

Weekly Economic Bulletin

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News Feature

IMF pegs India growth at 8.75% in 2010

On the back of strong domestic demand and robust business confidence, the Indian economy is projected to grow at 8.75 per cent in 2010 and 8.5 per cent in 2011. According to the World Economic Outlook report (2010) by the International Monetary Fund (IMF), the Indian growth story will be supported by a resurgence in demand from the working class on the back of resilient business confidence that will result in more investments.

However, China would continue to be ahead of India and was expected to grow at around 10 per cent in 2010 and 2011, the report added.

"Domestic demand will strengthen as the labour market improves, and investment is expected to be boosted by strong profitability, rising business confidence and favourable financing conditions," it said.

Moreover, the report stated that strong domestic demand in the economies of India and China is expected to have positive spillovers for other Asian economies, particularly exporters of commodities and capital goods. The overall growth of the Asian economy is expected to expand by 4.5 per cent in 2010 and 5 per cent in 2011. The projected growth rates will be a significantly robust compared to a slow growth of 0.25 per cent in 2009 primarily due to adverse global economic conditions.

"This reflects (growth in China and India) not just strong export growth but also a continued boost from inventory cycle and a boost in business investment in response to high capacity utilisation and strong business confidence," the report adds. These factors are expected to cushion the impact of the expected withdrawal of fiscal stimulus in 2010.

<http://www.business-standard.com/india/news/imf-pegs-india-growth-at-875-in-2010/392695/>

Indian economy likely to expand 8.1 pc in FY 11, says NCAER

Indian economy is expected to grow by 8.1 per cent in the current fiscal on the back of a turn-around in agriculture production and an anticipated good showing by the industry and service sectors, a leading economic think-tank said.

At the same time, the think-tank pegs the inflation at around 6.6 per cent in FY 11, which may start receding from the second-half of this year.

"We have projected an 8.1 per cent GDP growth. And the one big change is in agriculture production which is likely to see a positive growth this year," the National Council of Applied Economic Research (NCAER) Senior Research Counsellor, Shashanka Bhide, told.

The NCAER's projection for FY 10 (for agriculture) was actually a negative growth of 1.5 per cent, Bhide said, adding "for this year, we are projecting (agriculture production)

growth at around four per cent. And that will be a big contribution to the change in overall growth."

"I think the big contribution will be from the agriculture," he said.

<http://economictimes.indiatimes.com/news/economy/indicators/Indian-economy-likely-to-expand-81-pc-in-FY-11-says-NCAER/articleshow/5860280.cms>

Overseas Investment

FII eye cement sector, raise stakes in firms

Banking on continued buoyancy in cement demand, foreign institutional investors (FIIs) raised their stake in top Indian cement companies during the quarter ended March 31.

Domestic cement demand has been robust in spite of capacity additions in the sector. Cement consumption witnessed double-digit growth at 10.6 per cent to about 200 million tonnes in the 12 months ended March 31. Cement production, too, grew 10.8 per cent to 201 million tonnes. Most companies saw capacity utilisation well in excess of 100 per cent, with the national average at 96 per cent.

In early 2009, the Indian economy was in a recession and the cement industry faced prospects of substantial capacity addition, while there was no sign of demand going up. However, all projections of a slowing in demand were belied — capacity addition got delayed, demand remained robust and prices were firm.

"Growth was registered across all regions, led by rapid developments in infrastructure and a stable housing sector. The demand-supply scenario was generally at balance, with high levels of capacity utilisation in most regions," says the 2009 annual report of ACC, the country's biggest cement producer.

In 2009, capacity additions of the order of 26.9 million tonnes went on stream. There was some delay in the materialisation of new capacity addition, which helped ease the pressure on selling prices. The industry's cost profile improved on account of lower procurement prices of coal and other commodities, the report said.

Cement firms have been reporting strong volume sales since the past few months. "We expect demand to remain robust, but accelerated capacity additions and stabilisation of new capacities may put pressure on prices after May 2010," said an analyst with Angel Broking.

<http://www.business-standard.com/india/news/fiis-eye-cement-sector-raise-stakes-in-firms/392683/>

Govt may relax FDI in retail

51% investment in multi-brand retail likely.

The government is considering a proposal to ease foreign direct investment (FDI) rules in the retail sector.

The commerce and industry ministry is working on a concept note to allow up to 51 per cent FDI in multi-brand retail other than primary goods (foods, groceries and vegetables), but with some stiff riders.

