special cold rooms and AC vans with specific temperature. Post harvest facilitator will be the anchor tenant who will



provide post harvest management facility, organize logistics and marketing, for the benefit of the growers, charging a reasonable service fee from them.

The post harvest facility provider will have to:-

- Design, Plan and construct the post-harvest infrastructure
- Obtain finance from lenders and other domestic and international sources, without recourse to MIDC or Govt. of Maharashtra.
- Build the facility as per international standards
- Ensure all architectural work of designated level in which connectivity / integration are in place.
- Set up technical and extension network and employ required technical experts to advise to growers so as to ensure that the quality of the produce is as per the market requirements.
- Set up the logistics and marketing networks and undertake market promotional activities (the growers in the Park will be free to sell their produce to any marketing channels as may be beneficial to them, and hence the party may have to compete with other marketing channels to get business).
- The service provider is expected to provide services to the growers in the park in a non-discriminatory manner, but on commercial terms, and would also be free to provide services to growers outside the park.

Present Status of Floriculture Park Talegaon



• The total project cost of the Floriculture Park is 1334.00 lakh. MIDC is not taking financial assistance from any government agencies. MIDC has so far spent Rs. 1062.00 lakh on the development of the park.

• Considering the growth of floriculture, infrastructure requirement of this park has been developed by MIDC as under-

1. Roads

Asphalted main road of 45 mtrs wide and 4 km in length has been constructed to cater the vehicular traffic. The internal asphalted roads of 15 m wide in Ph-I and 7.5 m in Ph-II about 7 km in length has been constructed.

2. Water Supply

MIDC has booked the reservation of 6 MM Cum water in Andhra Darn for Floriculture Park and 25 MM Cum for Talegaon Industrial Area. Total length of 9 km of Water Supply Distribution pipe line has been completed and at present settled water and chinking water has been provided by MIDC to Floriculture Park.

3. Power Supply

The plot admeasuring 40000 sq. m in the Talegaon Industrial Area has been kept reserved for proposed MSEB 232 KV Sub-Station and plot admeasuring 4800 sq. m in Talegaon Floriculture Park has been kept reserved for 22 KV Switching Station. At present HT, LT Power Supply Network has been provided in Talegaon Floriculture Park Phase-I.

- MIDC has given training in floriculture to 200 farmers.
- MIDC attended various workshops, seminars, meetings conducted by different government and non-government agencies.
- One plot is allotted to Global Agritech (I) Ltd. for establishment of Plant Propagation Nursery for roses in the Park to leading growers of planting material.

One plot is allotted to Deccan Florabase Ltd. for post harvest centre for grading, pre-cooling, cold storage and packing facilities, where the growers can deliver flowers for post harvest management and transportation to the markets. This would enhance the viability of the growing units, and enable the common service providers to enjoy economies of scale. ■



The Maharashtra Industrial Development Corporation (MIDC) has acquired 123.46 ha of land for additional the Jalna industrial area. Considering the development of Biotechnology (BT) industry and its increasing demand, MIDC has decided to develop a BT Park on 32.90 ha of land. It is basically an agriculture-based biotechnology park. Of the total area, 20.40 ha of area has been developed in Phase-I on which 43 plots of various sizes have been carved out and out of these nine have already been allotted to various BT companies.

Around 12.50 ha of area has been reserved for development in Phase-II. Besides, 11 commercial plots are also available considering the growing requirement of the BT industry. MIDC has signed a MoU with Mahyco Research Foundation on 9th April 2002 for designing and conceptualization of this park.

SEZ at Jalna;

- Extent of Area: 40.33 ha (or 99.6572 acres, or 403300 sq. M.)
- 59.79 acres of leveled developed plots (or 60 percent of total area) in different, dimensions for allotment to candidate Industries.
- 4.98 acres of plots (or 5.0 percent of total area) for allotment to commercial establishment like logistic service providers, warehouse, container depot, internet and telecommunication service providers, banks and financial institutions, hotels, restaurants, food zones, other recreational centers and other commercial establishments.
- 4.98 acres of land (or 5.0 percent of total area) for amenities like power substation, water supply system, a common effluent treatment plant, telecom centers, railway siding, truck terminals, administrative buildings including



common window clearance for all aspects, other common facilities like sector research institution, fashion center, library, workshop etc.

- 9.96 acres of land (10 percent of total area) for green space including open green land, landscaped gardens, fountains and other aesthetic structures.
- 19.93 acres of land (20 percent of total area) for roads (high quality roads including concrete and bitumen, smooth surfaced roads), streetlights, storm water drains and other underground piping and cabling.

International Biotech Park at Hinjewadi Phase-II, Pune

A Joint Venture Project between MIDC and TCG Urban Infrastructure Holding Ltd.

Developed over 136 acres of land at Hinjewadi, Pune, this Biotech Park is a Life Science Park and will promote Bio-informatics at large.

MIDC has signed a joint venture agreement with TCG Urban Infrastructure Holdings Ltd. for the development of this BT Park for 103.37 acres of land. According to the agreement, TCG will develop and provide various BT related infrastructure and will also do the marketing of the Park. Currently roads, water, electricity and various other major basic infrastructures are available in the Park and the development of CETP, WTP, Core Shared Facility, Business Facilitation Center etc. are underway. MIDC has also executed a Lease Agreement & Share Holders Agreement with TCG.

The Minister for Industries and Chairman MIDC had inaugurated the joint venture company of MIDC & TCG, namely 'International Biotech Park Ltd.' on the occasion of Maharashtra Biotechnology Day held in Mumbai on 14th November 2003.

Project Details

The entire project is estimated to be completed in 10 to 13 years, divided into three phases of 3, 3 and 4 years respectively, and a grace period of one additional year for every phase.

Capital Structure

The equity contribution by the partners would be in a 12:88 ratio with MIDC being the minority partner and TCG Urban being the majority partner. MIDC would

bring its share in the form of 103.37 acres of land. TCG Urban would be responsible for the rest of the development of the Park.

Modality of issuing Equity & Debentures:

The total value of Land leased by MIDC to the joint venture company is at the rate of Rs. 550/- per sq. m for 103.37 acres of land which comes to Rs. 23.01 crore. In consideration for its contribution to the JV Company, the JV Company shall issue: -

- Shares to MIDC worth 12 percent of the issued equity share capital of the JV Company and
- Secured Redeemable Debentures to MIDC carrying a coupon rate of 6.0 percent per annum. The term of debenture will be for seven years.

TCG Urban shall contribute or arrange to bring in the balance 88 percent of the equity of the JV Company. TCG Urban estimates that the entire cumulative equity contribution brought in by it along with a strategic/financial partner for all three phases shall be Rs. 25.80 crore and hence MIDC's contribution will be Rs. 3.52 crore which is 12 percent of the total equity. Later on whenever TCG Urban brings in additional equity, MIDC's debentures will get proportionally converted so as to always maintain an 88:12 holding.

- The total land committed by MIDC as per the joint venture is 103.3 acres. TCG fulfilled all the condition precedents of the venture including the bank guarantee commitment.
- Possession certificate handed over to International Biotech Park Ltd. (IBPL) - 93.3 acres.
- On physical verification, IBPL found that the land under possession is 87.3 acres.
- Out of the total land nearly 31 acres has been earmarked for the Special Economic Zone and got the 'Formal Approval' from the Central Government in October 2006.
- MIDC has considered allotment of additional land admeasuring 15 acres from Phase IV at the rate prevailing at the time of fresh allotment and also given consent on extinguishment of debentures equal to the value of 10 acres of land.

The Master Plan

Master plan has been submitted to MIDC for approval on 19th November 2004 and it got approved on 05/11 January 2005.

- Immediate development focuses on landscaping, leveling



the land, mark plot boundaries, signages and gateway.

- TCG has submitted infrastructure drawings and details on master plan approval on 15th of February 05. Completion of infrastructure expected by last quarter of 2005.

Chrysalis (built to suit) Enclave

The campus consists of 5 building blocks of adding up to 785,000 sq.ft on a nine-acre plot. The facilities provide an average floor plate ranging from 20,000 sq.ft to 35,000 sq.ft.

