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**Mexico to import Indian rice**

India is well reputed as the world's second largest producer of rice, and in particular famous for her Basmati rice, for its fragrance, flavor and long grain. Mexicans will now be able to import and enjoy Indian rice. The Federal Government of Mexico announced in its official gazette, after conducting its own prescribed series of checks and tests by Sagarpa, that Indian rice could now be imported directly from India into Mexico. The measure would also contribute to promoting India-Mexico bilateral trade, and is another positive step strengthening the overall bilateral relations.

**24 Cricket Sets Presented to Belize**

On February 16, Ambassador of India in Mexico, also the High Commissioner to Belize, presented to Belize 24 complete sets of cricket gear. The sets represented a friendly gift from the Government and people of India to the Government and people of Belize, meant for distribution among colleges and schools of Belize in a bid to revive and boost the game's popularity in the country. In a presentation ceremony, at Belmopan, Governor General, Sir Colville N. Young received the gift from High Commissioner, witnessed by Belizean dignitaries, Honorary Consul General of India in Belize, Mr. Arun Hotchandani, representatives of the beneficiary academic institutions, and the media, among others. The equipment were all from India, a traditional manufacturer of high quality cricket equipment, and currently the world's top ranking cricket power. Speaking on the occasion, High Commissioner Jain recalled that last year, on his first visit to Belize to present his Credentials, Governor general and he, among others, also spoke about cricket, as India and Belize, however distant, have much in common: proud inheritance of rich, ancient cultures, democratic convictions, priority objective of socio-economic development of our peoples, shared values, commitment to a peaceful world order, membership of the NAM and Commonwealth, English...and cricket, which is an immensely popular sport in India. Governor General expressed his concern at the apparently dwindling interest in cricket in Belize. The presentation was a direct result from that, so that Belizean youth and students can return to playing cricket, and hopefully one day constitute the core of a great national cricket team. High Commissioner extended them best wishes for their ever greater contribution to progress and prosperity of Belize, and recalled that India and Belize have always enjoyed the best of friendly relations, founded securely on mutual regard, understanding, and cooperation. India remains committed to continuing and expanding her cooperation to Belize, such as for capacity building through information technology, knowledge-based industry, Indian Technical and Economic Cooperation - ITEC - across sectors of interest to Belize, and to share her expertise in priority areas such as agriculture, pharmaceuticals, SMEs, tourism, renewable energy, disaster management, distant education, and supply of satellite imagery for developmental purposes, as well as relevant projects by utilisation of India's US Dollar 10 million soft line of credit offered to Belize. In addition to inter-governmental cooperation, India's rapidly growing economy, strides in hi-tech areas, and the enterprising spirit of Indian people, can be of high potential in forging bilateral private-sector cooperation, projects and joint ventures. Importance of a more dynamic exchange between the two friendly countries, at all levels, such as political, parliamentarians, officials, business, media, academics, as well as tourists, can hardly be overemphasised in this context. Governor General on his part expressed profound thanks on behalf of the government and cricket loving people of Belize to India for the gift.

During his 3-day visit to Belize, High Commissioner Jain also called on Prime Minister, Hon'ble Dean O. Barrow, Foreign Minister Hon'ble Wilfred Peter Elrington, and Minister of National Security Carlos Perdomo, and discussed matters of bilateral interest.

**Ambassador called on Mayor Ebrard**

Ambassador Jain called on el Jefe, Gobierno, Distrito Federal, Lic. Marcelo Ebrard on February 9, and conveyed thanks to the

Mayor and his Government for their ever willing and positive support and cooperation in matters of mutual interest. He in particular thanked the Mayor for his initiative in renovating the Gandhi monument in Chapultepec Park, and for installing an eternal flame there, in a tribute to the Apostle of peace. He also expressed thanks for the assurances of all support for the decision of the Government of India to open an Indian Cultural Centre in Mexico City.

### **Indian dance recital in Mexico City**

Mexico City once again responded enthusiastically to an Indian cultural presentation by way of a dance recital, Jhankar "Suenan los cascabeles", at Teatro de la Danza. The dance performance was presented by five talented Mexican dancers, led by Djahel Vinaver and Marcela Palomo, and by French-Indian dancer, Veronique Azan, now resident in Mexico. The four performances, between January 18-21 were all witnessed by a packed house on each day. Ambassador Jain, attending a performance, in particular welcomed the creative presentation of a novel duet – Jugalbandi – based on a poem *Invocation: Shiva and Parvati* by Octavio Paz, "thus bringing together so many strands of Indian and Mexican cultures, in a new, beautiful tapestry." He added that "the concert this evening is yet another vivid testimony to innumerable, however unsuspected, cultural, historical and other similarities between India and Mexico, transcending our vast geographical distance." He also announced that the Embassy was working with the help of the Mexican authorities to soon open an Indian Cultural Centre in Mexico City.

***Religions are different roads converging upon the same point. What does it matter that we take different roads so long as we reach the same goal?***

***-Mahatma Gandhi***

### **Continuing Concerns on Terrorism to Pakistan**

Following a visit by her Pakistani counterpart on February 25, Foreign Secretary of India, Mrs. Nirupama Rao said in a statement, "My invitation to the Pakistan Foreign Secretary was in keeping with the Government of India's firm conviction that we must not shut the door on dialogue with Pakistan, and that such dialogue, if it gathers momentum, holds tremendous potential for the progress and well-being of the people of our region. The sincere and genuine efforts we have made in past years in this direction have, however, been repeatedly thwarted by acts of terrorism, culminating in the barbaric attack in Mumbai. The Mumbai attack erased the trust and confidence that the two countries had painstakingly built during the period 2004-07. The recent Pune attack, which is still under investigation, is yet another reminder that our citizens remain vulnerable to terrorist violence.

"We went into today's talks with an open mind, but fully conscious of the limitations imposed by the large trust deficit between the two countries. In line with our graduated and step by step approach, our aims were modest; we had a useful discussion, during which I spelt out forthrightly our concerns on terrorism emanating from Pakistan against India.

"I told my Pakistani counterpart that terrorism cannot advance any cause, but the cause of senseless violence and that it is the solemn duty of states to eliminate all terrorist groups, operating from their soil, regardless of their ideology or agenda. While acknowledging the steps taken so far by Pakistan to bring the Mumbai perpetrators to book, I pointed out that these did not go far enough to unravel the full conspiracy behind the Mumbai attack and to award exemplary punishment to all culprits. I stressed the importance of expeditious action by Pakistan on these issues, including by following up on the leads that have emerged following the arrest in the United States of David Coleman Headley and Tahawur Hussain Rana. It was pointed out that the Mumbai attack was a symptom of a larger problem—that of the continued existence and unhindered activities of organisations, such as Lashkar-e-Toiba/ Jamaat ud Dawa, Hizb ul Mujahideen etc. from Pakistani territory and territory under

Pakistan's control to perpetrate terrorist violence against India. This was ample evidence during the rallies held by these organisations in major cities of Pakistan and PoK on February 5, which openly incited terrorist violence against India. It was emphasized that the Government of India could not but take a serious note of such actions as it was duty bound to ensure the security of its citizens. At the same time, we said it was the duty of Government of Pakistan to take effective action to dismantle and put an end to the activities of all such organisations. The issue of terrorist infiltration and ceasefire violations across the Line of Control and International Border was also taken up. We called upon Pakistan to investigate the claim made by a hitherto unknown organisation, Lashkar-e-Toiba Al Almi and a separate claim by Ilyas Kahmiri's owning responsibility for the recent Pune blast. Additional information on terrorist activities against India emanating from Pakistan was also handed over to the Pakistani side for investigation and appropriate action.

"I told the Pakistan Foreign Secretary that we have all along believed in the approach to resolve all outstanding issues between the two countries through bilateral dialogue in an atmosphere free of terror and violence. If we are to build upon the past discussions at an appropriate time, trust and confidence between us must be restored. We have set out to take a first step towards rebuilding trust and I believe my meeting with the Pakistan Foreign Secretary has constituted that first step. We have agreed to remain in touch and continue endeavour to restore trust. It was also decided to address urgent humanitarian matters."

Later, in a suo moto statement, External Affairs Minister S.M.Krishna apprised the Parliament of these developments, mentioning, among others, "The invitation...should be seen in the context of Government's desire to ensure communication between the two countries, to address the core concerns relating to terrorism directed against us from Pakistan...The Indian delegation stated clearly and in a forthright manner India's continuing concerns on terrorism. On Pakistan's view that the Composite Dialogue between the two countries should be restored, we responded that the resumption of such a process would have to await the restoration of greater trust and confidence. As the Prime Minister has said, we cannot wish away the fact that Pakistan is our neighbour. Government is convinced that we must not shut the door on dialogue with Pakistan, and that such a dialogue, if it gathers momentum, holds tremendous potential for the progress and well-being of the people of our region. India's engagement with Pakistan will be predicated, as it has been since the Mumbai terrorist attack, on the response of Pakistan to our core concerns on terrorism. However, we do not dilute our position, or our resolve to defeat terrorism, as our Prime Minister has said, by talking to any country. Communication and engagement represent the best way forward."