Under the existing rules, FDI is not allowed in retail, except for trade of “single brand” products, where up to 51 per cent foreign investment is permitted. FDI up to 100 per cent is also allowed in wholesale cash-and-carry trade.

The ministry is also keen to permit FDI in retail of foodgrain as well as other essential commodities to create a parallel network to the public distribution system, which has become notorious for its leakages.

The core of the plan is to allow FDI in retail, provided the retail stores are located in cities with a minimum population of one million. The move aims to protect vendors in small cities.

The ministry may also suggest minimum capitalisation norms for companies investing in retail, in addition to a minimum built-up area rule for their retail outlets.

It has also proposed enabling policies to encourage those investing in retail to procure from local manufacturers.

The proposal has been mooted to facilitate a debate among various ministries on the contentious issue of FDI in retail.

The ministry has also called for an alternative to the public distribution system, or simply a parallel retail trade in grains and other essential commodities. It said FDI should be allowed in this area, too, without specifying the extent, but again with stiff conditions to ensure that companies invest in creating agricultural infrastructure.

The proposal being worked out suggests that 50 per cent of FDI in food retail should be spent towards building infrastructure, logistics or agro processing.

<http://www.business-standard.com/india/news/govt-may-relax-fdi-in-retail/393001/>

Tougher FDI norms for housing

The finance ministry has called for tougher foreign direct investment (FDI) norms in the housing and township sector. It has also proposed stringent monitoring to ensure FDI rules are strictly followed in this “sensitive” sector.

The ministry has said a more effective monitoring mechanism could be set up jointly with the ministries of commerce and urban development to ensure FDI does not “render policy objectives in a sensitive sector of the economy with limited practical significance”.

At present, 100 per cent FDI is allowed in this sector, but with some riders.

However, there have been concerns over the lack of clarity of rules, the need to tighten these and the difficulty in monitoring these.

For instance, foreign companies willing to invest in this sector need to have a minimum capitalization of \$ 10 million for wholly-owned subsidiaries, and \$ 5 million for joint ventures. The funds have to be brought in six months of commencement of business. Also, the minimum area to be developed under each project is 10 hectares.

The government has also imposed a lock-in period of three years for repatriation of investments made in this sector after the minimum capitalization requirements are complete. Also, 50 per cent of the project must be completed in five years from the date of statutory clearances and the investor is not permitted to sell undeveloped plots.

The finance ministry has now suggested that rules governing repatriation of funds should be tightened to protect consumers. The ministry has suggested that a clause should be added to say that repatriation of the original investment would be permitted either in three years, which is the current rule, or after the conditions which stipulate that 50 per cent of the project is developed in five years is completed, whichever is later. It simply means that the date of repatriation could go up to even five years if the investor has not completed half the project. To ensure that rules are not violated and make monitoring easier, the departments has made it clear that the “minimum capitalization” norm for FDI in the sector would be on a project-wise basis and not at the company level.

Real estate companies looking for FDI should set up a special purpose vehicle (SPV) for the specific project and ensure that the minimum capitalization norms are adhered to in the new company floated for the project for which FDI is being sought.

<http://www.business-standard.com/india/news/tougher-fdi-norms-for-housing/393000/>

India may achieve record cotton output in 2010-11: USDA

India's cotton production may increase by over 6 per cent to a record 25 million bales in 2010-11 season if the country receives normal monsoon this year, the US Department of Agriculture (USDA) has forecast.

Cotton output is pegged at 23.5 million bales (one bale equals 170 kg) in 2009-10 marketing season (August-July).

“Assuming normal 2010 monsoon, cotton production in India's marketing year 2010-11 is forecast to increase to a record 25 million bales on expected record planting and improved yields,” the USDA said in a report.

The Department noted that the area under cotton is forecast to increase marginally to a record 10.3 million hectares from 10.26 million hectares provided there is “timely and well distributed monsoon at the time of planting”.

Cotton area in most growing states is forecast slightly higher than last year except in Gujarat and Maharashtra, where farmers may revert to traditional crops, the report said.

“Planting intentions for 2010-11 cotton crop will be favourably influenced by comparatively strong cotton prices and relatively stable yields (realisation) vis-a-vis other competing crops during the marketing year 2009-10,” USDA said.

Productivity is also expected to rise by 6 per cent at 528 kg per hectare in the next season.

“With the area under Bt cotton and improved varieties now reaching the peak (90 per cent of the total area), the prospect for future growth in productivity is limited as most cotton is grown under rainfed conditions and small size of land holdings,” the report noted.