- First building of 100,000 sq.ft to be leased out to a single client Advantium, a US-based research services organization. A MoU signed on 11 May 2005 and the (construction of the facility commenced. The activities of Advantium will include outsourcing of medicinal chemistry and chemistry process development and custom synthesis/manufacture of proprietary/non-proprietary drug intermediates and active pharmaceutical ingredients (APIs) by pharmaceutical companies in the US and Western Europe for use in Drug Discovery and Development efforts (SAR studies, screening toxicity, pharmacology, pre-clinical animal and human clinical studies)

- There are several companies who have shown keen interest in the campus)

- a) GSK - Pharmacy Major
- b) NOVARTIS - Pharmacy Major
- c) Ajanta Pharmaceuticals - Indian Pharmacy Co.
- d) Indus Biotech

- Commercial lease options providing scalability for the tenant. Offer project management services to supervise and monitor the fit-out schedule of tenants.

Genesis (multi-tenant) Enclave

- Bio Resource Centre first Building of Genesis Square ready for fit outs.

- List of the tenants in Bio Resource Centre
- Marketing plan for a bio-resource centre is as under:
 - a) 5,000 sq. ft. of space for 5 incubation labs
 - b) Specialised classrooms and wet labs
 - c) Private offices
 - d) Shared use common areas and technical equipment
 - e) A Bio - analytical Centre equipped with NMR / LC-MS / FT-IR/ HPLC / GC / Digital Polarimeter Combi-chem Facility / High Throughput Screening System / SEPBOX

- Bio Resource Centre - Incubation Labs

Wet lab space with modules of 1000 sq. ft. including 200 sq.ft. office cabin

Lab fitted with fume hood/laminar flow unit, bench with sink, fire protection & detection systems, access control cards, vacuum and compressed air, utility lines, filtered soft & DM water, effluent drainage system

- Office with furniture, telephone and PC with Internet connection
- Shared wash area, autoclave, safety shower, eye wash, cold room, refrigerator, etc

- One-year licence period, renewable subject to review

Bio Resource Centre Incubation Labs

- One-to-one consulting
- Business planning
- Financial and legal counselling
- Human resource administration
- Entrepreneurship development programmes

Ground Floor /First Floor 1! Marketing office

- Legal & Accounts
- Customs office
- Housekeeping » Data Centre Room SOFC Room

- BMS
- Operations
- Liaison office
- Reception & Travel Desk (Lobby)
- 2 Conference Room (can be combined to one) Communication & Video Conference room will have

Client Name	Floor	Actual Area	Total Area	Status
Chembiotek	Third Floor	23000	23000	Agreement signed
Advinus	Second Floor	23858	23858	Agreement signed
Novartis	First Floor	23156	23156	LOI Signed and agreement in the process of signing



ISDN/audio/video

- Cafeteria
- Gymnasium
- Library & Virtual information centre
- Core Share Facility (Phase I) 1 Instrumentation Room. i Incubation Rooms - 5 rooms (lab & office. Fully Fitted)

Second Floor already leased to Chembiotek Research, a leading chemistry outsourcing company

STATUS OF LAND SALE by IBPL:

Company Name	Land Area (sq. Mtrs) approx	Rate (per sq.mtr)	Status
Centaur Pharma	15,375	Rs.750	Signed
Hikal Pharma	20,230	Rs.800	Signed
Hikal Technologies	12,138	Rs.800	Signed
Chembiotek			
Research	9,103	Rs.1000	Signed
Omni-Actives	4,046	Rs.750	Signed
Novartis	40,468	Rs.1500	LOI Signed and agreement in the process of signing

STATUS OF LAND SALE by MIDC ;

Company Name	Land Area sq.mtr)	Rate (per (sq. mtrs) approx	Status
Emcure			
Pharmaceuticals	80,299	Rs550	Signed
Emcure Biotech	22,992	Rs550	Signed
Shreya Biotech	40,000	Rs550	Signed
Venkateshwara			
Hatcheries	22,830	Rs550	Signed

Third Floor: We are in discussion with a client for the entire floor plate

- 8 labs core & shell with an option of doing the fit outs

Marketing Strategy

The Park adapts multiple approaches to market its plotted land, incubation space and built to suit campus/space on international and national markets. The tools and methodologies adapted are mentioned below:

Direct Marketing

We approach senior management personnel of leading pharma/biotech companies and market the Park through a detailed presentation on the salient features of the Park and follow it up with a tour of the project. If the prospective client expresses its interest in the Park we contact them through emails and phone calls on regular intervals. We have developed a client database which we are continuously updating for this purpose

Consortium Members & Group Companies

Chembiotek (Consortium member) and LabVantage (Group Company) is working with major pharma/biotech global majors to meet their outsourcing needs. We are jointly working with them to offer integrated facility with manpower to the existing and newer clients of Chembiotek and LabVantage.

Exhibition and International Trade Fairs

The Park offers an unparalleled opportunity for pharmaceutical companies, biotechnology companies, academic research institutions and investors from around the world to gather in one place at one time to learn about each other and meet one-on-one to discuss business opportunities of mutual interest. MIDC have in the past participated on international events such as Bio 2004 (held in San Francisco, US), Bangalore Bio 2002, 2003 and 2004, Maha-Bio 2003 (Mumbai), IBC Drug Discovery Conference 2004 (Powai, Mumbai) and BIO Asia 2005 BIO 2005 in Philadelphia etc. MIDC plan to attend and sponsor such conference in future as it's an important and strategic marketing tool.

Sponsoring industry focused events

This gives unique opportunity to interact with senior managements of leading pharma and biotech companies and good brand visibility among the target customers. Networking dinners at the end of this event gives one-to-one opportunity to interact with clients. We have sponsored events in the past and intend to continue our sponsorship strategy for a while. We sponsored "Biotech Awards Ceremony" organized by BioSpectrum in 2004. ■



Chief Minister Chouhan Promotes "Brand MP"

'The Heart of India Says It All' to Win US Investors' Hearts



The delegation comprising ministers, officials and prominent Industrialists from the state interacted directly with prospective investors in the US and actively promoted "Brand Madhya Pradesh".

In the true Indian Tradition, the members of delegation personally invited the investors to visit India to participate in 'Destination Madhya Pradesh - Global Investors Summit' which will be held in the state commercial capital Indore in October 2007.

Formal and informal meetings were planned at all visiting stations - Los Angeles, San Francisco, San Jose, St. Louis and New York. Advance planning, networking and correspondence exchanged with interested investors proved useful.

A high profile business delegation led by Madhya Pradesh Chief Minister Shivraj Singh Chouhan visited the United States from 13 to 20 May 2007 to promote the central Indian state as a global investors' destination. And the youthful Chief Minister succeeded as he went along talking about the strengths of his State and distributing the book "The Heart of India Says It All Madhya Pradesh" to prospective investors.

Following MoU's and Lols were signed with prominent organizations from different sectors for major investments to be made in Madhya Pradesh.

- Madhya Pradesh Tourism Development Corporation signed a MoU with Vineyard Resort Incorporation and





Red & White Pacific Cartel, leading companies from the Tourism and Wellness Industry.

- For the development of the state's backward and tribal areas, a MoU was signed by TRIFAC with US pneumatic of St. Louis, USA in the field of Carbon credit.
- Another important MoU was signed between Rajiv Kaul of Underhill Capital, a US partnership company and Praveen Garg - Managing Director of TRIFAC.
- Many more firmed project proposals were started with discussions between visiting delegates and a host of NRIs and other interested investors.

An MoU on up-liftment of tribal's through employment by plantation of trees & other activities along with the related

business model on Carbon Credit on sharing basis was signed by Dr. Deepak Kant Vyas with TRIFAC.

By involving NABARD, green organizations, World Bank the joint venture shall work towards prosperity of Tribals. The surplus generated shall be ploughed back into the system.

The project shall effectively utilize the waste land & would earn money through Carbon Credits for the State of Madhya Pradesh on shared basis.

A MoU was signed by TRIFAC's Managing Director Praveen Garg with US Under Hill Capital (Rajeev Kaul). The group proposes to set up an IT park at Bhopal or Indore which will be facilitated by TRIFAC.

Global Investors' Summit: 26-27 Oct '07, Indore Opportunities Galore

The Government of Madhya Pradesh is hosting a Global Investors' Summit on 26 - 27 October 2007 in the bustling commercial city of Indore to showcase the State as a land of great investment opportunities.

The Summit, being held in association with the Federation of Indian Chambers of Commerce and Industry (FICCI) aims to coordinate and network with investors from industry, trade organizations and financial institutions in public and private sectors for investment, growth and socio economic development of the state.

