

Indian companies hunt acquisitions abroad

AFP, New Delhi

After decades of being stifled by strict foreign exchange controls, corporate India has gone on a shopping spree -- snapping up companies everywhere from Britain to Korea.

Still, the country has no home-based takeover tycoons to rival Kolkata-born "king of steel" Lakshmi Mittal, whose Rotterdam-headquartered company Mittal Steel has mounted a 22.7 billion dollar bid for rival Arcelor.

But with India's economy growing at a cracking eight percent, the nation's cash-flush firms are becoming global players, purchasing companies in all sectors from soft-

ware to pharmaceuticals, information technology and energy.

While many of the acquisitions are small, that's seen as changing in coming years as Indian companies head increasingly abroad.

"We're really at an exciting time for Indian business," said Alan Rosling, executive director of Tata Sons, holding firm of tea-to-telecoms Tata group, India's second largest conglomerate.

"It's not just the Indian government liberalising (the economy) -- it's the world globalising," he told AFP.

Firms in Indian hands include well-known British tea brands Tetley Tea and Typhoo Tea, the trucking unit of South Korea's Daewoo

Group and Bermuda-based bandwidth provider Flag Telecom whose underseas cables link the world.

Last year, the value of India's 118 purchases of foreign firms totalled 2.91 billion dollars, said Marti Subrahmanyam, finance professor at Stern School of Business at New York University. That's around seven times the tally in 2001.

While the amount is puny by world standards, analysts say India's takeover hunger will rise as firms aim to attain critical mass to compete globally and to leverage their low-cost production base.

"There's a need for corporates in the developing world to restructure to deal with the compulsions of globalisation," Mustafa Hamdy, Vienna University of Technology management professor, told a recent Kolkata business forum.

India's biggest deals in 2005 included the 313-million-dollar purchase by Matrix Laboratories of Belgium's DocPharma, TV maker Videocon's acquisition of the colour picture-tube business of France's Thomson for 292 million and Tata Chemical's 112-million-dollar takeover of British soda ash manufacturer Brunner Mond. Its products are used to make glass and detergents.

India's burgeoning business process outsourcing (BPO) sector, in particular, is extremely keen on foreign purchases, eager to acquire niche skills swiftly in such areas as retail, insurance or health care.



PHOTO: EASTLAND INSURANCE COMPANY

Mahbubur Rahman (C), chairman of Eastland Insurance Company Ltd, speaks at the company's 'Regional/Branch Managers' Conference-2006' at Rajendrapur in Gazipur on Friday. AKM Humayun Kabir, director, and M Azmal Hoque, managing director, among others, are seen.



PHOTO: GREEN DELTA INSURANCE

Nasir A Choudhury, managing director and chief executive officer of Green Delta Insurance Company Ltd, speaks at the '20th Annual Business Conference-2006' of the company on Thursday in Dhaka. Other senior officials are also seen.

Workshop on economic zones on Feb 7

The Board of Investment, with the support of the SouthAsia Enterprise Development Facility (SEDF) and FIAS, is organising a two-day workshop on economic zones strategy and administrative barriers to investment on February 7 and 8 at Dhaka Sheraton Hotel.

The workshop is being organised as part of the ongoing preparation for the proposed \$150 million World Bank-led, multi-donor-funded Bangladesh Private Sector Development Support Project (PSDSP), says a press release.

The workshop follows nearly a year of work by the government, SEDF and FIAS, which has been conducted as part of the design of the PSDSP.

Over this period, the SEDF and FIAS, with the assistance of the government of Bangladesh, have conducted several studies on these two vital issues. At the workshop, the findings of these studies will be presented to the invitees in an attempt to develop a comprehensive strategy for economic zones and to examine options for removal of existing administrative barriers.



PHOTO: PRAGATI LIFE INSURANCE

Richard Larison, chief executive officer of Apollo Hospitals Dhaka, and M Shefaqe Ahmed, managing director and actuary of Pragati Life Insurance Ltd, exchange documents after signing an agreement recently in Dhaka. Under the deal, the insurance company will provide group insurance coverage for the employees of the hospital.



PHOTO: TRIUNE (PTE) LTD

Sheikh Ahmed bin Saeed Al-Maktoum, chairman and chief executive of Emirates Airline and Group, calls on Indian Prime Minister Manmohan Singh in Delhi Friday. Sheikh Ahmed and Emirates' senior executives were in India to celebrate the launch of Emirates' new non-stop service between Dubai and Thiruvananthapuram and mark the strengthening of the airline's air services to two other cities-- Cochin and Chennai.