### **Terrorist Attack Against India in Kabul**

On February 26, a heinous terrorist attack took place in Kabul targeting a few residential facilities used, among others, by Indian nationals. As per the preliminary information provided by Afghan Government officials, up to nine Indians, besides a few others from Afghanistan and third countries, lost their lives. The deceased Indians include Government officials. A few Indians were injured. India strongly condemned the attack. This is the third attack on Indian officials and interests in Afghanistan in the past 20 months. The attacks on the Embassy of India in July 2008 and October 2009 had claimed the lives of Indian diplomats and officials and several Afghan nationals. These barbaric attacks are a matter of deep concern and are clearly aimed against the people of India and the people of Afghanistan. Government of India extended sincere condolences to the families of all those who lost their lives in the dastardly attack, including the families of the Indian officials who laid down their lives in the line of duty. Government is in close touch with the Government of Afghanistan on all aspects concerning the safety, security and welfare of Indians in that country. President Hamid Karzai of Afghanistan called the Prime Minister to express his condolences on the loss

of Indian lives and injuries sustained by many others in the terrorist attack, and promised a full investigation into the attack. The Prime Minister conveyed India's outrage at the incident. While thanking the Government of Afghanistan for the assistance being given, he requested President Karzai to ensure full security for Indian nationals in Afghanistan. Separately it was reported that Afghanistan intelligence officials believe that terror outfit Lashkar-e-Tayiba planned and carried out the terror attack. According to the spokesman of an Afghanistan intelligence agency, the LeT, which masterminded the terror attack on Mumbai, also planned the Kabul attack. The LeT is close to the Pakistani army, the spokesman told a TV channel during an interview. The attack on the hotels, located in the heart of Kabul, was similar to the attacks on the Indian embassy and the attack on a hotel in the Afghan capital in January, he said. Though the police had initially suspected the involvement of two suicide attackers, it was later revealed that four such attackers, wearing suicide vests and hiding under burqas, had carried out the attack. While one of them triggered off the car bomb, the other three raided two hotels and targeted the foreigners, said the police.

### **Beheading of Indian National in Pak Condemned**

EAM S.M.Krishna

made a statement in the Parliament on behalf of the Government strongly condemning the beheading of Sardar Jaspal Singh in the tribal areas of Pakistan. He said, "This barbaric and heinous crime is deplorable in the strongest possible terms. His abductors, reportedly the Taliban, committed the grave crime when his family was not able to pay ransom money to the abductors. We express our sincere condolences to the family of the victim. This incident of kidnapping and killing of Sikhs in Pakistan is a matter of deep and serious concern to the Government, and is being taken up appropriately with the Government of Pakistan." He noted that the President of Pakistan had strongly condemned the incident and asked the authorities to investigate and take stern action against the kidnappers in accordance with the law, taking effective measures to stop the recurrence of such incidents in the future, as well as swift action for the release of a Hindu, kidnapped on February 19, 2010 by unknown persons.

### **Pak Outfits Own Up Pune blast**

Lashkar-e-Taiba Al

Alami, a hitherto unheard terror outfit, claimed responsibility for the Pune blast killing at least 21 innocent people. A caller, identifying himself as Abu Jindal and describing himself as the spokesman of the LeT Al Alami (International), claimed his group carried out the attack in Pune because of what he described as India's "refusal" to discuss the Kashmir issue in forthcoming talks with Pakistan. He also said his group had split from the Lashkar-e-Taiba because it "took orders" from Pakistan's Inter-Services Intelligence agency. He said India's "alliance" with the US was another reason for the attack. Declining to divulge the name of his group's leader, he said, he was calling from Miramshah, the main town in North Waziristan, and his organisation had its "sources" in India and had activated them to carry out the strike. During a recent meeting organised to mark the Kashmir Solidarity Day on February 5, Jamaat-ud-Dawah chief Hafiz Muhammad Saeed had said the only solution to problems between India and Pakistan was the "liberation" of Jammu and Kashmir, failing which radical groups would resort to the "option of jihad".

### **India's Foreign Policy Contours and Priorities**

Addressing an

MEA-IISS Seminar in London, Foreign Secretary Ms. Nirupama Rao focussed on a delineation of India's foreign policy priorities. She said during these 6 decades our foreign policy had evolved and adjusted to the growing demands and challenges posed by rapid economic growth, the situation in our neighbourhood, the realization of our interdependence and integration into global markets, and our consciousness of what India stands for in a changing and often turbulent world as a pluralistic democratic country that has created a successful standard for managing diversity, the last symbolizing the universal values of

inclusiveness, tolerance, and peaceful coexistence. This self image is not new; in fact, from the very early years our ability to manage diversity and respect pluralism is "a source of (India's) legitimacy in the international system". It is a foreign policy truism that our aim is to secure an enabling environment to achieve the overriding domestic goal of all -round, socially inclusive development. The corollary to this is that a free and democratic India is a source of stability and a force for moderation in the region. We want to widen our development choices. A fundamental goal of India's foreign policy is to create an external environment that promotes the fulfilment of our economic growth targets and ambitions. This requires a peaceful and stable neighbourhood and external environment, a balanced relationship with the major powers and a durable and equitable multilateral global order. The challenges before us all require collaborative approaches. That we live in an increasingly inter-dependent world was clearly demonstrated as never before during the global economic and financial crisis of the last year and more. At the global level, India has worked with our international partners to address the complex challenges to revive the global economy. The 2008 global economic and financial crisis triggered the further evolution of the G20, of which India is a key constituent. We see the G-20 process as a move towards a more representative mechanism to manage global economic and financial issues. The Group has taken some positive steps in this direction, for instance by committing a shift in IMF quota share to dynamic emerging markets and developing countries. Simultaneously, the new global realities require that we revisit and reorganize existing governance models which were put in place over six decades ago. In this regard, a dynamic global political and security order requires the urgent reform of the UN Security Council as well. We see our case for permanent membership of the Security Council as valid and legitimate.

Climate change...Its impact on the pace of our development is a very clear and continuing concern. We expect that fossil fuels will remain an important element of our commercial energy mix. The emerging paradigm of global action on climate change must, therefore, acknowledge every human's claim to global carbon space and take account of our differential capacities. Despite 17% of the global population, our own GHG emissions today are currently only 4% of the global total. Even with 8-9% growth per annum, our energy use has been growing at less than 4% per annum. We are concerned that the developed countries tend towards ignoring, implicitly, the huge adaptation challenge that we face with climate change. Today we spend 2% to 2.5% of our GDP on meeting adaptation needs. There is need for stable and predictable financing from the developed countries, and this we believe should not rely on market mechanisms but, rather, on assessed contributions. There is also need for a global mechanism whereby climate friendly technologies can be disseminated to the developing countries. As a country vulnerable to and already suffering from the impacts of climate change, India has an important stake in the success of the on-going multilateral negotiations under the UNFCCC. We are aware of our responsibilities as citizens of the globe and have participated in the negotiations in a constructive manner. We were of course disappointed that an agreed programme of action mandated by the Bali Roadmap could not be achieved at Copenhagen. The Copenhagen Accord was perhaps the best that could be managed under the circumstances. Our collective effort should now be to bring the significant points of convergence reflected in the Accord into the larger multilateral process under the UNFCCC in order to ensure a balanced, comprehensive and above all, an equitable outcome, at the Mexico Conference by end-2010. Nationally, we have adopted an ambitious Action Plan on Climate Change, which is not merely mitigation oriented, but is located within a larger perspective of sustainable development. Our announcement of the voluntary domestic target of reducing the energy intensity of our GDP growth, excluding emissions from the Agricultural sector, by 20-25% by 2020 in comparison to the level achieved in 2005 reflects India's seriousness in addressing the issue of climate change with commitment and focus, even as it seeks to meet the challenges of economic and social

development and poverty eradication.

India is fully cognizant of the safety and security implications arising from the expansion of the peaceful uses of nuclear energy. We must work together with our partners to help reduce the risk of nuclear proliferation. We have been affected by clandestine nuclear proliferation in our neighbourhood. We have taken the lead at the UNGA on an effective law-based international response including on WMD terrorism. We believe that the Nuclear Security Summit in April 2010 hosted by President Obama will be an important milestone in our efforts to build international cooperation to prevent nuclear terrorism. The constructive and forward-looking approach that was adopted towards India in September 2008 by the NSG has enabled full international civil nuclear cooperation with India as also our nuclear energy cooperation agreements with major partners including the US, Russia, France and the UK. These constitute not only a long overdue recognition of India's standing as a country with advanced nuclear technology and responsible behaviour but have also opened up significant opportunities for technical collaboration. I believe that this change would also serve as an important step towards strengthening international partnerships to ensure that advanced nuclear technologies are only utilized for peaceful purposes. You are well aware of India's long-standing commitment to global, non-discriminatory and verifiable nuclear disarmament. As early as 1988, our then Prime Minister Rajiv Gandhi presented one of the most comprehensive proposals to achieve a nuclear weapon free world to the UN General Assembly. In 2006, India tabled a Working Paper on nuclear disarmament to the UNGA. We feel encouraged by some recent positive steps. President Obama's administration has signaled US willingness to reduce the role of nuclear weapons in its nuclear strategy and to work towards a nuclear weapon free world. The renewed debate underway on this issue harmonizes with our long held positions.

