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India-Mexico Meet for Business Growth

The India-Mexico High Level Group (HLG) on Trade, Investment and Economic Cooperation is an important component of the bilateral multi-dimensional institutional framework that also includes, among others, a Joint-Commission and Foreign Office Consultations. Both India and Mexico as among the world's largest economies, both members of the important global grouping G-20, recognize the importance of vibrant economic and commercial relations between them, besides a closer cooperation on global issues. India's Commerce Secretary Mr. Rahul Khullar led a 4-member delegation to Mexico from April 21-24 for the 2nd HLG meeting, co-chaired from the Mexican side by Ms. Beatriz Leycegui, Subsecretaria of Economy. The meeting, held in a most friendly, cordial and cooperative spirit, covered the major areas of: trade promotion & facilitation, investment promotion, services, industrial dialogue, mining, and tourism, with significant conclusions reached to further promote bilateral cooperation for mutual benefit. Major decisions included recognition of the potential of the mining sector in Mexico for which the two sides will exchange missions to explore Indian participation, a joint-infrastructure agenda to be worked out to include projects and companies from both sides to participate, signing of Customs Mutual Assistance Agreement and work for another agreement on operational matters, identification of food processing, IT and biotechnology, services, pharmaceuticals, textiles & garments, auto & auto parts, chemicals, gems & jewelry, construction, among others, as areas with significant potential for bilateral trade, bilateral tourism promotion, and so on. The private business sector, represented by COMCE and India-Mexico Business Chamber, was also invited to the HLG deliberations for their valuable inputs to on the practical aspects of the bilateral trade and business. The HLG concluded deciding to hold its next meeting in the first quarter of 2011 in New Delhi.

India-COMCE Business Interaction

Consejo Empresarial Mexicano de Comercio Exterior (COMCE) organized on April 27 a business interaction between its members and the Indian Ambassador, Dinesh K Jain. Ambassador in his address emphasised, in India's perception, Mexico's importance as a major country and economy, with numerous similarities, commonalities, complementarities, empathy, understandings, synergies, and therefore cooperation potential between the two countries. He noted that today modern India is a nation on the move, as the 4th largest economy on PPP basis, accelerating to over 8-9% growth rates consistently in recent years. In 2008-09, faced with the global crisis, the growth was 6.7%, and expected 7.5% in the just concluded FY'9-10. Investment flows into India in recent years are among the largest globally, and, out from India, sizable and growing. Indian market today, likewise, is among the largest, and fast growing, with 300-million strong Indian middle class underpinning it. India further boasts of one of the youngest populations today; half of its 1.1 billion-plus people are less than 25 years old, compared to 36% in China and less than 30% in the developed nations. India is adding at least 10 million cellular phone connections every month, or equal to the size of Mexico's population in just about 10 months. According to AT Kearney, doing business in India is about 45% less expensive, mainly due to availability of skilled manpower at highly competitive prices. Speaking the nature and dynamics of the India-Mexico relationship, he said, "We are both developing countries with need for a proper mix of appropriate and advance technologies. Our development processes need to be inclusive because of our relatively large poor segments and our similar political-social compulsions. We both subscribe to a transparent, equitable multilateral trading system, and need sustained high levels of foreign investments to effectively and rapidly attack poverty and for jobs creation. We are both regarded among the world's most prominent emerging economies. The designation of our relationship as a 'Privileged Partnership' was a recognition by our leaders at the highest levels of our multiple links, civilisational pedigree, and of the goodwill between our peoples, but even more of the potential and

need for our closer cooperation in a new world order. Referring to COMCE's existing MOUs with Indian counterparts associations, FICCI, CII, and PHD Chamber, Amb.Jain urged COMCE to more dynamically activate their consultation and collaboration processes for mutual benefit.

Birlasoft opens centre in Mexico

India's CK Birla

Group company, Birlasoft announced opening of its global delivery centre in Monterrey, Mexico (besides in Beijing) to support clients from multiple locations in a combination of onshore, near-shore and offshore services model. Birlasoft, which focuses on banking, financial services, insurance and manufacturing sectors, hopes to expand its presence in Latin America, and the Asia-Pacific region, through the new centres.

Sun Pharma to Expand Further in Mexico

India's largest

drug-maker by value, Sun Pharmaceutical Industries Ltd, has identified at least seven countries—Russia, China, Brazil, Mexico, Korea, South Africa and Japan—for the first phase of its new emerging markets initiative. The drug markets in these countries are collectively estimated at around \$60 b. Recently it acquired manufacturing facilities in Mexico and Brazil. "The local facilities in Mexico and Brazil are small and local market specific. There, the company will follow a mix of local production and exports from India as per the market dynamics." IMS Health had in 2006 predicted a shift away from major Western economies to a set of "pharmerging" markets. It had estimated that China, Brazil, Russia, India, Mexico and other such nations would represent 12% of the world drug market by 2011 and contribute close to 20% of global pharma growth by then.

India at DF's Gran Baile de las Quinceañeras

India was represented

by two girls, Arshnoor Kaur and Ikjot Kaur, at the Gran Baile de las Quinceañeras, organized by the Gobierno Distrito Federal on April 17 to celebrate the 15th birthday of girls from the economically weaker sections in Mexico. They represented India at the event wearing a traditional north Indian dress, *Salwar Kameez*.

<p><i>They may torture my body, break my bones, even kill me; then they will have my dead body, not my obedience.</i></p> <p style="text-align: right;"><i>- Mahatma Gandhi</i></p>

India-US Financial and Economic Partnership

India has

invited US investors to participate in its \$600 billion infrastructure programme in the next five years, even as America sought greater financial cooperation for bringing about global economic stability. "Deepening our ties with India is critical to the broader global effort to develop a framework for strong...And balanced growth will facilitate more trade, investment and job creation in our two countries," US Treasury Secretary Timothy Geithner said, during his first visit as Treasury Secretary, after meeting Prime Minister Manmohan Singh and Finance Minister Pranab Mukherjee. India is "becoming more open, runs a flexible exchange rate regime." Geithner added President Obama has a "deep commitment" to strengthening the relationship with New Delhi and a "deep appreciation" for the challenges India is facing. Earlier, US President Barack Obama described India as an "indispensable partner in securing the future prosperity and security of the world." Addressing a joint press conference to announce the launch of the India-US Financial and Economic Partnership, Mukherjee said: "Immense opportunities are there for investment in the infrastructure sector. As much as \$600 billion can be invested in port, communications, road...in the next five years." The Partnership would help strengthen bilateral engagement and understanding on macro-economic financial sector and infrastructure related issues. Geithner said that such a cooperation would be critical for a stable global financial system, more balanced global economic growth "that is less dependent on the willingness of Americans to live beyond our means...And a more open global trading system...India has navigated the

financial crisis with a steady hand and has emerged from the global recession stronger and faster than most other large economies." He appreciated India's commitment on policy reforms and said: "During our discussions the Minister (Mukherjee) and his colleagues outlined the opportunity and challenges ahead for the Indian economy and the policy reforms they are undertaking to raise the rate of overall economic growth...I have huge admiration for India's policies in the economic, financial (sector)...for what they have accomplished in dealing with this difficult time", he added.

India, US Agree on Nuclear Fuel Reprocessing

India and

the US have announced the successful conclusion of negotiations granting rights to India to reprocess spent nuclear fuel, a new step toward opening nuclear commerce between the two countries, potentially worth billions of dollars. The accord is part of the historic civilian nuclear-energy agreement that facilitated India's access to nuclear fuel and technology, even though it has not signed the Non-Proliferation Treaty. The agreement, negotiated for more than nine months, lays out conditions to safeguard against the diversion of American nuclear fuel into India's weapons program. Timothy J. Roemer, US Ambassador to India, said it was "part of the great, win-win narrative of the US-India global partnership." Meanwhile, India has signed deals with state-owned French and Russian nuclear companies. Under the agreement, the reprocessing will be monitored by the International Atomic Energy Agency, and India would have more than one reprocessing plants.

India's Stance Vindicated at the Nuclear Summit

PM Dr. Manmohan

Singh addressing the Nuclear Security Summit in Washington, DC., commended President Obama for his initiative, for nuclear security is one of the foremost challenges today, with the danger of nuclear explosives or fissile material and technical know-how falling in to the hands of non-state actors continuing to haunt our world. India is deeply concerned about this threat, even as the developmental applications of nuclear science in areas such as medicine, agriculture, food preservation and availability of fresh water are by now well established, and today nuclear energy has emerged as a viable source of energy to meet the growing needs of the world in a manner that is environmentally sustainable. In India, the target is to increase the installed capacity more than seven fold to 35,000 MW by 2022 and to 60,000 MW by 2032. It is a matter of deep regret that the global non-proliferation regime has failed to prevent nuclear proliferation. Clandestine proliferation networks have flourished and led to insecurity for all, including and especially for India. The world community should join hands to eliminate the risk of sensitive and valuable materials and technologies falling into hands of terrorists and illicit traffickers. Global non-proliferation, to be successful, should be universal, comprehensive and non-discriminatory and linked to the goal of complete nuclear disarmament. India welcomes that the world is veering around to its view that the best guarantor of nuclear security is a world free from nuclear weapons. Starting with Jawaharlal Nehru over five decades ago, India has been in the forefront of the call for global and complete nuclear disarmament. In 2006 India proposed the negotiation of a Nuclear Weapons Convention. Former Prime Minister Rajiv Gandhi had put forward a concrete Action Plan in 1988 for the universal and non-discriminatory elimination of nuclear weapons leading to global nuclear disarmament in a time-bound framework. India once again reiterates the call to the world community to work towards the realisation of this vision. The salience of nuclear weapons in national defence and security doctrines must be reduced as a matter of priority. The dangers of nuclear terrorism make the early elimination of nuclear weapons a matter of even greater urgency. India has maintained an impeccable non-proliferation record, of which we are proud. As a responsible nuclear power, India has and will not be the source of proliferation of sensitive technologies. We have a well-established and effective export control system which has worked without fail for over

six decades. India has so far conducted nine Regional Training Courses on Nuclear Security in cooperation with the IAEA. PM announced that India has decided to set up a "Global Centre for Nuclear Energy Partnership" in India, as a state-of-the-art facility based on international participation from the IAEA and other interested foreign partners, comprising four Schools dealing with Advanced Nuclear Energy System Studies, Nuclear Security, Radiation Safety, and the application of Radioisotopes and Radiation Technology in the areas of healthcare, agriculture and food, to conduct research and development of design systems that are intrinsically safe, secure, proliferation resistant and sustainable, and he welcomed global participation in this. Later, at the Press Conference after the Nuclear Security Summit, PM expressed satisfaction with the Communique and Work Plan adopted by the Summit. He said that after listening to the world leaders at the Summit he felt a sense of vindication of India's position. The concerns that we have been expressing for decades on the dangers of proliferation and risk of nuclear materials finding their way into the wrong hands are today finding widespread acceptance. India will continue to persevere in her efforts in pursuing universal, non-discriminatory and complete nuclear disarmament.