The State Government, under the leadership of Chief Minister Shivraj Singh Chouhan, is pursuing a comprehensive programme to market the centrally located state as an investment destination.

The Summit will provide an interactive platform to industry, business and policy and decision-makers, to highlight the potential and strengths of the state. It will facilitate business match-making between companies in Madhya Pradesh and those across India and abroad, represented at the Summit.

The strength of Madhya Pradesh is its being the country's central location, with a perfect equidistant connectivity to all metros and ports. That's why the state's natural resources in agriculture and minerals, well built infrastructure such as roads and railroads, investor friendly policies and peaceful industrial environment add up to draw investors from both India and abroad.

An interaction business meet attended by more than 250 people was organized at Taj Pierre, New York with the support of Indian Consulate & FICCI. The Indo-US Chamber President, Rajeev Khanna was present on the occasion. One to one meetings were also organized.

The Chief Minister was bestowed with a rare honour (normally given to country heads) of ringing the bell at the New York Commodity Exchange. The President & Vice President of the commodity exchange were present on the occasion.

The Chief Minister had a one-to-one meeting with K. Bhandari of Ramda Hotel Group. The group has shown interest in investing Rs. 100 crore in MP for hotel industry development.

The last programme (luncheon meeting) during the visit was hosted by the powerful group of Indian doctors having membership of more than 44000 doctors at Taj Pierre, New York. The event was attended by Indian Doctors from all over the US. The Chief Minister explained to them about the various opportunities in medical tourism, para medical institutions, hospitals and opening of medical colleges. The Chief Minister stressed the importance of rural sector medical facilities. The doctor's group assured his of providing solutions to rural healthcare. ■



A Silicon Valley Road Show Elicits Excellent Response

Chief Minister Shivraj Singh Chouhan visited Silicon Valley at San Jose during his US visit on May 16. The Bankers Club of San Francisco organized a road show and an interactive meeting on investment potential in Madhya Pradesh in association with US-Indo Business Council and the Federation of Indian Chambers of Commerce and Industry (FICCI).

During the programme, Director of Association of American Hotel Owners Shailendra Sam Devdhara proposed to invest Rs. 500 crore in the hospitality sector and to set up a chain of 100 budget hotels in Madhya Pradesh. Devdhara said that he would visit Madhya Pradesh with a delegation and make the formal proposal after inspecting the sites.

During a one-to-one meeting, Director of Urology and Oncology Research Centre. Raj Dahia showed interest in setting up diagnostic centres at a cost of \$10 million in Madhya Pradesh. Facilities of sample tests, diagnosis and treatment would be provided in rural areas through these centres.

While inviting the investors and industrialists to the Global Investors Meet to be held at Indore in October, the Chief Minister said that a knowledge revolution is spreading across India and India is moving towards becoming a knowledge economy. Madhya Pradesh is keeping pace with the rest of country and the world. In Madhya Pradesh 10 universities and over 65 professional colleges are producing 230,000 young English knowing graduates including 18,000 technical graduates every year. Bhopal, the capital of Madhya Pradesh, is being

developed as a centre of learning. Madhya Pradesh is the first Indian state to have acquired optical fiber technology and today the state has 23,000 km length of optical fiber backbone. Madhya Pradesh is the fastest moving Indian state. Madhya Pradesh is a fine example of industrial peace. It is an ideal state to earn profits by setting up industries and businesses in service sector. The state enjoys the benefit of a near perfect equidistant connectivity and owing to this it is the best choice for investment.

Chief Minister Chouhan pointed out that the number of Indian scientists and engineers in the Silicon Valley has increased by 646 percent between 1990 and 2000. In the Silicon Valley four out of every 10 startups were run by Indians, he added.

The North American Association of Madhyapradeshia (NAAM) felicitated the Chief Minister and the delegation at the dinner. The Association lauded the efforts being made by Madhya Pradesh and assured full cooperation in making the Global Summit 2007 a success. The Chief Minister described the Members of the Association as the ambassadors of Madhya Pradesh and solicited their cooperation for development of the state.

The Chief Minister presented a memento to President of the Association Prakash Bhalerao on behalf of the people of Madhya Pradesh.

Then Minister for Commerce and Industries Babulal Gaur and Minister for Information Technology Kailash Vijaywargiya also held discussions with the NRIs from Madhya Pradesh and answered their queries.



Detailed information about policies of Madhya Pradesh, sector wise investment profiles, resources, infrastructure and investment opportunities were provided through brochures and CD to the investors. Senior officers of the state made power point presentations on development of Madhya Pradesh. ■



A Centre in St. Louis to Showcase MP Heritage

Chief Minister Shivraj Singh Chouhan inaugurated the US-Indo Centre for Madhya Pradesh in St. Louis on May 18. The centre would serve as a bridge between entrepreneurs of Madhya Pradesh and investors of America.

A MoU was signed with NRI Dr. Deepak Kant Vyas for its establishment by an Indian delegation led by then Chief Minister Babulal Gaur that visited the US in 2005. Spread over 12,000 sq ft, the centre showcases handicrafts of Madhya Pradesh as well as various other articles associated with its culture. The centre has modern IT facilities for smooth conduct of commerce and marketing activities. It also has a conference room and an exhibition gallery.

Speaking on the occasion, the Chief Minister underlined the similarity between the culture and hospitality of Madhya Pradesh and St. Louis. He said the centre would further cement the bonds between Madhya Pradesh and the US besides promoting commercial and economic activities.

He invited Dr. Vyas to work as ambassador of Madhya Pradesh to facilitate cooperation for the development of the state, particularly its backward and tribal areas.

US Congressman Russ Carnahan presented a memento on

historical buildings and architecture of St. Louis to the Chief Minister on the occasion. The memento also bears the City Seal.

At the business meeting organized on the occasion, First Citizen & Mayor of St. Louis Francis Flay made a presentation on St. Louis entitled "Centrally Located-Perfectly Connected". He said that out of one thousand premier institutions published by the Fortune magazine, 24 have their headquarters in St. Louis. Three medical colleges are also here. Mayor Flay also spoke on similarities in the democracy of India, Madhya Pradesh and St. Louis. Mayor Flay also presented the famous Arch of St. Louis to Chief Minister Chouhan.

A letter of citation was presented to the Chief Minister appreciating his dedication to development of Madhya Pradesh, his vision and leadership. Earlier, he went round the city observing the excellent infrastructure there.

Babulal Gaur and Kailash Vijaywargiya accompanied the Chief Minister, who presented copies of a book "The Heart of India Says it All- Madhya Pradesh" to the hosts. The Chief Minister invited the industrialists and investors present on the occasion to participate in the Global Investors Summit to be held in October in Indore. ■





wooing Industrialists & Investors in Los Angeles

Chief Minister Shivraj Singh Chouhan held fruitful discussions with American and NRI industrialists and investors on May 14. Ken Singh, President of Kenpo INC and a textile tycoon showed interest in giving a thrust to textile industry in Madhya Pradesh by making them export oriented. He further committed that he would also help setting up of new textile industries and guaranteeing import to the US of the whole produce.

Gurminder Singh, Co-chairman of Green Technology evinced keen interest in setting up computer chip manufacturing factory in Madhya Pradesh. He also expressed interest in creating partnership with sugar factories to provide them with new technology. This would not only make sugar industry more profitable but would also fetch higher prices for sugarcane farmers. The Chief Minister assured him of all the support.

The Indian community honoured the Chief Minister by presenting certificate of Congressional Recognition to him. The function was held in his honour by the US-Asia Business Forum with the cooperation of Shah Foundation, FICCI and Friends of Madhya Pradesh.

The Chief Minister invited the investors and industrialists to be a partner in the thrilling journey of development in Madhya Pradesh, which is called the heartthrob of India. The chief Minister said that Madhya Pradesh is the transport and logistic hub of India with 425 trains passing through it every day. It has 4885 kms length of National Highway, well established air links and enjoys the benefit of a near perfect equidistant connectivity.



He dwelt at length on the works being carried out for development of infrastructure and the efforts to attract industrialists and investors in Madhya Pradesh. He said that industrially, Madhya Pradesh is the most peaceful state of India. It has great strategic and central locational value, too. Due to the fiscal and capital subsidy advantages of state government's industrial policy investment in Madhya Pradesh is a very attractive venture. The state government has formulated a new IT Policy, which offers unparalleled incentives to investment in this sector. The state is in the process of developing 240 acre of "ready to occupy" state of the art IT infrastructure with "Plug and Play" facility.