Terrorism poses an existential threat to the civilized world. It is a pivotal security challenge for India and in our neighbourhood. Terrorists have sought to undermine our sovereignty, security and economic progress, aided and abetted by forces beyond our borders. Our embassy in Kabul has faced vicious suicide bomb attacks twice, in 2008 and 2009. The Mumbai attacks of November 2008 and the more recent outrage in Pune, have once again demonstrated the barbaric face of terrorism. Terror groups implacably opposed to India continue to recruit, train and plot attacks from safe havens across our borders. Open democratic societies such as India face particular challenges in combating the threat of terrorism. At the same time, it is clear that the threat from terrorism cannot be dealt with through national efforts alone. The global nature of the threat has been recognized widely. Terrorism needs to be countered collectively and expeditiously. It is time that the international community works towards early adoption of a Comprehensive Convention on International Terrorism that was tabled at the UN over a decade ago in 1996. We must act jointly and with determination to meet the challenges posed by terrorism and to defend the values of pluralism, peaceful co-existence and the rule of law.

On our neighbourhood, from India's perspective, the goal of ushering in a peaceful, stable and prosperous neighbourhood is predicated on enabling each of our neighbours to pursue the shared objective of the development of our peoples. We do not see this as a zero sum game but as a cooperative endeavour, requiring collaboration rather than confrontation, so as to enable each of our neighbours to grow. We do not see this as a compulsion but as a natural choice voluntarily made; a corollary of the inter-dependent world we live in. We believe that our strengths place us in a unique position to actively support the socio-economic development in our region. The greatest threat to peace and stability in our region emanates from the shelter terrorists find in the border of Afghanistan-Pakistan and in Pakistan itself. Our relationship with Pakistan is complex. Out of our desire for peaceful and

good-neighbourly relations with Pakistan, we have repeatedly taken initiatives in the past to improve the relationship. The dark forces of terrorism sought to erase the good that stemmed from such well-intentioned initiatives. We are now making another attempt of dialogue with Pakistan. However, calls of jihad, hostility and aggression continue to be made openly against India. This reflects the real and tangible difficulties that we face in dealing with Pakistan. If the process of normalization that we desire with Pakistan, is to be sustained and taken forward, effective action against such groups by the Government of Pakistan is an absolute must. Under pressure and faced with the threat of terrorism in its own country, Pakistan has initiated some steps to fight this scourge. But these steps are selective. Distinctions between Taliban, Al Qaeda and terrorist outfits such as LeT are now meaningless, since they are now in effect fused both operationally and ideologically. We have consistently maintained that Pakistan should bring the perpetrators of the Mumbai terrorist attack to justice expeditiously and in a transparent manner. It should act decisively to dismantle the infrastructure of terrorism on its territory. India is making another sincere attempt to initiate dialogue with Pakistan. I have invited my counterpart, the Foreign Secretary of Pakistan to Delhi for discussions later this week. We hope we can build, in a graduated manner, better communication and a serious and responsive dialogue to address issues of concern between our two countries.

### **Equity Necessary for Legally Binding GHG Cut**

India has said that if in the negotiation process the developing countries are brought into the ambit of making legally binding global agreement for emission cuts, it would ask for a formula for equity in carbon space. Under international agreement the developing countries have "common but differentiated responsibilities" for containing climate change and are exempted from making any legally binding commitments for greenhouse gas (GHG) emission cuts. Though many developing countries have announced their national action plans to cut their emission levels, they are being insisted upon by some developed countries to commit to a legally binding agreement. "If there is a call for such a legally binding agreement, we will ask for a formula for equity in the carbon space. We will insist upon per capita emission of countries, equity in fund flows and would also ask for considering per capita income of countries. The future negotiations should take into the development aspect of developing countries alongwith measures to contain climate change," the Indian minister of State for Environment and Forests, Jairam Ramesh said, on the sidelines of the 10th Delhi Sustainable Development Summit (DSDS).

### **India-Britain Sign Civil Nuclear Accord**

India signed an agreement on nuclear energy cooperation with Britain in New Delhi. The agreement will help British companies collaborate with Indian partners in civil nuclear technology and help both countries achieve energy security and low carbon growth. Representatives from the Nuclear Power Cooperation of India will attend the Nuclear New Build Conference in London between March 1-3, along with nuclear business and political leaders from 15 countries.

### **Agni-III Launch, Further Plans**

Agni-III, the missile with the longest range in India's arsenal, lifted off majestically on February 7 from the Wheeler Island off Orissa and travelled its entire range of 3,500 km and came down accurately on its target in the Bay of Bengal. During its successful 800-second flight, it reached an altitude of 350 km and its re-entry module sliced into the atmosphere, withstanding searing temperatures of 3,000 degree. The two-stage, surface-to-surface ballistic missile can carry nuclear warheads. The nuclear triggering mechanism worked well although the missile carried only chemical explosives as payload. V.K. Saraswat, The Defence Research and Development Organisation (DRDO) chief and Scientific Adviser to the Defence Minister, called it "a fantastic launch and a hat-trick," and added "it shows the maturity of the missile's design and the quality of its systems because we have had three

successes in a row without any blemish...The flight gave us the full range and pin-point accuracy. The missile travelled accurately its entire range to its last decimal place as we had planned." Noting that India has anti-satellite capability, he said, "with the successful testing of Agni-III, we have the propulsion system which can be used to propel a kill vehicle in the orbit. We have the capability required to guide a kill vehicle towards the satellite. We have the capability for interception of satellite. But we do not have to test because it is not our primary objective. There are repercussions of satellite interception like debris flying in the space." He added India will test-fire the over 5,000-km range nuclear-capable Agni-V surface to surface ballistic missile "within a year", enhancing its striking ability. This will also help India join the elite club of nations with the capability to produce Inter-Continental Ballistic Missiles (ICBMs).

***I believe non-violence is infinitely superior to violence, forgiveness more manly than punishment.***  
***-Mahatma Gandhi***

### **Economic Growth Gathers Pace**

According to Central Statistical Organisation (CSO)'s official estimates, the Indian economy is likely to grow at 7.2% this fiscal year, picking up from a six-year low the previous year and underlining expectations that the central bank will raise rates in coming months. The economy has rebounded quickly with data showing strength in industrial output, although a damaging drought has hit the agricultural sector. The government introduced various stimulus measures during the downturn, including more relaxed repayment schedules for export credit. It said manufacturing, a key growth driver, would grow 8.9%, a sharp pick up from 2.4% in the previous year. Farm output is expected to contract 0.2% after the worst monsoon in 37 years, swinging from year-earlier growth of 1.6%. However, the latest forecast is higher than an earlier 2% contraction forecast. Last month, the Reserve Bank of India (RBI) revised up its growth estimate for 2009/10 to 7.5% from 6.5% and raised its forecast for wholesale price inflation to 8.5% from 6.5%. Policymakers, including the Prime Minister Manmohan Singh, have said they expect the economy to grow around 7.5% in the 2009/10 fiscal year.

Prime Minister's Economic Advisory Council, PMEAC, has pegged growth in the next financial year (2010-11) at 8.2% as the agriculture sector is expected to turn around next year. It also predicted that the country would return to 9% growth in 2011-12. For the current financial year (2009-10), it stuck to the CSO's advanced growth estimate of 7.2% though added an upward bias to it. "The council expects a bounce-back in agricultural GDP in the next year and maintenance of the desired trend growth of 4% in 2011-12," PMEAC Chairman, C Rangarajan said.

India is expected to grow at 7.5% in the fiscal 2010-11 and at 8% in 2011-12, well above the 6.4% average posted during 1995-2005, according to the Global Economic Prospects 2010 report by the World Bank. The report added that India's growth will benefit from increasing external demand, particularly on the back of the growth revival in high-income countries. World Bank also expects increase in foreign direct investment (FDI) inflows to the country in 2010 on the back of recovery of investment into the developing countries as well as improvement in FDI policies in the country.

The Indian economy is well past the worst as the Edelweiss-ET NOW Lead Indicator Index (EELII) has indicated for the month of February. The index has been above the 100-mark for the third month in a row, crossing the 100-mark for the first time in December 2009. The value of the index was at 110 for February, a marginal increase over the January value of 108, but sharply higher than the year-ago number of 76 in February 2009. A value of 100 on the EELII suggests that non-agriculture GDP is growing 9% year-on-year. The increase

in the EELII from a trough of 73 in March 2009 has been very sharp, driven largely by the benefits of low interest rates, easier availability of capital, the increase in government expenditure and also the general improvement in business and consumer confidence. The EELII is a composite weighted average index of a number of macro-variables that typically exhibit a strong predictive ability of core trends in the Indian economy.

