



Orissa updates

Major Ports of Orissa-Future Ahead

Apart from the existing port at **Paradeep** (owned by Union shipping ministry), with the initiative of state government, private players have started work on developing all-weather ports at **Gopalpur** (by Consortium of Orissa Stevedores Ltd, Sara International and Nobel Group); **Dhamra** (by Larsen & Toubro and Tata) and **Kirtania** (by Chennai-based Creative Port Development Private Limited). Besides, POSCO has proposed a captive port at **Jatadhari Muhan** in Jagatsinghpur district close to its steel plant site. Now Navayuga group (Hyderabad-based Company) has proposed for developing a port at **Astaranga** in Puri.

The state government is encouraging private firms to step into the port sector to create infrastructure for several upcoming metallurgical projects in the state.

Posco's Mobile Health Services:

POSCO-India has launched Mobile Health Units in Kujanga and Erasama block of Jagatsinghpur district with an objective to provide primary health services to people in its proposed plant site as a part of POSCO-India's Village Friendly Programme. These mobile health units aim to offer health services to over 2500 families in villages in the vicinity of the proposed plant site. In

addition, for emergency cases round the clock free medicines will be distributed and ambulances service will be provided. The company also plans to have more such health programmes in collaboration with district administration for benefit of the locals. (BS)

Orissa's Roads under NHDP

The Centre plans to include 553 km road in Orissa under the National Highway Development Programme (NHDP) during the coming financial year. The projects proposed to be taken up are: Panikoli-Keonjhar-Rimuli Road- 163 km, Rimuli-Roxy road extended to Rajmunda- 106 km, Dubri-Chandikhole Road- 39 km. Chandikhole-Talcher Road-98 km. Puri-Bhubaneswar-59 km. Sambalpur-Bargarh road near Orissa-Chhatisgarh border-88 km. The preparation for the draft feasibility report for these projects are in progress, said, KH Muniyapa, Union Minister for Road and Transport. Under NHDP, these roads which have been declared as national highways, will be widened and developed. In addition Puri-Satpada and Puri-Konark road will be taken up for up gradation due to the importance for the tourism sector. The

Minister informed that the project report of the newly proposed Ranchi-Vijayawada national highway, which will run through 12 districts of Orissa, will be finalized in October next following which work will start on the project. The development of national highway 224 from Khurda to Bolangir is being taken up on a priority basis. Improvement of riding surface and two laning of 44 km road will also be taken up in this project. The Minister said, the four laning of 326 km (out of 488 kms – from Balasore to Issapuram a town in Andhra Pradesh border) Chennai-Kolkata golden quadrilateral passing through Orissa has been completed. (BS)

Stemcor group of U.K to set up plant in Orissa

Brahmani River Pellets Limited (BRPL), the Indian company promoted by **Stemcor group of U.K.**, has signed a memorandum of understanding (MOU) with Orissa government for setting up a 4 million tonnes per annum iron ore pelletisation complex. Orissa's Steel and Mines Secretary, L.N. Gupta and KV Rao, the Managing Director of BRPL signed the agreement in the presence of Orissa CM and top government officials. While one plant is proposed to be set up at Tonto (Barbil) in Keonjhar district the other unit will be set up in Kalinganagar Industrial complex area in Jajpur-district. For two units the total investment envisaged is Rs.1485 crore. Stemcor's Chariman Ralph Oppenheimer said, the company will leverage its expertise in international trade and pellet making and slurry transportation in Australia. He said, the project will be completed within 4 years from the date of signing of the MoU and commissioned by September,2009. The proposed pellet plant will adopt Traveling Grate Technology developed by OUTOKUMPU of

West Germany. It will convert the low grade ultra fines generated by iron ore mines in Barbil into value added pellets to be used by the steel mills and DRI plants in Orissa. The company will lay 200 kms pipeline from Barbil to Duburi to carry beneficiated iron ore in slurry form. The company will not seek any mining lease. Iron ore fines (to be used as raw materials) will be procured by the company from the existing iron ore lessees or traders on its own arrangement. Power requirement for both the complexes estimated at 18.5 KW each. Requirement of water is 480 cum/hour will be drawn from river Baitarani. Requirement of land for both the plants would be 758 acres. Employment -both direct and indirect 350 persons. Contribution towards taxes and duties to the state and the central exchequer – Rs.450 crore (BS)

TPM Award for JK Paper Mills at Rayagada

The leading paper manufacturing company JK Paper's two units, JK Paper Mills at Rayagada and Central Pulp Mills at Songadh in Gujarat have jointly bagged the award for TPM (**Total Productive Maintenance**) excellence-first category, instituted by the Japan Institute of Plant Maintenance (JIPM), a public corporation under the administration of Ministry of Economy, Trade and Industry in

Japan. JK Paper is the first integrated Indian paper manufacturing company to be conferred with this prestigious honor and the only third paper mill to have got it in the world. JK Paper Mill officials will receive the award at a function to be held at Tokyo. (BS)

Govt. asks Banks to lend more to SMEs in Orissa

The Orissa government has asked the banks doing business in the state to lend more to sectors like Small & Medium Enterprises (SMEs), Micro entrepreneurs, agriculture and allied sectors even as the recovery rate slid further. The state Finance Minister addressing the 109th State Level Bankers Committee (SLBC) meeting held on 14th March, 07 said "Banks have made good progress in agricultural lending but there are certain areas where further improvement is needed". Emphasizing on the flow of fund, he said, more funds need to be channelised to agriculture, allied activities, small scale and medium enterprises. These sectors, apart from being more employment generating, also have good growth potential. He reminded the Union government's decision of doubling the credit to the SME sector by 2010. He also urged the banks to set up training centers for entrepreneurship development and speed up disbursement of loans under PMRY. Meanwhile, the credit deposit (CD) ratio of all the banks in Orissa further improved to 81.42 per cent in the quarter ending December, 2006 against the national parameter of 60 per cent. The CD ratio for rural branches was 81.38 per cent while the ratio for Urban branches as at 85 per cent. However, the CD ratio of the semi-urban branches was lagging behind at 63.11 per cent during the above period.

Further, to accelerate industrial growth and make it sustainable, Orissa government proposes to rope in the services of banks for development of infrastructural facilities, the lack of which is the main hurdle in the path of rapid industrialization of the state. Under the new initiatives, the government has requested the convener of State Level Bankers Committee (SLBC) to constitute a sub-committee to look into various possibilities where the banking resources could be mobilized. They can also participate as equity partners. Accordingly, the banks will adopt 6 industrial clusters and provide assistance to these clusters in the areas like infrastructure development, technological up gradation, quality up gradation and marketing linkages. According to sources, the government's agenda is to make the banks partner in progress and change their role essentially from commercial to developmental. With Orissa well positioned for becoming a major manufacturing hub of the country, the state government wants the banks to have a special credit plan for the industries categorized as thrust and priority sector in the Industrial Policy Resolution-2007. (BS)

1000 mw N-power unit plan for Orissa

The Nuclear Power Corporation of India Limited (NPCIL), the Central government owned public sector unit has evinced interest to set up a mega nuclear power plant at Patisonapur in Orissa's Ganjam district. The survey work for establishment of a shore based 12000 MW power plant with an investment of Rs.36, 000 crore in three phases has begun in the area located about 20 km from Berhampur. The entire project will be completed in 10 to 15 years for setting up six units in three to four phases. The estimated expenditure of each phase will be around Rs.10,000 to Rs.12,000 crore.

Recently the nuclear power corporation has announced its plan to **augment its capacity from the existing 3,900 MW to 20,000 MW by 2020**. The corporation at present has **14 nuclear power units at six locations** and taken up construction of eight ongoing power plants.

The units are located at Tarapur in Maharashtra, Rajasthan, Chennai, Narora in Uttar Pradesh, Kakrapar, Kota, Kaiga and Kundankulam in Tamilnadu. **Considering that the nuclear power is a safe and environmentally clean source of power generation and that Orissa has vast thorium reserves, nuclear power corporation is poised to play a leading role in future in the state.**

The corporation has plans to set up a **monazite processing unit** with an investment of Rs.90 crore to **produce the thorium and uranium**, the main raw material of the nuclear power. The NPCIL will require 8 sq km for the new plant as well as the township for which survey is going on to identify the availability of government and private land. (BS dtd.22.3.07).

ICFAI University in Bhubaneswar

Bhubaneswar, March 20: The Institute of Chartered Financial Analyst of India (ICFAI) today signed a memorandum of understanding (MoU) with the state government for establishing a university on the outskirts of Bhubaneswar. The proposed institution will be the third private university in the offing in the state after Vedanta University and Sri Sri Ravishankar University of Art of Living. The MoU was signed between higher education secretary Ashok Tripathy on behalf of the state government and N. Rajshekhar, the dean of New Initiative Group, ICFAI, representing the Hyderabad-based institute. Industries Minister Biswa Bhusan Harichandan, along with higher education minister Samir Dey, IT minister Surya Narayan Patro, finance Minister Prafulla Ghadei and chief secretary Ajit Tripathy, were also present on the occasion. ICFAI group proposes to invest over Rs 150 crore for the proposed university.