The Chief Minister pointed out that Madhya Pradesh has won agricultural productivity awards over the years. He said that the state would soon be entering a new era of agro-processing and agro parks have been developed to take advantage of it. The state has also set up Agri Export Zones. The Chief Minister said that at Pritampur in Madhya Pradesh the automobile industry has developed so impressively that it earned the sobriquet of the Detroit of India. Very soon an ambitious auto-testing track is going to be established there, he added.

The Chief Minister invited the industrialists and investors to the Global Investors' Summit to be held at Indore in October.



Hurix Systems: India's Fastest-Growing Thought Partner in e-Learning Tech

Founded in 2000, Hurix is recognised today as one of the fastest-growing technology companies in Asia-Pacific. Appraised at CMMi Level 4, it offers services and solutions to global corporations in content development, publishing and technology.

Services

Hurix specializes in the areas of Learning, Education, Content Management and Publishing with experience in the domains of Educational Publishing, Aviation, Banking & Financial Services, Healthcare & Pharma, Transports & Logistics, Retail, Hitech and Media & Entertainment.

It is structured into three practice areas Hurix Learning, Hurix Technologies and Hurix Publishing in order to provide full life-cycle services for all types of content on an integrated manner addressing the inter-play and synchronization.

Hurix Learning services include design, development and delivery of learning content and custom content development. It also caters to the content development requirements specific to the education market including K-12, Higher Education, Universities, Professional Education, Technical Training and Consultancy. The various types of learning needs covered are Blended Learning, Content Development, Computer-Based Training, Web-based Training, Instructor-led Training, Technology-based Training, Simulation and Game-based Learning, Interactive Chalkboards, Virtual Labs, Curriculum Design and Correlation Mapping.

Hurix Technologies provide applications and tools to meet the content management requirements of customers. It helps customers build application systems including Learning Content Management, Assessment, Digital Asset Management, Competency Management, Portals, Collaboration Platforms, Media Technology Services.

Hurix Publishing delivers an extensive range of services which include Data Conversion, Pre-Press, e-Publishing, Website and Media Development, Editorial, Art-Work & Design, Composition, Quality Control and Quality Assurance services.

Some Key Achievements

- Winner of Red Herring 200 Asia Award for two years in a row
- Featured in Deloitte Technology Fast 50 India List in 2004, 2005 & 2006
- Appraised at SEI-CMMI Level 4
- Content created by Hurix won the Brandon Hall Award for Excellence in Learning content for two consecutive years.

Key Clients

Hurix clients include global educational publishing companies such as McGraw-Hill Education, Pearson Education, Houghton Mifflin, Harcourt, Riverdeep, Johnson & Johnson, Pfizer, HP, Agilent, Sears and Thomson Learning. Hurix has a team of about 450 people across multiple delivery centers in India and has sales offices in the US, UK and Singapore. Hurix vision is to be a preferred thought partner to its key clients.

Meet the Founders

Hurix was founded by people with a passion for challenging and redefining the boundaries of the possible. CEO, Subrat Mohanty is one of the most experienced e-Learning professionals in India, while COO, Viswamitra Hariharan, is an investment banker by background with a focus on technology companies.

Even as computing and communication technologies were beginning to converge, they saw the potential that the resultant Information and Communication Technology (ICT) had to change the way teaching and learning is carried out in the world. They put together a team comprising people with skills and experience in diverse fields ranging from technology, content development, and financial consultancy.

The founders of Hurix still lead from the front, facilitating the empowerment of individuals and organizations to turn the challenges of the knowledge age into opportunities. They have created in Hurix an organization that innovates constantly, combining a love of teaching with a clear understanding of the evolution of technology to create future-proof solutions for the knowledge needs of our clients. ■

A Bengal Commitment to Boost Industry

Nirupam Sen, Minister in charge Commerce and Industries in the West Bengal government, believes that the state's commitment to encourage FDI has paid good dividends. In an interview, Sen talks about government's policies that have stirred up the industry.



Nirupam Sen

The Industrial scenario in West Bengal within a very short span of time has undergone a radical change. How did it all happen? According to you what are the key factors responsible for this positive change?

This did not happen all on a sudden. Within a framework of a federal structure and our limitation, we have realised that we have to emphasise on industries to keep the state economy going in order to tackle the problem of poverty and unemployment.

Our success in the primary sector of agriculture has been one of the key factors in this regard; the decentralised planning pattern and the support of the masses has strengthened our conviction. Keeping in tune with the New Economic Policy of 1991, the state govt has also formed its own Industrial policy. The NEP paved the way for Industrial Investment by the private sector in a large way. In our state also. The policy which we formed provided a level playing ground for the private investors and thereby augmented a more favourable industrial investment climate. Apart from this, there has been a sustained effort to provide a better infrastructure in all respects.

Being a successful Industry Minister of the state for long, what are the challenges you have faced and how have succeeded in showcasing West Bengal as the most preferred investment destination in India?

It is too early to comment on the success. There have been many challenges and many more are forthcoming. We have tried to avail of the opportunities that came our way. In our State, we have laid stress since 1994, through framing a policy document, formulation of guidelines, introduction of a number of incentive schemes, offering a convergence of activities and inter departmental coordination. At the same time, political stability, availability of skilled labour force, a comparatively better law and order situation, a non-casteist and non-

communal atmosphere that prevailed in the state, fortified our position in the national as well as in international arena.

Sir you also happen to be the chairman of WBIDC and under your regime WBIDC has contributed significantly to the growth of industries in West Bengal. How do you plan to take forward this good work in the near future to further the process of industrialization in the State?

We are constantly trying to improve the position. You must admit the sustenance of success is far more difficult than achieving it. A vision document is being prepared. Camp offices of WBIDC are being opened in the districts where large scale investment are on the anvil. We have already opened a branch office at Siliguri to help the investors in the North Bengal district. These efforts will strengthen the central office in Kolkata. We have also started to implement the Public Private Partnership (PPP) in setting up of industrial parks in different places. E-Governance is also being introduced so as to lessen the time taken to process the large number of proposals and to improve the linkage.

In its endeavour to provide international class industrial infrastructure for few industries, WBIDC has set up several sector-specific industrial facilities like Manikanchan, Shilpangan, Sudha Ras etc. How do you feel these projects will facilitate industrial growth and create employment opportunities in the State?

The sector-specific industrial cluster, be it Manikanchan, or Shilpangan or Sudha Ras or the leather complex, have been able to generate a fair amount of positive response



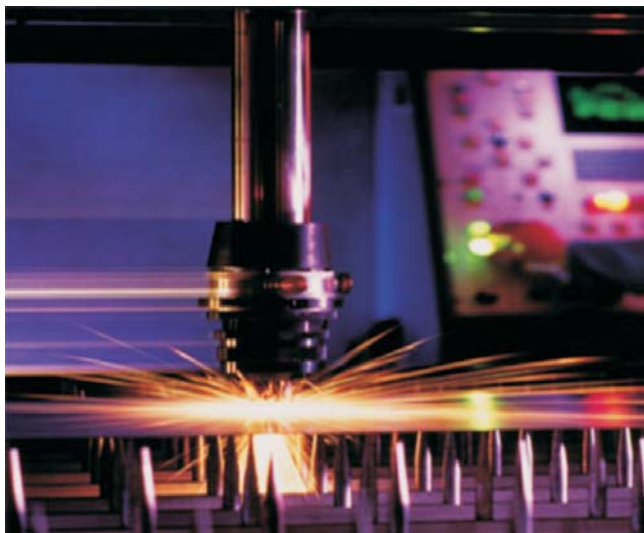
from the sector concerned . All these clusters have addressed the problem of unemployment to a certain extent, so far as these sectors are concerned. We are also receiving a good degree of enthusiasm from a number of entrepreneurs and industrial group to set up their units in foundry Park, Steel Park, Garment Park, Plastic Park and Auto component, Manufacturing Park which we will establish in different places.

How do you highlight the State's Industrial resurgence to woo foreign investors at the time when local media is creating an impression, which is not true according to our sources ?