<http://www.business-standard.com/india/news/india-may-achieve-record-cotton-output-in-2010-11-usda/392403/>

Trade News

Indian exports to China up 75 pc

Indian exports to China surged by 75 per cent in the first quarter this year, with a big increase in textiles and stones and precious metals shipments bringing down the trade deficit.

Overall trade with China grew by about 66 per cent during the period, raising hopes of achieving the trade target of USD 60 billion this year, according to data released by the Chinese government.

The trade figures released by the Chinese customs brought blushes back on the faces of Indian diplomats and trade officials here as Indian exports -- which declined radically last year and resulted in a USD 16 billion dollar trade deficit -- have shown significant improvement.

According to the trade data, Indian exports to China touched USD 5.81 billion in the period between January and March this year as against USD 3.31 billion last year when overall trade volumes declined to about USD 44 billion due to the global economic downturn. The increase was stated to be 75 per cent.

However compared to 2008, during which the trade volumes touched a record USD 52 billion, this year's quarterly exports from India still fell short by USD 53 million. The overall trade between the two countries this quarter touched USD 14.14 billion against USD 13.24 billion in 2008 and USD 9.3 billion in 2009.

The new trade figures brought cheer to China too, as its exports to India went up by 38 per cent compared to 2009.

Chinese exports in Q1 were also higher than the USD 6.9 billion figure for exports to India during the same period in 2008.

The trade deficit for India was USD 2.5 billion for the first quarter, slightly lower than the USD 2.7 billion figure in the first quarter of 2008.

The two countries had set USD 60 billion as the trade target this year and the first quarterly figures showed that they are on their way to reaching it, Indian officials said.

According to the new figures, cotton, yarn and fabric exports from India have gone up from USD 495 million in 2008 to USD 729 million in the first quarter. The exports in this sector fell to USD 81 million around the same period in 2009.

<http://www.financialexpress.com/news/indian-exports-to-china-up-75-pc/610482/>

SAARC to sign pacts on environment, trade

In its silver jubilee year, the eight-nation South Asian Association for Regional Cooperation (SAARC) will focus on climate change and sign two pacts on environment and trade at its 16th summit to be held in Bhutan's capital Thimphu April 28-29.

Prime Minister Manmohan Singh will join other South Asian leaders Thimphu April 28. This is the first time that Bhutan is hosting a summit of SAARC countries that account for nearly one-fourth of the world's population.

An idyllic Himalayan country known for measuring its wealth in terms of gross national happiness, Bhutan has chosen climate change as the summit theme which is expected to culminate in a joint declaration entitled "Towards a Green and Happy South Asia".

A separate Ministerial Declaration on Climate Change will also be issued.

India has stressed on an urgent need for adaptive action to deal with consequences of climate change in South Asia that is widely seen as the world's ecologically most diverse and yet one of the most fragile regions.

The SAARC countries will sign a convention on environment to boost exchange of best practices and knowledge, capacity building and transfer of eco-friendly technology in areas such as climate change, coastal zone management, wildlife conservation and environmental impact assessment studies.

With intra-SAARC trade touching \$529 million, the eight countries have decided to sign an agreement on trade in services that is expected to accelerate regional collaboration in diverse areas like health, hospitality, communications, computer and information services and air transport.

The SAARC has come a long way since its inception in 1985, with establishment of a slew of institutions like the South Asian Regional Standards Organization (SARSO) in Dhaka, the SAARC Arbitration Council in Islamabad, the SAARC Development Fund (SDF) in Thimphu and the South Asian University (SAU) in New Delhi.

Afghanistan joined the grouping as its eighth member at the 14th summit in April 2007.

SAARC is taking on the role of service provider for the economic and development needs the region's almost 1.5 billion people, Foreign Secretary Nirupama Rao said ahead of the summit.

India will focus on improving regional connectivity through the development of new trade, transport and telecommunication links, Rao said days ahead of the summit.

New Delhi will also focus on the setting of common standards and harmonization of customs procedures; and enhancing people-to-people contacts, particularly among the youth, civil society, cultural personalities, academics and parliamentarians.

<http://economictimes.indiatimes.com/articleshow.cms?msid=5848745>

Trade pact with Israel to give foothold in West Asia

India will seek access to Israel's expertise in areas such as bio-technology and water management as it begins discussions on a free trade agreement in Delhi next month, but the pact is likely to have strategic undertones as well. India already has many trade agreements with other countries, but this is the first Israel will be getting into, indicating the importance it gives to economic relations with India.

