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CONTENTS

News Feature

Government data shows that macro economy is in a much better shape

India's macro economy is in a much better shape than what the mood on the ground reflects, a clutch of data released by the government showed.

The readings point to a moderation in food inflation, a brighter industrial outlook and a comfortable balance of payments position.

Economists say the data indicates the Indian economy may avoid a hard landing, but there will still be pain in the offing.

"It seems we might have a soft landing," said Sonal Varma, India economist for Nomura Financial Advisory and Securities Private Limited .

The country's eight key infrastructure industries logged a growth of 5.4% in May, up from 4.6% in April, data showed. This indicates that overall industrial output growth could rise above 6.3% registered in April.

The revamped infrastructure index has eight sectors, as against six in the earlier index, and has a 38% weight in the Index of Industrial Production, as compared with 27% in the old index. The higher weight in the IIP makes it a good indicator of industrial growth.

"Right now the key relation to be assessed is between growth and inflation," said Samiran Chakraborty, chief economist with Standard Chartered Bank . "The numbers are suggesting that growth is moderating, but not collapsing."

The rise in core sector output was despite a 9.3% contraction in output of natural gas in May from a year earlier. Steel output, a key indicator of demand in the construction sector, rose 6.1% in May from 4.8% in April.

Food inflation dropped to a six-week low of 7.78% for the week to June 18 while consumer price index for industrial workers rose at a slower pace of 8.7% in May from 9.41% in April.

The decline in food inflation was because of a drop in prices of vegetables, pulses, poultry and tea.

Even at the retail level, food inflation dropped to 7.61% in May from 8.24% in April.

http://economictimes.indiatimes.com/news/economy/indicators/government-data-shows-that-macro-economy-is-in-a-much-better-shape/articleshow/9058273.cms

'Per Capita Income could reach $10K with sustained GDP Growth of 8 - 8.5%'

The per capita income of Indian will reach US $ 10,000 by the year 2039 from the current level of US $ 1,000 plus if India maintains its GDP growth at 8 to 8.5 percent for the next 25 years, said Dr Kaushik Basu, Chief Economic Advisor , Government of India while delivering his keynote address at the Panel on Realizing India's Full Economic Potential at the CII Brookings Conference on US India Economic and Financial Partnership in Washington.

Alluding to the growth prospects of Indian economy and the game changing reforms India had undertaken during the decade and a half, Dr Basu said that the fundamentals of Indian economy are strong in the medium term and the long term growth prospects were good for India to grow at a healthy rate of 8 % plus growth. He added that it was important to keep the growth momentum going as 1% increase in GDP growth would create 1 million jobs.

Speaking on the US India economic and financial partnership, Dr Basu alluded that the fundamental similarities between US and India are the aspirations in terms of democracy, vibrant media and secularism and this political common aspiration should translate into reaping the economic potential.

Delivering his keynote address at the Panel session on striking the balance between inflation and growth, Dr Subir Gokarn, Deputy Governor, Reserve Bank of India said that growth momentum would moderate in the short run due to supply side pressure on inflation and presented the RBI projection for growth during 2011-12 at 8 per cent.

Inflation is a significant near term macro challenge and growth would be impacted in the short term in managing inflation and inflationary expectations. However, long term growth prospects would be strengthened if inflation is kept under control he added.

http://economictimes.indiatimes.com/news/economy/indicators/per-capita-income-could-reach-10k-with-sustained-gdp-growth-of-8-85/articleshow/9035804.cms

Overseas Investment

'Indian businesses expected to invest USD40-50bn overseas'

Indian businesses are expected to invest between USD 40-50 billion overseas this year as global economy improves, after having committed USD 30-35 billion of such

investments last year, Lanco Infratech Ltd Executive Director Ajay Kumar Dhir said.

He gave the "rough estimations" at the inaugural Future Global 100 Initiative (FG100), a corporate world's gathering in Singapore to address the global economy, markets and business direction, pointing out that Indian corporations were now "very bullish" on investing globally.

"Last year, between USD 30-35 billion was committed as big ticket investments overseas by Indian businesses despite the traces of the 2008-2009, global economic recessionary trend," he said, adding that the figure included Lanco's USD 1 billion investment in an Australian coal mine.

"Now with the global economy recovering and the recessionary trend little behind us, we would see a proportionate increase of Indian investments to between USD 40-50 billion," Dhir said.

