GE and India's Triveni to make steam turbines

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General Electric Co. announced a venture Thursday with an Indian partner to manufacture steam turbines for India's energy-hungry economy and for export, expanding its presence in the country as a market and global production base.

Warming political ties between the United States and Asia's third-largest economy have made technological cooperation easier, paving the way for what CEO Jeffrey Immelt says is GE's ambition to use developing countries as design and manufacturing hubs.

The venture between GE Oil & Gas and Triveni Engineering & Industries Ltd. will produce 30- to 100-megawatt steam turbines at a Triveni plant in the southern city of Bangalore, the companies said. Much of the technology will come from GE.

"Our strategic alliance reflects GE's continued commitment to India and strengthens our local market presence," said GE India chief executive John Flannery in a statement.

Executives said the joint venture could eventually manufacture other high-technology industrial products as well.

No financial details were released.

Triveni is one of India's largest sugar producers and a leading manufacturer of steam turbines, gears and gearboxes. It also has a large water treatment business.

GE has taken a similar tack with its nuclear and health care businesses in India.

Following the 2008 U.S.-India civil nuclear cooperation pact, which lifted a 30-year-old embargo on trade with India in civilian nuclear technology, GE Hitachi Nuclear Energy was one of four foreign companies chosen to build new nuclear power plants in India.

In order to keep costs low enough to supply cost-competitive power to India, GE Hitachi plans to localize up to 70 percent of production, then use India as a source of low-cost nuclear reactor parts for export to the U.S. and Europe.

GE Healthcare also has a joint venture with Indian technology giant Wipro Ltd., which it reorganized last year in an effort to boost revenues and develop more products domestically.

GE's revenues from all its businesses in India are about $2.6 billion, a fraction of global sales. GE says it exports over $1 billion in products and services from India and employs more than 12,000 people here.

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