About 75 acres of land has been identified near Jatni road on the outskirts of the capital city for construction of its university campus, said Rajsekhar after signing the MoU.

States like Uttaranchal, Tripura, Sikkim, Mizoram, Meghalaya and Nagaland have already passed legislations facilitating the establishment of the ICFAI universities. Chattisgarh, Punjab, Himachal Pradesh and Rajasthan have already issued letters of intent to ICFAI to set up the universities in their states, ICFAI officials added.

Vedanta Group – signs MoU for Jharsuguda Project

The Vedanta Group has signed MoU with the State Govt. for establishment another aluminium plant of capacity 2.5 lakh MT per annum at Burkhamura in Jharsuguda district. The MoU was signed by Principal Secretary, Industries & Chairman IPICOL Shri Priyabrata Patnaik and Mr. M.Siddik, Project Director of Vedant Alumina in the presence of Industries Minister. Along with the aluminium plant, the Group will establish 675 MW captive power plants in five phases of 135 MW each. Around Rs.8, 400 crore will be spent for both the plants. After establishment, the plant will have 1500 direct and 7500 indirect employment facility.

The state government will receive Rs.600 crore annually towards revenue. The group is a part of Sterile Group. Vedanta Group has already established an Alumina plant (1 million tonne capacity) along with a 100 MW captive power plant at Lanjigarh in Kalahandi district during June, 2003. The Group will use the alumina from Lanjigarh plant and produce aluminium in Jharsuguda plant. (The Samaj)

Rs.6000 Crore investment proposed - Astaranga Port

The Hyderabad-based Navayuga group has proposed to invest Rs.6,000 crore for developing a port at Astaranga in Puri. The proposal includes a captive power plant, fly ash brick unit and desalination facility. Mr. C.V. Rao, Chairman of Navayuga Engineering Company Ltd. made a presentation before chief minister Naveen Patnaik and senior state government officials. Commerce and transport Minister Jayanarayan Mishra said the Navayuga group wants to develop a port at Astaranga in three phases on a build-own-operate-share-transfer (BOOST) basis. While Rs,1500 crore is proposed to be spent in the first phase, the subsequent ones could see investment of Rs.2,000 crore and

Rs.2500 crore respectively. The company has requested the state government for 5,000 acres of land for its complex that will include a 1320 (2 x 660) MW CPP. It has also proposed to set up a fly ash brick unit and desalination plant at the Devi River mouth with an investment of Rs.560 crore and also a 50 km railway link between Khurda Road and Astaranga via Sakhigopal for Rs.400 crore on a public-private-partnership basis. The company has requested the government to develop a four-lane road connecting the port site in Astaranga to the nearest national highway. (ToI)

Land for Titanium Dioxide Plant and All-weather Gopalpur Port

Land acquisition process for proposed Titanium Dioxide Plant at Gopalpur and for Gopalpur all-weather port needs to be expedited-expressed Orissa government.

The Titanium Dioxide Plant, (a joint venture project of the Kolkata based Saraf Agency Limited in collaboration with Russian companies) with an investment of about Rs.1200 crore is likely to come up at Chhatrapur. Similarly, Gopalpur Port is to be developed into a major port of international standard, by the Gopalpur Port Limited (a consortium of Orissa Stevedores Limited, New Delhi based Sara International Limited and Nobel Group Limited of Singapore).

Saraf Agency Limited would require about 250 acres of land near Chhatrapur for its proposed plant. The land acquisition process for

the proposed Titanium Dioxide plant is on and may be completed in next five months.

Gopalpur Port Limited (GPL) would require about 3200 acres of land to develop the existing minor port into a major port of international standard. GPL has already acquired about 500 acres of the land. The company plans to invest around Rs.1700 crore over the next five years, for construction of the multi-berth, state-of-the-art port. The balance required land for GPL will be provided to the private company after the Orissa Sands Complex (OSCOM), a unit of Indian Rare Earths Limited (IREL), completes its mining work in the area of extracting sand minerals.

VISA Group- interested in port based project at Paradeep

The Visa Group has shown interest for setting up a port-based industry at Paradeep & own berth in Paradeep port. This has

been discussed by the Chairman, Visa Group with the chairman and Vice-Chairman of Paradeep Port Trust.

Face lift to Institute of Paediatrics (Sishu Bhavan)

The Cuttack-based Sardar Vallabh Patel Post-graduate Institute of Paediatrics a referral centre for children and popularly called Sishu Bhavan have undergone a facelift with a grant of **Rs.37 crore from Japan**. The renovation work of the hospital has been completed under the supervision of the Japan International Co-

operation Agency (JICI). The Japan based Yokogawa Architects and Engineers have designed the building and the Sumitomo Mitsui Construction Corporation have taken up the civil work.

FM Rainbow in city soon

Information and Broadcasting minister Priya Ranjan Das Munshi has said that steps will be taken to strengthen the FM (frequency modulated) system in Orissa and Prasar Bharati's FM Rainbow to be launched in Bhubaneswar from the middle of 2007. Minister also said, he would soon send a team of experts to find out the reasons why television and radio signals were not reaching

Phulbani (Kandhmal) properly. He added Bhubaneswar would find a place among the tier-two cities for introduction of the Conditional Access System through set-top boxes before 2009. He also assured measures to intensify the Direct-to-Home services in the state.

A report-Team Orissa Delegation in Japan



Team Orissa investment promotion delegation was in Japan from 25th of February to 11th of March 2007. The delegation was part of the IPICOL-UNIDO-ITPO Tokyo Partnership initiative to accelerate investments, technology transfers from Japan to Orissa through seminars, one to one business meetings and dissemination of information on the investment climate to potential Japanese investors. The delegation was led by Mr. Ashok K Meena, Managing Director of IPICOL, and other members were MR RP Panda GM, IPICOL, and Mr. Ashok Kumar Singha, Director Verve Consulting and CDM advisor to IPICOL.

The major objective of this delegation was to introduce the State of Orissa as an alternative and different destination to the usual places in India known to Japanese companies, and to create an awareness of the State's rich natural resources and human resources and religious proximity to Japan that have traditionally invited the attention of trade and industry around the world. The delegate programme also served as a platform to introduce information on the economy of the State of Orissa and its competitive advantage as an attractive destination in India for Japanese investment and the strengths of Orissa in the fields Iron and Steel, Aluminum, Chemicals, IT /ITES, Seafood, Tourism and doing business in a sustainable manner leveraging the Clean Development Mechanism (CDM) for balanced growth in the state to invite investment into new value addition to these sectors.

The promotion of the State of Orissa was carried out through a well planned out Business Opportunity Seminar

on 28th February 2007 on investment opportunities in Orissa supported by a number of key organizations such as the Indian Embassy, the Japan India Business Cooperation Committee, State Bank of India, India Trade Promotion Organization (ITPO), etc. and attended by over 70 participants. At the end of the seminar about 12 bilateral business meetings were held at the venue. This was followed with one to one business meetings with 17 companies and 7 public sector organizations who were interested in the sector profiles and some projects (both industrial and CDM) circulated in advance by UNIDO ITPO Tokyo, as well as in new business proposals. The meetings were also held with 10 companies located in Osaka and 1 in Chiba on leads provided for the metal sector, Japanese language investments in Orissa and in Tourism. These meetings created a better understanding of requirements of these companies and at the same time promote the State.

A number of Companies such as Nissin Corporation, FRIPOR in sea food business, Mitsui & Co., Itochu Corporation, JFE Steel, Three-M Industries, METAX, have requested more information and sector reports and evinced interest to invest in Orissa. Major interests were also shown in CDM areas for investing in clean technologies in Orissa both by the Japanese Government and Private sectors. Firm ties were also established with Non-Resident Oriya association in Japan and Japan India Business Cooperation Committee.

Orissa Stall at HANNOVER MESSE 2007-Promoting Orissa

Team Orissa for the second time is going to take part in the Hannover Messe 2007(16th to 20th April 2007) by putting up Orissa stall in Hall No.5; Stall No.48.The three member delegate of Team Orissa are to showcase potential strength of Orissa in key sectors of development that Orissa can offer to the International Investor community, what can be termed as "Opportunity Orissa".

Outlook for HANNOVER MESSE 2007



Chairman of the Managing Board of Deutsche Messe.

The issues that are currently shaping the agenda at HANNOVER MESSE are the national and global debate about rising energy consumption, energy efficiency, the pros and cons of relocating

production abroad, and safeguards against product piracy in business. No other event worldwide can offer so many stimulating new ideas or so many innovations in the area of production and process solutions for every type of application right across the industrial spectrum. Furthermore, the HANNOVER MESSE formula, with 13 leading international trade shows staged in parallel at one venue, is quite unique. Instead of focusing on specific industrial sectors or technologies in isolation, the Hannover Fair shows how all the discrete elements are integrated and combined in modern manufacturing systems. The resulting synergy effects make HANNOVER MESSE an absolute must-see for business owners, designers, engineers and buyers. Consequently [HANNOVER MESSE leads the field when it comes to making new business contacts and establishing or developing commercial links with international markets.](#) HANNOVER MESSE offers all this at one time and in one place - and with more comprehensive coverage than any other trade shows worldwide. That is what makes HANNOVER MESSE truly unique.