"India's relationship with Israel is of a strategic nature as it is seeking, in various capacities, closer ties in the military area. The FTA would help in making the relationship more robust," C Uday Bhaskar, strategic analyst and director of National Maritime Foundation said.

A pact with Israel will give India a foothold in the West Asia where it has not managed to make much progress so far, a commerce department official told ET.

Its only engagement in the region is a preferential trade agreement with Afghanistan, which includes just a handful of products. India's proposed FTA with the Gulf Cooperation Council is stuck because of differences over tariffs on petroleum products. Prime Minister's trade and economic relations committee has already cleared the proposed FTA with Israel despite some initial doubts raised by the ministry of external affairs because of the political sensitivities involved, the official said.

The FTA, proposed by Israel around four years ago, will cover goods, services as well as investment.

<http://economictimes.indiatimes.com/articleshow.cms?msid=5846664>

Sectoral News

Contract manufacturing of drugs to grow 10-15%

Contract manufacturing in pharmaceutical industry is set to grow 10 per cent to 15 per cent in the near term and is expected to double in the next five years after the approval of

US healthcare bill as the bill has opened up opportunities for the use of more generic drugs in the US market.

US healthcare bill, approved by the US Congress recently, aims to bring an additional 32 million people under the insurance net and also plans to reduce the healthcare bill of the state. Moreover, the bill prohibits insurance companies from excluding people with pre-existing medical conditions and dropping policy holders on account of coverage limits.

“The demand for generic drugs will increase in the US market as this bill aims to reduce the healthcare spending of the state. As India is a prime destination for manufacturing generic drugs due to its low manufacturing cost and the availability of good facilities, contract manufacturing industry will definitely see a rise,” Goutam Das, chief operating officer of Syngene International Ltd, a wholly-owned subsidiary of Biocon said.

The contract manufacturing industry will see a 10-15 per cent rise in the near term as many global generic drug companies will place manufacturing orders to feed this new demand, he said.

The domestic Indian drug industry, pegged at Rs 40,000 crore by 2009-end, will get support as many drugs will go off patent by 2013, throwing opportunities for generic drug makers.

“Many global drug makers like Pfizer, GlaxoSmithKline, Aspen among others have entered into manufacturing agreements with Indian companies and these deals are expected to grow in future,” Das said.

The last two years have witnessed many such deals being struck between global and domestic pharma companies. In March 2009, Pfizer and Aurobindo had entered into an agreement for the manufacture of 60 products for the regulated market in the latter’s facility in India. Pfizer also has similar arrangements with Claris Lifesciences. Moreover, Biocon and Mylan Labs have an arrangement to develop and manufacture monoclonal anti-bodies in Biocon’s facility. Recently, Aspen entered into a drug supply pact with Indoco.

“India, which has over 95 facilities approved by the US healthcare regulator, is expected to contribute 3-4 per cent of the market share in the manufacturing space in near future,” Sanjay Singh, Associate Director, KPMG said.

While 70 per cent is contributed by generics in pharma drug industry, their contribution in value terms is around 15 per cent, which is set to improve, he added.

<http://www.business-standard.com/india/news/contract-manufacturingdrugs-to-grow-10-15/392663/>

Life insurance industry gains 68% in new biz

The life insurance industry recorded 68 per cent increase to Rs 25,399 crore in new business premium collected in March 2010 compared to Rs15,090 crore in the corresponding month in 2009.

Insurers witnessed a spurt in business during the last month of the financial year — with contributions over 23 per cent of the total collection in 2009-10 — as individuals opted to purchase covers to avail tax benefits.

Private players registered a whopping 47 per cent growth in the new business premium while state-owned Life Insurance Corporation of India (LIC) posted 83 per cent increase in new business income in March.

“Last quarter contribute to 40 per cent of sales. But March experienced the maximum inflow,” said a senior executive of a life insurance company.

SBI Life has pipped ICICI Prudential to become the largest private sector insurer in terms of new business premium. SBI Life recorded 71 per cent increase in new business premium collection to Rs 1,775 crore as against Rs 1,038 crore March 2009. ICICI Prudential recorded 53 per cent increase to Rs 1,362 crore in March 2010 against Rs 887 crore in the corresponding month a year ago.