He added that 15 per cent of Indian businesses have already ventured out into the international markets, and 30 per cent more would be doing so over the next 5-6 years.

"Another 30 per cent of the companies, who were aspirants earlier, are now stretching their wings, and a lot of them would be Small and Medium-size Enterprises (SMEs)," he said.

"The Indian businesses have lined up funding for acquisitions with a lot of them aggressively eyeing potential business acquisitions overseas," Dhir said.

"Valuation is the key factor which for now is high. The moment the pricing is within reach, the Indian businesses would seal the deals," he said.

However, he cautioned the Indian investors asking them to shed India management mentality and blend with global business operating cultures.

The FG100 initiative is to be held in seven cities starting with Singapore. The next FG100 roundtable would be held in Mumbai on August 4, followed by Shanghai , Kuala Lumpur , Hong Kong, Jakarta and Sydney .

http://economictimes.indiatimes.com/news/economy/indicators/indian-businesses-expected-to-invest-usd40-50bn-overseas/articleshow/9099771.cms

MFs open to foreign investors

A day before speaking to top American investors in Washington, finance minister Pranab Mukherjee liberalised the rules to allow foreign investors to directly buy units of Indian mutual funds up to a cumulative total of $10 billion per year.

The finance ministry explained the framework for investment by qualified foreign investors (QFIs) - basically anyone who can give sufficient proof to banks or regulated brokerages to open an account. The move opens the Indian equity market to global retail investors for the first time, bypassing the foreign institutional investor (FII) route. A QFI, as the finance ministry explained, could be an individual or pension and insurance funds.

This is the first major overhaul of the rules for foreign investment in the Indian markets since 1991, when foreign investors were allowed in through Sebi-registered FIIs.

Last week, the Indian government also announced the guidelines for setting up infrastructure debt funds (IDFs) to attract offshore investment into the country.

IDFs, if set up as companies, will attract a lower withholding tax of 5% on interest payments on their borrowings. The income of the funds will also be exempt from income tax.

Both measures were promised by the finance minister in his Budget speech. The proposals come at a time when FIIs have sold $390.10 million worth of Indian shares this year, dragging the benchmark Sensex of the Bombay Stock Exchange 10.2% lower.

"Since it is going to be retail investment, it would be more stable than the FII money," said Thomas Mathew, joint secretary in the capital markets division of the finance ministry.

Analysts agreed that overseas retail investor participation would improve the stability of Indian markets. The Indian mutual fund industry's average assets under management was a little over R7 lakh crore ($156 billion) as on March 31.

Ashvin Parekh, partner at Ernst & Young's global financial services division, described it as a welcome move "that will have a major impact on further developing the size of the market. The quality of investment coming into the equity markets will be very strong while retail participation will bring long-term stability to the markets."

For mutual funds, besides widening the investor base, it would also give them access to international investors. According to the guidelines, the funds will be required to deduct tax at source on any profits made by the QFIs.

Till now, major Indian mutual funds have had to set up base abroad when they wanted foreign investments, but there too, the investment was restricted to FIIs only.

Finance ministry officials said they released the operating framework of the scheme after discussing it with the Reserve Bank, Sebi and market participants.

QFIs can buy mutual fund units through two routes: by opening a demat account with a local depository participant such as IndiaBulls Securities, or by placing an order with an overseas depository such as BNP Paribas in a foreign country. In the second option, they will get Unit Confirmation Receipts (UCR) which they can encash in their own currency. But in either case, the QFI can open only one account with a DP, the rules which apply to domestic investors.

To begin with, $10 billion is the total ceiling on QFI investment in India but it is subject to review after six months depending on response, Mathew said. Sebi would issue necessary notifications by August 1. Depository participants as well as mutual funds would be required to ensure know your client diligence for QFIs.

Sebi would regulate both investment options. DPs willing to offer demat services to QFIs will have to separately register with Sebi and have a minimum paid-up capital of R50 crore.

Only those QFIs which are from Financial Action Task Force compliant jurisdictions and with which SBI has signed MoUs under the International Organisation of Securities Commissions can invest in mutual fund schemes. FATF is an international body that aims to combat money-laundering and terrorist financing. Currently, there are 34 members countries in FATF.

http://www.financialexpress.com/news/mfs-open-to-foreign-investors/809749/0

Trade News

India, UAE to step up investments

A day after foreign minister-level talks, India said it has decided to step up two-way investments in the United Arab Emirates (UAE) and work towards enhancing the profile of their business relations, particularly in the infrastructure sector.

