



VITAL INDUSTRY UPDATES - 21/07/2015

Iran offers India bigger role in strategic port

The Iranian President, Mr Hassan Rouhani, has invited India to invest in infrastructure projects worth \$8 billion, including an expanded role in developing a strategic port, that will open up access to Central Asia, Iran's envoy to New Delhi said.

The port of Chabahar in southeast Iran is central to India's efforts to circumvent arch-rival Pakistan and open up a route to landlocked Afghanistan where it has developed close security ties and economic interests.

Mr Rouhani suggested the larger role for India during a meeting with the Prime Minister, Mr Narendra Modi, on the sidelines of a summit in Russia days before the historic nuclear deal between Iran and world powers, Iran's Ambassador to India, Mr Gholamreza Ansari, said.

"The potential between Iran and India is great but we were just facing such a wall of sanctions, wall of American pressure," he said.

Mr Ansari said that with sanctions likely to be lifted soon, it was a "golden time" for India to seize investment opportunities because of the two countries' close trade ties and shared interest in improving Central Asian transport links.

"Connectivity is the main policy of the Indian Premier that coincides with Iran government's policy," Mr Ansari said. "We have offered them, in connectivity, \$8 billion of projects."

Mr Modi's meeting with Mr Rouhani was part of a tour of Central Asia focused on increasing India's role in the region.

It may be recalled that India and Iran had agreed in 2003 to develop Chabahar



on the Gulf of Oman, near Iran's border with Pakistan, but the venture moved slowly because of the sanctions over Iran's atomic programme.

Lifting of sanction on Iran may encourage auto component exports

The automobile component manufacturers are expecting a breakthrough in exports after the lifting of sanctions on Iran as original equipment manufacturers (OEMs) from markets like Europe would rush to that country.

"The Iran deal just happened recently but there was anticipation that there would be a breakthrough because talks were on. The auto industry in Iran and the aftermarket was not showing growth for the last couple of years due to low movement of goods," an official of a component manufacturing company said.

In anticipation of a market expansion following the lifting of sanctions, Indian component makers have lapped up all the space available to them at the Iran automobile parts fair slated for November. Around 25 component makers have booked space, making it a full house, with some companies unable to find space.

"India already enjoys an image of a quality supplier with such companies. We hope to expand exports," he added.

Vizhinjam port: Kerala government, Adanis to ink pact for Rs 7,500 crore project on August 17

Taking a major step forward on the state's ambitious Rs 7,500 crore Vizhinjam deep sea port project, Kerala government and Adani Ports decided to sign the construction agreement on August 17.



The decision was taken at a meeting by Chief Minister Oommen Chandy with Adani Ports Officials, including the company's Executive Director Karan Adani here.

It was also decided to start the construction work on November 1, the state's formation day, Ports Minister K Babu told reporters after the meeting.

Karan Adani said that even though the construction period is four years as per the agreement, the company plans to complete the work in two years. Babu said that the CM would write to Prime Minister Narendra Modi today, seeking exemption of cabotage law for the project as it is one of the issues raised by the Adani group.

They also sought completion of land acquisition of which 90 per cent is over, he said.

Vizhinjam International Seaport Private Ltd is the Special Purpose Vehicle of the state government formed to implement the project. The estimated cost of the project is Rs 7,500 crore which includes investments made by the Kerala government.

The port, a long pending project of the state, was first proposed in 1991, but did not materialise due to various reasons. It got a push after the present UDF government came to power in 2011.

In June this year, the Congress-led UDF government decided to award the project contract to the Adani group, overruling stiff political opposition.

The Opposition CPI(M)-led LDF had objected to it's implementation in the private sector and had levelled allegations of corruptions in the deal.



Tamil Nadu government sold one crore bags of 'Amma Cement' in six months

In a span of little over six months, the Tamil Nadu government has sold one crore bags of subsidised 'Amma Cement' to over one lakh beneficiaries across the state.

"Till July 16, 2015 approximately 5.17 lakh metric tons, which is one crore cement bags, have been sold to 1,33,595 beneficiaries through 470 godowns," an official release of Tamil Nadu Cements Corporation said today.

'Amma Cement' is available at a subsidised rate of Rs 190 per bag.

One of the populist schemes under the 'Amma' brand, 'Amma Cement' was announced by Chief Minister J Jayalalithaa on September 26, last year.

It was launched on January 5 this year in Tiruchirappalli district and subsequently was made available across the state.

In just 15 days after the launch, one lakh bags were sold to beneficiaries, the release said.

A maximum of 750 bags of cement is being given to individuals who build houses upto a maximum of 1,500 square feet. Those who renovate or repair their existing houses are also eligible to get a maximum of 100 bags.

To avail cement at concessional price of Rs 190 a bag, beneficiaries should get a certificate authenticating their building plan from specified authorities including local and revenue officials, it said.