We are trying to put forth our success stories in the formation of Haldia Petrochemical Ltd., Mitsubishi Chemical, Asia Petrochem, IBM, Cognizant, Phoenix Yule etc. We are also requesting interested investors to visit and inspect the probable sites, interact with the local people, and thereby have first hand experience of the prevailing situation. We would like to have all concerned seriously involved in the process of development.

What are the major areas which the government has declared as thrust sectors?

We have identified iron and steel, petrochemicals and



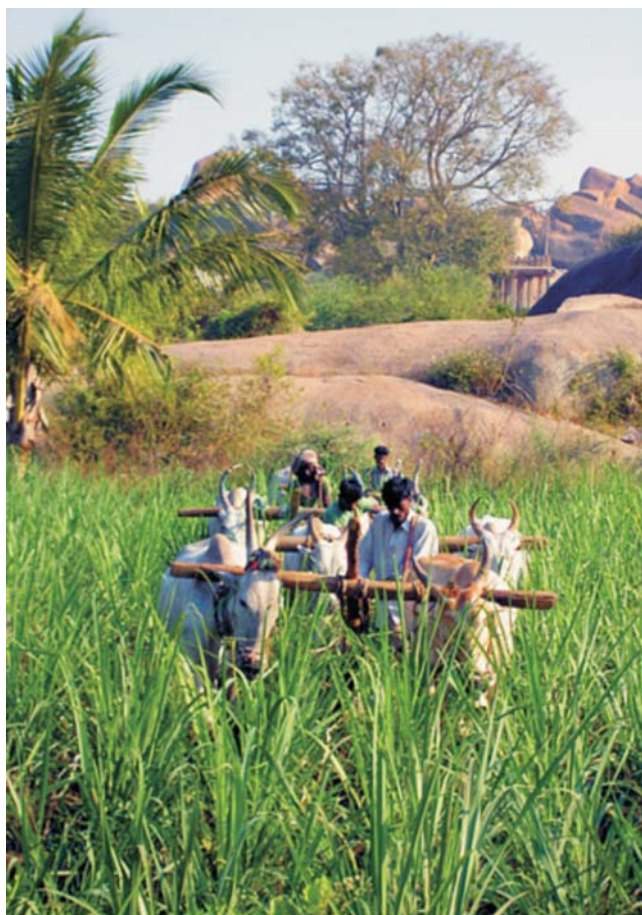
chemicals, automobiles, leather, food processing and IT & ITES as our major thrust in the industrial field. Together we are trying to build associated infrastructure in the form of township, industrial parks, Centre for excellence in education and healthcare.

Being a successful Industry Minister of West Bengal Where do you see West Bengal in the next 10 years?

As a Minister of West Bengal, I do hope that our State would once again occupy the leading position of being the most industrially developed State in our country.

Every one who knows West Bengal as the preferred business destination, knows that you are the reason for making the State reach that brand positioning. What further broad steps are you going to take in order to promote Investment in the State?

It is a collective effort, led by the Chief Minister. It has been so for the last decade. We are looking Eastwards, too. Further promotion of Public Private Partnership (PPP) model, ever increasing economic cooperation with different countries; building a social overheads and infrastructure like Airport, Intra-State Connectivity more international flight, expansion of Highways, establishment of petroleum, chemicals and petrochemicals Investment Region (PCPIR) Deep Sea Port along with building state of the art infrastructure like international convention centre, logistic hubs, centre of excellence in various disciplines to keep pace with the various changes in science and technology and their application in the industrial process ,and to provide the required skill to the younger generation: modernization and expansion of the existing facilities and creation of new durable assets in the rural and urban areas. These are the some steps we have taken and going to take in the near future.





Interactive Meeting with Indiana Secretary of State Todd Rokita

Indo-American Chamber of Commerce (IACC) organized an interactive meeting and lunch with Todd Rokita, Secretary of State, Indiana, on 7 August 2007 at Taj Mahal Hotel, Mumbai. Farokh Balsara, Executive Vice President and other Executive Committee members participated in the meeting.

Secretary Rokita is the President of National Association of Secretaries of State, and also member of the Director's Circle of the Indiana Council for Economic Education, the Indiana State Bar Association, The Knights of Columbus and the National Rifle Association. Internationally, Secretary Rokita has represented Indiana and its model election, business, and securities reforms.

IACC also arranged meetings for Secretary Rokita with



Farokh Balsara greets Todd Rokita

Glen Kaiser, Acting Consul General; Jim Cunningham, US Commercial Service, Ms. Malini Shankar, Jt. Development Commissioner (Industries) and other business contacts in Mumbai.

Round Table Meet on Environmental Challenges

The United States Environmental Resource Center (US-ERC) organized a round table discussion on 30 August 2007 on Environmental Challenges. The participants included US Embassy, Kathmandu, John Adams, Director, Regional Environment Office for South Asia & Jay Pal Shrestha, REO Specialist, Maharashtra Pollution Control Board, Sanjay Khandare, Member-Secretary, National Solid Waste Association of India, Dr. Amiya Kumar Sahu, President, Reef watch, Dr. Sarang Kulkarni, Marine Biologist, WWF India (Maharashtra), Dr. J.C. Punetha, State Director, Bombay Natural History Society (BNHS), Deepak Apte, Head-Conservation Dept. and R.K. Chopra, Ms. Shabina Patel and Ms. Suba Gajapathi from IACC.

The discussion focused on the latest global environment challenges and issues in areas such as Climate Change, Solid Waste Management, e-Waste, Water & Waste Water Management, Bio-diversity and most importantly the city's ecosystem, its flora & fauna etc. were the main areas of the discussion. The discussion also included the management issues faced by the Maharashtra Pollution Control Board and the city's local authorities in the areas of solid waste management, Waste water treatment, and coastal/environmental laws and restrictions, bio diversity, coastal & mangroves conservation.

Mumbai City's mangroves are important to the existence of the city's eco system, although the government promoted the Coastal Regulation Zone by expansion of Mithi River; it has caused much damage to the living

organisms. In fact, according to the BNHS data, 70 percent of the organisms have been wiped out and the toxin levels are alarmingly high in all aquatic species. The city requires improvement in the quality of water and its supply and most importantly have a proper composting plan to take care of the tonnes of waste generated every day. The best composite plant is in Nashik.

The MPCB official said that the city plans to have three different dumping sites namely: - Deonar, Kanjur Marg, and Kalwa (near Thane). BMC is considering Private Public partnerships for sanitary landfill initiatives. There could be a new propositions and opportunities for a whole new industry with multipliers such as MOeF etc. Dr. Sahu reiterated that India needs a cost effective solution to implement technology for treating Solid Waste. The Government has sanctioned around 1,500 crores for CDM Projects with regards to Sanitary Landfill projects.





NORTH INDIA COUNCIL

IACC's legal meet on business between India & US

A legal conference on business in and between India and the US: Legal and Regulatory Framework was held from 4 to 6 May 2007 in New Delhi. It was organized by the Legal Affairs Committee of the Indo-American Chamber of Commerce (IACC) under the Chairmanship of Lalit Bhasin, Advocate, Bhasin & Company; and President of the Society of Indian Law Firms (SILF). The Center for American and International Law (CAIL) and American Law Institute / American Bar Association (ALI-ABA) were the co-organizers of the conference; and SILF was the supporting organization.

The conference was inaugurated by Pranab Mukherjee, Union Minister for External Affairs. Lalit Bhasin delivered the welcome address. The Inaugural session was also addressed by Deepak Pahwa, National President, IACC; Fali Nariman, Senior Advocate & President, the Bar Association of India, and Former Member of Parliament; Mark Smith, Vice President, CAIL; Carmine D'Alosio, Minister Counselor for Commercial Affairs, US Embassy. Vinod Madhok, Regional President of IACC proposed the Vote of Thanks.

Eleven senior speakers from the US made presentations on legal aspects of doing business in and between India and the US during the 3-day conference.



Presentation on 'Factoring as Alternate Source of Financing'



On August 3rd, 2007, The North India Council of Indo-American Chamber of Commerce organized a presentation by Rajiv Ranjan, Senior Vice President and Chief Operating Officer, SBI Factors and Commercial Services Limited, on 'Factoring as an alternate and effective source of financing.'

Vinod Madhok welcomed the participants to the presentation, which was attended by more than 100 members. It was followed by a lively question and answer session.