They also decided to hold the meeting of the joint commission on economic cooperation in Abu Dhabi later this year, a ministry of external affairs release said here.

UAE Foreign Minister Sheikh Abdullah Bin Zayed Al Nahyan was in India on a two-day visit, accompanied by officials and a business delegation comprising corporate honchos of UAE companies having large investments in India.

Apart from his delegation level talks with External Affairs Minister S.M. Krishna, Al Nahyan also called on Indian Vice President Hamid Ansari and Prime Minister Manmohan Singh.

"Al Nahyan welcomed greater Indian investments in UAE, as well as the other way around. Both sides agreed to work together to significantly enhance the profile of India-UAE investment relations, particularly in the infrastructure sector. It was also agreed that the Joint Commission on Economic Cooperation Meeting will be held in Abu Dhabi later this year," the release said.

During the talks, both sides reviewed the current state of bilateral relations and discussed recent developments in regional and international issues.

Al Nahyan also reiterated the UAE's full support for India's candidature for a permanent seat in the UN Security Council.

Both leaders signed a bilateral memorandum of understanding on periodic political consultations as well as exchange of views on regional and international issues of mutual interest.

India and the UAE have extensive political, economic and cultural ties that are growing rapidly. During 2009-10, India was UAE's largest trading partner with bilateral trade of $43 billion.

http://articles.economictimes.indiatimes.com/2011-06-28/news/29712941_1_india-uae-al-nahyan-permanent-seat

India-New Zealand FTA to help forge business partnerships

India and New Zealand stand to gain through cooperation in a number of sectors including post harvest technologies, renewable energy, animation films and education, and the proposed bilateral free trade agreement could help forge business ties, commerce and industry minister Anand Sharma has said.

"The proposed FTA would deliver a broad range of benefits to both countries. It would definitely lead to additional trade flows and economic gains," Sharma said at a luncheon meeting with New Zealand Prime Minister John Key and businessmen from both sides organised by industry chambers CII, Ficci and Assocham.

Five rounds of negotiations on the FTA have already been carried out with the two sides hopeful that the agreement would be concluded soon. "Our partnership is growing and that is the reason we are very keen for the progress in the FTA . We hope it will be concluded by 2012," New Zealand PM John Key said.

New Zealand is keen on gaining greater access to India's market for dairy products and wooden items and India seems willing to oblige. Sharma said that the FTA would provide New Zealand the opportunity to emerge as a substantial supplier in the dairy, wood and wool products sectors. India, on the other hand wants New Zealand to offer a more liberal visa regime and employment opportunities to its professionals.

Bilateral trade between India and New Zealand is a low $1 billion with the balance in favour of New Zealand. The two countries hope to treble trade to $3 billion in the next four years.

http://articles.economictimes.indiatimes.com/2011-06-28/news/29712765_1_bilateral-free-trade-agreement-treble-trade-new-zealand-prime-minister

India, Japan to implement CEPA from August 1

India and Japan are scheduled to implement a comprehensive free trade agreement from August 1 to boost bilateral trade between the countries to $25 billion by 2015.

Under the Comprehensive Economic Partnership Agreement (CEPA), which was signed in February, the two major Asian economies will eliminate import duties on 94 per cent of their trade items in ten years.

"CEPA is going to come into force from August 1. Japanese Parliament -- Diet -- has approved the agreement," Japanese Ambassador to India Akitaka Saiki said at a function of the 'Observer Research Foundation'.

He said India will remove duties on products like diesel engines, steel products and electronic items like DVD players and video cameras.

"Japan will be liberalising duty on fruits, sweet corn, strawberries and peaches in the next 7-10 years," Saiki said.

The ambassador said the pact will improve two-way trade and also boost investment between the nations.

The pact will also provide access to Indian professionals like accountants, researchers, yoga and English teachers and management consultants to the Japanese market, which is grappling with an ageing population.

Through this agreement, both sides aim to double bilateral trade to $25 billion by 2015 from $12.35 billion at present.

India has already entered into a similar pact with Singapore and South Korea.

Further, he said that India has been the number one recipient of aid from Japan and despite the recent earthquake and tsunami, "we are committed to carrying out flagship

projects like Delhi-Mumbai Industrial Corridor", he added.