PM Meets Prez Obama, Other World Leaders

During the Nuclear Summit, PM had bilateral meetings with President Obama, President Nazarbaev, Prime Minister Abbas El Fassi, Prime Minister Stephen Harper, President Sarkozy, and Chancellor Merkel. The meeting, lasting approximately fifty minutes, was extremely positive and very constructive. Both leaders referred to the good progress that had been made in bilateral relations between India and the US since their last meeting, in Washington in November 2009. They said they were looking forward to the strategic dialogue between Foreign Ministers of the two countries which will take place in Washington on June 3. They expressed their happiness that the agreement on arrangements and procedures relating to the Civil Nuclear Deal has been completed. They were satisfied with the cooperation on counter-terrorism issues. Obama said that he understood India's deep concerns in regard to this issue as also on the situation in Afghanistan. He said that India's interests were consistently on the mind of the US. He said that there was no country in the world where the opportunities for a strong, strategic partnership are greater and more important to him personally or to the US than that with India. He referred to the relations between two great democracies in this context, their common values and the people-to-people relationship. Singh was convinced that the two Governments could begin a new chapter in their relations. He referred to the role of the US in strengthening growth impulses in the world economy in the post-war world, and that experience could be repeated. Countries like India needed an international environment that does not allow protectionist forces to gain ascendancy. He said that we should rewrite the architecture of the global economic system. In this context the G20 could play an important role in ensuring that global economic recovery is sustainable. He said that the US was uniquely placed to work out a plan for sustainable recovery in a globally integrated financial system. He also said there was a synergy of interests between India and the US in this regard. In response, Obama said that the US would welcome the suggestions of India as preparations for the next G20 meeting are on their way. He mentioned the common interest of both countries in seeing an early conclusion of the Doha Round. Food security and energy security, he said, were other areas for cooperation especially since the experience of India in these fields was particularly very valuable and of global relevance. Singh said that in ensuring this architecture of high economic growth for countries like India what happens in our neighbourhood is of crucial importance. The terrorist onslaught in our region, if it persisted, could affect our growth prospects. This terrorist menace should be tackled and this was an issue on which India and the US stood on the same side. He said this with specific reference to what is happening in Pakistan and Afghanistan. How this menace was tackled would determine the future of the South Asian region. He

mentioned in this context the issue of David Coleman Headley and also the tremendous rise in infiltration across the Line of Control. The activities of the Lashkar-e-Tayyiba and persons like Hafiz Saeed and Ilyas Kashmiri were also mentioned, as also the fact that unfortunately there was no will on the part of the Government of Pakistan to punish those responsible for the terrorist crimes in Mumbai of November 2008. This was where the partnership of India and the US could make the difference. Obama said that India had the goodwill and the understanding of the US in this regard. He said he shared Singh's vision of South Asia, and the US fully appreciated India's interest in Afghanistan and recognised the enormous sacrifices that India has made in helping to stabilise that country. He expressed support for India's continuing contributions to Afghanistan's development. Obama fully understood India's concerns about the LeT and other terrorist groups in Afghanistan and Pakistan, and said the US was engaging Pakistan on these issues. He said the US would be sensitive to the issues that India has raised in the context of security assistance provided to Pakistan. He was also appreciative of India's contributions to the preparations for the Nuclear Security Summit in Washington.

PM said that his discussions with Sarkozy, as well as with Merkel and Harper, focused largely on the future role of the G20 in the post-crisis phase of the global economic recovery. He will be visiting Canada for the next G20 Summit in June. PM opined that the G20, in order to continue to remain relevant and enhance its relevance, should formulate concrete steps to sustain the global economic recovery; and G20 should also decide what aspects it should maintain its focus on. He cautioned against complacency.

PM reiterated a warm invitation to French President to visit India; the visit is likely to take place in the last quarter of this year. Both sides expressed satisfaction and happiness at the relationship of strategic partnership which was forged in 1998 and over the last decade or so has moved from strength to strength, collaborating in vital areas like energy, space research, defence, industry and commerce, science and technology, education, culture, and tourism, etc. India and France intend to develop multifaceted civil nuclear cooperation covering a wide array of areas including nuclear power projects, fuel supply, research and development, nuclear safety, education, training, etc. Sarkozy reiterated French support for the permanent membership of India at UNSC. They had a very good discussion on regional issues of mutual interest including the situation in Afghanistan and Pakistan. They particularly agreed to beef up the efforts of the international community on counter terrorism which touches everybody, affects everybody. The two leaders exchanged views on commodity price regulation.

PM also had fruitful exchange of views with his Canadian counterpart. They discussed a number of bilateral, regional and global matters of mutual interest, reviewing cooperation in the trade and economic area. They noted with satisfaction that the discussions on an intergovernmental agreement on civil nuclear cooperation had been concluded and hoped that the agreement could be finalized and signed soon. They also exchanged views on the important issue of climate change and the prognosis of the next conference which would be held in Mexico towards the end of this year.

India's Vision for South Asia

Addressing the 16th SAARC (South Asian Association for Regional Cooperation) Summit, in Thimphu, Prime Minister Dr. Manmohan Singh observed this was a historic Summit marking SAARC's 25th anniversary, as also meeting the first time in Bhutan. He recalled that at the first SAARC Summit, in Dhaka in 1985, Prime Minister Rajiv Gandhi had described the establishment of SAARC as an act of faith. Based on our experience, this has also been an act of great foresight and statesmanship. In looking back, we can claim the glass is half full and compliment ourselves, or, we can admit the glass is half empty and

challenge ourselves. We have opened new windows of cooperation. The SAARC Development Fund, the Food Bank, the South Asian Free Trade Agreement and the South Asian University are examples of new institutions that will knit our region more closely together. The challenge before us is to translate institutions into activities, conventions into programmes, official statements into popular sentiments. At this anniversary Summit we should renew our compact to build a region that is better connected, better empowered, better fed and better educated. By rising to this challenge we will also become a net contributor to global economic prosperity, and can influence the global discourse on issues of concern to us. Regional cooperation can be a significant multiplier in improving the quality of governance in managing our natural resources, in preventing land and water degradation and in strengthening our food, water and energy security. PM announced the setting up of an 'India Endowment for Climate Change in South Asia' to help Member States in meeting urgent adaptation and capacity building needs, and outlined other measures of possible regional cooperation to combat climate change. He said he has a vision of inclusive growth in South Asia as a whole, for imbalances affect all and may lead to social unrest. Health and human resource development are perhaps the most compelling of the areas that impact on the dignity and well-being of our people, which need to be on the agenda in their various dimensions. PM announced that with the first academic session of the South Asian University beginning in August 2010, India will provide 50 'SAARC Silver Jubilee Scholarships' for meritorious students from SAARC LDC countries for the University. Mutual respect and tolerance are part of our civilization heritage. So is the abhorrence of extremism, radicalism and terrorism. He implored to make SAARC a dynamic organization that can realize this collective vision for all our people.

India, Pak PMs Meet, Agree on Dialogue

PM Dr. Manmohan Singh held a bilateral meeting with Prime Minister Yousaf Raza Gilani of Pakistan, at Bhutan House, in Thimphu, on April 29, on the sidelines of the SAARC Summit. The two leaders had very frank and open discussions. They agreed that India-Pakistan cooperation is vital, if the people of South Asia are to realize their destiny and if SAARC is to become an effective and powerful instrument of regional cooperation. They agreed that relations between the two countries should be normalized, and channels of contact should work effectively to enlarge the constituency of peace in both countries. PM Singh emphasized to PM Gilani the various issues that cause concern to India, issues relating to terrorism, the rise in infiltration, and the slow progress in the trial of the Mumbai perpetrators. He said India is willing to discuss all issues of concern with Pakistan and to resolve all outstanding issues through dialogue, but that the issue of terrorism is holding back progress. Gilani on his part shared his perceptions on these issues in a candid manner. He said Pakistan is serious about prosecuting the perpetrators of the Mumbai attacks and that all efforts were being made to bring the trial of these individuals to a speedy conclusion, and that Pakistan would not allow Pakistan territory to be used for terrorist activity directed against India. The meeting was described as an exercise in mutual comprehension because there is a lack of mutual trust in the relationship impeding the process of normalization. The two sides have agreed on the need to assess the reasons underlying the current state of relations, or current state of affairs of the relationship and to think afresh on the way forward. The Foreign Ministers and the Foreign Secretaries will be charged with the responsibility of working out the modalities of restoring trust and confidence in the relationship and thus paving the way for a substantive dialogue on all issues of mutual concern. The focus is on charting a course forward; the searchlight is really on the future, not on the past. India's concerns about terrorism remain very much on the agenda. Singh was very clear that public opinion in India particularly is most concerned about this issue, the issue of the terror machine that operates from Pakistan and that it would be essential for Pakistan to address this issue comprehensively. Gilani is

believed to understand the concerns in this regard. For instance, on the Mumbai trials he said that their intention is to complete the trial as soon as possible to see that the perpetrators are brought to effective justice, and they want to address the terrorism issue comprehensively and effectively.

Pak Claims Of Water War Rejected

India described Pakistan's allegations of stealing its share of river waters and waging a water war as "preposterous and completely unwarranted". Addressing an event in Karachi, Indian High Commissioner Sharat Sabharwal said the reduced flow of river waters into Pakistan are not the result of any "violation of Indus Waters Treaty by India or any action on our part to divert such flows or to use more than our assigned share of water from Western Rivers. Water issue between India and Pakistan is spoken of as an issue whose resolution is essential to build peace between our two countries. Such accusations bear no relation whatsoever to the reality on the ground. The fact is that India has been scrupulously providing Pakistan its share of water in keeping with the Indus Waters Treaty," he said, pointing out that India itself suffered serious drought conditions last year, with around 250 districts bearing the brunt of drought. Rainfall during the monsoons was 20 percent less than normal countrywide, with many states in the north experiencing a much higher percentage of shortfall. He also said water flows in rivers depend on melting of snow and quantum of rainfall, and the quantum of water in the rivers varies from year to year, "dipping in certain years and recovering in some subsequent years". Sabharwal averred that "we have never hindered water flows to which Pakistan is entitled, not even during the wars of 1965 and 1971 as well as other periods of tense relations and we have no intention of doing so....Those who allege that India is acquiring the capacity to withhold Pakistan's share of water completely ignore the fact that this would require a storage and diversion canals network on a large scale. Such a network simply does not exist and figures nowhere in our plans," he added. Sabharwal made it clear that the Indus Waters Treaty does not require India to "deliver any stipulated quantities of water to Pakistan" and instead, it requires India to "let flow to Pakistan the water available in these rivers, excluding the limited use permitted to India by the Treaty". Describing the Indus Waters Treaty as an "example of mutually beneficial cooperation between India and Pakistan for the last 50 years", Sabharwal said the pact has withstood the test of time.