In 2009-10, SBI collected premium of Rs 7,041 crore from the sale of new policies, while ICICI Prudential recorded 7 per cent decline in new business collections to Rs 6,334 crore. Insurers sold 10.55 million new policies with LIC bagging 8.52 million and private companies 2.03 million. Group premium contributed 51 per cent for the month with SBI and ICICI Prudential making large contributions. LIC increased its market share by 4 per cent in total premium collection from 2009. At the end of March 2010, LIC holds 65 per cent market share in terms of new business income collection with the private sector contributing the remaining 35 per cent share last fiscal.

<http://www.business-standard.com/india/news/life-insurance-industry-gains-68-in-new-biz/392755/>

Travel biggies positive on tourism

Travel gets a country moving and India is moving. Weaving this thought, Shekhar Gupta, editor-in-chief, The Indian Express, in his opening address, highlighted the fact that travel trade growth does change the outlook of the country and the entire economics for a sustainable future at the occasion of 7th Bird Express TravelWorld Awards 2009 that was held in the city on April 21, 2010. “I am happy that the entire travel fraternity is represented here as we award excellence in travel trade. As always, The Express Group stands for credibility and we behold this moment equally credible to recognise the deserving nominations that have come in huge numbers from all across the trade,” he said.

The award night registered the attendance of the entire travel trade whereby the focus was on highlighting noble ideas and recognise them as they pave the way towards creating new destinations or bringing about a new thought in customer experience or restructuring operational goals for optimal productivity.

A total of 16 award winners were recognised from different spheres of travel who not only excelled in their respective fields facilitating the trade growth but also, in their unique ways

put forth a strong thought that innovations does bring about a positive change that needs continuous exploration, especially during trying times.

<http://www.financialexpress.com/news/travel-biggies-positive-on-tourism/610142/>

Natural rubber output likely to rise 8.45%

The Rubber Board has projected an increase of 8.45 per cent in the country's natural rubber (NR) output for the current financial year. According to board's projection, the total production this year would be 901,680 tonnes compared with 831,400 tonnes last year.

This will be the first time that the natural rubber production will cross the 900,000-tonne mark.

The incremental increase for FY11 will be 70,280 tonnes as against a fall of 33,100 tonnes in 2009-10. The board estimates a marginally lower growth in the case of consumption, as it estimates total consumption of 986,980 tonnes for the current financial year.

The consumption is projected to grow by 56,395 tonnes in the current year. In 2009-10, consumption increased 6.8 per cent at 930,585 tonnes as against 871,720 tonnes in 2008-09.

Meanwhile, Automotive Tyre Manufacturers Association (Atma) has questioned the rationale behind projections.

An analysis of Rubber Board Data shows an average incremental growth in production of only 21,000 tonnes a year over the last 10 years (FY01 to FY10).

A study of the Association of Natural Rubber Producing Countries (ANRPC) put the projected production of NR in India in the year 2010 at 853,000 tonnes, the same as production in the year 2006.

"With new capacities being put up by tyre manufacturers in the country to meet the rising demand from vehicle makers, the NR consumption will grow spirally. The decrease in incremental consumption as estimated by the board is most unfortunate and belie the growing requirements from consuming interests", said Neeraj Kanwar, chairman, Atma.

<http://www.business-standard.com/india/news/natural-rubber-output-likely-to-rise-845/392629/>

India's share in steel use to rise marginally

India's contribution to the global steel consumption is forecast to increase marginally by 0.5 percentage point in 2011, mostly due to huge spends proposed by the government as well as active participation by private players on infrastructure development.

Construction projects accounts for about 20 per cent of the country's total steel consumption.

Brussels-based World Steel Association (WSA) has forecast that India's share in world steel consumption will rise to 5.48 per cent by 2011, which will come to 71.5 million tonnes (mt). During the current year, the country is estimated to contribute 5.08 per cent, or 62 mt, to the global steel consumption. In 2009, India's contribution was 4.9 per cent, or 55.2 mt.

"Healthy growth in steel consumption is possible in the next couple of years as the government will continue to focus on creaky infrastructure," said S K Gupta, director of JSW Steel.

During the Eleventh Five-Year Plan (2007-12), India plans to spend \$514 billion, with private firms contributing 36 per cent, to overhaul the country's weak infrastructure, an obstacle to achieving faster growth in Asia's third largest economy.

But, for the entire decade between 2011 and 2020, the country will require \$ 1.7 trillion to meet its infrastructure needs. Global investment and banking firm Goldman Sachs had earlier estimated an investment of \$620 billion for the purpose, while the government projected a requirement of \$500 billion during the 11th Plan period. Private companies were estimated to pump in \$1 trillion between 2012 and 2017, an independent analyst said. This means steel consumption in the country will go up as growth in infrastructure is directly linked with the demand for steel. Steel demand keeps pace with gross domestic products growth.