PUNE BRANCH

IACC Helps Battelle to Assess Pune for India Operations

The Pune branch of Indo-American Chamber of Commerce (IACC) organized a dinner meet at Le Meridien in the city on 28 August 2007 to help US R&D giant Battelle to assess Pune for its India operations.

Dr. Ravi Rao, Dow Chemical International, Dr. Richard Adams, Senior Vice President, Battelle, Ohio, USA, Surendra Kumar Jain, MD, Synergy Emulsifuels, Mr. John Paulson, Vice President, John Deere Technology Center, Dr. Thomas Zachariah, Asstt. Lab Director, Battelle were present during the meet.

Battelle, a global science and technology enterprise headquartered in Columbus, Ohio is in the midst of selecting a location for setting up a world-class research organization in India. They had already visited Chennai and Hyderabad and are now assessing Pune as a potential location.

In a logical sequel to the seminar on 'Pune - A Global R & D Hub' hosted by the Pune IACC under the guidance of Dr. Arun Nigavekar, the Chamber arranged a series of meetings between 'Battelle' and its members such as 'Agharkar Research Institute', 'Rohan Builders', 'Daimler Chrysler' etc.

Dr. Nigavekar accompanied by the Director General of the 'Science & Technology Park' Dr. Rajendra Jagdale during the meet with Dr. Richard Adams, Senior Vice president, Battelle and his colleagues invited 'Battelle' to join the 'Innovation Park' being planned near Chakan. Dr. Narendra Jadhav, Vice Chancellor, University of Pune, also, discussed possibilities of a joint venture.

A networking dinner on 28 August evening gave opportunities to the 'Battelle' team to interact with Chamber members Suresh S. Joshi, MD, Cache Technologies Pvt. Ltd. Nitin Deshpande, President, Eclipsys, Prashant Krishnan, MD, Stork Electronics, Surendra Kumar Jain, MD, Synergy Emulsifuels, Raghavendra S. Ponkshe, MD, Bhate and Ponkshe, John Paulson, Vice President, John Deere Technology Center, etc.

Anil Gupta, CEO, L'Oreal, Dr. and Mrs. Sivaram, Director, NCL, Ravi Kulkarni, Elkay Chemicals, Dr. Ravi Rao, Dow Chemical International, were, also, present at the dinner meet along with other guests.



Anil Gupta, CEO, L'Oreal, Dr. and Mrs. Sivaram, Director, NCL, Ravi Kulkarni, Elkay Chemicals Pvt. Ltd., Dr. Ravi Rao, Dow Chemical International Pvt. Ltd. with Guests



Dr. Ravi Rao, Dow Chemical International Pvt. Ltd., Dr. Richard Adams, Senior Vice President, Battelle, Ohio, USA, Surendra Kumar Jain, MD, Synergy Emulsifuels, John Paulson, Vice President, John Deere Technology Center, Dr. Thomas Zachariah, Asstt. Lab Director, Battelle during 'Dinner Meet'



TAMIL NADU BRANCH

IACC participates in joint seminar on Indian cinema

With a view to presenting the film industry in a proper perspective and to stress the need for more professionalism, Indo-American Chamber of Commerce (Tamil Nadu Branch), joined hands with the Madras Film Society (MFS) and the US Consulate General, Public Affairs Section, Chennai in organizing the Seminar Indian Cinema 'Winds of Change', held on 14 July, 2007.

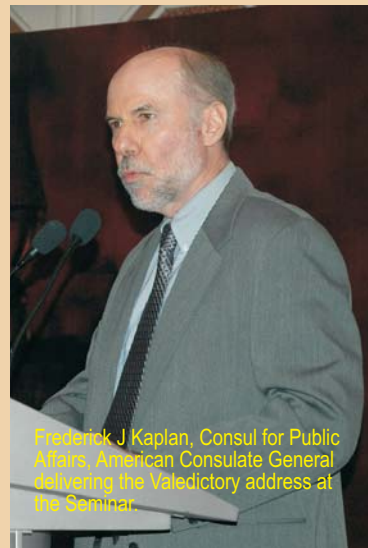
The tenor of discussions emphasized the importance to redefine the relationship among disjointed entities in the industry.

The Chief Guest, Mr. David Hopper, Consul General, American Consulate General, Chennai, called for collaboration among various entities of the business, for the Indian Cinema to succeed globally. The Keynote address was given by renowned film actor Kamal Haasan.

Kamal Haasan pointed out the necessity to scale up the infrastructure. Several film personalities, including actors Madhavan and Prashanth, filmmaker Balu Mahendra and MFS President Abirami Ramanathan participated in the discussion. Other speakers from the industry, financial institutions and legal experts shared their views and thoughts during the seminar.

Mr. R. Anand, Chairman, IACC (TN Branch) welcomed the gathering and Farokh Balsara, Vice-President, IACC presented the overview of the Seminar.

R. Anand, Chairman presenting a memento to Dr. Kamal Haasan.



Frederick J Kaplan, Consul for Public Affairs, American Consulate General, delivering the Valedictory address at the Seminar.



Standing on the dais (L-R)
Farokh Balsara, Executive Vice President, IACC;
Mahadevan Ganesh, Chairman, GV Films Ltd;
David Hopper, Consul General, American Consulate General, Chennai; R Anand, Chairman, IACC (TN Branch); Dr. Kamal Haasan, Cine Artiste; Sv. Rm. Ramanathan, MD, Abirami Theatres and Hiren Shah, Vice-Chairman, IACC (TN Branch)

According to a latest study, Bangalore emerged as one of the best places to do business in the world, joining the league of cities like London, Shanghai and Singapore.

India's growing presence in the global economic arena has received a boost with Bangalore emerging as one of the best places to do business in the world, joining the league of cities like London, Shanghai and Singapore, a latest study says.

Bangalore Ranks Among World's Best Places to do Business

Bangalore, known as the world's back office, is among the 12 cities named in the 'Best places to do business in the wired world' list recently compiled by Business 2.0, a magazine published by global media giant CNN-Time Warner group.

Other cities which find a place on the list are -- Tokyo, Hong Kong, Barcelona (Spain), Helsinki (Finland), Seoul, Stockholm (Sweden), Tallinn (Estonia) and Tel Aviv (Israel).

"The city is home to Infosys, Google's Research and

Development Center, and some of the world's most talented (and inexpensive) software engineers," the report said while describing Bangalore.

Each place is described along with the availability of free Wi-Fi points, best place to get down to business, best place to celebrate closing the deal and tips on how to get around.

Interestingly, the list also offers the address of saloon to get a good haircut apart from trivia about every city. On the 'What you might not know' section on Bangalore, the report says, "Residents call their city Bengalooru. Like Bombay (now Mumbai), the city was renamed to make it sound more Indian than British."

About Shanghai, the report says, "Shanghai is an increasingly popular choice for businesses looking to outsource software development. It's also the Asian-Pacific headquarters for more than 150 foreign companies, including General Electric and General Motors."

India Likely to Attract \$20 billion FDI a Year Till 2011: Economist



India is likely to receive foreign direct investment of \$20.4 billion every year during 2007-11, even as executives around the world see developing countries as having "heightened political risk".

According to a report by Economist Intelligence Unit, compiled in cooperation with Columbia Programme on International Investment (CPII), there is "significantly heightened political risk perceptions among the

investors".

This, the report said, is especially in the case of emerging markets where all four forms of political risk - political violence, FDI protectionism, threats associated with geo-political tensions and government instability - are seen increasing over the next five years.

For developed countries also, there is a widespread concern about rising FDI protectionism, the threat of terrorism in the United States and Britain and impact of geo-political tensions ranging from effects of possible conflict with Iran and Islamic radicalism to Russian-Western frictions.

The report projected that India's regional competitor, China, would attract average foreign investments of \$86.8 billion a year till 2011.

Last year, the two countries had received FDI worth \$17.5 billion and \$78.1 billion respectively. In percentage terms, India received 1.36 per cent of the world's total FDI as against China's 5.79 per cent.

The report predicts the US to retain its top slot in the list of FDI recipients with total inflow of \$250.9 billion per year. Britain could witness a fall in FDI inflow to \$112.9 billion per year over the five-year period, against \$137.7 billion last year.

US retail giant Wal-Mart's \$41.7-billion warehouse division SAM'S CLUB is planning to set up shop in India.