Afghan President Appreciates India's Assistance

Afghan President Hamid Karzai paid an official visit to India on April 26 at the invitation of Prime Minister Dr. Manmohan Singh. During his visit, Karzai met President Smt. Pratibha Devisingh Patil, and held discussions with Dr. Singh. This was Karzai's first visit to India after his re-election as the President of Afghanistan in 2009. During the discussions, the two sides reiterated their commitment to the strategic partnership between the two countries, and expressed satisfaction at the progress in their relations. Singh stated that India desired to see a strong, stable and prosperous Afghanistan, at peace. India remained committed to assisting Afghanistan in its development efforts in accordance with the wishes and priorities of the people of Afghanistan. India's development partnership is focussed on areas of infrastructure development, human resource development and capacity building, food assistance and small development projects that bring immediate benefit to the people at the grass-roots level. The two leaders, in particular, took note of the Zaranj-Delaram road project, the Pul-e-Kumri to Kabul transmission line project and scholarship programmes which had brought direct benefit to the Afghan people. They welcomed the progress being made in the construction of the building for the Afghan Parliament. President Karzai expressed appreciation for India's assistance to the reconstruction and development efforts of the Government and people of Afghanistan. Singh lauded the progress that had been made in national reconstruction efforts under Karzai and the sacrifices made by the people of

Afghanistan in their quest for building a democratic and peaceful society. They expressed their grave concern over the threat posed by terrorism to Afghanistan's national development efforts. Karzai conveyed his outrage and deep condolences over the terrorist attacks on Indian nationals in Afghanistan, and assured the Indian side that the Government of Afghanistan is committed to providing full security to them.

EAM Visits China, Holds Extensive Talks

External Affairs

Minister (EAM) Mr.S.M.Krishna paid an official visit to China at the invitation of his counterpart, Foreign Minister Yang Jiechi, from April 5-8, during which he held wide talks with Premier Wen Jiabao, besides Yang Jiechi, on a range of bilateral, regional and global issues. In a highlight of the visit, the two sides decided to set up a hotline between Prime Ministers of the two countries, to enhance the quality of communication and evolve better relationship. Mrs.Nirupama Rao, Foreign Secretary, said, "this is an important confidence building measure". She added EAM strongly conveyed India's concern over China stapling visas for residents of Jammu & Kashmir, and her plans to undertake projects in Pakistan occupied Kashmir (PoK), during his meeting with Yang. On EAM's assertion that China should support India's aspiration to become a permanent member of the UN Security Council, she said "the issue was raised with Premier Wen. The Chinese position is that she understands and supports India's aspirations to play a greater role in the UN, including in the Security Council." On Kashmir, the Chinese stand remained that the issue between India and Pakistan should be resolved through bilateral dialogue in a peaceful way, and what China does in PoK is without prejudice to this. On the boundary question, Rao said both sides agreed that the mechanism established with the Special Representatives to resolve the issue yielded progress as they worked out guiding principles and political parameters that can form the framework for boundary settlement. "Both sides understand that it is a complex issue. It needs patience to solve it. There is a political will to move forward and narrow down the differences on it and to seek peaceful negotiated settlement to this outstanding issue. While these efforts are on, peace and tranquillity on the boundary should be maintained." EAM also conveyed India's concerns over the reports of construction of dams on Brahmaputra river. The Chinese side informed India that only projects to generate hydropower were taken up, but there was no move to divert the water, Rao said. After the talks, Yang said "We have had very good discussions covering broad range of issues. We all believe that the relationship has to be approached from a strategic vantage point and from long-term interest." EAM also inaugurated the 'Festival of India' in China in connection with the 60th anniversary of establishment of bilateral diplomatic ties. On the agreement to set up the hotline, Krishna told reporters that 'this has been one of the highlights of my visit and it is fitting that the two countries were able to do it during the celebrations of.'

At a joint Reception to mark the 60th year of establishment of the bilateral diplomatic relations, EAM in his address recalled the historical background of the two countries and their bilateral relationship growing and evolving during these 60 years, saying that both still have a long way to go, but have nonetheless emerged as strong, vibrant countries on the way to fulfilling their tryst with destiny. Both are old civilizations, and there is much that they have learnt and can learn from each other, and much that they can do together in the new world order that is emerging. Friendship and cooperation between India and China is in the vital interest of both, and for the world of tomorrow. Today there is unprecedented engagement between India and China on many fronts whether it be in trade and commerce, high level political interaction, contact between our defence establishments, cultural exchange, education, tourism and the environment, to name a few. Although unprecedented, this is but a fraction of what we can do together. Separately, addressing the China Institute of International Studies (CIIS), EAM recalled that China, in particular, stood isolated as a result of Cold

War politics, and as late as 1954 only 19 nations had recognized PRC, including India of course. India was an early advocate of the 'one China policy' and of the PRC's admission to the UN. Today, as India and China manage their domestic priorities well, it has huge implications for global prosperity. Between them, they are raising the living standard of almost one-third of humanity. The economic models of India and China may be very different. But an exchange of best practices can still benefit both countries. Both do face similar challenges of urbanization, resource consumption, food and energy security, inclusive growth and skills development. Like other major States who made the same journey earlier, India and China seek a secure and peaceful environment that allows them to focus on their growth prospects. In this regard, we must always remember that the two countries are each part of the other's immediate periphery. Just by ensuring stability and promoting prosperity at home, we are actually serving each others' interest. A strong and stable relationship between India and China has consequences for the entire world. India and China must not just cooperate; they must be seen to be doing so by the rest of the world. We need to strengthen this sentiment at the popular level. India and China have only begun to impact seriously on the world. As developing societies, our convergence is manifest on issues like climate change and global trade rules. If India and China work purposefully in this direction, the whole world stands to benefit. The destinies of India and China were linked in the past. The growth of our relationship will be determined by the extent of our awareness that they are linked in the future as well.

On the Salience of India-China Relations

Delivering the keynote address at an Indian Council of World Affairs (ICWA) & Institute of Chinese Studies Seminar in New Delhi on "India and China: Public Diplomacy, Building Understanding" to mark the 60th anniversary of the establishment of diplomatic relations between the Republic of India and China, National Security Advisor Shivshankar Menon said that today India-China relations have global significance. It was awareness of the historical contact between the two peoples that created the basis for the attempt in the fifties to build a new type of relationship based on Panchasheela or the Five Principles. That attempt foundered on the boundary question and the politics that prevailed in the late fifties and sixties internationally and in China, leading to the difficult phase of bilateral estrangement during the sixties. When we began the process of rebuilding state-to-state relations in the seventies, we tried to learn the lessons of history and to bring into play the strength of people to people links and public diplomacy. The results of this policy of engagement speak for themselves. Today China is India's largest trading partner in goods, over 3,000 Indian students study in China, and India is one of China's largest markets for project exports. India and China cooperate in international organisations and on global issues. We have established a practice of regular leadership visits and meetings that has resulted in high level political understanding and impetus for the relationship. By 2003 both countries were confident enough to re-address the most complicated and difficult issue that affects bilateral relations, the India-China boundary question, at the political level...has borne fruit in the Guiding Principles and Political Parameters for a boundary settlement that were agreed during Premier Wen Jiabao's 2005 visit to India. In other words, differences in world view, structure, systems and foreign policy decision making have not prevented and will not prevent an expanding engagement between India and China, successfully managing contradictions while building on congruence. The two countries have found a modus vivendi to deal with the fact of the boundary issue and to manage their different approaches to issues where their peripheries overlap. India and China both cooperate and compete at the same time because of their interests and how they perceive the balance of power and situation around them. We have also shown through practice that our bilateral relations are too important to be affected by our relations with any third country. Both countries can now actively consider together

the next steps in the evolution of our bilateral relations; evolve a detailed framework for the resolution of the boundary issue in a manner that is politically feasible for both leaderships; and, seize the opportunities for cooperation that the domestic transformations of their economies and the evolving global situation have opened up. Both the trend towards multi-polarity and the financial crisis have actually increased the opportunity and need for India and China to work together on global issues. As the visionary joint statement issued by Prime Minister Manmohan Singh and Premier Wen Jiabao in January 2008 made clear, both countries share common positions and approaches on several major international issues of long-term significance such as the environment and climate change, energy security, food security, remaking the institutions of global governance, and international support for national economic and social development efforts. There is common ground between India and China on combating terrorism and extremism, enhancing maritime security, and on the need for a peaceful environment to permit the domestic transformation of the two countries. While there may be differences in method and choice of tools, in most cases there is a marked similarity of goals. Our experience suggests that there is space in Asia and the world for both India and China to grow and develop, and for us to do so in a way that is mutually reinforcing, if we both wish it. We also have the experience and ability in India and China to continue to manage our relationship successfully. The larger issue is whether India and China can work together to help to manage the complicated regional security environment in Asia. India's preference is for the open security architecture and the sort of multi-polarity that China too has advocated previously for global issues, and from which we have both benefited in the recent past. Asia has proved that she can do the economics. Can she also do the politics that come with power? When the world is changing so rapidly, and when uncertainty in the international system is at unprecedented levels, neither India nor China can afford misperceptions or distortions of policy caused by a lack of understanding of each other's compulsions and policy processes. It is only on the basis of informed and supportive public opinion that we will be able to grasp the opportunities and move forward on the ambitious agenda that awaits India-China relations, the pursuit of which would place India-China relations on a sound footing for the twenty-first century, and enable us to realise the potential of the India-China strategic cooperative partnership for peace and development.