Other Updates (National-International)

Consider India a developed Nation

London, March 9: India and China should be considered developed countries and the UK could benefit from engaging these two emerging economic powers through trade, investment and the sharing of ideas, **British Ambassador for Overseas Business Lord Swraj Paul has said.** The products they are making are competing with those of the developed countries and the people engaged in the manufacturing processes are on par with the developed nations in terms of skills and numbers," the NRI industrialist said.



Lord Paul, who was **addressing members of the Eton College Keynes Society on 'Britain's Economic Relations with India and China'**, last evening, said "for certain products, we in the developed countries are now dependent on India and China."

He noted that both countries were enjoying their roles as global players, and "that is why they are keen **for the Doha Round to go through** while the developed countries are reluctant to see that happen."

Observing that the investment climate in India is becoming more favorable, Lord Paul said India's English-speaking, educated workforce has been a huge positive for foreign investors looking for good destinations to invest. "India is likely the only large country where the size of the working population is expected to grow over the next 20 years." In addition to this demographic advantage, investment liberalization initiatives have recently made India a more attractive location for foreign direct investment.

"British intellectuals and policy makers have been showing for generations that open markets benefit both trading partners. The Prime Minister has also repeatedly declared his commitment to challenging EU agricultural policies," Lord Paul said. He said the UK stood to benefit from outsourcing work to India.

"One hears from time to time the cry about jobs going overseas because of outsourcing. However, the Confederation of British

Industry has come to the conclusion that **outsourcing has added something in the region of 16 billion pounds to the British economy.**" He said, "This is because the talent in Britain has been released from doing things that can be done cheaper elsewhere to concentrate on higher technology and more added values." Lord Paul, Chairman of the USD 1.5 billion Caparo Group, spoke analytically about the positive and negative aspects of India's growth.

Noting that "India is on the path towards major power status," Lord Paul said the first major hindrance that strikes a new or a frequent visitor to India are the traffic jams, transport chaos and poor infrastructure - not to mention erratic power supply.

"Infrastructure such as roads and power, are simply inadequate and many public services like drinking water and education have worsened. The growth in India's working population will not add to its prosperity unless more of its young people are educated. Fifty per cent of Indian women are illiterate compared with only fourteen per cent in China."

Noting that India is one of the world's fastest growing nations, Lord Paul said, "measured by market exchange rates, India's GDP is almost USD 900 billion last year. Exports of goods and services total roughly USD 150 billion per year. And the forecasts continue to show promising signs for the Indian economy." In addition to the macroeconomic trends, a new aspect of India's globalization and growth can be found at the corporate level.

"Indian companies, with their outflows of foreign direct investment, are now becoming multinational corporations. Indian companies, eager to invest abroad, are acquiring manufacturing firms - for example the recent acquisition of Corus by Tata - in addition to premier software services brands, such as TCS, Infosys and Wipro." Similarly, he said, China is also poised to become a major player in the world economy. (PTI)

India a land of opportunities: Canadian leader

Toronto, March 8: Terming India as "a land of opportunity", a top Canadian leader has asked companies to formulate strategic plans to do business with the emerging Asian nation." Canadian companies should formulate strategic plans to do business with India as the country was emerging as, 'a land of opportunity'," Premier of Canadian province of Ontario Dalton McGuinty said. Ontario sees tremendous opportunities for a closer commercial relationship with India and is formulating aggressively strategies

for more cooperation and business collaborations, he said while addressing Canada-India Business Council (C-IBC) Information Technology Forum on Wednesday. Over 100 top executives from Canadian companies were participating in the seminar, "**Canada and India IT: A Marriage Made in Heaven**," organized by the C-IBC.

Take up social responsibility: FM to India Inc

New Delhi, March 8: Finance Minister P Chidambaram castigated corporate honchos for turning deaf to crying social issues and asked why none of them came forward to take over ITIs and provide jobs to physically challenged persons despite a host of incentives announced in the Budget. "When we are promising 100,000 jobs to physically challenged...it's a challenge



not only for government but also for you. **I did not hear anyone of you speak about how you will provide jobs to Physically challenged persons**", he asked industry leaders in a post-budget meeting with Assocham. In his Budget, Chidambaram had promised that the **Government will reimburse the employers' contribution to EPF and ESI for the first**

three years if they provide jobs to the disabled persons. The Finance Minister was equally concerned that none from India Inc came forward for upgrading ITIs despite the budgetary promise of providing interest free loans for modernization of these institutions.

When I offer 1,396 ITIs (for up gradation) and I promised Rs 2.5 crore (interest free loan) per ITI, I did not hear anyone of you say

this is challenge for industry and we will come forward and takeover ITIs," he said. He asked the corporate world to appoint someone as the chief of social responsibility in the same way as they have CEOs, COOs and CFOs.

"CFOs are breathing over the neck of COOs, COOs are breathing over the necks of CEOs, I quite understand this," he said in a light vein.

Reforms needed to sustain Indian growth: IMF

Washington, March 9: India needs to build infrastructure and reduce poverty faster to ensure it can sustain rapid economic growth, experts from the International Monetary Fund and World Bank said on Thursday. **Charles Kramer**, division chief of the Asia and Pacific Department of the IMF, said India must grapple for a balance between the rapid growth of as high as 8 per cent it has achieved in recent years and dangers of overheating.

Potential for sustained growth is underpinned by India's young and growing workforce and a high ratio of workers to retirees, increasing productivity and the modernization of its financial system that has seen credit expand, he said.

However, signs of inflationary pressure can be seen in industrial capacity utilization hitting a 14-year high, rising wages and goods prices and the credit expansion, Kramer told a symposium at the Brookings Institution in Washington.

The IMF recommends that India continue policies to tighten an accommodative monetary policy reduce public debt and modernize the financial sector while also addressing bottlenecks in water supply, electricity and transportation, he said.

"Through a better alignment of fiscal and monetary policies, through bolstering the infrastructure and developing capital markets, we think that India can strike the right kind of trade-off between overheating and growth and really make growth sustainable over the medium term," he said.

Shantayanan Devarajan, chief economist of the Human Development Network of the World Bank, said India faces "huge

political constraints" to reforms that would help share the growth among India's one billion still mostly poor people.

"Even though growth has really accelerated, what's really quite surprising is that the rate of poverty decline has not accelerated," he said. Poverty declined at one per cent annually in the 1960s and at the same rate early in this decade.

In India, where 93 per cent of the labour force of 400 million people is informal, fast growth has also not been matched by a comparable increase in employment, said Devarajan.

India's much-celebrated information sector and outsourcing successes still employ at most two million people, while "the bulk of the labour force is in a very different situation than what we hear about in the newspapers," he said.

Devarajan faulted rigid labour regulations that make it costly to hire and fire Indian workers and vested interests that blunt or distort economic reforms at the grass-roots level and local governments which fail to deliver services.

"Politics is standing in the way of not just making markets work but making markets work for the poor," he said, warning of possible backlashes if more Indians are unable to reap benefits from economic liberalization. (Reuters)

India eyes tea-tasting tourism

Berlin, March 10: If Europe has wine-tasting tourism, India's answer to that is a tea-tasting tourist circuit. That, along with holding international conferences, is the new area India plans to focus on as it seeks to boost in-bound tourism in the coming years, **Tourism and Culture Minister Ambika Soni** has said.



There are plans to develop tea-tasting circuits similar to the wine-tasting tours offered in Europe, she said at a press conference. Convention tourism is another area which the government is keen to develop as it holds great potential in India, Soni, who was in Berlin to launch 'India Incredible' campaign at the International Tourism Exchange, said.

At present, India's share is only about 8 per cent of the annual global business of US dollars 280 million generated by convention tourism. Outlining the measures taken by the government and the industry to promote tourism sector, Soni said hotel capacity will be significantly improved with the addition of 100,000 new beds planned for the current year. Liberalisation of aviation sector and 100 per cent foreign investments allowed in tourism sector are expected to attract more foreign investments into the country, she said. Current efforts to diversify tourist attractions by offering new products such as adventure tourism, wellness tourism, medical tourism and golf tourism will have a positive effect on foreign tourist arrivals as well as on domestic tourism, she added.

US cut in aid to India

Washington, March 8: The Bush administration has proposed an unwarranted 35 per cent cut in aid to India in its 2008 budget, raising doubts about the US commitment to transforming ties with the world's largest democracy, a key lawmaker said on Wednesday.

US aid to India was \$131 million in 2007, but the administration's 2008 budget request is for \$81 million. This would "effectively zero out highly successful USAID (US Agency for International Development) programs in clean energy development, water and sanitation, women's rights, and basic education," the California Democrat said.