### India Can Be Fastest Growing Economy in 4 Years

India's GDP can expand by double-digit levels to emerge as the fastest growing economy in the world by 2014, even as spiralling prices remains the immediate concern, said the Economic Survey for this fiscal. "It is entirely possible for India to move into the rarefied domain of double-digit growth and even don the mantle of the fastest-growing economy in the world within the next four years," said the survey, announced on February 25. "The Indian GDP can be expected to grow around 8.5% (plus or minus 0.25%), with a full recovery, breaching the 9% mark in 2011-12," said the survey tabled by Finance Minister Pranab Mukherjee in the Lok Sabha, the lower house of parliament. "In the medium term, it is reasonable to expect that the economy will go back to the robust growth path of around 9% that it was before the global crisis slowed it down in 2008." The survey said there were several reasons to suggest that the India's economic fundamentals remained strong, including high savings and investment rate, the arrival of home-grown companies in the global space and the dream run for the services sector. At the same time, agriculture continues to be the cause for concern even as it remains the mainstay of the Indian economy, with the bulk of its workforce dependent on farming, either directly or indirectly. "There is need to undertake serious policy initiatives to reach the government's target of sustained 4% growth in this sector." At the same time the export sector needed a further push, even as it said that the outlook for India's merchandise trade has brightened in 2010 with the prospects of a recovery in world output and trade volumes. "While in the short-term, stimulus measures have worked, some fundamental policy changes are needed. For the merchandise sector these include furthering tariff reforms by lowering the peak duties from the present 10% to 7.5%."

#### STEPPING UP TO A NEW LEVEL OF GROWTH

*The article below, published in the International Herald Tribune on January 28, 2010, It discusses the revival of growth in India.*

The genie of Indian economic growth, which has been feeling the pinch of the protracted global economic downturn, is about to be released from its bottle. Industrial production growth in December, at 11.7 per cent, was at a 25-month high. In November, production of consumer durables such as refrigerators and televisions surged 37.3 per cent. Output from factories, utilities and mines has been reflected in a turnaround in exports, which grew 18.2 per cent in November over the same period in 2008, reversing a declining trend over the last 14 months. The rise in exports is reflected in India's \$1.2 trillion economy, which grew a remarkable 7.9 per cent in the quarter ending Sept. 30, 2009.

Anand Sharma, Minister of Commerce and industry, says all this is preparing India for a new level of growth. "These numbers are sustainable due to the domestic demand and consumption story," he says. "India has an investor-friendly climate, with close to \$140 billion cumulative foreign direct investment having come in (since the reform process began in 1992). Portfolio investment of \$17.5 billion came in during 2009."

The fiscal and monetary measures taken by the government in the immediate aftermath of the global economic crisis, backed by the inherent strengths of India's economic fundamentals, are paying off in spades. Anand Mahindra, vice chairman and managing director of Mahindra & Mahindra, the \$ 7 billion tractors-to-technology behemoth, says India's current savings and investment rates are similar to those of the East Asian tigers

during their takeoff years, while its demographics – a young population – offer a distinct advantage. “The proactive fiscal stimulus package from the government certainly played a large role in the recovery of automobiles and consumer-durable sales in India,” he says.

Despite this positivity, challenges lurk in the shadows of these frenetic developments. Managing price stability and timing the exit strategy of the stimuli are two of the biggest imponderables going forward. Former Reserve Bank of India Governor Bimal Jalan reckons that while public spending has primed the economy, the productivity of investment is not necessarily yielding the best kind of results in terms of capital output ratio.

D.K. Joshi, principal economist at the credit-rating agency Crisil, says these are challenges for policy makers across the globe. At the same time, he says, “the irritants in India are fewer than around the world. Yes, food inflation is galloping, but by growing faster than most, we are also less vulnerable. My sense is that the withdrawal of the stimuli has got to be gradual. In autos, for instance, it will have to go, but for certain export sectors it will have to stay.”

The bullishness of the Indian economy is attracting foreign companies to set up or expand operations. Toyota Motor, Honda, Volkswagen AG, General Motors, Suzuki Motor and other carmakers introduced 10 new models at the Delhi Auto Expo earlier this month, buoyed by the 1.43 million units manufactured in 2009.

None of these developments are lost on Shankar Acharya, former chief economic adviser to the government of India. “India is better placed than the rest of the world to attain even higher GDP numbers,” he says. “My feeling is that India should achieve growth of 7.5 per cent to 8 percent, if not higher, in the coming year.”

Kalpna Morparia, chief executive officer of the financial services giant JPMorgan India, says that 2010 will be driven by the investment consumption up-cycle in India. In many ways, she says, this will reprise the days of 2006-07, adding: “The services structure of our economy, fuelled by the growth in retail credit due to consumption patterns, will remain steadfast and continue to provide opportunities.”

All-inclusive growth remains the mantra for the government. Structural and systemic problems over the public delivery of food, fertilizer and the like remain an issue. Jalan points out that India needs to improve the performance parameters of its public spending and governance mechanisms. Sharma wants to improve the investment framework by rationalizing and simplifying foreign direct investment procedures. That is why he is attempting to create a single FDI document that subsumes all those issued in the past for greater clarity and ease of doing business in India.

### **Union Budget 2010-11**

Finance minister Pranab Mukherjee on February 26 presented the budget for the fiscal year 2010-11. Highlighting India’s success in combating the economic crisis Pranab Mukherjee said in his budget speech, “India has weathered economic crisis and the Indian economy is now in a better position than it was a year ago. However, challenges today are not any less than what it was 9 months back. Our task now is to quickly revert to a high GDP.” He added that the second challenge was to make development inclusive. While the growth estimate for the current fiscal was 7.2%, it is expected that the Indian economy would reach 10% growth in the next few years. The budget estimates a rise in revenue receipts to the tune of Rs 205 bn. The budget has proposed a hike in defence expenditure from Rs 1417.03 bn to Rs 1473.44 bn. Total expenditure at Rs 11,800 bn would be an increase of 8.6 per cent over the total expenditure in Budget Estimates of 2009-10. The budget has allocated 25% of plan allocation to develop rural infrastructure.

### Highest Industrial Growth in 20 Years - 16.8%

India's industrial production registered a better-than-expected growth of 16.8% in December, the fastest expansion in a decade, with a growth of 18.5% in the manufacturing sector output. Besides manufacturing, mining output grew by 9.5% in December against 2.2% a year ago, while electricity generation rose by 5.4% against 1.6% in the previous corresponding period. The high growth comes against the backdrop of a 0.2% decline registered in the index of industrial production (IIP) in December 2008, as per the latest data released by the Central Statistical Organization. "Quite encouraging," is how finance minister Pranab Mukherjee described the latest figures. "I do hope that third quarter GDP figures will also be encouraging... it will get reflected in the overall GDP." The finance minister expects the economy to grow around 7.75% in 2009-10. 'The performance is very much in the direction that we expected of a good revival,' said Planning Commission Deputy Chairman Montek Singh Ahluwalia. The RBI had already revised its forecast for industrial output growth for the current fiscal to 8.4%, against 6.3% estimated just three months ago because of the impressive recovery staged by the manufacturing sector. Significantly, as many as 14 out of the 17 industry groups in the index showed positive growth during December, compared to the corresponding month of the previous year, with transport equipment and parts logging the highest growth of 82.2%. 'The 18.5% growth of our manufacturing sector in December 2009 is reflective of the acceleration in industrial recovery since August 2009,' said Amit Mitra, secretary general of the Federation of Indian Chambers of Commerce and Industry (FICCI). With the latest data, the cumulative expansion of the country's factory output during the first nine months of this fiscal has been 8.6%, as against 3.6% for the corresponding period of 2008.

According to official data, all major cement companies witnessed growth in their sales 38% in January vis-à-vis the same month last year. JK Lakshmi Cement recorded the highest 38% growth in sales in January. "Cement companies in India have witnessed strong volume growth in the first half of the current fiscal on the back of increased government spending on housing, roads, ports and power stations and the momentum continues."

### Exports up 11.5% in Jan to \$14 bn

India's merchandise exports reached \$14.34 billion in January, up 11.5% in the same month a year ago. Preliminary data had earlier put the export growth for January at 8%. The rise for the third consecutive month in January came after 13 successive months of decline since October 2008 on account of the global meltdown. 'We are registering a robust export growth. We had good exports of tea, coffee, basmati rice and plastics,' Commerce Minister said. Total exports for 2009-10 are expected to be \$165-170 b. Exports grew by 9.3% in December 2009. Imports, too turned positive after recording long 11 months of negative growth, registering an impressive growth of 27.2% in December.