India, Brazil to Strengthen Strategic Partnership

At the invitation of the President of Brazil, Mr. Luiz Inácio Lula da Silva, Prime Minister Dr. Manmohan Singh visited Brazil from April 15-16. The two Leaders held a bilateral meeting, and also met at the 4th Summit of the India-Brazil-South Africa (IBSA) Dialogue Forum, as well as the Second Brazil-Russia-India-China (BRIC) Summit. They held detailed discussions on bilateral, regional and multilateral issues and renewed their commitment to strengthen the India-Brazil Strategic Partnership. In a Joint Statement issued at the conclusion of their talks, they reiterated the need for active enhancement of cooperation in S&T, nuclear energy, space, and defence for mutual benefit. Biotechnology, IT, marine science, and nano-technology were identified as areas with significant potential for cooperation. They emphasized the importance of strengthening bilateral cooperation in the energy sector including in hydrocarbons and new & renewable energies. Brazil welcomed the interest of Indian oil companies to participate in future ANP bidding processes for exploration of oil in Brazil. In defence sector, they noted their increasing institutional contacts towards the joint development of high-technology military aircrafts, as well as for enhanced defence cooperation particularly in the field of joint production, research and development. Both leaders expressed satisfaction at their growing cultural exchanges. The Brazilian side welcomed India's decision to open a Cultural Centre in São Paulo, the first of its kind in the Americas, and India's intention to organize a Festival of India in Brazil in early 2011. The two

Leaders welcomed the convergence of positions between Brazil and India in multilateral fora and in groups such as IBSA and BRIC. They reaffirmed their commitment for the reform of the United Nations, particularly of the Security Council, including through its expansion in both permanent and non-permanent membership, with a view to improving its efficiency, representativeness, and legitimacy needed to meet the challenges faced by the international community today. They strongly condemned terrorism in all its forms and manifestations. Both sides reiterated their commitment to continue efforts for an early adoption of a Comprehensive Convention on international terrorism. The Leaders reaffirmed their concern for Climate Change and its adverse impacts, and committed themselves to work in close coordination including in the BASIC group towards a comprehensive, balanced, and effective outcome at the COP-16 and the 6th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol, to be held in Mexico in November-December 2010.

Largest Emerging Economies Summit in Brazil

Addressing the second BRIC Summit in Brazil, PM Dr. Manmohan Singh said that the event represented the growing multi-polarity in the world, and noted that in a short period BRIC had made good progress. BRIC comprises four large countries (Brazil, Russia, India, and China) with abundant resources, large populations and diverse societies, together accounting for almost one-fifth of the world's GDP. BRIC aspire for rapid growth for themselves and for an external environment that is conducive to their development goals. They can each benefit by sharing their experiences in the field of inclusive growth. Energy and food security are two specific areas where they can work together, comprising as they do two of the largest energy producers and two of the largest consumers in the world. Similarly, BRIC countries are both large producers and consumers of agricultural products. They should consider putting in place an architecture of food security that focuses on increasing agricultural productivity, better land use, sustainable farming practices and agro-processing. Besides this, there is vast potential for cooperation in areas such as S&T, trade and investment, pharmaceuticals, and infrastructure. BRIC countries have an important role to play in shaping the pace, direction and sustainability of global economic growth. While it appears that the immediate global economic and financial crisis is behind us, it is still early to say that we are on the path of long term recovery. Sustainable recovery will depend on several factors such as enhanced investment for infrastructure development, stable capital flows to the developing markets, appropriate macroeconomic adjustments, and avoiding complacency in the area of financial sector reforms. Financial inclusion will be a major determinant of success. The post-crisis phase of the recovery process requires the avoidance of protectionism in all its forms, commitment to a fair and rule-based trading system, reform of international financial institutions and better regulation and supervision. Capital adequacy of international institutions should be ensured to fund development needs. The approach to the Cancun climate change Conference should be anchored within the UN Framework Convention on Climate Change, the Kyoto Protocol and the Bali Roadmap. BRIC countries are uniquely placed to contribute to reforming the architecture of global governance. A genuine reform of the Security Council by expansion in its permanent membership as well as non-permanent membership and improvement in its working methods is essential to make the United Nations reflective of contemporary realities. Terrorism poses a special challenge to our development efforts. We should unite in our efforts to combat this scourge. We should also step up our cooperation in addressing other non-traditional threats to security.

Later the BRIC Summit's agreed Joint Statement included most of these ideas and proposals, also underlining, among others, their support for a multipolar, equitable and democratic world order. They expressed their strong commitment to the UN playing the central role in dealing with global challenges and threats, and reaffirmed the need

for a comprehensive reform of the UN, reiterating the importance to the status of India and Brazil in international affairs, and in the United Nations. The Summit also welcomed the several sectoral initiatives aimed at strengthening cooperation among their countries, in a wide range of areas, and also endorsed other important manifestations of their desire to deepen their relationship. BRIC countries, currently home to 42% of world population account for 23% global GDP, two-fifths of global foreign exchange reserves, and 32% arable land. According to Goldman Sachs' latest projection, BRIC will be the largest economies in the world by 2032. In the intervening period BRIC might turn into BRICSAM, that would include S.Africa and Mexico into its fold. "In less than two decades G-6 consisting of Brazil, Russia, India, China, South Africa and Mexico. Russian President Medvedev said that the BRIC format is maturing "and allows us to not only coordinate our efforts but to also make concrete decisions."

IBSA For Fair, Equitable International Order

Prime Minister

Singh also led the Indian delegation in Brazil for the Fourth Summit meeting of IBSA (India, Brazil, and South Africa). Addressing the opening of its plenary, he noted that the IBSA Forum provides a framework of cooperation among three major democracies from three different continents, which are all developing economies with shared values and similar aspirations; there is a lot that they can do together to benefit each other, and the world. The IBSA framework is unique because of its focus on people to people contacts. At the inter-governmental level, they cooperate on a wide range of issues. There has been considerable progress in the areas of S&T and energy cooperation, as also in ocean research, space science, and the Antarctica. The three countries have participated in a joint naval exercise, IBSAMAR. They are increasingly consulting each other on international issues. IBSA can contribute to the shaping of the global agenda and highlighting the issues of concern to developing countries. They are united in the objective to ensure a fair and equitable international order. Global economic recovery, to be sustainable, must be anchored in the real economy. The financial sector and international capital flows should contribute to economic growth rather than encourage speculation and volatility in the international system. The focus should be on greater investments in infrastructure, human capital, education and inclusive growth, creating new sources of growth. The systems of global governance have not kept pace with the changing realities of the world. There is an urgent need for reform of the UN, including the Security Council, by making it more democratic and representative. The three countries have closely consulted each other on climate change issues. The Copenhagen Accord was made possible due to the efforts of the BASIC countries. They look forward to the Cancun Conference to advance the goals under the UNFCCC. Terrorism is a scourge that needs to be fought through collective international effort, and for the early finalisation of the Comprehensive Convention on International Terrorism in the UN.

Subsequently the IBSA leaders adopted the Brasilia Declaration, highlighting their commitment to democratic values, inclusive social development and multilateralism as the basis for their growing cooperation and close coordination on global issues. They reaffirmed their commitment to increase participation of developing countries in the decision-making bodies of multilateral institutions, in particular reiterating the urgent need for the reform of the UN and the UN Security Council, including an expansion in both permanent and non-permanent categories of its membership, with increased participation of developing countries in both. On disarmament and non-proliferation, the leaders reaffirmed their commitment to the goal of complete elimination of nuclear weapons in a comprehensive, universal, non-discriminatory and verifiable manner, and expressed concern over the lack of progress in the realization of that goal. They condemned terrorism in all its forms and manifestations as one of the most serious threats to international peace and security. They regretted and condemned the recent

attacks in India that resulted in the loss of innocent lives. They emphasized the urgent need to finalize the Comprehensive Convention on International Terrorism. The Leaders noted that besides promoting increased consultation and coordination on global issues among the three countries, IBSA also provides for important sectoral cooperation and promotion of people-to-people contacts. They welcomed the effective interaction among them in agriculture, environment & climate change, culture, defence, education, energy, health, human settlements, information society, public administration, revenue administration, S&T, social issues, tourism, trade & investment, and transport.

India Gets More Say In World Bank Affairs

In a meeting of the World Bank's development committee that considered making some significant changes in the bank's voting structure, emerging countries like India and Mexico were given greater voting power. India has become the seventh-largest shareholder of the bank. "While there is an overall shift of 3% vote share to developing countries, bringing their total vote share to 47%, India would now be the seventh-largest shareholder in the bank," India's finance ministry said. As a result of these changes, India's voting power rose to 2.91%, surpassing Russia, Canada, Australia, Italy and Saudi Arabia in terms of more voting powers. According to the finance ministry, the changes reflected rapid growth of the Indian economy, which is expected to grow further in the near future, thereby strengthening its position in World Bank. For the first time in three decades, the bank has also decided to expand its capital base through a General Capital Increase. As a result, India would now be able to secure additional assistance of around \$7-10 billion from the bank.

India Calls to Reduce Trust-Deficit in Climate Talks

At the Major Economies Forum (MEF) meeting in Washington, attended by representatives of the 17 major economies accounting for the bulk of the emissions, India made it clear that the first order of business would be to reduce "the huge trust deficit that prevails in the climate change negotiating community". On the contentious issue of "monitoring, review and verification" (MRV), India stated that it was not just developing countries whose climate change actions had to be brought under the ambit of MRV. Besides the US, MEF includes the European Union, Australia, Canada, France, Germany, Japan, China, India, Brazil, South Africa, South Korea. The meeting was to discuss "issues for moving forward" after the Copenhagen climate conference. At the outset, Mr. Jairam Ramesh, India's Minister of State for Environment & Forests, made it clear that the Copenhagen Accord could not "be a separate track for negotiations". He said, "I have repeatedly said that the areas of agreement reflected in the Accord must be used to bring consensus in the on-going two-track negotiating process which is the only process that has legitimacy." In the backdrop of the effort to deal with climate issues outside of the UNFCCC process, Ramesh made it clear that India was committed to a multilateral negotiation. "The Gordian knot-cutting can well be plurilateral but ultimately negotiations must be multilateral and carried out in good faith." Given the trust deficit, India stressed that "some visible triggers" need to be "activated very soon", this would "ensure that Cancun does not repeat Copenhagen". Among the triggers is the actual disbursement of the \$10 b promised by the developed countries for vulnerable economies, small island states and LDCs, an agreement on REDD/REDD plus not limited to forest-basin countries, and finalising the architecture of technology cooperation. Reiterating India's commitment to the two-track process, the environment minister said that a balance in the outcomes on all elements of the two tracks must be maintained with advanced economies immediately taking on binding commitments for truly significant GHG reductions within their borders." Ramesh said, "the global objective of restricting temperature rise to 2 degrees Celsius by 2050 from mid-19th century levels must be firmly embedded in a demonstrably equitable access

to atmospheric space with adequate finance and technology available to all developing countries." India also raised the issue of the consequences of non-compliance and domestic accountability mechanism in the context of an "internationally legally-binding agreement".