India tops online population growth chart

New Delhi, March 6: India has emerged as the fastest growing country of Internet users, surpassing the growth rates in the US, China, Japan and has been ranked as the **eighth largest country in terms of netizens**.

The number of people using Internet worldwide grew by 10 per cent in a year till January to **747 million people, with India topping the growth charts with a 33 per cent jump**, a new study shows.

According to data compiled by Internet usage tracking firm **comScore Networks**, **India had over 21 million Internet users** aged over 15 years at the end of January, as against below 16 million a year ago.

While the **US has retained its position being home to the world's biggest online population with over 153 million total Internet users**, it registered a marginal growth of just two per cent in a year.

India overtakes Japan in billionaires

New York, March 9: By sheer numbers, **Indians topped the list of richest people in Asia with 36 billionaires**, of whom *Forbes* placed Lakshmi Mittal, Mukesh Ambani and Anil Ambani in the ultra elite global top 20. The combined wealth of Indian

billionaires, including familiar names like Azim Premji, K P Singh, Sunil Mittal, Shashi and Ravi Ruia, Pallonji Mistry and Adi Godrej, swelled to **USD 191 billion -- equal to one-fourth of India's GDP. (Reuters)**

India has most billionaires in Asia

New York, March 9: The **world's richest are getting younger and richer with more Russians and Indians cropping up among the 946 people on Forbes magazine's 2007 billionaires list unveiled on Thursday**. The number of billionaires is 19 per cent higher than last year when there were 793, and their total net worth grew 35

per cent to \$3.5 trillion, the magazine said. **"This is the richest year ever in human history,"** said Forbes Chief Executive Steve Forbes. "Never in history has there been such a notable advance." (*Forbes*)

India puts final touches on claim on area under sea

India is in the advanced stages of finalising its **claim on the continental shelf under the sea**—in accordance with provisions of a UN law—that will almost double the country's sea area but also, and more significantly, could go a long way in resolving a key territorial dispute with Pakistan. **Sir Creek, a 96-km strip of water** which opens into the Arabian Sea and divides the Rann of Kutch in India and Sindh in Pakistan, has been one of the most ticklish issues between the two countries. Pakistan claims the whole of the creek while India's position is that it should be divided mid-channel. It's because of this dispute that the maritime boundary between India and Pakistan has not been demarcated since the reference point for maritime boundary has to be on the base coastline. However, India and Pakistan are now understood to be working backwards to resolve this issue—**try to fix the maritime boundary first and then reach the landmass**. It's in this context that the decision as to how much of the continental shelf India

claims becomes very important. The **continental shelf is the natural prolongation of the land territory under the sea until the end of the continental margin**. According to the United Nations Convention on Law of the Seas (**UNCLOS**), of which India is a signatory, **a coastal country can claim exclusive rights for exploiting mineral and non-living resources in the continental shelf provided it does not extend beyond 350 nautical miles (648 km) from the baseline**. However, in this region, **India's fishing rights are restricted to the Exclusive Economic Zone that is 200 nautical miles (370 km) from the base coastline which works out to roughly 2.1 million square km**. Sources say the claim can be around 1.5 million square km which, **if granted, will make the total sea area under India's control approximately equal to its total land area of 3.28 million square km**.

Cabinet nod for Bill on entry of foreign varsities

Eight months after it was first brought before the Cabinet and referred to a Group of Ministers (GoM), the **Bill to regulate entry and functioning of foreign universities was approved by the Cabinet on March 1**. The Bill, expected to be introduced during the Budget session of Parliament, is likely to be referred to the Parliamentary Standing Committee of the HRD Ministry. **The Foreign Educational Providers (Regulation of Entry & Operation, Maintenance of Quality & Prevention of Commercialization) Bill** will enforce all national laws, including reservations for SCs, STs and OBCs, on these institutions. According to the Bill, these universities will be given the status of deemed universities —under Section 3 of the University Grants Commission (UGC) Act—and their operations will be monitored by the UGC. The UGC Secretary will be ex-officio registrar of foreign educational providers. The Bill puts foreign educational institutions under the ambit of all regulations of the UGC Act, which are

applicable to deemed universities, including admission, fee-fixation and quality teaching standard. **But it has a clause to exempt leading institutions—Harvard, Yale, Oxford to name a few—from UGC regulations**. According to the Bill, an advisory board will decide if a foreign university seeking exemption from provisions of this law deserves the exceptional treatment in view of their reputation, standing and other criteria to be finalized by the government. This board will have three distinguished professors recognized as National Research Professors—one of them will be the chairperson—and heads of the statutory higher education regulators. Foreign universities seeking this exemption will **have to invest at least 51 percent of the total capital investment required and will be barred from investing the surplus generated for any other purpose**.

India Inc to impart urban land use training

NEW DELHI, MAR 9: Real estate developers are launching their own courses or tying up with foreign institutes to counter the lack of trained manpower. Leading the bandwagon is **DLF**, which is **reportedly in the process of tying up with US-headquartered Urban Land Institute to set up a branch in Gurgaon.**

This is for the first time that a leading developer in the country is tying up with a foreign organisation to offer courses in real estate. **Urban Land Institute** aims to provide leadership in the "responsible use of land and in creating and sustaining thriving communities worldwide". It initiates research that anticipates emerging land use trends and issues, proposing creative solutions based on the research.

According to sources, Urban Land Institute, besides helping DLF get trained manpower, will also take advantage of the national as well as international research that the organisation does on land use in urban areas. Besides DLF, Emaar MGF is also planning to launch short-term courses in retail merchandising and management shortly, **owing to the huge demand that the retail sector is expected to generate.**

The sector is expected to create 50,000 jobs every year for the next five years, a study by industry chamber Assocham has said. Till date, only non-profit organisations or government agencies like the **National Real Estate Development Council** have launched such courses.

\$ 5 billion fund for infrastructure projects

Recently, US based banking giant **Citi Group** and private equity player **Blackstone**, joined hands with India's public sector infrastructure finance companies **IDFC and IFCL** to set up a fund with a corpus of \$ 5 billion to finance infrastructure projects. Each of the partners will invest \$250 million for the same. The rest, says IDFC managing director **Rajiv Lall**, is expected to be raised abroad. Over the next five years, India will require around \$320-350 billion to fund its infrastructure needs. This translates into a rough average of \$70 billion or Rs 31,500 crore per annum in investment requirements.

According to IDFC chairman **Deepak Parekh** this money is not available in the domestic market. Investments from foreign players will then be the key. Clearly, the joint investments by IDFC, Citi and Blackstone are just the beginning of a long process. With India's growing infrastructure needs and increasing global ambitions that have fuelled billion dollar takeovers and acquisitions, there is a demand for more and more high value and long term debt from Indian companies.

As most Indian banks do not have the financial muscle to finance many such projects, increasingly Indian companies are turning to foreign lenders and institutions. Traditionally, these lenders have been averse to investing in long term projects in emerging economies on account of the risks associated with such countries. In India's case, they have burnt their fingers often.

The country's power sector is replete with such examples. **The Enron project that started in 1996 and is still not complete is an example. Exits by other companies like Cogentrix that pulled out of the Mangalore power project and China Light CMS Energy, that exited from three power projects in 2001 are some other examples.** Equally, domestic projects that are stuck are also unnerving. **For instance, NHAI has had huge problems in land acquisition, the Tata controversy mars its expansion in West Bengal, delayed port and airport projects all prove that investing in India is still fraught with risk.**

IT industry hires 3, 80,000 in 2006-07

Bangalore, March 8: India's booming IT and ITes sector is estimated to have hired 3,80,000 people during the current financial year as demand for technology talent gained further momentum, officials said. The information technology (IT) sector took on board **180,000 people** and information technology-enabled services (ITes) **200,000** on a gross basis in 2006-07 (April-March), according to industry estimates.

The country's top four software exporters among themselves -- TCS (35,000), Infosys (30,000), Wipro (28,000) and Satyam (20,000) -- accounted for 1, 13,000 during the 12-month period, industry sources said. Director and HR Chief of Bangalore-headquartered, NASDAQ-listed Infosys, **T V Mohandas Pai**, said

the headcount growth was about 35 per cent compared to the previous financial year (2005-06).

Average salary growth seen during the year was 12-15 per cent as before but there was more overall demand for engineers from other industries in India, Pai said in Bangalore on Thursday. **"IT industry is finding it tougher to hire quality talent because of growth. There is need for more training,"** he said.