According to the Gem and Jewellery Export Promotion Council, the **exports of gems and jewellery** from India, the world's largest supplier, rose 45% over December 2008 to touch US\$ 1.89 b in December 2009. Exports during April-December 2009 increased to US\$ 19.6 b from US\$ 19.1 b a year earlier. Exports of cut and polished diamonds in the April-December 2009 period stood at US\$ 12.06 b as compared to US\$ 11.5 b in the corresponding period last year.

### 20 Indian Banks in Top Global 500

20 Indian banks are on the Brand Finance® Global Banking 500 list, an annual international ranking by UK-based Brand Finance Plc. The State Bank of India (SBI) became the first Indian bank to break into the world's Top 50 list, according to the Brand Finance study that saw HSBC retain its top slot for the third year in a row. SBI's brand value more than tripled, the biggest movement in the league table, to \$4,551 m, up from \$1,448 m in 2009, helping it grab the 36th spot in the list. ICICI Bank, the country's largest private bank, joined it in the

Top 100 list with a 130% jump in its brand value at \$2,164 m. Other big gainers in brand value include IDBI Bank (190%), Bank of Baroda (162%) and Union Bank of India (148%). The cumulative brand value of 20 Indian banks stood at \$13,053 m. The 15 Indian banks that figured in last year's list saw a whopping 130% rise in their combined brand value. The number of Indian banks in the global list had more than tripled last year to 19 from 6 in 2007.

Outstanding bank credit in the 15 days up to January 29 rose by Rs 200 b, or a year-on-year growth of 14.83%, the highest since August 2009. Separately, Reserve Bank of India RBI has increased the Cash Reserve Ratio (CRR) by 75 basis points to 5.75%, while repo and reverse repo rates have remained unchanged. The CRR hike is expected to mop up liquidity to the tune of US\$ 7.78 billion from the system.

### **FDI Inflows US\$ 1.54 b in December'09**

Foreign direct investment (FDI) grew to US\$ 1.54 b in December 2009, an increase of 13.2% over the December 2008 level of US\$1.36 b. This made it the third consecutive month of year-on-year increases in FDI inflows. The February bulletin of RBI showed that FDI equity inflows for the period between April and December of the current fiscal stood at US\$ 21.5 b, higher than the US\$ 21.15 b posted in the same period in the preceding fiscal. The services sector followed by the telecommunications, real estate and housing sector were the preferred destinations for foreign investors.

Private equity investments in India doubled in January 2010, with deals of over US\$386 m announced, according to VCEdge, a financial research body. In January 2009, the figure stood at US\$ 191 m. The study stated that the real estate, telecom and infrastructure sectors together accounted for more than 45% of total private equity deal value this January.

According to the figures released by RBI, foreign exchange reserves increased by \$899 m to touch \$285.1 billion during the week ending January 15. The total FE reserves comprising foreign currency assets, gold and SDR rose to US\$285 billion mark.

### **India's Business Confidence Index Two-Year High**

According to the latest National Council of Applied Economic Research (NCAER)-MasterCard Worldwide Index of Business Confidence survey results, business confidence in India touched a two-year high in January 2010. The index measures business confidence on four indicators, which include overall economic conditions expected after six months, expected financial position of the firm after six months, investment climate compared to six months back and capacity utilisation level. The Business Confidence Index (BCI) rating of 153.8 points for January 2010 is the highest rating since January 2008 (154 points). The business confidence level in January 2010 is 7.03 per cent higher than the BCI rating in October 2009. The boost in business confidence has been observed across all regions in India. The survey brought out optimism about an improvement in the overall economic conditions and investment climate over the next six months.

**FICCI's** Business Confidence Survey (BCS) for the second quarter of 2009-10 notes that with the current and expected industrial and economic performance improving, corporate India's confidence is on the upswing as reflected in the stacking up of substantial investments in capacity additions, modernization and greenfield projects. The survey drew responses from 358 companies with a wide geographical and sectoral spread and turnover range. The overall Business Confidence Index is at 72.4 in the present survey against 67.2 in the last survey. There is a general expression of confidence that the signs of recovery in the economy are sustainable and the improved conditions will continue into future.

### Cheap Loans Boost Car Sales

Passenger car sales in India jumped 32% year-on-year in January, to 145,905 units from 110,300 in January 2009, boosted by easy financing terms and the economic recovery, according to data released by the Society of Indian Automobile Manufacturers (SIAM). "This is the highest-ever sales by the auto industry," said SIAM director general Dilip Chenoy. Major manufacturers including Maruti Suzuki, Mahindra&Mahindra, Hyundai Motor Company, and General Motors, reported record sales in January. Total vehicle sales, including motorcycles and trucks, increased 45% year-on-year to 1,114,157 units in January. Car sales are expected to double by 2016 from the current annual average of about 1.8 million units, according to industry forecasts. International car makers including Volkswagen and Ford Motor Company have been expanding their local production facilities and introducing new models in India. Luxury car makers are seeing better-than-expected demand for their models in the Indian market—Porsche has witnessed an unforeseen demand for its Panamera sedans, while Audi reported that bookings for its sports car, R8, beat expectations.

### Computer Sales Surf Higher

Economic revival, technological developments, and right pricing led to overall sales of the Indian personal computer (PC) market touching 1.97 m units during the fourth quarter of 2009—a 25.7% year-on-year growth, according to a report by IDC, the research and advisory company. Desktop PC sales accounted for nearly two-thirds of total PC sales with a 14.6% increase, and notebook PC sales grew at 52.8%. Total India PC shipments grew in each of the four quarters of 2009.

Wipro Infotech, provider of IT and business transformation services, has unveiled its new **eco-friendly and toxin-free desktops**, Wipro Greenware range of desktops, based on the Intel Core 2 Duo processor, free from carcinogenic materials such as PVC (polyvinyl chloride) and BFRs (brominated flame retardants). This is a major breakthrough in clean production and recycling policy.

### TCS to Hire 30,000 Staff

Tata Consultancy Services Ltd, TCS, India's top outsourcer, will hire 30,000 staff (70% of which would be fresh college graduates, and the rest experienced engineers) in 2010/11 on hopes of increase in demand for services from its overseas clients. TCS, part of the Tata Group that spans commodities, autos and services businesses, employs more than 130,000 people. India's export-driven software services companies have lifted a freeze on hiring and wage hikes since the past couple of months on a rebound in demand for outsourcing, which had been hit by the global recession. In the fiscal 2009/10, TCS added 24,000 employees.

India's **information technology** market is expected to grow at 15.5% in 2010 owing to growing investor confidence and favourable initiatives taken by the government, according to a study by Springboard Research. By mid-2011, the IT services sector is expected to record double-digit growth according to research and advisory agency, Gartner, Inc.

India-based service provider, **Air Works Engineering**, has announced the acquisition of 85% stake in the British company, Air Livery. Air Works, which has a facility for maintenance, repair and overhaul in Karnataka, is currently undertaking the construction of a hangar that allows for the simultaneous painting of two large planes such as the Airbus 340 or the Boeing 777. Air Works would utilise the technical know-how of Air Livery to help airlines bring down their maintenance costs. Subsequent to the acquisition, Air Livery would operate as an independent business unit of Air Works Engineering.

### India's First Wi-Fi-Enabled Railway Station

Mysore is the first railway station in the country to offer Wi-Fi networking facility for passengers and public. "This is the first of its kind private-public partnership in India where wireless internet

services will be offered at a railway station via Wi-Fi". New Zealand-based Tomizone, with a direct presence in four countries including India, and through hotspots in 45 countries, has partnered with the Mysore Divisional Railways to offer the internet facility. The service will be available within a radius of about 200 km, and is expected to benefit the IT crowd that travels to and from Mysore as the tourist city is also an IT hub with presence of large IT companies.

### **New Acquisitions of India Inc.**

Ahmedabad based

Contract Research and Manufacturing Services major, **Dishman Pharmaceuticals and Chemicals Ltd**, has entered into a strategic alliance with California based biotechnology firm Codexis, Inc. that will allow Dishman to use Codexis' proprietary enzymatic biocatalysis technology to manufacture intermediates and active pharmaceutical intermediates (APIs). This technology offers a number of significant advantages: cost reduction, improved yields and significant reduction in environmental impact through reduced use of organic solvents.

India's largest back-office firm, **Genpact**, part of the Software Technology Group of companies, has announced the acquisition of the US-based analytics and data management services provider Symphony Marketing Solutions, which has domain expertise in the retail, pharmaceutical and consumer packaged industries.