BASIC Want Climate Change Accord by 2011

Environment ministers of the BASIC countries - Brazil, South Africa, India and China - have said that a legally binding global agreement to limit climate change needed to be completed by 2011, noting that the world could not wait indefinitely for the US to finalise its legislation on the issue. The BASIC leaders, who met at Cape Town to look at how to fast-track such a pact to curb global warming, issued the statement at the conclusion of the third meeting of the group on April 25. "A step-change is required in negotiations, and incremental progress on its own will not raise the level of ambition to the extent needed to avoid dangerous climate change and impacts on poor countries and communities." Asserting that lack of such agreements hurt developing countries more than developed countries, the ministers said such deals must include an accord on quantified emission reduction targets under a second commitment period for Annex I Parties under the Kyoto Protocol. Noting that the Copenhagen accord implied a certain global carbon budget, the ministers asked that its implications for individual countries required careful analysis, and must be based on a multilateral agreement about equitable burden-sharing, including historical responsibility for climate change, the need to allow developing countries equitable space for development, and adequate finance, technology and capacity-building support provided by developed countries for all developing countries. The ministers agreed that, remaining anchored in the G77 and China, they would continue to contribute constructively to the multi-lateral negotiations on climate change.

<p><i>Without devotion, action and knowledge are cold and dry and may even become shackles.</i></p> <p style="text-align: right;"><i>- Mahatma Gandhi</i></p>

9% growth first task: FM

Finance Minister Pranab Mukherjee has said India's "growth story" is going through an "exciting phase" after weathering the global economic crisis, but he cautioned that India still faced challenges that needed to be tackled. He said India's economy was now in a far better position than it was a year ago. "The first challenge is to quickly revert to the high GDP growth path of 9% and then find the resolve and the means to cross the 'double digit growth barrier', which calls for imparting a fresh momentum to the impressive recovery in growth witnessed in the past few months." Mukherjee said India also faced the challenge of harnessing economic growth to consolidate the recent gains in making development more inclusive. "The thrust imparted to the development of infrastructure in rural areas has to be pursued to achieve the desired objectives within a fixed time frame." Mukherjee also called for the next wave of reforms in the financial sector in tune with the changing needs. He said the markets were complex and required more transparency to reduce systematic risks and need to be integrated in the multi-regulatory regime for financial stability and said the government has decided to set up an apex level financial stability and development council to monitor macro-level prudential supervision of the economy, including functioning of large financial conglomerates, and address regulatory coordination issues.

India is expected to grow by 8.75% in 2010 and 8.5% in 2011, driven by a strong domestic demand, **IMF** has said in its 2010 **World Economic Outlook**. India's projected growth will be supported by a resurgence in demand from the working class on the back of an improvement in business confidence that will result in more investments. "Domestic demand will strengthen as the labour market improves, and

investment is expected to be boosted by strong profitability, rising business confidence and favourable financing conditions," it said, adding the strength in final domestic demand in India is expected to have positive spillovers for other Asian economies, particularly exporters of commodities and capital goods.

India's economy is seen growing at a faster pace in 2010/11 than earlier expected, supported by a global recovery, domestic demand and a double-digit expansion in factory output, a **Reuters poll** shows. India will grow at annual rates above 8% in coming quarters and is seen expanding 8.4% for the 2010/11 fiscal year, the survey of 20 analysts showed.

The Index of Industrial Production (IIP) grew by 15.1% year-on-year in February 2010, reflecting pick-up in capital investment and higher consumer confidence, according to official data released. The cumulative growth for the period April-February 2009-10 stands at 10.1% over the corresponding period of the previous year. 14 out of the 17 industry groups have shown positive growth during the month.

With a good improvement in overall economic activity, corporate India was expected to end fiscal 2010 on a strong note. The net profit of Sensex companies would grow 26-32% year-on-year in the fourth quarter of 2009-10, according to estimates by leading brokerages. Net sales would also be robust and would increase 31-35%. "Capacity utilisation is approaching pre-crisis levels in domestic demand driven sectors such as steel (96% utilisation) and cement (87% utilisation)," say analysts. Profits are also getting restored in some of the worst hit sectors such as automobiles, media and infrastructure.

Indian Investors Optimistic

Strong domestic consumption and positive economic outlook drives Indian investor sentiment to highest levels in Asia. Indian investors indicated increased optimism across a number of areas. ING, the global financial services group, said that investor sentiment in India continues to be the highest among the pan-Asia markets. Climbing further in the 'very optimistic' zone, the India Investor Sentiment Index rose to 174 in Q1 2010 from 169 in Q4 2009. Positive about the domestic economic prospects, 60% of Indian investors with respective products plan to increase investments in local stocks, mutual funds and unit trust (local and overseas) in the next quarter.

According to the mid-term appraisal of the Eleventh Plan 2007-12, private investment in infrastructure has picked up in recent years, encouraging the government to go for a more ambitious infrastructure creation drive through a greater emphasis on private public partnership (PPP) mode of execution. The private sector is now expected to contribute at least half of the over \$1 trillion dollar investment planned in infrastructure in the 12th Plan (2012-17). Private sector investments accounted for 80% of total investments in ports, 82% in telecom, 64% in airports, 44% in electricity, and 16% in roads.

Indian Expats Send Home \$55 b in 2009

Remittances to India increased to US\$55 billion in 2009, consolidating its status as the biggest recipient of money from overseas migrant workers. The 2009 figure of \$55.06 b is up 7% from \$51.6 b in 2008, and just \$2 b a year in the late 1980s. The increase in remittances came despite the financial crisis and global economic slowdown last year which had been expected to hit migrant labour. Reserve Bank of India attributed the higher remittances to India being perceived as a relatively safe option during the financial crisis, a hike in interest rates on non-resident deposits and new investment products. China is second in remittances, receiving \$48 b, and Mexico is third with flows of \$26 b, according to figures for 2008 compiled by the World Bank.

Indian Car Exports Soars 33%

Indian carmakers have expanded their overseas presence with exports registering a robust 33.23% growth in the last fiscal. According to the figures released by the Society of Indian Automobile Manufacturers (SIAM), passenger car exports from India touched 4,41,710 units in FY'10 against 3,31,535 units in the FY' 09. India's largest exporter Hyundai Motor India witnessed an export growth of 12.75%. Domestic market leader Maruti Suzuki India was a distant second, registering an over two-fold jump in overseas sales at 1,46,156 units in 2009-10 against 68,835 units in the previous fiscal. Overall vehicle exports from India grew by 17.90%. India is the second fastest growing auto market after China.

India's largest car producer, Maruti Suzuki, plans to scale up production by at least 70,000 units this year to meet demand. According to industry reports, the car market will witness 10-12% growth this financial year. Going by that projection, Maruti Suzuki, which crossed the one-million car production mark last year, will have to produce at least 100,000 additional units this year to meet the demand. At present, the plants are working at more than 100% capacity utilisation. Maruti's two plants in Gurgaon and Manesar together have an installed capacity of 800,000 cars.

The domestic two-wheeler industry has whizzed past a key milestone of making and selling one million units. For the first time, the industry also crossed the 10-million mark in a fiscal by selling 10.5 million two-wheelers in 2009-10. The market is dominated by motorcycles accounting for nearly 77-78% of all sales, scooters sell around 15-16%, and the rest by mopeds. With these heady numbers, India has emerged as a strong competitor to China, the largest two-wheeler market with 15-16 m bikes. "India is a grossly under penetrated market." S.Sridhar, CEO of Bajaj Auto's two-wheeler division, said that two-wheeler penetration would double to about 30% over next decade.

India to Test-fly Indigenous Space Shuttle in a Year

India's indigenously-built space shuttle prototype is expected to be launched for flight-testing from the Sriharikota base off the coast of the south-eastern state of Andhra Pradesh in a year. A milestone for India, the shuttle is expected to climb to an altitude of 60 km above the earth and glide back to earth in the first test-flight. The India's space shuttle will be a combination of a winged aircraft and a booster rocket. The shuttle will be used for human space flight or carrying satellites into orbit after its reliability in the subsequent test-flights is proven.

US Oil Majors Keen To Invest In India

India's Petroleum Minister Murli Deora said, after his meeting with American investors in New York on April 1, that there was a lot of interest among American oil majors to make investments in India. Deora was in New York en route to India from Cancun, Mexico, where he attended the 12th International Energy Forum as head of a high-level delegation. On whether India would avail of the opportunity for offshore drilling in the US, as offered by President Obama by way of JVs with American companies, ONGC chief R S Sharma said, "We will have to look forward to evaluate these opportunities. Until then we cannot make a comment. But, in principle, I can say we shall be very much receptive (to the American offer)".

US private equity giant Blackstone Group announced a \$50 million stake in an Indian media firm, Jagran Media Network Pvt Ltd, the parent of Jagran Prakashan, and has plans to invest up to \$3 billion in India over the next five years. "We are bullish on India. We just invested nearly a \$1 billion in India during the last five years and we believe it could be two-three times (that) over the next five years," said Akhil Gupta, CMD of Blackstone India.

Multi-Billion Solar Plans, Clean Energy

Punj Lloyd Delta

Renewables, a JV between Singapore-based Delta Renewables and Indian infrastructure major Punj Lloyd, has already become the largest Indian engineering, procurement and construction (EPC) player in solar power, bagging about Rs-3 b worth of orders, thanks to its first mover advantage. "A clear picture on opportunities in solar will emerge within a few months once the government approves the investments for the first 1,000 MW." Schneider Electric India has launched its advanced power electronic products and systems for the renewable power market in India, mainly targeting investments coming up in the solar energy space. Yash Birla Group is planning a Rs-20 b foray into solar power. After the announcement of the Jawaharlal Nehru Solar Mission, which aims at a quantum leap in solar power installation in the country, at least 25 companies have come forward, with investment proposals totalling over Rs1 trillion over the next 3-10 years. The Mission targets 20,000 MW of solar power by 2022. To make solar power attractive, project developers have been offered many fiscal incentives, including a 10-year tax holiday for photovoltaic (PV) and thermal solar plants set up by 2020, reduced customs duty and zero excise duty on specific capital equipment, critical materials and project imports, besides loans at cheap interest rates. Solar equipment makers will also get several incentives as per Special Incentive Package, for setting up integrated solar manufacturing plants.

