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*Guarguaglini: new agreements soon*

### **Indian army and navy in Finmeccanica's portfolio**

By our correspondent

New Delhi – Finmeccanica has left the Indian capital having signed a memorandum of understanding with Bharat Heavy Electricals (BHEL), one of the 11 agreements announced by Romano Prodi and Luca Cordero de Montezemolo. More importantly, however, it has brought home a series of contracts that make it one of the official suppliers of the Indian army. Pier Francesco Guarguaglini, Finmeccanica's CEO, is part of a "club" formed by twenty major Italian and Indian CEOs and businessmen committed to facilitating trade and improving relations between the two countries. Guarguaglini is convinced that the latest government and business delegation to India, which ended on Thursday, marks a turnaround in industrial relations.

#### **What do these additional agreements relate to?**

We should complete this deal next week: it is the first tranche of a contract worth 200 million euro. Through Bharat Heavy Electricals Ltd, the partner of Selex Communications, India's army will acquire our Tetra system, which will provide encrypted and secure communication between all the country's armed forces. For us, this represents an important acknowledgement of our reliability: we will be at the heart of the Indian defence industry, and it is the first step towards gaining a share of an ever-increasing military budget.

#### **Do you have agreements with India's navy too?**

There are talks under way with BHEL, which should restart in the next few weeks, for us to supply, via OTO Melara, sophisticated naval control equipment to the Indian navy, which is also interested in many of our other products. It is looking at programmes with investment projected at around 2.5 billion euro a year for the next few years. We hope to beat off some very tough Russian competition.

#### **There has been a lot of talk about this visit to India, particularly with regard to its importance for small and medium-sized companies.**

Yes, but this is not the case. Visits of this kind also allow large groups like Finmeccanica to extend their markets. We must keep moving forward and never slacken our grip. We can't now rest on our laurels after this indisputable success. Above all, companies need a presence in the country, as we have through an Ansaldo subsidiary.

#### **Industry minister Kalman Nath has been critical of the European Union.**

There is a very serious problem concerning the openness of Indian markets. From the discussions held in the last few days, however, it emerged that many Indian businessmen,

in turn, have experienced severe difficulties in investing in Italy. But minister Nath's main message was that it's a mistake to judge India based on old prejudices. The country has changed a lot, as evidenced by the agreements signed in the last few days.

**Roberto Bagnoli**

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**In the CEO Club**

Finmeccanica chief Pier Francesco Guarguaglini is part of a group of twenty major Italian and Indian CEOs and businessmen, who on the occasion of Italy's delegation to India, committed themselves to facilitating trade and improving relations between the two countries.