### **Global Brands Make a Beeline for India**

Zara - the

fashion label owned by Inditex SA of Spain, UK garment chain Topshop, the Marc Ecko clothing line promoted by the US entrepreneur of the same name, and the Japanese casual wear brand Uniqlo, are preparing to open outlets in India. They are among two dozen fashion brands expected to enter India in 2010 in an apparel market estimated at Rs1.3 trillion with a yearly growth of 10%. Departmental store chain, Shoppers Stop, plans to launch the Playboy brand, and around six other international labels in Indian market in the coming year, according to Boston Consulting Group. The SKumar's group, through its unit Brandhouse Retails, will launch the Italian apparel brand Oviessa. Besides clothing brands, speciality retailers across the spectrum—from shoes and toys to electronics—are interested in tapping the Indian market. Domestic retailers are equally keen to collaborate with global players. Reliance Retail Ltd. already has partnerships with retailers such as Marks and Spencer Group. Also, leading producers of luxury watches, Titan Industries, Timex, Timond, HMT and Gitanjali are currently facing a demand which surpasses supply. In the past two years, high-end luxury watch brands have grown by 20-22%, as against 7-8% growth in low-end watches. The market for golf and related equipment has been growing at 25-30% a year over the last three years with international golf gear makers and golf luxury brands lining up to establish their presence in India.

### **Wind Energy Project, Developments**

Gamesa Corporacion

Tecnologica, a Spanish company specializing in sustainable energy technologies—particularly the fabrication of wind turbines and setting up of wind farms—has announced the launch of its operations in India with the setting up of a subsidiary, Gamesa Wind Turbines Private Limited. Separately, "real time wind forecasting systems" will be set up in three Indian states by April 2010, according to the Indian Wind Turbine Manufacturers Association (IWTMA). This is expected to provide a big push for wind power in India.

### **Indian Railways Not to be Privatised**

Railway Minister

Mamata Banerjee presented her second Rail Budget, 2010-11. The highlights included: introduction of double-decker trains; no increase in freight tariff; Railways not to be privatised, to remain with the government; Railways to set up mobile e-ticketing centres at hospitals, universities, courts, IITs, IIMs, district headquarters and village panchayats; providing houses to all its employees in the next 10 years; Centre for Railway Research to be set up at IIT-Kharagpur; despite slowdown, Railways exceeded freight loading target by

eight mT during 2009-10; freight loading target for 2010-11 fixed at 944 mT, 54 mT more than the current year's revised target; gross traffic receipt for 2010-11 pegged at Rs.948 b; high-speed dedicated passenger corridors to be constructed; setting up of National High Speed Rail Authority; modernisation of 93 railway stations; completion of 1,000 km railway lines in one year; plan to raise Rs.100-200 b by next fiscal; and allocation for construction of new lines increased from Rs.28.48 to Rs.44.11 b.

### **Delhi Airport in Top 30, Hyderabad in Top 5**

Delhi Airport

which was earlier ranked 300, has now leapt to the Top 30 airports that handle 15-20 million passengers a year. The rankings come from Airport Service Quality (ASQ) survey that collects feedback from passengers, and is conducted by Airports Council International (ACI), an autonomous body representing world airports. Hyderabad's international airport has been named amongst the world's top five in the ASQ passenger survey along with the ones at Seoul, Singapore, Hong Kong and Beijing. This was in the category of airports that handle 5 to 15 m passengers a year. ASQ is designed to help participating airports to measure their improvement year on year.

***Without devotion, action and knowledge are cold and dry and may even become shackles.***  
***-Mahatma Gandhi***

### **Gandhi's Ashes Immersed in Indian Ocean**

62 years after

his assassination, ashes of Mahatma Gandhi, the apostle of peace, preserved by a family friend, were finally immersed in the Indian Ocean off the South African coast on January 30, his death anniversary. "It was a beautiful ceremony attended by more than 200 people," Ela Gandhi, granddaughter of Mahatma Gandhi, who led the sacred ritual, said. The Indian Ocean was chosen for the solemn event as it links the two countries on which he had such a profound influence, she said. After he was assassinated in 1948, his ashes were distributed among family, friends and followers and handed over to his granddaughter by a family friend in whose custody they had been since they were brought to South Africa after cremation. Local businessman and an ardent Gandhian, Chagan "Chotoo" Thakur Bhoola, 85, recalled how he had transported Gandhi's ashes in an urn from Bombay to South Africa.

### **India Win to Stay World's Top Cricket Team**

India beat South

Africa by an innings and 58 runs in the second Test in Kolkata to level the two-match series. India has retained its place ahead of South Africa at the top of the Test world rankings. Amla was named man of the match, though, he finished the series with an average of 490 - the second highest series average, behind Wally Hammond, in the history of Test cricket.

### **Indian Nuclear Plant Operator Bags Award**

Shashi Bhattacharya,

Station Director of Tarapur Atomic Power Station Units 1 and 2 of Nuclear Power Corporation of India Limited (NPCIL) was among the eight recipients of the International Nuclear Excellence Award given by World Association of Nuclear Operators (WANO). This is the third time an Indian operator has won the award given to promote excellence in safe operation of commercial nuclear power reactors across the world. Earlier, Guntur Nageswara Rao, the then station director of Kaiga Atomic Power Plant bagged the award in 2007, while R Bhiksham, the then Station Director, Kakrapar Atomic Power Station was conferred this distinction in 2002. The award is bagged after rigorous nomination and selection process.

### **Indian-American Special US Envoy to Islamic world**

An Indian-American

Muslim, Rashad Hussain, an accomplished lawyer, has been appointed Washington's special envoy to the Organization of Islamic Conference (OIC). His father, Mohammad Hussain, is a retired mining engineer from Bihar, while his mother, Ruqaya, is a gynaecologist.

Commentators said Hussain's appointment has political and diplomatic significance, in

particular in the context of an army-dominated Pakistan's espousal of a militant, intolerant brand of Islam.

### India-Born Businessman in Canada Senate

An India-born businessman has been, for the first time, nominated to the Canadian Senate, by Prime Minister Stephen Harper. Born in India, Kochhar, President and founder of the Vimal Group of Companies in Toronto, received his engineering degree at the University of Texas and migrated to Canada in 1967, becoming a Canadian citizen in 1974. He is currently serving as Board Member for the Canadian Museum for Human Rights and as Chair of the Canadian Paralympic Foundation. Kochhar was responsible for project management of major hotels around the world and for the past 30 years played an active role in the community by creating the Canadian Foundation for Physically Disabled Persons.

### India Opens 38<sup>th</sup> Tiger Reserve

Minister of Environment and Forests Jairam Ramesh opened the Parambikulam Tiger Reserve, India's 38th tiger reserve and Kerala's second on February 19. There has been a sharp decline in the number of tigers in India, with only 1,411 of them left, according to official estimates. The tiger reserve was known as the Parambikulam Wildlife Sanctuary when it was set up in 1973 in a 285-sq-km protected area in Chittur area of Palakkad. With the addition of 358 sq km of forests, the tiger reserve now has an area of 643 sq km. It has a rich diversity of animal life. It also has a variety of trees, including teak, neem, sandalwood and rosewood.

### Andaman Language Lost

Boa Sr, 85, who died in February was the last member of the Bo - one of the ten Great Andamanese tribes that are considered indigenous inhabitants of the islands, which lie 750 miles off the east coast of India. Boa Sr was the oldest of all the Great Andamanese tribes' people, who now number only 52 among the archipelago's total population of about 300,000. She was also the last known speaker of the Bo language, according to Anvita Abbi, a professor of linguistics at Jawaharlal National University in Delhi. Boa could, however, communicate with others in a local version of Hindi and in Great Andamanese, which is an amalgam of all the ten tribal languages, according to Prof. Abbi.

***I may be a despicable person, but when Truth speaks through me I am invincible.***

***-Mahatma Gandhi***

### They Said It

"India offers unlimited potential and is growing rapidly."

- H.Tanigawa, Managing Director, Bridgestone India Private Limited

### OCTAVIO PAZ ON INDIA

*Nobel-laureate Octavio Paz was Mexico's Ambassador to India from 1962-68. His writings and poetry bear a clear influence of his long association with India. Beginning from the July 2009 issue, India News is carrying a series of excerpts from his well-known book, In Light of India. This does not however imply any endorsement of his opinion, assessment, or even factual accuracy.*

I have mentioned certain similarities and differences between India and Mexico. Here I would like to break the thread of my argument with a digression on some of the specific characteristics that unite and separate the two countries. I beg the indulgence of the reader for this digression, but I am, after all, a Mexican...During the years I lived in India, I noticed that Indians are very conscious of their difference from other people. It is an attitude shared by Mexicans. A consciousness that includes, for Indians, their difference from the other Southeast Asian nations, and, for us, from the other Latin Americans. It would not be an exaggeration to say that the fact of being Mexican helped me to see the difference of being

Indian—from the difference of being Mexican. They are not the same, of course, but they are a single point of view. To a certain extent, I can understand what it means to be Indian because I am Mexican.