The state of Tripura has announced plans to make all public and private vehicles in its capital city Agartala run on compressed natural gas (CNG) by 2013, thus making the capital '**India's first green city**'. Tripura Natural Gas Co Ltd (TNGCL), a joint venture of the Gas Authority of India Ltd (GAIL) and the Tripura and Assam governments, has undertaken a project to supply CNG to all private and government vehicles. A large number of small cars and buses are now using CNG in Agartala, the fourth city in India after New Delhi, Mumbai and Lucknow running CNG vehicles on a large scale.

Work on India's first Integrated **Coal Gassification Combined Cycle** (ICGCC) power plant is to commence in June 2010. The Rs25 b plant will come up in Vijayawada in Andhra Pradesh and will be set up by three JV partners, led by Bharat Heavy Electricals Ltd (BHEL), and including Department of Science and ApGenco. ICGCC is a technology that aims to extract the maximum energy from a fossil fuel, giving higher thermal efficiency, or more power per tonne of coal than conventional plants.

India Joins Elite Club with Stealth Warship

India has joined

the elite club of eight nations that build stealth warships, with the commissioning of the first indigenous stealth frigate INS Shivalik, adding new fire power and muscle to its Navy. The 6,200-tonne warship has the capability to hoodwink enemy radars apart from having protection from nuclear-biological-chemical warfare. 'Shivalik', which marks another move in securing India's sea lanes, is equipped with a judicious mix of imported and indigenous weapon systems and sensors, including Barak surface-to-air missiles and 'Shtil' air defence system. The indigenous content for the new frigate in terms of components is 80%. The Mazagon Docks Ltd (MDL) is building two other warships in this Shivalik series to be named INS Sayahdri and INS Satpura which would be commissioned by the end of this year and middle of next year respectively under Project-17.

India Among Top Five Aviation Markets in 5 Years

"Within a short

span, the Indian aviation industry changed drastically. We believe that in the next five years India would be among the top five aviation markets in the world," India's Civil Aviation Minister, Praful Patel said while inaugurating the new terminal 1C at the Chhatrapati Shivaji International Airport (CSIA) in Mumbai. "The opening of this terminal also marks a significant milestone as we are poised to meet the demands of the growing tourists and business traffic in and out of Mumbai."

India's Drugs Market to be Worth \$50 b

According to a report by PricewaterhouseCoopers (PwC)—“Global pharma looks to India: Prospects for growth”, India is likely to be one of the top 10 drug markets in the next 10 years and will be worth at least \$50 billion by then. India is now the 14th largest market in the world with annual sales of \$19 b as of March 2009. Indian industry is likely to become a competitor to global drug makers in certain areas and a potential partner in many others such as contract manufacturing, clinical trials, and drug research. In manufacturing, pharma companies are deepening relationships with Indian firms to service global markets through marketing alliances such as the partnership between Glaxo SmithKline and Dr Reddy's Laboratories.

India Inc's M&A Deals Tally Hits \$19 b in 2010

Driven by Bharti Airtel's \$10.7 b takeover deal for the African assets of Kuwait's Zain Telecom, the total value of merger and acquisition deals in India in the first quarter of 2010 has nearly quadrupled to a whopping \$19 b. According to VCCEdge, the financial research platform of VCCircle, the value of M&A deals in India rose to \$19.20 b in the first quarter of this year, up from \$5.19 b a year ago. The number of domestic transactions doubled from 39 deals worth \$2.27 b in Q1 of 2009 to 80 deals worth \$4.06 b in the same period of this year. Further, there were 51 outbound deals in the period under consideration, while the figure stood at 24 a year ago. In terms of value, the increase was more than seven times, primarily due to the Bharti-Zain deal. A sector wise analysis shows that telecommunication services, energy and healthcare were the most targeted sectors as these segments attracted deals worth \$14.03 b, \$1.17 b and \$961 m respectively.

India's largest company, **Reliance Industries Ltd** (RIL) will invest \$1.7 b in a joint venture with **Atlas Energy Inc** to produce gas from shale, sedimentary rocks, in Marcellus region. The investment would be scaled up to \$3.5 b over the next 10 years. Reliance will take 40% stake in the about 300,000-acre Marcellus shale gas project, which spans parts of Pennsylvania, West Virginia and New York. Nasdaq-listed Atlas will hold the remaining 60%. The project will support the drilling of over 3,000 wells with a net resource potential of about 13.3 trillion cubic feet gas equivalent.

India's **Tata Tea** and world No.2 cola maker, **PepsiCo** have signed a preliminary agreement to form a **joint venture for non-carbonated beverages** focused on health and wellness. Tata Tea, which owns the UK-based Tetley brand, is the world's second-biggest packaged tea maker. Last year it introduced TiON, a tea made from fruit juice, tea extracts and ginseng, as part of its transformation into a beverages company from being just a tea producer. Tata Tea could piggy-back on the global distribution network of PepsiCo.

Crompton Greaves Ltd (CG), part of the Avantha Group, has acquired the UK-based electrical engineering company Power Technology Solutions (PTS) for around £30 m. With this acquisition, CG would gain significant consolidation in the engineering, procurement & maintenance (EPM) segment in the UK and get access to newer markets, said S M Trehan, MD, CG.

Godrej Consumer Products Ltd has sealed the deal to acquire PT Megasari Mamsur, the Indonesian household product maker, Megasari, as well as its distribution arm, PT Intrasar Raya. The deal is valued at around Rs10-12 b, according to analysts.

Coal India Ltd (CIL) plans to invest Rs 60 b in foreign acquisitions this financial year and is currently evaluating 10 overseas proposals that include five proposals for equity infusion. The proposals cover mining assets in countries such as the US, Australia and Indonesia. CIL would invest about \$2 b over the next four years in foreign acquisitions for an expected 50 mT per annum of coal from such ventures.

Infosys, India's second largest information technology services company, has got a \$150 m outsourcing contract from Microsoft to manage the global giant's internal IT services across 104 countries. It involves managing Microsoft's help desk, desk-side services, IT infrastructure and applications support in 450 locations globally.

I shall be content to be written down an imposter if any lips utter a word of anger or abuse against my assailant at the last moment. -Mahatma Gandhi

Counting a Billion: India Begins New Census

On April 1, India launched the task of counting its teeming billion-plus population, with 2.5 million people set to begin work for the 2011 census. "The census is a means of evaluating once in every 10 years, in a dispassionate manner, whether government programmes are reaching their intended target and plan for the future," Census Commissioner C.Chandramouli said. Adding to the complexity of counting and classifying the world's second biggest population will be a simultaneous process of collecting biometric data on every person, to be used in a new National Population Register. The twin census and population register processes will stretch over 11 months and is expected to cost \$1.25 b. "India has been conducting national census since 1872," said Chandramouli. "Nothing, floods, droughts, even wars, has been able to stop it." To minimise the 2.3% margin of error recorded in the 2001 census, officials will be armed with satellite maps of India's 608,786 villages. Data collected for the National Population Register will in turn facilitate the issue of the 16-digit Unique Identity Numbers to all Indian residents. This will serve as a one-stop proof for all Indians to establish their identity, eliminating the current need to produce multiple personal documents. The first identity numbers are expected to be issued by November this year.

Education Now a Fundamental Right

With a Constitutional amendment to make education a fundamental right, the government on April 1 implemented a historic law to provide free and compulsory education to all Indian children in age group of 6-14 years. The 86th Constitutional Amendment makes education a fundamental right and obligatory on part of the state governments and local bodies to ensure that every child gets education in a school in the neighbourhood. Its implementation will directly benefit close to 10 million children who do not go to schools at present. At present, there are nearly 220 m children in the relevant age group. However, 4.6% of these children are out of school. The Act mandates that even private educational institutions have to reserve 25% seats for children from weaker sections.

PM Leads 9 Indians Among Time's Most Influential List

Nine Indians, including PM Dr.Manmohan Singh, cricket legend Sachin Tendulkar, and economist Amartya Sen have been named in *Time* magazine's annual list of 100 most influential people. The other Indians on the list are: eye doctor Perumalsamy Namperumalsam, humanitarian worker Sanjit Buker Roy, writer Chetan Bhagat, Indian-America doctor and Harvard professor Atul Gwande, paramedic from Toronto Rahul Singh, and entrepreneur Kiran Mazumdar-Shaw. The magazine recognised Dr.Singh's contribution towards liberalising the economy and now 'guiding India into the ranks of great powers.' Dr.Namperumalsamy, 70, was recognised for performing cataract surgery at the Aravind Eye Care Hospitals since 1976 and having treated 3.6 m surgeries to date - a new one every 15 minutes. Indian entrepreneur Kiran Mazumdar-Shaw was on the list for donating \$ 2 m to support health insurance coverage for 100,000 Indian villagers. She also devoted \$ 10 m to creating the 1,400-bed Mazumdar-Shaw Cancer Centre in Bangalore.

100 Kashmir Mountaineering Peaks Open

Following significant success in restoring normalcy, and in a move to boost tourism, the

government will allow foreigners to climb nearly 100 high-altitude Himalayan peaks for the first time in Kashmir for trekking and mountaineering. These peaks are situated at an altitude ranging from 3,000-8,000 metre. The state government has declared 2010 as "visit Kashmir year".

Bangladesh Lifts Ban On Indian Films

Bangladesh has lifted a four-decade ban on Indian films in a bid to boost attendance at cinemas, a government minister said. Films produced by India's huge Bollywood entertainment industry have been banned from Bangladesh's cinemas since 1972, a year after the country's independence, to protect the local movie industry. The number of cinema theatres has slid to 600 in 2010 from 1,600 in 2000 with Bangladeshi films and English-language films shown in movie houses failing to draw viewers. Pirated DVD copies of Bollywood movies circulate widely in Bangladesh in the absence of them being shown in cinemas and the films are hugely popular. The lifting of the ban comes amid warming bilateral relations.

Restrictions on use of Satellite Phones

According to the Indian Telegraph Act 1885 which regulates the use and operation of Telegraph services and devices including wireless, Thuraya Satphone service is not permitted in India. Use of satellite phone without licence from Dept. of Telecommunications (DoT) will be penalised and is liable to be confiscated. Foreigners are not allowed to enter India with satellite phone without a licence from DoT.

Honours and Laurels

UN Secretary General Ban Ki-Moon has appointed **Atul Khare**, a former Indian Foreign Service officer, as **Assistant Secretary-General for Peacekeeping**

Operations. Khare, a former Secretary-General's Special Representative for Timor-Leste and head of the UN Integrated Mission there (UNMIT), replaces Edmond Mulet of Guatemala. Before joining the UN, Khare worked in India's missions in France, Mauritius, Senegal, Thailand and the United Kingdom and in the Permanent Mission of India to the UN.