The $90 billion DMIC project planned in 2006 and comprising six states -- Uttar Pradesh, Haryana, Rajasthan, Gujarat, Maharashtra and Madhya Pradesh -- is being developed in collaboration with Japan as a manufacturing and trading hub.

http://www.business-standard.com/india/news/india-japan-to-implement-cepaaugust-1/139736/on

India-Malaysia economic pact becomes operational

India's exports of basmati rice, motorcycles and cotton garments will get greater market access in Malaysia.

In addition Indian professionals including chartered accountants, architects and medical practitioners will be able to provide their service in that country more freely on a temporary basis.

This follows the India-Malaysia Comprehensive Economic Cooperation Agreement (CECA) becoming operational from July 1. The Agreement liberalises trade in goods, services, investments and other areas of economic cooperation. It aims to boost bilateral trade to $15 billion by 2015 from the current level of $10 billion, the Ministry of External Affairs said in a statement.

The items on which India has obtained market access from Malaysia, under the pact, include basmati rice, mangoes, eggs, trucks, motorcycles and cotton garments. These are all items of considerable export interest to India. At the same time, adequate protection has been provided by the Indian side for sensitive sectors such as agriculture, fisheries, textiles, chemicals and auto among others.

India and Malaysia, under the services chapter of the pact, have provided commercially meaningful commitments in sectors and modes of interest to each other which should result in enhanced services trade, the statement adds.

The CECA also facilitates the temporary movement of business people including contractual service suppliers, and independent professionals in commercially meaningful sectors including accounting and auditing.

Besides, architecture, urban planning, engineering services, medical and dental, nursing and pharmacy, Computer and Related Services (CRS) and Management Consulting Services could also benefit.

The India-Malaysia CECA also facilitates cross-border investments between the two countries. It aims to promote investments and create a liberal, facilitative, transparent and competitive investment regime.

The CECA creates an attractive operating environment for the business communities of both countries to increase bilateral trade and investment.

The trade in goods package under India-beyond the India-Asean Free Trade Agreement commitments, which were implemented by both countries at the beginning of 2010.

http://www.thehindubusinessline.com/industry-and-economy/economy/article2147713.ece

Sectoral News

Two-wheeler makers ride high in June

Demand for two-wheelers from the stable of six of the eight domestic mobike manufacturers rose 16 per cent in June to over 880,000 units, compared to 761,000 units in June 2010. Analysts said the recent rise in petrol prices have propelled buyers to move to fuel-efficient two-wheelers.

Hero Honda, the country's biggest two-wheeler maker, recorded total sales of 512,224 units to dealers in June — up 20 per cent from 426,454 units in the year-ago period. The company has achieved sales of more than 500,000 units in each month of the last quarter.

Anil Dua, Senior Vice-President (Marketing and Sales), Hero Honda Motors, said: “The first quarter has set the pace for the rest of the financial year and has put us on course to the fiscal.”

TVS Motors, the country's third biggest two-wheeler maker, posted a growth of 11 per cent to 155,296 units during the reporting month, compared to 139,905 units in June, last year.

Demand for TVS Motor's automatic range of scooters, including the Scooty and Wego grew 21 per cent to 44,281 units, while motorcycles grew to 69,859 units.

Honda Motorcycle and Scooter India, the fourth biggest two-wheeler manufacturer in India, continued to be plagued with problems of production constraints but demand remained robust. The company posted a growth of two per cent in total sales (including exports) at 148,937 units during June, against 145,973 units in the same month last year.

India Yamaha Motors, the subsidiary company of Yamaha Motor Company, Japan, meanwhile, witnessed an increase of 29 per cent in the reporting month at 27,263 units, against 21,157 units in the same period last year.

Mahindra Two Wheeler also saw a growth of 16 per cent in sales of scooters at 11,748 units, compared to 10,017 units last year. The company sells four models of scooters.

http://www.business-standard.com/india/news/two-wheeler-makers-ride-high-in-june/441276/

IBM ranked as leader in domestic Indian IT market with a 31.4% share in revenues

IBM India led the domestic Indian software market in 2010 with a 31.4% share in the industry's revenues last year, according to research firm Gartner Inc.

Customers, such as HDFC, SBI, Bharti Infratel and Indian Railways, contributed to IBM India's 55% market share in the application infrastructure and middleware (AIM) software segments. IBM competes with firms such as Wipro Infotech, TCS, Firstsource, Intelenet, CMS Computers among others for the domestic IT market pie. SAP, Oracle, Microsoft are global players in business analytics which compete with IBM.