Apart from this consciousness of our difference, everything else separates us. There are, however, a few surprising similarities in our practices and customs. For example, the prominence of chillies in both Indian and Mexican cooking. In the global gastronomic geography the two cuisines share a single place that can only be called eccentric: they are both imaginative and passionate infractions of the two great canons of taste, French and Chinese cuisine. The world chilli is of Nahuatl origin; the plant originally came from the Americas. Thus it is a Mexican export. My friend Sham Lal, who studied the ancient cuisine of India, told me that in the classical literary texts there is not a single mention of chillies. When did chilli or more exactly, the many kinds of chillies arrive in India and become the essential component of its curries? Did it arrive through the Philippines, Cochin, or Goa? Another food probably of Mexican origin is the fruit known in India by its Spanish name: Chico. In Mexico, its full name is chicozapote. In Cochin and in other parts of the south, Indians call it by a variation of its Mexican name: zapota. Conversely, the mangoe is a fruit and a word (it comes from Tamil) that originated in India. In Mexico, the most highly esteemed mangoes are still called "mangoes of Manila" As for curry: in Travancore and elsewhere in the south of India, they designate a certain class of curries with the name mola, which seems to be a corruption of our mole, as zapota is of zapote. Mole comes from muli, "sauce" in Nahuatl. There is an undeniable similarity between curry and mole: the combination of the sweet and the spicy, the reddish colour full of sumptuous reflections, and its accompaniment to a meat or vegetable. Mole was invented in a convent in Puebla in the seventeenth century. Is it an ingenious Mexican version of curry, or is curry a Hindu adaptation of a Mexican sauce? Our perplexity increases when we consider that there is not one but many kinds of curries and moles. Another culinary similarity: instead of bread, Indians eat a kind of tortillas, called "chapattis", that are very similar to ours, though made from wheat flour instead of corn. The chapatti, like the tortilla, serves as a spoon: an edible spoon!

If we move from food to clothing, one immediately thinks of the China Poblana, the "Chinese" woman from Puebla whose lavish dress became a Mexican national symbol. In New Spain, all Asians were called "Chinese", whether they came from China, Japan, the Philippines, or India. During this period there was a great deal of trade across the Pacific. It has been said that the costume of the China Poblana is an adaptation of the clothes worn by Gujarati women, which reached Mexico through Cochin and the Philippines. The theory is not improbable, but needs further proof. Mole and the China Poblana, both from Puebla, evoke, in turn, the enigmatic figure of Catrina de San gJuan, about whom the Mexican historian Francisco de la Maza has written a curious book. Its title tells the story: Catarina de San Juan: Princes of India and Visionary of Puebla. Catarina de San Juan was a religious woman of the seventeenth century, famous for her visions, which she related to her Jesuit confessors and spiritual guides. She was venerated by many devotees, clergy and non-clergy alike, who were moved by her austerities and conversations with celestial beings. She was almost beatified, but the Church halted the process and even prohibited her cult. She is buried in Puebla, in the chapel of the Convent of Santa Clara the same convent, by a strange coincidence, where, in the same century, mole was invented.

**....to be continued**

## TRADE ENQUIRIES FROM INDIA

Company	Commercial Interest
<p><b>Amrit Scientific Industries</b>  P.O. Box No.90, 2599, Chopra Niwas, Near S.D. Mandir,  Ambala Cantonment - 133001, Haryana  Tel: (171) 4004 036  Fax: (171) 2645 036  Contact Person: Mukesh Chopra, Partner  Email: amritsc@gmail.com, amritsc@amritscientific.com  Website: <a href="http://www.amritscientific.com">www.amritscientific.com</a></p>	<p>Scientific Laboratory  Instruments /  Equipments and  Glassware</p>
<p><b>Agro Tech India Private Limited, Mumbai.</b>  Mobile: 98195 76945  Contact Person: Mr.Vinayak Thokal, Business Development  Executive  Email: vinayak.agrotechindia@gmail.com,  <a href="mailto:vinayakthokal@rocketmail.com">vinayakthokal@rocketmail.com</a></p>	<p>Textiles and Garments</p>
<p><b>Intec Tools Private Limited</b>  A-79, Mangol Puri Industrial Area, Phase-II, Delhi - 110034  Tel: (11) 2703 1295, 2703 1296  Fax: (11) 2703 1296  Mobile: 99997 65040  Contact Person: Neel Kanth Seth, Proprietor  Email: <a href="mailto:intectoolsprivatelimited@yahoo.com">intectoolsprivatelimited@yahoo.com</a>  Website: <a href="http://www.intectools.com">www.intectools.com</a></p>	<p>Hand Pumps, Borehole,  Drilling rig and Water  supply equipments</p>
<p><b>Impetus Turnomatics</b>  C-1/55, AJI G.I.D.C., Phase-I, Rajkot, Gujarat  Tel: (281) 2384 198  Fax: (281) 2387 922  Contact Person: Azhar Mandhara, Development Executive  Email: <a href="mailto:impturno@gmail.com">impturno@gmail.com</a>, <a href="mailto:info@impetix.com">info@impetix.com</a>,  <a href="mailto:impetusturnomatics@yahoo.com">impetusturnomatics@yahoo.com</a>  Website: <a href="http://www.impetix.com">www.impetix.com</a></p>	<p>Precision Investment  Casting, Aluminum Parts,  Automotive  Parts, Brass &amp; Bronze  Parts, and Dies &amp; Moulds</p>
<p><b>D.K. Mishra</b>  B-173, Belvedere Park, Gurgaon, Haryana  Mobile: 98711 94981  Contact Person: D.K. Mishra  Email: <a href="mailto:dkm@textintmarketing.com">dkm@textintmarketing.com</a></p>	<p>Readymade Garments</p>
<p><b>Ambica Steels Limited</b>  Plot No. 32, Site-2, Loni Road Industrial Area, Mohan Nagar,  Ghaziabad - 201007, Uttar Pradesh  Tel: (120) 4189 200 (30 lines)  Fax: (120) 4189 222  Contact Person: Sudhir Tomer, Executive (Marketing)  Email: <a href="mailto:sudhir@ambicasteels.com">sudhir@ambicasteels.com</a>  Website: <a href="http://www.ambicasteels.com">www.ambicasteels.com</a></p>	<p>Pumps, Oil &amp; Gas  Components,  Instrumentation, Valves,  Hydraulic &amp; Pneumatic and  Forging &amp; Re-rolling  Industry</p>

<p><b>Gujarat Narmada Valley Fertilisers Company Limited</b>  P.O. Narmadanagar - 392015, District Bharuch, Gujarat  Tel: (2642) 6675 11, 3075 11  Contact Person: Ruchir Shah, Deputy Marketing Manager  Email: ruchirshah@gnfc.in, ruchirs4u@yahoo.com,  shahruchir@skype.com, shahruchir@gmail.com,  ruchirshah2005@hotmail.com  Website: <a href="http://www.gnfc.in">www.gnfc.in</a></p>	<p>Fertilizers and Industrial  Chemicals  (TDI 80:20) &amp; (OTD)</p>
<p><b>Sangmeshwar International</b>  14-Ground Floor, Amba Commercial Complex, Staff Road,  Ambala Cantonment - 133001, Haryana  Tel: (171) 2640 379  Fax: (171) 4007 379  Contact Person: Vaibhav Aggarwal, Export Executive  Email: info@sangmeshwarinternational.com  Website: <a href="http://www.sangmeshwar.com">www.sangmeshwar.com</a></p>	<p>Science Teaching  Equipments for Schools,  Colleges and Research  Laboratories</p>
<p><b>India Dye Chem</b>  Durga House, D-9, 2<sup>nd</sup> Floor, Rana Pratap Bagh, G.T. Road, New  Delhi - 110007  Tel: (11) 4757 2000  Fax: (11) 4757 2020  Contact Person: Vikas Jain, Overseas Business  Email: imports@indiadyechem.com  Website: <a href="http://www.indiadyechem.com">www.indiadyechem.com</a></p>	<p>Chemicals</p>
<p><b>Medical International</b>  8B/UA-3, Jawahar Nagar, Near Malka Ganj Chowk, Delhi -  110007  Tel: (11) 2385 1600  Fax: (11) 2385 0949  Mobile: 98993 34447  Contact Person: Hemant Verma, Director, Exports  Email: mi.info@medical-international.com,  indiaortho@gmail.com, mi.implants@gmail.com  Website: <a href="http://www.medical-international.com">www.medical-international.com</a></p>	<p>Orthopedic Implants and  Surgical  Products</p>
<p><b>Bommidala Enterprises Private Limited, BBM Bommidala  Group</b>  "Bommidala House" 8-24-53, Managalagri Road, Post Box No.  19&amp;72, Guntur - 522001, Hyderabad, Andhra Pradesh  Tel: (863) 2356 772, 2351 354  Fax: (863) 2356 771  Mobile: 98497 85557  Contact Person: G. Krishna Prasad, Vice President (Business  Promotion)  Email: krishnaprasad@bbmbommidala.com  Website: <a href="http://www.bbmbommidala.com">www.bbmbommidala.com</a></p>	<p>Cigarettes</p>