Five human rights defenders, from India, Zimbabwe, Mexico, Afghanistan and western Sahara, have been **nominated for the 2010 Front Line Award**. The annual award is given to a human rights defender who has made an outstanding contribution to the defence of the rights of others, at great personal risk. Front Line, founded in Dublin in 2001, is the international foundation for the protection of human rights defenders.

Four of this year's nominees are women. Mexican human rights lawyer Lucha Castro was nominated for her campaigns on women's rights issues and representing families of murdered women in Chihuahua. Ajeet Singh, from India, the president of Guria, a human rights organisation fighting against the sexual exploitation of women and girls has also been nominated.

The Biotechnology and Biological Sciences Research Council (BBSRC) has named Indian-origin professor at the University of Cambridge, **Shankar Balasubramanian**, as Innovator of the Year for his work on Solexa sequencing, which makes it possible to sequence the human genome at a cost of less than US\$ 10,000. In 1998, after coming up with various ideas relating to DNA sequencing chemistry, Balasubramanian and David Klenerman of the Department of Chemistry found Solexa to commercialise their inventions. Solexa was acquired in 2007 by US company Illumina for US\$ 600 m.

Delhi-based British Indian novelist **Rana Dasgupta's** literary work *Solo* - a story that encompasses a century of communist and post-communist regimes in Bulgaria - has won the 2010 Commonwealth Writers' Prize for the Best Book. The prize, presented by the Commonwealth Foundation with support from the Macquarie Group Foundation,

was announced in New Delhi. Dasgupta's first book, *Tokyo Cancelled*, was shortlisted for the Commonwealth Writers' Prize and John Llewellyn Rhys Prize.

Management Guru Prahalad Passes Away

Noted management guru, India-born Coimbatore Krishnarao Prahalad, died in San Diego after a brief illness. He was among the best known global thinkers on the subject and author of several best-sellers. Forever a believer that India will grow into an economic power that the world will go on to eventually admire, Prahalad's vision on these lines were reflected in his best-seller "The Fortune at the Bottom of the Pyramid: Eradicating Poverty Through Profit". A member of India's National Council on Skill Development, chaired by Prime Minister Manmohan Singh, he was conferred the Padma Bhushan and the Pravasi Bharatiya Samman last year for his accomplishments, among the numerous other global honours. "A brilliant teacher at the University of Michigan, he may well be the most influential thinker on business strategy," Business Week magazine said in an article on him. After a degree in Physics from the University of Madras, Prahalad went on to get a master's from the Indian Institute of Management, Ahmedabad and then went to Havard for doctoral degree in business administration. He was consulted by a host of global companies as AT&T, Cargill, Citicorp, Kodak, Oracle, Philips, Quantum, Revlon, Steelcase and Unilever and served on the boards several others.

India Win Two Badminton Medals in Mexico

Indian shuttlers B Sai Praneeth and H S Prannoy won two bronze medals in the recently-concluded Junior World Badminton Championships in Guadalajara, Mexico. Parneeth, Prannoy and PV Sindhu qualified for the Youth Olympic Games, to be held at Singapore in August. Prannoy beat second seed Malaysian Loh Wei Sheng in the first round, before going down to Korean Kong Ji Wook in the semi-finals. Praneeth also put up a splendid performance, succumbing only in the semi-finals to Axelsen Viktor of Denmark. In the girls' singles, PV Sindhu defeated fifth seed Korean Choi Hye Jin in the first round, before, going down in quarter finals to second seeded Chinese Suo Di. In the team championships, India defeated America by 3-0, Singapore by 3-0 and England by 3-0 before losing 2-3 to Denmark.

They Said It

"We will make India the export hub for LG."

-Moon Bum Shi, Managing Director, LG Electronics India

"India has a huge opportunity to become a food basket for the world,"

-Scott Price, President & CEO, Wal-Mart Asia

Speeding Through Life, With No Sign of Slowing

Article by Kyle Jarrard, published in the International Herald Tribune, April 13, 2010.

They appear out of the dark, right at the edge of the road from Chennai to Pondicherry at 3:30 a.m.: a dozen women in purple saris sitting in a circle, carefully fixing their hair for the day. A man, likely their foreman, watches. In an hour or so, he will lead them to the fields to begin work before the heavy sun of the Indian south rises. They'll get the equivalent of a little more than a dollar for the day; it will feed, with rice and not much else, a family of four.

As quickly as you glimpse the women from a car, they fade from view in a fog of cooking smoke and truck exhaust. But there are always more people in India, and quite a throng right in the middle of the road, at any hour.

The French photographer Bruno Sauerwein caught the people in motion with his recent "India on the Move" show in the French part of Pondi, as the locals call it. There is

never anyone in India not doing something; nothing remains idle. Mr. Sauerwein's pictures stalk the night and the edges of daylight: Boys on shiny motorcycles and girls on pink bikes; tired men having a quick chai or picking through trash; a pair of young traffic cops smiling, arm in arm, under the blue vault of evening.

Wherever you look, or point a camera, in India, smiles and surprises abound.

On the road south of Villupuram, a stop at a tiny roadside Hindu temple one hot morning instantly draws a half-dozen women away from weeding the median of the new highway. Each sports a bright orange safety vest and a bunch of crooked teeth. You can't tell their ages, but they want their picture taken.

That is what Mr. Sauerwein found, too, everywhere. First, people want to talk, a lot, to know what your name is and, most of all, where you come from. Next, they want to have their picture taken with you; they bunch up shoulder-to-shoulder, giggling, and then crowd around to see the photo on the little screen.

These instant snapshots enthrall and inspire. Everyone here seems to want more, not necessarily in the image of the West, but more. And they are really striving to get it. The nation brims over with effort, good cheer and hope. There seems to be no one who is not thinking of education as the key; every conversation seems to turn to coming exams, or to the college or university one hopes to attend, to failed efforts on one front but new dreams on another.

A young man running a restaurant near Kodaikanal, in the hills a couple of hours northwest of Madurai, outlines his course of school after school to be a better cook, hotel manager, caterer and more. He thanked his parents for helping him by buying them a new cow. He shows off a cellphone photo of the calf it just had, standing splay-legged in a spotless courtyard.

On previous trips here, we had never noticed all the cellphones. Now it has become de rigueur to point your motorcycle into the whirling storm that is traffic in India while talking on the phone tucked between ear and shoulder, with no helmet to protect your head.

The future seems to have arrived full speed when you see an old woman squatting before her palm-thatch hut, talking on a cellphone and gesticulating as if the person on the line could see her.

India is an outlandish show of style and ambition at every turn. Every vehicle is painted to the hilt with symbols and slogans in bright, shining colors, as though a tremendous rivalry in truck or rickshaw art were unfolding on the roads.

The roads themselves are a sign of the times: For every old two-lane track winding through the countryside past one-light homes and endless fields, nearby lie the forms of a new highway cutting its way toward tomorrow. Either side of the cement and asphalt stand jagged ruins of homes sliced in half. Wallpaper flaps in the wind and wires dangle forth.

But the inhabitants of these homes, the people displaced by roads, move on, and fast. There is no time for reflection here; stop and you die, for want of the basics, which still are not simple to come by. To remain in motion is to survive in the mass of humanity struggling forward.

It is a slog through a trash-filled storm; every tree and bush has a plastic bag caught in it, and every field boasts more plastic alongside vegetables and rice. A villager near Pondi tells us that the trash truck (a bizarre concept to begin with) comes maybe twice a year, or not. So the mind-set is: All the trash really isn't there if you don't look at it.

Sometimes someone lights a pile, but plastic burns poorly, and the soot is oily and stringy.

A green movement, at least as concerns trash, seems far-fetched. But at the edge of Kodaikanal, where the British colonial rulers liked to send their wives and children in the heat of April and May, there's a sign pronouncing the town plastic-free. And somehow it is — perhaps because you also pay a small toll, 30 rupees, or about 70 U.S. cents, just to get into the place.

There, Indians rush to the lakeside to rent rowboats or pedalboats, and glide back and forth talking on their cellphones as the mountain mist drifts in. Later, they crowd the copycat shops along the lake's edge to buy bottles of yellowish eucalyptus oil and bags of chunky chocolate.

It is a modern India now that moves to the rhythm of consumerism and acquisition, where men getting married have gigantic posters of themselves and their brides made to put up by the roadside; where huge posters also are thrown up to welcome the agriculture secretary; where an entrepreneur who has had a recent business success stands his own image four meters tall at a traffic circle for all to see for months until the rains melt it down. And even then, more such posters will go up in the downpours, hung high by armies of thin men on rickety wooden scaffolding among confusing tangles of electric wires as they, too, strive to climb upon the shoulders of the newly powerful and also rise.

This is unstoppable India. Outside an Internet cafe in Pondi there is a tremendous explosion one morning. Men swarm in the street. We fear terrorism and venture out only after a while. It turns out to be local police officers wishing their chief happy birthday with enough fireworks to blow out everyone's eardrums. Tomorrow, one feels sure, will bring yet another unimaginable surprise.

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.

Gandhi's doctrine was contradictory: he was a nationalist who believed in democracy yet at the same time hated Western technology and industry. He considered Western civilization a "disease". "I am not the enemy of the English; I am the enemy of their civilization." (Hind Swaraj, Indian Home Rule, 1909). He saw the railroad and the telegraph as disastrous inventions... but he used them. His social utopia was an idealization of ancient Hindu civilization that had no more reality than Rousseau's natural man. His teachings had a double and contradictory objective: to free the Indian people from British domination and to return to a peaceful society, outside of time, dedicated to agriculture, opposed to material gain, and believing in traditional religion. An Arcadia populated not by love-sick shepherds but by ascetics in love with their gods, who were all manifestations or incarnations of Truth. Gandhi never wanted to - or was unable to - explain to his listeners and readers what exactly that Truth was that inspired his words and deeds. But one does not look to him for logic or philosophical coherence. He was not Socrates, and the secret of his immense influence over his people does not lie in his reasoning, but rather in the union of act and word in the service of a disinterested ideal. He wanted neither power nor glory: he sought to serve others, particularly the unfortunate. He proved it with his life and with his death. In an

impious century such as ours, the figure of Gandhi is almost a miracle. Within him, opposites merged: action and passivity, politics - the most naked form of the appetite for power - at the service of a religion of disinterest. A living contradiction: he always affirmed his belief in traditional religion, and yet there is nothing more remote from orthodox Hinduism than fraternization among the castes, friendship with Muslims, and the doctrine of nonviolence. It is not easy to agree - and I do not - with many of Gandhi's political and philosophical ideas. I understand and share his horror of many aspects of contemporary technological civilization, but the solutions he proposed were at times unrealistic, at times positively harmful. Poverty is not a solution to injustice or excess. But we ought not to judge him. Saints are not judged, they are venerated.