The India application infrastructure and middleware software market grew to $228.2 million in 2010, up 12.7% over 2009. IBM was ranked leader in India in business integration (BI), collaboration and systems management.

SAP leads in these categories globally followed by Oracle and SAS. IBM is ranked fourth globally in these categories, where it leads in India.

IBM India's revenues in 2010 grew 15.4% over 2009 in development software, systems management, collaboration and business integration categories, according to Gartner.

IBM India and South Asia software group director Pradeep Nair attributes the rise in revenues to contracts coming from the small and medium businesses.

The company is known to pick software development and maintenance contracts from small cooperative banks and manufacturing firms. Infosys, TCS and Wipro - India's largest IT services companies - have still not delved deeply into the SME business, as it may erode their high profit margins.

"IBM is expanding into new locations, building new capabilities which has enhanced customer loyalty and profitability," Nair said. The company is extending its reach beyond the metros into tier II and III cities servicing clients such as Paragon Footwear with pay-as-

you-go cloud based solution. Financial services, telecoms and contracts from government contributed about 20% each to the company's revenues.

For instance, in a project for the government, the company is developing technology to check money laundering by creating analytical monitoring system which tracks the ordinary banking transactions. IBM's helped to reduce 30% fuel costs for Bharti Infratel used to power more than 33,000 of its telecom towers in 2010.

Worldwide business intelligence (BI) platform, analytic applications and performance management software revenue has reached $10.5 billion, a 13.4% increase from 2009.

http://articles.economictimes.indiatimes.com/2011-06-28/news/29712838_1_ibm-india-software-market-bharti-infratel

India's Engineering R&D providers to capture 40% of global offshore revenues

India's Engineering Research & Development providers could capture a 40 % share of global offshore revenues in 11 key verticals by 2020, according to a new report.

The report titled "The Futures Report 2011," by Global Futures and Foresight, says, "Outsourcing will continue to deepen in scope to include R&D. Powerful verticals could be established." The report which cites a 2010 Booz & company study, says that India is the only country in the world to offer a large third party engineering vendor base.The E R&D space has a potential to create more than five million jobs.

Key drivers of change include a shift in centers of economic activity, notably the emergence of Asia, demographic challenges in mature economies, greater technology convergence and major shifts in industry structures, the report says. Growth in Indian domestic market, infrastructure investments and offset policies are expected to drive growth in the domestic E R&D outsourcing industry.

"Domestic demand is expected to contribute between 10 and 15 percent of the Indian ER&D market in 2020 with European demand adding another 30 %. In a sign of changing times, the US market is only expected to provide 45 % of total ER&D service revenue in 2020 down from 62 % in 2009," the report said. The Booz & Co study said, overall spending on ER&D increased 12% from $980 billion in 2008 to $1.1 trillion in 2009 and is expected to expand to $1.4 trillion by 2020. Demand from sectors including computing systems, medical devices, energy, and infrastructure is fuelling the ER&D market.

http://articles.economictimes.indiatimes.com/2011-06-27/news/29709192_1_providers-booz-key-verticals

Food Processing Ministry to focus on R&D

The issue of basic research in food science is a neglected one and the Government is working on a master plan proposal to correct it in the 12th Plan, said Mr Ashok Sinha, outgoing Secretary, Ministry of Food Processing Industries (MoFPI).

“We need to boost our research and development in order to lessen wastage and the Ministry along with the industry has to now find answers through R&D for the problems that all stakeholders know exist,” said Mr Sinha.

He was speaking at a stakeholder consultation to identify focus areas in R&D in the area of food processing organised by FICCI.

The R&D allocation for the Ministry for 2011-12 is Rs 8 crore against Rs 6 crore for last year and 18 projects will be cleared this year, said Dr U. Venkateswarlu, Joint Secretary, MoFPI.

He added that the allocation could be increased, if needed.

The ministry was open to any model or new process that helps reduce wastage and improves the shelf-life of products and the Government would act as a facilitator for this, he said.

Dr T. Ramasami, Secretary, Ministry of Science and Technology, suggested the adoption of a consortium approach to R&D in public private partnership mode.

http://www.thehindubusinessline.com/industry-and-economy/economy/article2144938.ece

Domestic demand help handicraft exporters beat global slump

Robust domestic demand fueled by growing disposable incomes has set cash registers ringing at India's handicrafts industry , which is battling a slump in its main markets, the US and Europe , that account for three-fifths of its exports business.