CURRENCY

Following is Sunday's (February 5, 2006) forex trading statement by Standard Chartered Bank						
Sell				Buy		
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer	
69.2200	69.2500	USD	68.2000	68.1773	68.1318	
84.7460	84.7828	EUR	80.9739	80.9469	80.8929	
123.1701	123.2235	GBP	119.1727	119.1330	119.0535	
52.9948	53.0178	AUD	50.0315	50.0148	49.9815	
0.5889	0.5892	JPY	0.5691	0.5689	0.5685	
53.8887	53.9120	CHF	52.2005	52.1831	52.1483	
8.9624	8.9663	SEK	8.3697	8.3670	8.3614	
60.9760	61.0025	CAD	58.9354	58.9157	58.8764	
8.9343	8.9381	HKD	8.7814	8.7785	8.7726	
42.7865	42.8050	SGD	41.5398	41.5259	41.4982	
18.9993	19.0075	AED	18.4180	18.4119	18.3996	
18.6055	18.6136	SAR	18.0423	18.0363	18.0243	
11.6166	11.6217	DKK	10.5615	10.5580	10.5510	
233.6074	233.7108	KWD	232.0528	232.0528	232.0528	
Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
44.12	59.86	102.15	39.360	6.6711	0.6877	3.74
Local Interbank FX Trading				Local Money Market		
Local interbank FX market was subdued. Demand for USD remained high in the market.				Money market was active. Call money rate was unchanged and ranged between 10.00 and 12.00 percent.		

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 5/2/2006							
Berth no.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/1	Blue Star	Gl	Pipa	BSL	28/1	5/2	1006
J/2	Fraternity Wisdom	Gl (St. C)	Sing	Everett	2/2	6/2	3154
J/3	Maritime Peace	Wheat(P)	Ukra	Mutual	23/1	7/2	1179
J/4	Freedom Wave	Wheat(P)	Novo	Jnship	18/1	8/2	2357
J/5	Cheng Hao	Gl (Maize)	Yang	Cosco	29/1	6/2	867
J/6	Red River	Gl St Scrap	Sant	MMSL	22/1	5/2	385
J/7	Splendor	Gl (St. C)	Vish	ASA	3/2	6/2	2092
J/8	Huai Yang	Urea(BCIC)	Lian	Seacom	29/1	9/2	192
J/9	Royal	Urea	Sing	PSAL	24/1	12/2	1079
J/12	Banga Bonik	Cont	Col	Baridhi	3/2	8/2	--
J/13	Banga Borat	Cont	Sing	Bdship	29/1	7/2	272
CCT/1	Germana	Cont	Sing	QCSL	2/2	8/2	69

Vessels due at outer anchorage					
Name of vessels	Date of arrival	L port call	Local agent	Type of cargo	Loading ports
Emily-C	5/2	Col	Seacon	Cont	Col
Ja Gang	5/2	--	Seacom	Urea (BCIC)	--
Mits-1	5/2	--	Oil	Ptp	--
Orionis	6/2	Viza	PML	C. Clay	--
Amanat Shah	7/2	Tuti	CLA	Sugar	--
Kota Ratu	8/2	Sin	Pil (Bd)	Cont	Sing
Banga Biraj	6/2	Sing	Bdship	Cont	Pkl
Marissa Green	7/2	Pkl	Everbest	Cont	Sing
Qc Honour	6/2	Sing	QCSL	Cont	Sing
Coastal Express-1	7/2	Kol	BSCA	Cont	Viza
Feng Tai	15/2	--	Cosco	Gl	--
Eastern Star	6/2	Sing	PML	Cont	Sing

Tanker due					
Smooth Sea-3	6/2	Dumai	SNCL	CPOL (RM/3)	--

Vessels at Kutubdia				
Name of vessels	Cargo	Last port call	Local agent	Date of arrival

Outside port limit				
Wira Keris	--	--	IBSA	R/A (1/2)

Vessels at outer anchorage					
Vessels ready					
Banga Bodor	Cont	Ptp	Bdship	28/1	
Reunion	Cont	Sing	APL	29/1	
Kota Rukun	Cont	Sing	Pil(Bd)	29/1	
Qc Star	Cont	Sing	QCSL	29/1	
Sea Master One	Cont	P. Kel	PML	30/1	
Kota Cahaya	Cont	Sing	Pil(Bd)	31/1	
Oel Wisdom	Cont	Sing	PSSL	1/2	
Xpress Nuptse	Cont	--	Seacon	R/A (1/2)	

Vessels not ready					
Hk Deqin-201	Gl/Sp.	TSP	Sing	KDSA	R/A (1/12)
Pacific Onyx	HSD	Kuwa	Sing	MSTPL	31/1
Golden Rain	Salt	Kand	Sing	PSAL	31/1
Yaad-e-Mohammed	Gl/Salt	Kand	Sing	CLA	4/2
C Galaxy	Wheat (P)	Novo	Sing	USL	4/2
Kyaw Yadanar	Gl (Y. Ma/Pu)	Yang	Sing	MTA	5/2
Genesis	Ballast	Sing	Sing	QCCL	5/2

Vessels awaiting employment / instruction					
Bumi Jaya	--	Visa	Unicorn	10/11/2004	
Dragonis	--	--	Seacom	R/A (10/11)	
Xpress Manaslu	--	P Kel	Seacon	R/A (21/12)	
Xpress Resolve	--	Col	Seacon	R/A (21/12)	

The above are the shipping position and performance of vessels at Chittagong Port as per berthing sheet of CPA supplied by Family, Dhaka.

STOCK