On shortcomings that the industry sees in fresh engineering graduates, Pai said their education was not based on what was needed by the industry. **"Soft skills are poor and communication is way behind needs".**

GDP grows 8.6%; farm sector down at 1.5%

The economy continued to grow at a rapid pace **of 8.6 per cent** in the third quarter of the current financial year, led by the manufacturing and services sector while **farm growth plunged to a low of 1.5 per cent.** The 8.6 per cent expansion during October-December 2006-07 followed the growth of 8.9 per cent and 9.2 per cent in the first and second quarters of this fiscal, taking the average growth so far this year to just below nine per cent. **Manufacturing rose 10.7 per cent** in the third quarter compared to 8.2 per cent a year ago, while farm sector growth declined to a mere 1.5 per cent as against 8.7 per cent in the third quarter of 2005-06, according to latest government

estimates. In services, **construction growth slowed down to 9.8 per cent** from 16.6 per cent, **financial services rose by 11.6 per cent** compared to 9.8 per cent a year ago. **Trade, hotels, transport and communication sector** witnessed a growth of 13 per cent from 10 per cent a year ago.

Growth in the mining sector stood at 5.7 per cent as against 2.7 per cent, while **electricity, gas and water supply sectors registered a growth of 9.3 per cent** compared to 5 per cent in the year-ago quarter.

Services account for 55 pc: economy survey

The **services sector** continued its growth momentum to retain its supremacy, accounting for **over 55 per cent** of the economy even though **industry grew at a blistering pace of 88.7 per cent** since 1999-2000. "Services contributed as much as 68.6 per cent of the overall average growth in GDP in the last five years between 2002-03 and 2006-07. The share of **services improved to 55.1 per cent**," said the Economic Survey for 2006-07 that was presented in Parliament.

The growth in services has been broad based, with **three sub-sectors - trade, hotels, transport and communication services** - boosting the sector by growing at double digit rates for four consecutive years.

Impressive growth in IT and ITeS services, rail and road traffic and fast additions to the existing stock of telephone connections,

particularly mobile, played a key role in such growth, the Survey said.

Outside the sunrise and conventional sub-sectors, **financial services like banking, insurance, real estate and business services** grew at a strong **11.1 per cent** in 2006-07. After a slow growth of 5.6 per cent in 2003-04, this sub-sector bounced back in the past two years. The realty boom too supplemented it.

Tourism, which is part of services, also saw impressive growth. IT-enabled services and the BPO industry grew substantially, with Indian companies expanding their service offerings. There was also growth in the telecom sector, with India emerging as the world's fastest growing telecom market. (PTI)

Poor connectivity undermining ports: economic survey

Slow evacuation of cargo coupled with poor hinterland connectivity has undermined the efficacy of ports and it is imperative to develop a multi-modal system to enhance their competitiveness, the Economic Survey says. "Despite having adequate capacity and modern handling facilities, **average turnaround time is 3.5 days as compared to 10 hours in Hong Kong**, which undermines the competitiveness of the Indian ports," pointed out the Economic Survey tabled in Parliament.

"An **efficient multi-modal system**, which uses the most efficient mode of transport from origin to destination is a prerequisite for smooth functioning of any port," the Survey observed. This involves **coordinating rail and road networks to ensure good connectivity between ports and the hinterland**.

The Survey said that till October 2006 in the current fiscal, **cargo handled by major ports registered growth of 6.6 per cent**, down from 10.4 per cent in the corresponding seven months of the previous fiscal.

In the port sector, the areas that have been **opened up to the private sector include cargo-handling berths, dry docks, container terminals, and warehousing and ship repair facilities**. The Survey said all port trusts have set up groups with representatives from the NHAI, railways and state governments to prepare comprehensive plans aimed at improving rail-road connectivity of ports.

"The pre-berthing, waiting time at major ports on account, however, increased from 6.03 hours in 2004-05 to 8.77 hours in 2005-06. Significant inter-port variations in pre-berthing waiting time continued to persist," the Survey said.

The annual **aggregate cargo handling capacity of major ports increased from 397.5 MT per annum in 2004-05 to 456.20 MTPA in 2005-06**, with the average **turnaround time increasing marginally from 3.4 days to 3.5 days** in 2005-06.

The average output per ship berth-day improved from 9,240 tonnes in 2004-05 to 9,267 tonnes in 2005-06. **There was an impressive growth of 13.6 per cent per annum in container traffic during the five years ending in 2005-06**.

Privatisation of port facilities and services in the country has gathered momentum, and operators can enter into a service contract, management contract or concession agreement to operate port services, the Survey said. About **80 per cent of the total volume of traffic handled by ports was in the form of dry and liquid bulk**, with the residual consisting of general cargo including containerised cargo.

American Airlines shifts call centre to India

Bangalore, March 8: American Airlines, a founding member of the **one-world alliance**, has announced the shifting of **its Asia Pacific call centre operations to India, from Australia**. The world's largest airline has appointed Bird Information Systems Pvt Ltd (BIS), a leading technology provider of automated aviation

and travel related software solutions, to provide **call centre services** for travel related queries of its customers in India and the Asia Pacific region, it said in a statement.

Idea to invest \$2 bn in two years in India

Mumbai, March 9: **Idea Cellular**, the Aditya Birla Group owned Telecom Company which **got listed on bourses, will invest USD two billion in the next two years to compete in the booming Indian telecom market**. "Idea plans to invest approximately two billion dollars in the next two years towards network expansion," Idea Cellular CEO **Sanjeev Aga** said. Idea currently operates in 11

circles out of 13 for which it has been issued license. It has applied for license in nine new circles. In the past six month the company has launched operations in Himachal Pradesh, Rajasthan and Eastern Uttar Pradesh. It will launch operations in Mumbai and Bihar this year.

RCoM-in Rs 1 trillion m-cap club

Mumbai: Anil Ambani group flagship **Reliance Communications (RCoM)** has entered the elite club of companies with Rs 1 trillion

market value-on the back of robust quarterly results, joining the likes of ONGC and RIL. The company has

become **the seventh company** to gross a market capitalisation of **Rs 100,000 crore**. State-run Oil and Natural Gas Corporation is at the top with a market value of about Rs 1,94,000 crore, followed by Reliance Industries at Rs 1,92,000 crore, IT giant TCS

at Rs 1,27,000 crore, Infosys Rs 1,25,000 crore and PSU major NTPC at Rs 1,18,000 crore. RCoM still remains a notch below its rival Bharti Airtel which has a market cap of Rs 1,42,000 crore.

IPCL to merge with RIL

Mumbai, March 10: Reliance Industries' Board approved the merger of Indian Petrochemicals Corporation Limited (IPCL) with itself. As per the swap ratio, every RIL share will get 5 shares of IPCL. RIL's associate companies hold 47.3 per cent of IPCL's

equity share capital, the release said, adding these shares would be exchanged for equity share of RIL having current market value of over Rs 3,700 crore.

Barak Valley plans Rs.700 crore investments in cement unit

Assam-based Barak Valley Cements (**BVCL**) plans to set up a **6,000 tpd cement manufacturing facility either in Orissa or in Jharkhand**. The project will entail an investment of Rs.700 crore. The company has applied for lease of limestone mines to both state governments and plans to rope in a strategic partner for the project. Location of the facility will be finalised within three to four months.

BVCL has finalised a **Rs.45 crore expansion plan** which includes a **6 MW biomass based captive power plant and increasing capacity of cement from the present 450 tpd to 650 tpd at its existing facility near Silchar**. This expansion plan will be implemented by May 2007.

Silicon Valley NRIs plans semiconductor units in India

Hindustan Semiconductor Manufacturing Corporation (HSMC), an SPV floated by a group of Silicon Valley NRIs are planning to set

up two semiconductor manufacturing units with an investment of \$4.5 billion.

Double-digit growth for Chinese textiles in 2007

Beijing, March 25: China's textile industry will grow by more than 15 percent in terms of output value, profits and exports year-on-year in 2007, forecast experts with the National Development and Reform Commission (NDRC). With technological innovation and optimization of industrial structure, Chinese textile enterprises have improved their ability to compete on the world market, according to a study by the NDRC experts. **Chinese textile enterprises recorded a total output value of 2.46 trillion yuan (\$307.7 billion) in 2006, a rise of 21.3 percent from a year earlier.** Their profits hit 88.3 billion yuan, up 28 percent. The sector's exports amounted to 147.1 billion yuan worth last year, a year-on-year rise of 25.1 percent. The export volume included \$52.3 billion of textiles, up 18.8 percent, and \$94.8 billion of clothing, up 28.9 percent. Influenced by the export quotas imposed by the European Union (EU) and the US, Chinese textiles and clothing exports to these regions dropped markedly last year. Exports to

the EU totaled \$23 billion in 2006, up 21.7 percent year-on-year, but the growth rate was 33.6 percentage points lower than the previous year. Exports to the US hit \$23.1 billion last year, up 18.1 percent, but the increase rate was 48 percentage points lower than the previous year. Increases were recorded in exports to other countries and regions, which did not impose quotas on Chinese textiles and clothing, according to experts. The study says Chinese textile enterprises will face more pressures in export trade in 2007. **The pressures would result from revalued Renminbi, cuts in the export tax rebate and export quotas imposed by the EU and the US. Shortage of cotton supply, import of raw materials, lack of labour force and higher requirements for environmental protection will also pose challenges to the development of China's textile industry, according to the study.** (IANS)

Europe Sets Ambitious Limits on Greenhouse Gases



(Chancellor Angela Merkel of Germany, with other German and European officials in Brussels)

BRUSSELS, March 9: The European Union approved a compromise agreement that would make Europe the world's leader in the fight against climate change but would also allow some

of Europe's most polluting countries to limit their environmental goals.