Handicrafts exports slumped 40% to Rs 10,533 crore in 2010-11 from Rs 17,288 crore in 2006-07, prompting many handicraft exporters to rethink their business strategies to tap rising domestic demand.

"With economic growth and additional incomes, people are willing to spend on high-quality exquisite goods," Export Promotion Council of Handicrafts executive director Rakesh Kumar told, adding that "the Indian market is evolving and many exporters have set up their retail outlets here and are doing good business."

Companies now see a sizeable chunk of their future revenues coming from domestic sales. Starlite Overseas has been exporting intricate glass and metal items to the European Union for years, but is now opening stores in India after finding a market for products once considered too expensive. "Decorative items, especially of glass, and accessories like cigarette cases, hookahs, garden ornaments have seen a spurt in demand within the country. We are shifting focus from primarily exporting these products to looking inwards," said Starlite director Punit Bansal.

With high unemployment and lower incomes in the EU and US, the demand for luxury items like handicrafts have taken a hit, said Kumar. "Domestic retail is expected to contribute as much as 25-30% of our total revenues this fiscal," said OP Prahladka, chairman, Lion Picture and Frame Company Ltd, a medium-sized Kolkatabased handicrafts company.

Large handicraft export houses like Hitaishi KK Manufacturing have set up subsidiary companies exclusively for domestic operations. Other export houses too are contemplating setting up separate companies to focus on expanding their domestic presence. "It is difficult for an export house to foray into the domestic business in a big way as there are many administrative issues.

We have, therefore, set up a different company for this purpose," said a company official in Hitaishi. Domestic demand has also lured new players into handicraft manufacturing, helping widen the range of products. Emergence of organised retail is also helping the trend. Many of these export houses have tieups with big brands, malls and store chains.

"We currently have our stores in seven prime locations. We have also tied up with Hometown in Mumbai, Delhi, Kolkata and are looking to expand," said Prahladka.

The textile ministry has also approached the Tatas to allocate retail space for handicrafts in Westside stores

http://economictimes.indiatimes.com/news/economy/indicators/domestic-demand-help-handicraft-exporters-beat-global-slump/articleshow/9094410.cms

News Round-Up

India safe place to invest: Lord Paul

Batting for India, leading NRI industrialist Lord Swraj Paul has said that doing business in the country was a safe bet as its democracy

assures that business environment will not be held hostage to "unanticipated upheavals".

"At a time when guerrilla wars, insurrections, drug wars, kidnapping of businessmen and like happenings are so frequent, there are advantages in the stability of relatively lower violence societies. When ethnic tensions are worsening in many important countries, India has managed religious and ethnic issues rather well," Lord Paul said.

"Our company, Caparo, has built 32 plants in India in the last eight years and we employ almost 9,000 people. We strongly believe there is long term potential in India and we want to be part of that Growth," Lord Paul, chairman of the Caparo Group, said.

http://articles.economictimes.indiatimes.com/2011-06-29/news/29717230_1_lord-paul-business-environment-business-opportunities

PE investment in Jan-June up 52%

Private equity (PE) investments in India stood at $6,141 million in value terms in the first six months this year, while the number of deals rose by 33 per cent to 195.

According to data compiled by Chennai-based Venture Intelligence, the rise in the value of the deals so far this year was 52 per cent, compared with the $4,036 million raised in the year-ago period. Major investments so far this year include the $828-million investment by GIC and Bain Capital investment in Hero Investments in March,

The $375-million investment by iGate in Apax Partners in January and the $500-million investment by Apollo Management in Welspun Group in June.

Other major deals were Morgan Stanley's $200-million investment in Isolux Corsan India and the investment of $200 million by a consortium of investors that included Goldman Sachs, Ashmore, Baer Capital and Everstone, in Indostar Capital Finance.

Investors recovering from the global financial crisis was a major cause of the rise in investments, said Amit Chander, partner and head (healthcare, pharma and education), Baring Private Equity Partners India.

The market for initial public offerings was unattractive in the last six months. So, companies have started looking at PE investments, Chander said. Sectors catering to the domestic market seem more attractive compared to exports markets, he said.

http://www.business-standard.com/india/news/pe-investment-in-jan-june52/441296/

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