According to industry sources, the members-only warehouse club is in preliminary talks with Indian consumer durables majors Videocon Industries and South Korean giant LG Electronics for sourcing products for its India operations. It is understood to have hired market research firms McKinsey and Technova to study the Indian market.

Sources said the company was looking at the product baskets of durables companies in India. SAM'S CLUB is a price leader globally and charges no more than 12 percent mark-up on items. The multi-channel retailer operates membership warehouse clubs, samsclub.com and catalogues. It follows a business-to-business model and small shopkeepers and retailers can become its members. Significantly, this model is allowed 100 percent foreign direct investment (FDI) in India.

The club accounts for 12 percent of Wal-Mart's sales and runs 575 "no-frills" stores in 48 US states, and about 100 stores in Brazil, Canada, China, Mexico and Puerto Rico. The chain's 47-million-plus members many of them small-business owners pay an annual fee to

Warehouse Major SAM'S CLUB Zeroes in on India

WAL★MART



shop. The stores offer more than 4,000 discounted items, including bulk office supplies and food, electronic goods, jewellery, clothes, insurance and travel services.

Analysts said the warehouse major's entry into India seemed quite logical as its parent company Wal-Mart and Bharti Enterprises had already agreed to set up a 50:50 joint venture company in the cash and carry segment. The venture will involve selling to wholesale consumers, mostly small-shop owners. ■

HAL to Make Components for Hawkeye Aircraft

The US-based Northrop Grumman Corporation has signed an agreement with Hindustan Aeronautics Ltd (HAL) for outsourcing components manufacturing for the E-2C Hawkeye aircraft.

"Under the terms of the agreement, both companies have agreed to work together to identify projects of mutual benefits. This would result in involving HAL in Northrop Grumman's E-2C Hawkeye programme by way of sourcing aircraft assemblies and components, digitisation and other related services from HAL," said Tom Trudell, Northrop's international business development manager.

HAL was chosen for its expertise in aerospace design and manufacturing. "HAL is going to be an excellent



contributor to the Hawkeye team," said Tim Farrell, vice-president of airborne early warning programme for Northrop Grumman's integrated systems sector.

"The quality of their products and the creativity of their people are known to the industry. The capabilities and reliability of the Hawkeye are also well known to our allies and adversaries. HAL will help make this aircraft an even more capable tool for its operators the US Navy and, so far, six allied nations." Ashok K Baweja, chairman of HAL, said, "HAL is keen to develop a mutually beneficial cooperation with Northrop Grumman, which would help HAL to get on a high-growth trajectory." ■

Eicher Motors Buys US' Hoff for \$3.5 mln

Commercial vehicles maker Eicher Motors Ltd. said on Wednesday it had acquired U.S.-based Hoff and Associates and its two Chinese subsidiaries for \$3.5 million.

Hoff provides engineering solutions to aerospace, automotive, semiconductor, medical, marine and plastics industries, Eicher said in a statement.

Hoff had consolidated revenue of \$5.2 million in 2006, Eicher said ■

Welspun Gujarat to Set up US Facility

Welspun Gujarat Stahl Rohren (WGSRL), one of the country's largest pipe manufacturers, will set up a manufacturing facility in the US, the company's first in the North American continent.

The company will infuse \$100 million in the facility to come up on a 140-acre site in Little Rock, Arkansas.

The unit will produce 300,000 tonnes of tubular steel pipes for applications in the oil and gas industry, and hopes to start production by early 2008. The company will hire about 300 workers for the project.

B K Goenka, vice-chairman and managing director of the company, said, "Little Rock today has the advantage of a talented workforce, good transportation facilities and above all, the right geographical location."

Trans-Asia of US Plans to Invest \$1 bn

Trans-Asia Infrastructure Holding LLC of the US is planning to make a foray into urban infrastructure and township development projects with a kitty of Rs 4,000 crore (\$1 billion). The company is also planning to tap the market next year to raise funds for the purpose.

Dr Ravindra Verma, managing director of Second Vivekananda Bridge Tollway Company Pvt Ltd (SVBTC), said: "We would tap the market next year to raise funds while a significant portion would come from internal accruals."

PASGIC LLC, a joint venture between the Pacific Alliance Group and Trans-Asia of the US, and the

Stardec Group of the Philippines, leads SVBTC, which designed and built the 880-meter-long cable-stayed extra-dosed bridge.

"We are lining up a significant portion of the fund for projects in West Bengal. This would include new projects like urban mixed land use and township development projects," Verma said.

According to him, Howrah's horizon will change after the toll way project. "Moreover, there will be future industrial growth on the Howrah side, with a lot of activities, like setting up of factories and assembly plants, taking place. We believe a lot of townships will be needed for that. We will be looking at mixed land use development projects for commercial and residential purposes," Verma said.

The company has also lined up funds for proposed infrastructure projects like a deep-sea port at Haldia, light rail transit system in Kolkata and greenfield airport in the state.

While it will focus heavily on eastern India, Trans-Asia Infrastructure will also look for projects in northern India, in places like Delhi, Punjab, Haryana and Rajasthan.

The company might also co-invest with other companies for special economic zone projects, Verma said. ■



Good News for India's Urban Poor: US firm to offer loans



The US-based Development Innovations Group has set up a company in India, Capstone Financial Services Pvt Ltd, with a view to providing/facilitating loans to the urban poor.

Capstone will soon be registered with the RBI as a NBFC. The company's first office in India was inaugurated in Mumbai recently.

Addressing a press conference, Franck Daphnis, President & CEO, Development Innovations Group, said that Capstone would essentially be a 'service' company that will provide loans to the urban poor. He said that for starters, Capstone would give loans for housing, home improvement and micro-finance.

Micro Finance

It is not clear how the loans would be funded. Daphnis spoke of Capstone being "supported by Bill Gates Foundation" and that refinance arrangements are being worked out with Indian entities, which include ICICI Bank. Capstone is looking at lending between Rs. 20 crore and Rs. 25 crore in the first year, but plans a quick ramp up.

Capstone, which will set up two more offices in Chennai, will have about 30 "loan officers" who will "work into the community", Daphnis said. He noted that the Indian urban poor are as yet largely under-financed. While some efforts are on towards rural micro finance, urban micro finance



is a market waiting to be tapped.

Today, according to Daphnis, there is no one in India who provides a less-than Rs. 3 lakh housing loan for a self employed urban resident. Capstone will provide such loans at 15 percent compounded. It also intends to give consumer and personal loans to the urban poor hence 'micro finance' at a monthly rate of 1.7 percent, flat.

Delivery Channel

Over time, providers of other types of financial services such as insurance could piggy ride on the delivery channel created by Capstone.

Answering a question, Daphnis said that issues such as small ticket size, risks and higher costs of operations are factored into the pricing of loans.

He said this model would be expanded into other Indian cities typically those with a population of around 80 lakh. ■

White House Fellows Visit Convergys' Gurgaon Centre

Recently, the White House Fellows Class of 2006/2007 visited Convergys' Atria facility in Gurgaon, India, as part of its global familiarisation tour. During the visit, the Convergys executives gave a presentation covering the growth of the BPO industry in India and provided an overview of Convergys and its global service delivery capabilities and current presence of more than 11,000 employees in India. Myrna Blyth, chairman of the President's commission on White House Fellows, led the delegation along with the 12 other fellows. Sanjit Bal, director, business development, facilitated the visit and site tour, along with Sharad Talwar, site leader and director of operations, Atria facility, Convergys, and Lalit Lalwani, senior manager, Atria Command Center, Convergys.

The visiting fellows asked questions about Convergys' training and talent management programmes, the company said. They also asked about Convergys' business model, infrastructure and the future of the contact centre industry in India. The fellows enjoyed a short tour of the Atria centre, including the Command Center, and got a perspective of the operations environment and the investment Convergys has made in India. ■

Hinduja BPO Keen on US Acquisition to Diversify into Consultancy

HTMT Global Solutions, the ITeS firm of the Hinduja Group, is looking at bringing in consultancy to its portfolio of services and this could preferably be done through an acquisition. The company would be looking at acquiring a mid-sized consulting firm in the US.

The company, which provides both back office and voice services, will be able to move up the value chain with the new service, HTMT Global CEO Partha Sarkar said.

Sarkar said the company will be expanding its presence into tier 2 cities in India. It currently has presence in Mysore, Karnataka and Durgapur in West Bengal and is looking at adding two more locations by the end of this fiscal. It plans to raise the headcount to 12,500 by the end of this fiscal from the current 10,000.