...to be continued

Mexico an attractive investment destination – The acquisition of Compania Hulera Tornel S.A. DE C.V. Mexico by JK Tyre India

by Trilok Chand Goel, Executive Director, Tornel

The Mexican Company had started its operations in 1933 as Hulera Mexicana at 16 Altamirano Street, Mexico City. In 1951, it changed its name to Hulera Tornel & since then ventured in Re-treading, Auto tubes & Bicycle tires. In 1972, the Company commenced production of technologically superior truck, light truck & bus tires and in 1982 started production of passenger radial tires.

JK Tyre India, one of the largest tyre manufacturing companies in the world had emerged as the biggest exporter of tyre from India to the Latin & South American markets. The Company was looking to expand its operation by acquiring some manufacturing facilities in some part of the world in order to cater its customers based in this region. JK Tyre after due diligence of facilities, evaluation of product range, markets both existing & potential, general assessment of the country, city, social life, living condition, medical services, political stability, unions, education and acceptability of foreigners had decided to acquire Compania Hulera Tornel S.A. DE C.V. Mexico on 13th June 2008.

The writer of this article was sent by JK Tyre to this Company as their Executive Director on 1st September 2008. The obvious purpose was to turn around this sick company on a sustainable basis. Hulera tornel had three operating plants at Azcapotzalco, Tacuba & Tultitlan with 1800 workmen and staff. The plants had equipment that were old but well maintained. The Company's own customer base was thin and was mainly making tyres for others on job work meaning thereby the quality was good. The capacity utilization in the plants was less than 50%.

I do not know the Spanish language and hence was worried prior to my arrival. The biggest challenge was to interact with the staff at various levels so that improvement measures in different aspects of tyre making and sales including cost controls can be implemented. JK Tyre has a vast pool of managerial resource in all operational areas. While experts in Technical & Quality areas were deputed on medium to long term basis, the experts in other areas were sent for short periods.

No Country in the world has such an excellent geographical location as Mexico has – developed nations like USA & Canada on one side and developing and underdeveloped nations of Caribbean and Latin & South America on the other two sides. This gives you access to huge markets all around and with treaties amongst the countries in the region only helps.

It is also worth mentioning that the establishment in Mexico has generally been very helpful. They are easily accessible and they do their best to resolve an issue. The safety and security environment in Mexico City has been good and there has never been a cause of concern.

India & Mexico share immense similarities both at home and work front. Both believe in traditions and in family values. The people are hard working, the attitude is positive and the caliber is high. JK Tyre has had immense success in dealing with the workmen, union and staff. As a result the production has already increased by more than 25% and Compania Hulera Tornel has already emerged as the largest manufacturer of automotive tyres in Mexico and has also emerged as the no. 1 exporter of tires from Mexico. We are targeting a turnover of 3500 million pesos during 2010. Ambitious & the task is indeed daunting. We have to yet to overcome many hurdles to make this company strong on a sustainable basis. But we can make it happen.

In brief I would definitely suggest Indian entrepreneurs' and even others who are considering to set up ventures abroad must take a closer look at Mexico as this Country has all the ingredients to make you successful in your efforts.

TRADE ENQUIRIES FROM INDIA

Company	Commercial Interest
Texperts India Private Limited B-1001, Safal Pegasus, 100 Ft Road, Ahmedabad-380051, Tel: (79) 4000 3333, 4000 3332 (Dir.); Fax: (79) 4000 3300 Contact Person: Abhishek Lodha, Manager (Fabrics) Email: abhishek@thetexperts.com Website: www.thetexperts.com	Fabrics (cotton, polyester, viscose, etc.)
Sun Impex 1A/3, Ashok Nagar Main Road, Kodambakkam, Chennai-600024 Tel/Fax: (44) 4213 4246; Mobile: 91765 29025 Contact Person: Mr.Krish Kannan, Business Planning Director Email: sungroup.impex@gmail.com	Men's Suits, garment accessories, leather and textile garments
Rolex Impex Company A/3/2, 3rd Floor, Groma House, Sector 19c, Vashi, Navi Mumbai - 400705, Tel: (22) 2789 5431, 2789 5433; Fax: (22) 2789 5439 Mobile: 98206 30444 Contact Person: Kashyap Thakkar, Director Email: roleximp@vsnl.com , Website: www.roleximpex.com	Exporter of Motorcycles(Bajaj, Suzuki, Honda, Yamaha, Royal Enfield - Motorcycles & Scooters and Tuk Tuk IND auto rickshaw)
Knot Worldwide Commodities A-12, Amrapali-II, Opp.Atithi Restaurant, Judges Bunglaw Road, Bodakdev, Ahmedabad-380015 Tel: (92) 7428 0220 Contact Person: Ms.Krimali Solanki, CEO Email: info@knotworldwide.com Website: www.knotworldwide.com	Agro Products (Spices, Seeds, Edible Oils & Herbal Products)
Karnika Kreations Mobile: 98870 68995, 94140 73598 Contact Person: Karnika Ladha Email: karnikakreations@yahoo.in	Home Decorative Products

<p>R & M Foregien Trade India Limited Contact Person: Manoj Kumar Sankhla Email: ms.13485@gmail.com</p>	<p>Natural Stone and Stone Handicrafts</p>
<p>Grand Industries D 72, Phase 5, Focal Point, Ludhiana-141010 Tel: (161) 4628 255; Fax: (161) 2530 106 Mobile: 96460 98097 Contact Person: Mohan, Manager Exports Email: mohan@hosesworld.com, Website: www.hosesworld.com</p>	<p>PVC Hoses, Garden Hoses, Thermoplastic Hoses, Tubing & Pipes and allied items</p>
<p>Kejriwal Papers Limited 404, Nirmal Tower, 26 Bharakhamba Road, Connaught Place, New Delhi-110001 Tel: (11) 4519 3193 (20 Lines); Fax: (11) 4519 3194 Contact Person: Mukta, Dy.Mgr.(Exports)/Kanika, Export Asst. Email: mukta.exports.delhi@kejriwalgogreen.com Website: www.kejriwalgogreen.com</p>	<p>Stationery Products</p>
<p>R&M Foreign Trade 247, Hanuman Nagar, Dadabari, Kota-324009, Rajasthan Contact Person: Mahendra Kumar Jelia Email: mk_jelia@yahoo.com</p>	<p>Natural Stone</p>
<p>Godrej & Boyce Manufacturing Co. Ltd. (Prima Division) Pirojshanagar, Vikhroli, Mumbai-400079 Tel: (22) 6796 3656 Contact Person: Kamala. B, Senior Executive (Exports) Email: kamala@godrej.com, Website: www.godrej.com</p>	<p>Hot Beverage Vending Machines</p>
<p>Bansal Overseas 121 KM Stone, G.T.Road, Namastay Chowk, Karnal-132001, Haryana Tel: (184) 2221 490 / 91 / 92; Fax: (184) 2221 493 Mobile: 98960 10600 Contact Person: Munish Bansal Email: info@bansaloverseas.com, sales@basmati-rice.net Website: www.basmati-rice.net</p>	<p>Rice</p>
<p>Venus Industrial Corporation 424, Industrial Area-A, Ludhiana-141003, Punjab Tel: (161) 2221 612, 2222955, 2228 562, 3236 051 (Dir.) Fax: (161) 2222954, 4621 612 Contact Person: Rajeev Parmar Email: rajeev.venustools@gmail.com Website: www.venustools.com</p>	<p>Sterilized surgical needles and syringes, etc</p>
<p>A.P. Polyplast Private Limited K-3, Udyog Nagar, Peeragarhi, Delhi-110041 Tel: (11) 2548 1599, 2518 2173, 6549 3115 Fax: (11) 2596 3152 Contact Person: B.K. Singh, Export Manager Email: export2appolyplast@gmail.com Website: www.appolyplast.co.in</p>	<p>Polyethylene Packing Products</p>

<p>Shiv Dial Sud & Sons 23 Industrial Estate, Ambala Cantonment-133006, Haryana Tel: (171) 2699 537, 2699 903, 2699297 Fax: (171) 2699 637, 2699 154 Contact Person: Kundan Lal Sud Email: kls@shivsons.com; Website: www.shivsons.com</p>	<p>Educational Laboratory Equipment</p>
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Federation of Indian Export Organisations (FIEO)

FIEO is a leading organization of exporters set up by the Ministry of Commerce, Government of India, based in New Delhi. It maintains an extensive database of its members with details of around 12,000 Indian exporting companies from all over India representing every product and service sector on its website <http://www.fieo.org>. The companies listed in FIEO database, which is updated on a weekly basis, contribute more than 70% of India's exports.

Importers in other countries can access this database using the search business tool on the website and identify Indian exporters of their choice and forward trade queries directly to the selected companies. To facilitate better decision-making by the importing companies, electronic brochures of the exporters are also made available on the website. Further, Mr. Ajay Sahai, Director General, would be available every Wednesday on a live Chat Service from 3-5 PM Indian time to respond to any queries that importers may have concerning trade with India, including questions relating to policies on taxation, banking, investment, customs etc. If any chamber or importers need special chat sessions, FIEO is willing to consider such requests.

Know India Programme (KIP)

KIP is a three-week internship programme for diaspora youth conducted by the Ministry of Overseas Indian Affairs (MOIA) with a view to promote awareness on India, its socio-cultural diversity, its all round development, its emergence as an economic powerhouse, India being a centre of higher education and the ongoing developments in various fields including infrastructure, Information technology etc. The participants are provided with full hospitality and are reimbursed 90% of the international airfare by the most economical class travel to participants from their respective country to India. The following KIP would be conducted in 2010-11. The details of KIP can be found at the website <http://knowindiaprogram.com/> and <http://moia.gov.in>

	Tentative Period	Partner States	Last date for receipt of nominations in MOIA
15 th KIP	August-September 2010	Assam, Meghalaya	30 th June 2010
16 th KIP	December 2010-January 2011	West Bengal, Bihar	30 th September 2010
17 th KIP	March 2011-April 2011	Punjab, Himachal Pradesh	31 st December 2010