<http://www.business-standard.com/india/news/india/s-share-in-steel-use-to-rise-marginally/392737/>

3G spectrum price nearly doubles; revenue crosses Rs 28k cr

The bid price for all-India 3G spectrum rose to Rs 6,968 crore, nearly 100 per cent higher than the base price, on Day-11 of the auction and is likely to go up further with operators now shifting to smaller circles.

The government will surely get Rs 28,228 crore from sale of 3G spectrum. This leaves a gap of less than Rs 7,000 crore from achieving the target of Rs 35,000 crore set by Finance Minister Pranab Mukherjee in his Budget for 2010-11.

Delhi continues to be the circle most in demand with the bid quotation crossing Rs 850-mark and the demand is still in excess of supply. Similar is the situation Mumbai and Maharashtra circles.

Bid for Mumbai stood at Rs 752.38 crore and Maharashtra at Rs 696.96 crore. All these three circles of Delhi, Mumbai and Maharashtra have excess demand of two blocks against three blocks on sale, indicating the price to go up further.

According to sources in the Department of Telecom (DoT), the activity is now shifting from metros and A category circles to other B and C category service areas.

Although they refused to make any estimate about the final pan-India bid price, but going by the steady increase it could go up to Rs 7,500 crore.

3G auction would be followed by auction of Broadband Wireless Access (BWA) spectrum for which the base prices has been fixed at Rs 1,750 crore for pan-India service.

With 11 operators in the fray to grab spectrum with only two slots on the block there may be aggressive bidding.

Telecom Minister A Raja had said that revenues of the government may touch up to Rs 45,000 crore from the sale of spectrum.

In 3G mobile telephony, three private operators are allowed while four in few states only and the spectrum would be distributed in September after the DoT gets the airwaves from the defence forces.

<http://economictimes.indiatimes.com/articleshow.cms?msid=5845783>

News Round-Up

India emerging as hub of eco-entrepreneurs

Driven by supportive government policies, maturing clean technologies and growing investor appetite, India is fast becoming a hub of eco-innovation for all manner of people - small town residents, Indian expats returning home with Ivy League education to boot, and even a few enterprising foreigners. Interestingly, this eco-entrepreneurship trend cuts across business models —from profit-seeking to pure social evangelism—and domains ranging from irrigation and apparel design to waste management.

Enterprises like Rikin Gandhi's Digital Green, Santosh Ostwal's Nano Ganesh, T Raghavendra Rao's Sustainable Technologies & Environmental Projects and Kranthi Vistakula's Dhama Apparel Innovation have already hit big time.

Supported more recently by Deshpande Foundation and Bill & Melinda Gates Foundation, Delhi-based Digital Green collaborates with local organisations to use videos of best agricultural practices to enhance the environmental and economic sustainability of small and marginal farmers in 200 villages in Karnataka, Jharkhand, Madhya Pradesh and Orissa.

Digital Green's CEO Gandhi, an Indian expat from the US , says, "We don't follow the usual top-down model. Our working model is driven by people and for people."

The bachelor in computer science from Carnegie Mellon University and master in aeronautical and astronautical engineering from Massachusetts Institute of Technology is now planning to cover 1,200 villages in another two years and also to reach out to the bottom-of-the-pyramid population in Africa In contrast to Gandhi's eco-services, Santosh Ostwal, CEO of Pune-based Ossian Agro Automation, has come up with a basic product, Nano Ganesh. A mobile phone and a modem combination, Nano Ganesh enables farmers to remotely control water pumps in faraway farms, leading to better farm management practices, including saving electricity and water.

Nano Ganesh has already become popular in states ranging from Maharashtra and Gujarat to Andhra Pradesh and Tamil Nadu. Ostwal says, “Apart from aiming to cater to a larger market in India, we have a potentially big global market. Our product is useful wherever water pumps are used.”

Waste technology is another favourite with entrepreneurs. Mumbai-based Sustainable Technologies & Environmental Projects (STEPS) focuses on developing environment-friendly technologies to convert waste into value-added products. T Raghavendra Rao says, “We are focused on turning waste into wealth.” STEPS has developed seven technologies, including five technologies, which have been commercialised.

<http://www.financialexpress.com/news/india-emerging-as-hub-of-ecoentrepreneurs/609595/>