Issuing a challenge to the United States, China and India to match European ambitions in the battle against global warming, **Chancellor Angela Merkel of Germany** called on the world to follow the European Union's commitment to reduce greenhouse gas emissions by 20 percent from 1990 levels by the year 2020. She said the bloc's 27 members would commit to a 30 percent reduction if other nations followed suit.

The plan goes beyond the 35-nation Kyoto Protocol, which requires industrial nations to reduce the emission of global-warming gases by an average of 5 percent below 1990 levels by 2012. Major European Union economies had already committed to do better than that, promising to decrease greenhouse gases by 8 percent in that time.

The accord by the European Union — unveiled after two days of heated negotiations and hailed by **President Jacques Chirac of France** as "a great moment in European history" — will require the bloc to derive a fifth of its energy from renewable sources like wind and solar power by 2020. Renewable accounts for less than 7 percent of the energy mix used by the Europeans. The bloc will also be required to fuel 10 percent of its cars and trucks on biofuels made from plants by 2020. Mrs. Merkel said the agreement would help the European Union become a model for the rest of the world. "This text really gives European Union policies a new quality and will establish us as a world pioneer," she said. (Reuters)

New master plan for Gurgaon

Gurgaon: Inspired by the Chandigarh town-planning model, the new Gurgaon-Manesar Urban Complex Plan 2021, the first master plan for the region, aims to keep population density in the newly covered areas lower than in the old. The focus is on having green cover, increasing residential space, enhancing commercial space, and improving connectivity with neighboring Delhi. By making 14,930 hectares available for residential, and 1,404 hectares for commercial development, the new Gurgaon Master plan is expected to boost real estate development in Gurgaon. Market sources expect the new supply could be good news for the middle-class— apartments at Rs 2,000-2,500 per sq ft in a market where very few are available for less than Rs 2,700 per sq ft. This could

also lead to some price correction in developed areas, say realtors. Prices in the new sectors being created under the plan will be at least 30-40 per cent lower than in existing sectors, said Pradeep Jain, chairman, Parsvnath Developers. "You can expect the same rate differential between Noida and Gr Noida in Gurgaon and Greater Gurgaon," he said. With more land becoming available, he said, developers will start focusing on the middle and lower segments and not only on high-end housing as they have been doing so far. (ENS)

Mittal eyes POSCO!

London, March 16: *the Korea Economic Daily* reported that the world's largest steel maker Arcelor-Mittal was mulling hostile takeover of Pohang Steel Company (POSCO) and a message about Arcelor-Mittal's interest was conveyed to the Korean major last month. The paper said that Roland Junck, an adviser to Arcelor-Mittal CEO Lakshmi Mittal had in February asked POSCO specific questions about its merger and acquisition strategies in Asia. Junck also asked if POSCO, the world's third-largest steel producer, was interested in collaborations for its Orissa steel project in India, the report said. POSCO is believed to be focusing on alliances with Asian steel makers through cross-shareholding to head off potential hostile takeover bids, as part of which Nippon



Steel recently raised its holding in POSCO by two per cent to five per cent. POSCO's possible acquisition could be another big deal in steel space after Mittal Steel's 38 billion dollar takeover of European giant Arcelor last year and Tata Steel's 12 billion dollar winning bid for Corus in January this year. POSCO CEO Lee Ku Taek has repeatedly said that the company should boost its value to avoid becoming a takeover target. He had said in a communiqué to the company's shareholders last month that "if our market value increases, reducing the merits of a takeover, then there won't be any mergers and acquisitions."(PTI)

POSCO denies hostile bid

Seoul, March 16: POSCO Co Ltd, the world's third-largest steel maker, denied a media report on Friday that a senior Arcelor Mittal executive expressed interest in POSCO's M&A strategy when he visited South Korea last month. (Reuters)

Govt seeks report on delayed POSCO project

New Delhi, March 16: The Union government has asked authorities in Orissa for a progress report on a planned \$12 billion investment by South Korean steelmaker POSCO Co. Ltd., which has been hit by delays. The steel complex proposed for eastern Orissa state would be India's largest single foreign investment and would be built on land held by both the state administration and local people. POSCO, the world's third-largest steelmaker, needs

4,000 acres of land for its Indian venture, which it hoped to have signed for by April. Work was to begin immediately. Despite the delay, a spokeswoman said earlier the project's first phase would be commissioned by the end of 2010 as planned. (Reuters)

Godrej, Swedish firm in pact

Mumbai, March 24: **Godrej Consumer Products Ltd (GCPL) and Swedish firm SCA Hygiene Products AB** signed an agreement to form a joint venture company, Godrej SCA Hygiene Ltd. The new entity will manufacture and market sanitary napkins and baby diapers in India, Nepal and Bhutan. The firm will set up manufacturing operations in India. Feminine hygiene protection and baby diapers are the fastest growing categories in the FMCG segment. The feminine hygiene protection category is estimated at Rs 800 crore while the baby diapers business stands at Rs 200

crore. Godrej group chairman A. B. Godrej will be the chairman of the new entity. SCA is a global consumer goods and paper company that develops, produces and markets personal care products, tissues, packaging solutions, publication papers and solid-wood products. GCPL, which recorded sales of Rs 700 crore in 2005-06, is the second largest toilet soap player in the country. Some of the brands that comprise its portfolio include Cinthol, Godrej Fair glow and Godrej No.1. It has

manufacturing facilities at Malanpur (Madhya Pradesh) Baddi & Katha (Himachal Pradesh) & Guwahati (Assam). With the acquisition of 100 per cent ownership of Keyline Brands Ltd in the UK, the company also owns several international brands and trademarks in developed markets that include Europe, Australia

and Canada. The recent acquisition of Rapidol South Africa has also given GCPL an over 80 per cent share of the South African ethnic hair colour market. (Telegraph)

India should allow export of low quality ore

Luxembourg, January 14: NRI steel tycoon L N Mittal has said that India should restrict export of iron ore but allow companies to sell lower quality ore overseas. "There is plenty of iron ore in India but we should restrict export growth of higher FE (ferrous) content ore and allow ore containing lower FE," Mittal told a group of Indian journalists here last week in reply to a question. His remarks come against the backdrop of chief ministers of Orissa, Jharkhand and Chhattisgarh suggesting to Prime Minister

Manmohan Singh on December 27 last year that export of iron ore should be frozen at the current level and work out a mechanism to slash them gradually. Their view ran counter to the recommendations of the Anwarul Hoda Committee that iron ore export can go on for ten years. Mittal has signed an agreement with Orissa for setting up a 12 million tonne steel plant. (PTI)

Govt to review FDI regulation

New Delhi, March 16: The Government said it is looking at having an uniform Foreign Direct Investment (FDI) cap in different business segments within a sector as part of the review to streamline foreign investment regulations. The same FDI limit in different segments within a sector would reduce the complexity and result in caps going up in different business area in sectors like media and aviation. In the review, the government could also liberalise FDI norms in Asset Reconstruction Companies, where the limit currently stands at 49 per cent through Foreign Investment Promotion Board



approval. In banking sector, the cap on voting rights is also likely to be reviewed. In petroleum, the dilution of condition that 26 per cent of the equity must be divested in favour of Indian entities in five years could be a part of the changes. In aviation, the proposal is to set a separate head of Air Traffic Services. The government will define what constitutes these services and whether they should have different FDI rules and limits.

India, US trade grows 19.12 pc at \$31.92 bn

New Delhi, March 15: Trade between India and the US grew 19.12 per cent for calendar year 2006 at 31.92 billion dollars, with the balance of trade in favour of India by 11.74 billion dollars, the Indo-American Chamber of Commerce (IACC) has said. US exports to India increased 26.31 per cent from 7.99 billion dollars to 10.09 billion dollars, while imports stood at 21.82 billion dollars from 18.80 billion dollars, an increase of 16.07 per cent for the same period over previous year, IACC said in a statement. "This

increase in exports to India is significant on account of the concerns expressed by the US that its imports to India have plateaued," IACC said. Given the fact that US is India's largest trade and investment partner, the chamber points out that a free trade agreement needs to be explored between the two countries, which would promote bilateral trade and investment.