The company is also looking at extending its presence to



Latin America in the next fiscal. It has 19 delivery centers across the US, Canada, Mauritius, the Philippines and India. The US and Canada presence was expanded through the acquisition of Affina for \$30 million last year.

The company, which has existing revenue of Rs. 585 crore, with reserves of about \$115 million, is looking at becoming a \$500 million company by 2010 through both organic and inorganic growth route. ■

First Consulting Buys US Firm Zorch



First Consulting Group, Inc., (FCG), the parent company of FCG Software Services India, has announced the acquisition of Zorch, Inc., a Salt Lake City, Utah based company that has built a proprietary enterprise software solution to provide

regulated content management and collaboration for the life sciences industry.

The products and solutions by Zorch are built entirely on the Microsoft Office Sharepoint Server platform, and are designed to allow life sciences organizations to leverage their existing

Microsoft platform investments while capitalizing on FCG's product innovations and industry-leading best-practices. The new offering acquired by FCG will be named FirstPoint, the company said in a release.

Larry Ferguson, chief executive officer of FCG, said, "We are very excited to add the Zorch team to FCG and offer FirstPoint as a solution to the life sciences market. FCG already has a market-leading solution in FirstDoc(R), a product that is used in 12 of the top 20 pharmaceutical companies and supports over 50,000 end users. We believe there is a good opportunity to leverage FCG's strong brand name and experience in the life sciences market, and the FirstPoint(TM) product opens new opportunities for FCG in pharma and biotech enterprises of all sizes."

Vadeesh Budramane, VP Technology & COO, FCG India, commented, "This acquisition demonstrates our commitment to life science market. It also strengthens our leadership position in the technology space". ■

Quatrrro Acquires US Financial Group As Mortgage Tech Platform

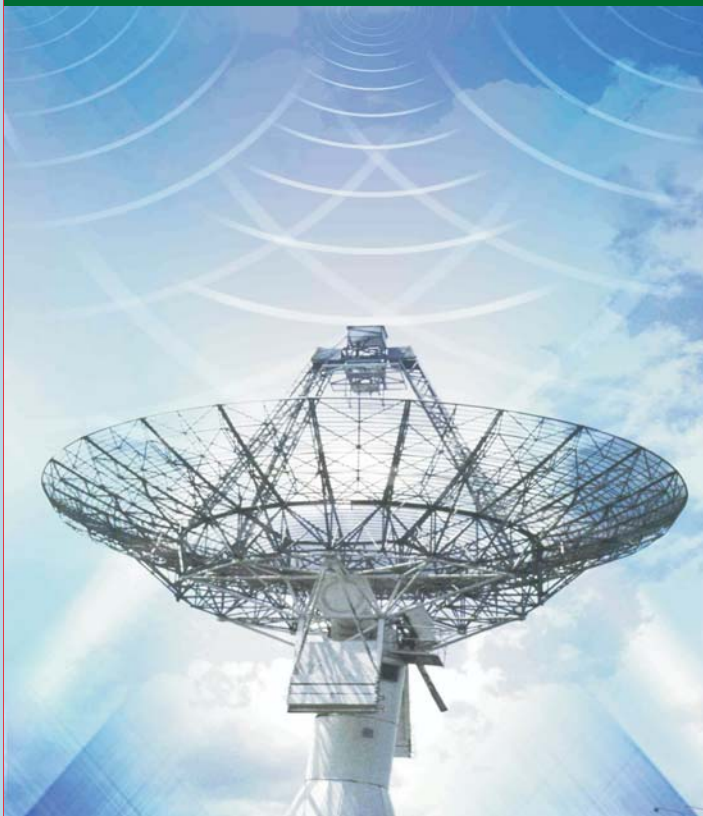
Quatrrro Mortgage Solutions, a subsidiary of Quatrrro BPO Solutions, founded by Raman Roy (Quatrrro), is all set to acquire the mortgage technology platform and onshore-offshore loan processing operations of Preferred Financial Group, Inc., Burlingame, California, USA. Using this acquisition as a base, Quatrrro plans to provide end-to-end fulfillment services to US mortgage lenders across the US.

This acquisition enhances Quatrrro's capability of end-to-end processing of high volume of mortgage loans using an onshore-offshore model. It allows Quatrrro to provide world-class service at a price-point projected to be 30 percent to 50 percent lower than current

processing costs in the US, reflecting the superior efficiency of the acquired state-of-the-art technology platform coupled with the cost-effective onshore-offshore service solution.

Preferred Financial Group, Inc. (PFG) is a privately-held financial services corporation that originates, underwrites and funds mortgage products. The company developed its ePower proprietary mortgage technology platform to deliver fully integrated and automated underwriting, pricing and locking to enhance productivity, strengthen customer relationships, and improve quality. Following the acquisition, PFG proposes to take advantage of Quatrrro's expanded processing expertise and cost savings to serve its own customers with increased efficiency at a lower cost. It will also provide ongoing support and domain expertise to Quatrrro on business development through automated tools like ePower. ■

American Tower to Enter India's Telecom Infrastructure Space



In a move that would heat up the competition in telecom infrastructure space, US-based American Tower Corporation is all set to enter the Indian market. The company manages and rolls out infrastructure such as towers for mobile operators.

American Tower owns and operates over 22,000 sites in the US, Mexico and Brazil. Additionally, the company owns about 2,000 revenue producing rooftop and tower sites.

ATC's entry comes at a time when mobile infrastructure companies in India are getting high valuation. Reliance Communication recently sold 5 per cent stake in its tower business for nearly Rs. 1,400 crore.

According to industry sources, Reliance is looking at a further dilution of around 25 per cent and is in talks with at least three global majors, including American Tower Corp. ATC, meanwhile, is expected to make a formal announcement of its foray into India on Tuesday.

Bharti and Essar have also hived off their telecom infrastructure business into a separate entity. ■

MNCs Benefit From India's Telecom Outsourcing Demand

Most of India's business went to multinational service companies such as HP and IBM rather than Indian outsourcers. Thus, India has emerged as the biggest consumer of outsourcing services in the Asia Pacific region, ahead of Japan, China, and Australia, according to sourcing consultancy firm Technology Partners International Inc. (TPI) in Houston, Texas.

Most of that business, though, went to multinational service companies, such as Hewlett-Packard and IBM. Indian outsourcers don't tend to focus on their home market because they don't find it as lucrative as the US and Europe, analysts say.

In the first half of 2007, outsourcing contracts from India were worth \$1.7 billion and accounted for almost a third

In the global market, the number of outsourcing contracts worth more than \$50 million fell 25 percent in the first half of 2007, according to TPI. The total value of contracts also fell, by 23 percent.

The global market continues to grow robustly, however, even if business is shifting to smaller contracts, said Mark Mayo, a TPI partner and managing director of its global advisory services. Contracts are getting smaller because companies are dividing work among multiple suppliers, rather than awarding business to one supplier, Mayo said. Many contracts also tend to be short term and have a large offshore component, he added.

Indian outsourcing companies, such as Infosys Technologies and Wipro, had only a 4.0 percent share of the global market in the first half of the year. That



of contracts awarded in the Asia Pacific. Japan came second with contracts worth \$1.2 billion and China third with \$1.1 billion.

The demand in India has come mainly from the country's booming telecommunications industry, including two very large contracts worth about \$1.3 billion. Still, momentum for contracts in India is huge and the country will stay among the top three consumers of outsourcing even if more large contracts don't materialize, Siddharth Pai, a partner at TPI and managing director of its Indian operations, told reporters in Bangalore recently.

TPI tracked the contracts worth more than \$25 million for its regional survey. Had it included smaller contracts, the Indian outsourcing market would be three times as large, Pai said.

figure does not include multinational companies like IBM that offer services from India.

A new opportunity for Indian companies is what TPI calls Knowledge Services Offshoring (KSO), which is the offshoring of highly complex work, requiring high level skills, such as research and analytics.

Unlike business process outsourcing (BPO), KSO work is non-repetitive and requires staff to use judgment, Pai said. A significant portion of the offshore KSO work will be done by subsidiaries of multinationals rather than by outsourcers, as some of the work is core to a company's business, he added. Most of the KSO work sent to India currently comes from the financial services industry, Mayo said. ■