<p><b>Arunodaaya Export</b> Sree Gajanan Darshan CHS, E-4/2-3, Sector-7, Sanpada (East), Navi Mumbai - 400705, Maharashtra Tel: (22) 3247 0992 Mobile: 98201 91974 Contact Person: Ambrish Sahay Email: sales@arunodaaya.com Website: <a href="http://www.arunodaaya.com">www.arunodaaya.com</a></p>	<p>Scientific &amp; Laboratory Equipment, Geothermic Equipment, Industrial Testing Equipment, Glassware / Plastic ware, Analytical Equipment</p>
<p><b>Avon Scales Company</b> Vishal Tower, District Centre, Janak Puri, New Delhi - 110058 Tel: (11) 4565 7348, 4501 951 Mobile: 92124 04166 Contact Person: Pritam Lal Email: <a href="mailto:the_avon_scales_co@yahoo.co.in">the_avon_scales_co@yahoo.co.in</a></p>	<p>Weighing Instruments / Machinery and Weighbridges</p>
<p><b>Eastman Impex</b> Guru Gobind Singh Colony, Industrial Area-C, Sua Road, Ludhiana - 141010, Punjab Tel: (161) 2511 603 Fax: (161) 2511 600, 5021 715 Contact Person: Anil Khosla / Vaibhav Arora Email: vaibhav@eastmanimpex.com Website: <a href="http://www.eastmanauto.in">www.eastmanauto.in</a></p>	<p>Casting, Forging and Sheet Metal Fabricated Products</p>
<p><b>Mars Exim Private Limited</b> Dr. Jain Road, Kanganwal to Jaspal Bangar, Ludhiana - 141122, Punjab Tel: (161) 2512 831/33 Fax: (161) 2512 830 Contact Person: Divya Jain Email: marsexim2010@gmail.com, marsexim@gmail.com Website: <a href="http://www.marsexim.com">www.marsexim.com</a>, <a href="http://www.eastlandagro.com">www.eastlandagro.com</a>, <a href="http://www.manqla.diytrade.com">www.manqla.diytrade.com</a></p>	<p>Engineering Goods, Agro Industry, Pharmaceutical and Surgical Industry</p>
<p><b>Sumati Exports</b> Sukher Industrial Area, Village Sukher, Udaipur - 313004, Rajasthan Tel: (294) 2440 390, 3296 964 Fax: (294) 2441 628 Contact Person: Sanjeev Modi, Partner Email: accounts@sumatiexports.com, info@sumatiexports.com Website: <a href="http://www.sumatiexports.com">www.sumatiexports.com</a></p>	<p>Marble, Granite, Natural Stone Products and its Co-Products</p>
<p><b>AOV International</b> C-22/25, Sector-57, Noida - 201301, Uttar Pradesh Tel: (120) 4292 929 Fax: (120) 4333 038 Mobile: 98100 43051 Contact Person: Pawan Saxena, Vice President, Marketing Email: p.saxena@aovinternational.com, info@aovinternational.com Website: <a href="http://www.aovinternational.com">www.aovinternational.com</a></p>	<p>Cold Chain Equipments (Vaccine Carriers, Cold boxes and Icepacks)</p>

<p><b>Hore Cottage Industries</b> 86B, Suresh Sarker Road, Ground Floor, Kolkata - 700014, West Bengal Tel: (33) 2284 7820 Fax: (33) 2265 5823 Resident: (33) 2565 6184 Contact Person: Satyen Hore Email: horeci_kol@yahoo.com Website: <a href="http://www.horecottage.com">www.horecottage.com</a></p>	Leather bags, Wallets and Gift Items
<p><b>Radha Energy Cell</b> 1st Floor Deol Market Rajesh Nagar, Badi Haibowal, Ludhiana, Punjab Tel: (161) 6572 248, 2302 579 Mobile: 98888 97248 Contact Person: Mr. Rajesh Soni Email: info@solarexporterindia.com, sales@radhasolar.com, radha_energy_cell@yahoo.co.in Website: <a href="http://www.radhasolar.com">www.radhasolar.com</a>, <a href="http://www.solarexporterindia.com">www.solarexporterindia.com</a></p>	Solar Panels
<p><b>Shaligram Laminates Private Limited</b> 104-A, Kothari Industrial Estate, N.H.8, Bileshwar Pura, P.O. Chhatral, District Gandhinagar, Gujarat Tel: (2764) 2323 90 Mobile: 98244 88001 Contact Person: Mr. Apurva Shah Email: <a href="mailto:export.shaligram@gmail.com">export.shaligram@gmail.com</a></p>	High Pressure Laminate Sheets / Compact Laminates
<p><b>Vakratund Imports and Exports</b> Sr. No. 634/9A/3 Classic Apartment, B-9, Bibwewadi, Pune - 411037, Maharashtra Tel/Fax: (20) 2423 1327 Mobile: 95273 50346 Contact Person: Koustubh Karanje, Director Email: <a href="mailto:admin@vakratund.org">admin@vakratund.org</a> Website: <a href="http://www.vakratund.org">www.vakratund.org</a></p>	Geographical Information System (GIS)
<p><b>Real Ideal Trade Private Limited</b> Mobile: 92 14 30 51 05 Contact Person: Rajkumar Jain Email: <a href="mailto:realidealtrade@gmail.com">realidealtrade@gmail.com</a></p>	Stone, Sand stone, Marble and ceramic tiles
<p><b>Sunil Marketing Services</b> 654, Sherpur Muslim Colony, Focal Point, Near Gurudawara Guru Ravi Dass Jee, Ludhiana - 141010, Punjab Mobile: 99886 72193 Contact Person: Sunil Sharma Email: <a href="mailto:sunil.sharma@mail.org">sunil.sharma@mail.org</a></p>	Spanners (all types), Steering Cross (all types), Hammers, Scaffolding Items, Fasteners, Tractor Parts, Auto Parts
<p><b>Yuvraj Tools &amp; Forgings</b> F-286, Phase-VIII, Focal Point, Opposite Hero Cycle Unit Mangli (Mangli), Chandigarh Road, Ludhiana, Punjab Tel: (161) 5000 886 Fax: (161) 2673 886 Mobile: 92168 16886 Contact Person: Jaswant Singh Semi or Mr. Surinder Singh</p>	Special round and surface broach sets for Connecting Rods

Semi Email: <a href="mailto:info@yuvrajtools.com">info@yuvrajtools.com</a> , <a href="mailto:yuvraj_tools@yahoo.com">yuvraj_tools@yahoo.com</a> Website: <a href="http://www.yuvrajtools.com">www.yuvrajtools.com</a>	
<b>Overseas Commitment</b> 190, Ground Floor, Shahpur Jat, Near Panchsheel Park, New Delhi - 110049 Tel: (11) 2649 8514, 2649 8504 Fax: (11) 2685 4193 Mobile: 98110 11710 Contact Person: Seema Sahai, Partner Email: <a href="mailto:overseas@del2.vsnl.net.in">overseas@del2.vsnl.net.in</a> , <a href="mailto:overseascommitment@gmail.com">overseascommitment@gmail.com</a>	Aluminum & Stainless Steel Utensils and Cook wares

### **India's Food Industry to Grow at 42.5%**

Food industry is a significant part of the Indian economy, constituting 30% of average consumption in the country. Within this, 70% of spending is on agro-products. In the last 5 years, India's per capita disposable income saw a growth of 8%, driving the average expenditure on food by more than 20%. Middle to very rich classes in India with high purchasing power are projected to grow at 300% between 2005 and 2015, while the youth component of the population in the age group of 15-25 years is expected to grow by 11%. Analysts believe that this should contribute substantially to demand for food in the country. Factoring all these growth impulses, a study by Ernst & Young, in collaboration with the Federation of Indian Industries (FICCI), has concluded that Indian Food Industry would grow from US\$181 billion now to \$258 billion by 2015, a whopping 42.5% in 5 years, and to \$318 billion by 2020, a 76% growth. This phenomenal growth, the study expects, should throw up huge opportunities for investment across the entire value chain of the food industry.

FICCI-Ernst Young study has enumerated various business and investment opportunities available in India's food sector: India is one of the world's largest producers of agro, milk and meat products. Considering the current yields relative to other emerging economies, there is a large scope for increase in growth and demand.

- As average spending on food goes up, there would be need and demand for new value-added products to meet requirements of convenience, health and variety.
- Indian food producer would require - technology for higher yields, and faster and improved access to credit.
- Post-harvest losses in agro-sector, in particular in fruits and vegetables, amount to up to 25%. To reduce such losses would require re-organization of the supply chain. This would mean opportunities to set up warehouses, cold storage plants and logistics infrastructure.
- There would be increased demand for tertiary and processed foods, which currently account for 26% of consumption. There is further growth potential in this segment with huge scope for exports.

With a liberal dispensation for foreign investments into its economy, India, the 4<sup>th</sup> largest economy on PPP basis, offers great scope for participation by foreign companies, in particular, into the food industry, which is poised for a big leap.