Inspired by Ratan Tata, US now eyes Bengal

Kolkata, March 8: The Tata small car manufacturing unit at Singur is all set to bring in foreign direct investment from the US. This was evident from the words of Ron Somers, president of US-India Business Council (USIBC), who is leading a delegation of US businessmen to Kolkata, scouting for investment opportunities in the state. At a function organized today by the CII to discuss Indo-US economic co-operation, Somers said, "It is Ratan Tata who has inspired our confidence by agreeing to set up the small car manufacturing factory at Singur. He is Mr India. He is a man of honesty and thorough professionalism. He is largely responsible

for our coming here." "West Bengal is now the ultimate destination for investors because the situation here is all conducive for investments," Somers said. The USIBC is also going to formally invite the Chief Minister to visit the US. The areas of investments that the delegates — *members of the US Chamber of Commerce based in Washington — are looking at include chemical hubs, IT, agro-industries and engineering.*

US economic growth driven by IT:

New York, March 15: Information technology has driven nearly all of the economic growth in the United States over the last decade, adding \$2 trillion annually to the economy, according to news report. IT also creates higher-paying jobs, allows business to cut costs and boost new innovations, said Robert Atkinson, co-author of the report by the Information Technology and Innovation Foundation (ITIF). "For the United States alone, what we found was that because of the digital revolution, GDP is \$2 trillion larger today than it would have been had growth in the post-1995 era proceeded at the 1974 to 1995 rate," said Atkinson, who is also President of ITIF. While productivity impacts

from IT are among the highest in the United States, the report says most other nations have benefited from the IT revolution as well, including Australia, Canada, Finland, France, Germany, Korea, Japan, the Netherlands, and Switzerland. Moreover, while its impact is not as large in most developing nations, IT is making a difference, in part because IT expenditures rose twice as fast in developing nations from 1993 to 2001 compared to the Organization for Economic Co-operation and Development (OECD) average. For example, the report finds that IT usage in China was responsible for 38 per

cent of the increase in total factor productivity growth and 21 per cent of GDP growth. (PTI)

Tata restarts talks on \$3 bn B'desh investment

Dhaka, March 14: Tata Group this week tried to revive its 2-year-old plan for Bangladesh's biggest inward investment, opening talks with the new army-backed government, a company official said. Back in October 2004, the **salt-to-software Indian conglomerate announced a steel plant and fertilizer factory project with associated power stations and natural gas supplies.** The proposal grew last year into a USD 3 billion investment plan -- more foreign money than has been invested in impoverished Bangladesh since its first full year as a country in 1972 -- but talks stalled over a failure to agree a natural gas price, and as the country descended into pre-election political confusion and violence. Tata has since stopped work on the

project, but this week it held its first talks on the matter with officials of the new government." We (Tata officials) also met the chief of the Board of Investment (BOI) as it is the key player in this regard. Tata wants to set up a steel plant with annual production capacity of 2.4 million tonnes, a urea factory with 1 million tonnes capacity, a 500 megawatt coal-fired power station and a 1,000 mw gas-fired power plant. Tata will require 200 million cubic feet of gas per day (mmcf), Manzer said. Tata also plans to set up two hospitals and two training centers for employees in Bangladesh as part of its welfare programme.

Sunil Mittal draws mega \$8 bn inv plan in telecom

New Delhi, March 11: Striving to retain the leadership position in the mobile industry, Bharti Airtel will invest a massive eight billion dollars by 2010 to have a 25 per cent market share. "By 2010, estimates are that India will have a subscriber base of 400-500 million. Bharti strives to retain up to 125 million or 25 per cent of the market," group Chairman Sunil Mittal told PTI. "We are spending nearly two billion dollars every year as the future (in terms of creation of infrastructure) continues to be stronger than

the past... by 2010, we would have doubled the investment. "We had put up about 10,000 base stations by 2005 end, another 10,000 by 2006 and this year (2007-08) we would add about 20,000," he said. Stating that Bharti has a subscriber base of about 34-35 million, Mittal said based on annualised figure of last quarter, revenues would be touching four billion dollar (Rs 18,000 crore) this year and could double by 2010.

Don't worry, come n' invest, says Manmohan

New Delhi, March 13: Inviting massive global investments, Prime Minister Manmohan Singh said India was committed to fiscal consolidation and providing an environment conducive to absorb these inflows, particularly in infrastructure, where over \$300 billion was required. He, however, admitted that India needs more reforms in banking and financial system, so that the underlying potential of savings and resources can be mobilised and



developed efficiently. "We are committed to fiscal consolidation. We have set goals for eliminating revenue deficit. We will bring fiscal deficit to levels set in Fiscal Responsibility and Budget Management Act," the Prime Minister told the "12th business round-table with the Government..." organised by the *Economist* magazine here.

HP to expand India BPO headcount by 20%

New Delhi, March 14: Amid an emerging trend of multi-national companies hiving off their India offshore units, US-based PC giant Hewlett Packard has asserted it remains committed to its BPO unit in the country and plans to increase its headcount by 20 per cent over the next one year. The company said it remains committed to its BPO (Business Process Outsourcing) business whose global capabilities provide an extensive range of services to its customers and plans to

ramp up its BPO headcount in India to 7,800 over the next year. "HP has no plans to sell or divest its business process outsourcing (BPO) business," the company's business development and communications head in India Arundhati Chakraborty said. At present, we have approximately 6,500 employees in our India centers and we expect to expand our headcount by 20 per cent over the next year, she added.

Bristol-Myers in pact with Biocon, Accenture

New Delhi, March 14: In order to expand its research and development capabilities in the country, **global pharma major Bristol-Myers Squibb Company will invest about USD 300 million over eight years through its agreements with Biocon and Accenture.** Under the agreement entered by Bristol-Myers Squibb with Biocon, it will work with its subsidiary Syngene International to establish a research facility in Bangalore housing more than 400 scientists to help advance the global company's discovery and early drug development, a company statement said. Accenture

would also provide maintenance and support for R&D information systems and Bristol-Myers Squibb would utilize its Life Science Centers for Excellence in Bangalore and Chennai, which follow industry accepted operational practices and international standards in clinical area. "This broad expansion of R&D in India will allow us to grow competitively while maintaining our industry-leading position in productivity and innovation," Bristol-Myers Squibb executive vice president Elliott Sigal said.

World Economic Forum Nominates Sheikh Maktoum Hasher Maktoum AI Maktoum as Young Global Leader for 2007

DUBAI, Mar 18, 2007: **AI Fajer Group**, the Dubai based conglomerate with diversified business ventures which includes a leading construction company, property management services, international fairs & exhibitions, manufacturing, travel & tourism, general trading & investment & development, today announces that its CEO, **His Highness Sheikh Maktoum Hasher Maktoum AI Maktoum**, has been selected as a Young Global Leader 2007 by the World Economic Forum, a Geneva-based independent international organization of world leaders from the public, private and non-governmental sectors.

The prestigious annual event recognized 250 distinguished individuals under the age of forty-one for their record of accomplishments, their commitment to society and their potential to contribute to shaping the future of the world. The candidates were evaluated by a selection committee of 34 eminent international media leaders led by Her Majesty Queen Rania of the Hashemite Kingdom of Jordan. **The Forum of Young Global Leaders is a unique, multi-stakeholder community of the world's**

most extraordinary young leaders who engage in the 2030 Initiative, a project to understand current and future trends, risks and opportunities both at global and regional levels, formulate a positive vision for the world in 2030 and provide and implement strategies to translate this vision into action. Dr. Shahram Abdullah Zadeh, CEO of AI Fajer Properties, a member of AI Fajer Group, comments:

"For those of us that have experienced boardroom meetings with His Highness Sheikh Maktoum it is no surprise that His Highness has been nominated by the World Economic Forum as a Young Global Leader. Sheikh Maktoum is well known internationally for his inspiring strategic vision. I am sure his humble approach will win many hearts at the forum."

Sheikh Maktoum will be participating in the **Annual Summit of The Forum of Young Global Leaders in Dalian, China from 4 to 6 September 2007.** -BUSINESS WIRE

Event Zero Announces Breakthrough Software at CeBIT

BRISBANE, Australia, Mar 18, 2007: A **revolutionary new suite of software from Event Zero has become one of this year's most engaging technologies at CeBIT**, the world's largest information technology trade show.

Event Zero's two main products - Event Compliance and Event Certify - have had an ideal launch pad at the renowned fair in Germany.

Every year in March, half a million industry participants head to the city of Hannover to network and find out about the latest industry trends and innovations. The Event Zero team has debuted a unique offering for a worldwide headache: tracking the multitude of activities classed as 'events' to comply with proliferating rules and laws.

"We have been previewing our technology at CeBIT to the global IT community," Event Zero chief executive officer, said from

Hannover. "They can see how organizations can utilize real business events across continents to ensure compliance and reduce risk." Many of our visitors at CeBIT have been asking how Event Zero can help overcome their specific compliance problems." Our industry packs are designed with that particular purpose in mind.

"It's clear here at CeBIT how massive this issue is becoming. Business and government are laboring under an evolving compliance regime and are looking for an efficient and effective solution to their compliance requirements." Organizations now have a lifeline with our Event Zero's software. **(Based in Brisbane, Australia, Event Zero Pty Ltd is a provider of compliance software for organizations.)**

BMW unveils 'talking car' to avoid traffic jams

Hanover (Germany), March 25: The German carmaker BMW has unveiled a "talking CAR" to help the driver communicate more effectively with his vehicle so as to avoid traffic jams. The carmaker displayed at the German computer fair Cebit in Hanover recently a BMW 3-Series convertible fitted with the auto dialogue system TALK. The onboard computer system is fed with traffic information selected from 10,000 detectors monitoring around the clock the traffic situation along the German motorways. TALK picks the information required for a specific route from a central computer, offering the driver an alternative route if necessary. According to BMW, German motorists spend on average 70 hours

per year in traffic jams with a rising tendency because of growing traffic density. Radio traffic information is only of limited help because it often reaches the motorist too late. The TALK system, which is also a Europe-wide research project, is much faster as it can also be transmitted over the car cell phone, according to BMW. Since March this year BMW is offering in Germany a navigation system in cooperation with Google Maps. Company addresses or telephone numbers are sent directly to the car navigation system via the Google.

Apollo Tyres setting up super-speciality hospital

New Delhi, March 23: Onkar S. Kanwar's Apollo Tyres group has entered the healthcare sector with a super-speciality hospital in Gurgaon, on the outskirts of the national capital, with a seed investment of Rs.2.1 billion (45 million dollar). Christened Artemis Health Sciences (AHS), the 260-bed hospital over 8.3 acres of land will open next month. "In the second phase, another 240

beds will be added," said Somnath Chakarborty, chief operating officer of AHS. "This is the first of similar ventures we have planned over the next seven-eight years. We will focus on cardiology, oncology and orthopedics in these hospitals," Chakarborty told IANS. Senior officials of the group said the second phase will

entail an investment of Rs.1 billion and that all the facilities will be fully controlled by PTL Enterprises - a subsidiary of Apollo Tyres. Chakarborty said the group was planning to open at least 10 more such hospitals in smaller cities since it was difficult to get requisite land in metropolitan areas. "So far, we have decided on four cities - Baroda in Gujarat, Kanpur in Uttar Pradesh, Kochi in Kerala and Jaipur in Rajasthan. In all these cities, at least 200-bed tertiary hospitals will come up under the AHS banner." Besides hospitals, AHS is also planning to enter the healthcare education business and proposes to acquire 70 acres of land for graduate and doctoral

courses as well as for nursing and a management programme for medical administration. "We are working out the finer details of this project. The institute is likely to come up in Baroda (Gujarat) or Indore (Madhya Pradesh). We are in talks with the Medical Council of India and concerned authorities," said Chakarborty. The group also has a pact with Philips of Holland to make medical equipment. "We see a huge potential in this area since more than 80 percent of such equipment in India is imported," he added.

German state for renewable energy ties with India

New Delhi, March 23: The [German state of North Rhine-Westphalia is ready to provide clean technology to India and forge long-term ties in the field of renewable energy](#), a senior minister of the state said Friday. "Pollution is a big problem here and we are ready to transfer clean air technologies to India. We are looking forward to a closer tie in the renewable energy sector," North Rhine-Westphalia's Minister of Economic Affairs Christa Thoben said. "Biogas, recycling of sugarcane waste and many such fields would be of interest to us and we are exploring various opportunities," Thoben told a press meets here. She said the power-intensive steel industry and the cement industry could use their technologies to curb carbon emission and pollution. The

minister is visiting India with an over-70-member business delegation to attract investment as well as explore opportunity to invest in this country. The delegation has so far visited Mumbai, Bangalore, Chennai, Pune and Delhi. Thoben said she had met Indian Commerce and Industry Minister Kamal Nath and hoped that within next six months some concrete projects will materialise. About 100 Indian companies have their base in North Rhine-Westphalia. India and North Rhine-Westphalia had a trade worth over two billion euros in 2006.

'Growth poles' proposed for integral development

New Delhi, March 23: The [National Commission for Enterprises in the Unorganised Sector \(NCEUS\) has proposed formation of 'growth poles' in different parts of India to integrate units in the services and non-farm sectors with a geographical location](#). The growth poles are expected to facilitate expansion of production and employment in small and micro enterprises, according to an official release. These would incorporate the concept of the scheme of the [Provision of Urban Amenities in Rural Areas \(PURA\) advocated by President A.P.J. Abdul Kalam](#). Detailed project

reports for setting up growth poles in various areas of Chhattisgarh, Kerala, Rajasthan, Uttarakhand and West Bengal are under preparation. The proposal for southwestern Kamrup in Assam is under process. The NCEUS has been constituted under the chairmanship of Arjun Sengupta to examine the problems of the unorganised sector and suggest measures to overcome them.

India must help reduce climate change: British economists

Chennai, March 25: British economists have urged India to help mitigate climate change, saying vulnerability to the phenomenon went hand in hand with poverty. Dimitri Zenghelis, the lead author of the Stern Review on the Economics of Climate Change, which examined the costs and benefits of climate change mitigation, said this while addressing policymakers and academics here this weekend. Pointing out that "there was 90 percent adaptation to the phenomenon of climate change by developed countries and 50 percent adaptation by developing countries", he said vulnerability to climate change and poverty went hand in hand. The 'Stern Review' is considered a comprehensive baseline study by a section of environmentalists and policymakers worldwide while others have criticised it as alarmist. India and the US argue that the Stern Review caps growth. Nicholas Stern, head of the British government economic service and a former World Bank chief economist, was mandated by the Tony Blair government in 2005 to study the impact of climate change and presented his report in 2006. Zenghelis, its lead author, along with Justin Mundy, advisor to the British government's Foreign and Commonwealth Office experts' team on Climate Change, have been touring India this week explaining the Stern Review. The interaction was sponsored by the CPR Environment Foundation, a Chennai-based NGO, and the British High Commission. Britain supports 22 climate change projects in India and provides 1.8 million pounds to sustain this, along with another half a million pounds on a ministry of environment and forests climate change programme. Climate change enjoys "top political priority for my

team", Deborah Patterson, first secretary for energy and sustainable development at the British High Commission, said here on the occasion. Mundy warned that developing countries could not just seek foreign investment to mitigate climate change, "domestic investment" has to be equal and a "viable private-public partnership needs to be developed for countries to be able to meet the challenges of the clean development mechanism (CDM) and carbon point transfers". The US emits 24 percent of the world's carbon dioxide but it is not ready to accept that human carbon dioxide emissions cause cyclones, hurricanes, droughts and floods across the world. It has rejected the Kyoto Protocol, saying cutting emission checks development but is spending \$2 billion on climate change.

A developing country like India emits per capita 0.93 tonnes of carbon dioxide per year, well below the world average of 3.87 tonnes per annum and funds 300 CDM projects, dedicating nearly Rs.5 million to climate change. Development economist Paul Appaswamy from the Madras School of Economics pointed out that there is a huge amount of money in climate change and "CDM technologies could soon replace Information Technology in countries like India". The Stern Review estimates that if the world does not mitigate climate change, it will lose at least five percent of global GDP each year that could rise to 20 percent of GDP. "If no action is taken to reduce

emissions... there could be a global average temperature rise of over 2 degrees Celsius, may be even by 5 degrees Celsius" by

2035, the Review says.

Exclusive university for PIOs, NRIs soon

New Delhi, March 23: The government has given its approval to a policy framework for establishing a university in India for children of non-resident Indians (NRIs) and persons of Indian origin (PIO). There are around 25 million people of Indian origin living in nearly 130 countries. [The policy envisages establishing an NRI/PIO university within the demarcated Special Educational Zone \(SEdZ\) in the Special Economic Zone \(SEZ\) to provide affordable and quality education to children of NRIs and PIOs.](#) The university will be a deemed university under the University Grants Commission (UGC) Act as an Institution of Excellence. It will be set up by overseas Indian trusts or societies with credible standing and experience in the field of education under the overall supervision of the Ministry of Overseas Indian Affairs. An advisory board comprising representative from the UGC, the ministries of Overseas Indian Affairs, External affairs, Human Resource

Development, Health and Family Welfare, Indian Medical Council and Dental Council will evaluate the academic and infrastructure standards of the university and its adherence to norms set up by statutory bodies as required, the ministry of overseas Indian affairs said in a statement Friday. Prime Minister Manmohan Singh had initially announced setting up of an exclusive university for the PIOs during his meeting with the Indian community in Malaysia in December 2005. He reiterated the government's commitment to the plan at the 4th Pravasi Bharatiya Divas (PBD), the annual conclave of the Indian diaspora, held at Hyderabad in 2006. At the PBD 2007 in New Delhi, he said the proposal for establishing a university for PIO was under active consideration of the government.

Picture pik of the month



Salman Rushdie: after receiving the India Abroad Lifetime Achievement Award in New York, this month.

ON THE OCCASION OF IPICOL FOUNDATION DAY -12TH APRIL-

The Outreach & Promotion Group convey their best wishes to all the members of IPICOL/Team Orissa, on the occasion of the 33rd anniversary of IPICOL. We convey our deep appreciation to all those have inspired, guided and helped us growing in this great Organisation.

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D.Pattanaik
On behalf of O&P Head.