

www.iaccindia.com

IACC 
The only bi-lateral Chamber for Indo-US business

INDO-US BUSINESS

THE NEWS MAGAZINE OF INDO-AMERICAN CHAMBER OF COMMERCE

www.indousbusiness.com

August - September 2009

Investment Skyline Bright

Ties Touch A New High



Founder Chairman
Late Shri R.K. Prasad

Published by:

New Media Communication Pvt. Ltd.

in association with
Indo-American Chamber of Commerce

Managing Editor: Satya Swaroop

Director: B.K. Sinha

Cdr. P.S. Amar

Group Editor: Dev Varam

Strategic Advisor: Vinaya Shetty

Consulting Editors: Prabhu Sinha,

Tripat Oberoi & Md. Sabir Nishat

Deputy Editor: Tripti Chakravorty

Head-Business Development:

Veerendra Bhargava

Creative & Content: Sunetra Nair

Manager- Admin & Finance: Sunil Kumar

Sr. Executive - Special Projects:

Prajwala Poojary

Liaison Officer: Vrunda Gurav

Executive Database: Madhavi Singh

Circulation: Jawaharlal, Santosh Gangurde,

Vijay Wangade

Art Director: Santosh Nawar

Visualizers: Maya Vichare & Sagar Banawaliakar

Photographer: Bilal Ahmed Khan

BRANCHES:

Kolkata:

Anurag Sinha, Regional Head,

Mob: 098300 15667

Email: anurag@newmediacomm.biz

Delhi:

Abhay Shanker Sahaay, Resident Editor

Mob: 09968767500/09968815306

Email: abhay.sahaay@newmediacomm.com

Pune:

Jagdish Khaladkar, Regional Director,

Mobile: 098230 38315

Email: pune@newmediacomm.biz

Australia Office:

Bandhana Kumari Prasad, 129 Camboon Road,

Noranda, Perth, W.A. 6062 Tel: 0061 892757447

Email: bandhana@newmediacomm.biz

New Media Communication Pvt. Ltd.,

New Media House, 1 Akbar Villa,

Near Old State Bank, Moral-Maroshi Road,

Andheri (E), Mumbai - 400 059

Tel: +91-22-2925 0690. Telefax: +91-22-2925 5279

E-mail: enquiry@newmediacomm.biz www.newmediacomm.com

Indo-American Chamber of Commerce
Vulcan Insurance Building, Churchgate, Mumbai 400020.

Tel: +91-22-22821413/15

www.iaccindia.com

The news items and information published herein have been collected from various sources, which are considered to be reliable. Readers are however requested to verify the facts before making business decisions using the same.

In This Issue



★ COVER STORY

08

India's Investment Skyline Bright



★ FOCUS

12

Indo-US Ties Touch A New High



★ DIPLOMACY

18

US to Involve Private Sector in Robust Welcome to PM



★ FACE-TO-FACE

20

Major Breakthroughs Seen in Indo-US Economic Ties



★ INTERACTION

24

India, Future Global FBR Tech Leader



★ CHAMBER NEWS

36

Celebrating American I-Day, Mumbai Style



★ NEWS

48

'India's Aviation Growth Potential Among the World's Greatest'



Dear Reader,

Greetings. The Indian economy, in a way, is well structured and the country's banks and other financial institutions well regulated. This is one of the prime reasons why the country has not fully felt the devastating effect of the current global economic meltdown. India continues to get foreign direct investment (FDI), though on a reduced scale. This aspect of India's economic stability has also been endorsed by none other than US Secretary of State Hillary Clinton during her recent visit to India. This is because some Indian states have maintained sustained economic growth, thereby attracting investments both local and foreign. The cover story of the current issue of Indo-US Business carries a study conducted jointly by New Media and Indicus highlighting this aspect. Relations between India and the US received a further boost during Clinton's visit, with both sides signing three crucial agreements covering cooperation in science and technology, space and defence technology. We carry a report in the Focus section. Ms. Beth A. Payne, Consul General, United States Consulate in Kolkata, in an interview, shares Clinton's optimism and expects major economic breakthroughs in relations between the two countries in the future. In the Diplomacy section we highlight the US Government's preparations to accord a robust welcome to Prime Minister Manmohan Singh when he visits America in November, the first State visit by a foreign leader since President Barack Obama assumed office nine months ago. The Obama Administration is involving the US private sector in a big way to make Singh's visit a "milestone" event in Indo-US relations. Atomic Energy Commission's Chairman Anil Kakodkar, one of the chief negotiators behind the Indo-US Civilian Nuclear Energy Deal, says in an interview that he believes India would emerge as a global leader in Fast Breeder Reactor technology in the years to come. We have a write-up on the Maharashtra Industrial Development Corporation (MIDC), which has helped the State to stay on top in economic growth. The issue also highlights the challenges the Maharashtra Pollution Control Board has been facing in carrying out its various initiatives successfully. The issue carries plenty of news from different branches of Indo-American Chambers of Commerce (IACC). In the news section, we have a projection from Boeing which ranks India's aviation potential growth as one of the world's greatest. We also report an exciting corporate acquisition across the continents. India's textile fabrics company S. Kumar's took over US clothier Hartmarx Corporation, an outfit that attired Barack Obama for his historic Presidential inauguration. The magazine as usual covers all other regular features.

Wish you happy reading

Satya Swaroop

Managing Editor

satya@newmediacomm.biz



Dear Member,

There is an increasing realization, across the world, that the economic slowdown is bottoming out. The Indian economy is showing signs of recovery, despite the inadequate monsoon playing a spoil sport. Certain segments in the US and Europe are showing signs of recovery, especially the financial and manufacturing sector, though most of the companies will take more time to square off their past losses. Loss of employment in the US is not as dismal as it was a few months back. EU data on employment is satisfactory and yet a long way to go catch up with their past trend.

Happily, economic pundits across the continents, vouch for India's efforts in roughing up the economic meltdown. It comes for special mention in many quarters and often pointed out as the roll model for economic recovery. But there are some hard facts to reckon with. That will embolden us to take the economic growth to its past level and even improve on it. Since the meltdown has happened, cross-country investment flows have slowed down considerably. Indian investment from outside sources has dried down drastically, though of late portfolio investment has picked up riding on the back of a bullish market sentiments. Almost all countries are now vying with each other in attracting foreign investment. It would mean that the competition for attracting FDI is at an all time high.

It is worthwhile to scan through the investment requirements of the Indian economy. Infrastructure sector including power leads the list with the requirement estimated over US \$ 500 billion for the next three years or so. Manufacturing sector is the next, where the requirement is both in terms of equity and technology. Then comes the food processing, IT, healthcare, education, real estate, pharmaceuticals, environment and the list goes on.

It is important to have a realistic picture as to how to match up the deficit in the fund flows. It has to be through a carefully calibrated matrix of internal resource generation and FDI flows. What should be the proportion of the two investment flows will depend on the general state of the world economy. At a time, when there are several bottlenecks to FDI flows, it is ideal to create a matrix, which gives primacy to internal revenue mobilization for investment.

What are the potential areas that can be tapped for supplementing the investment requirements? I feel we still are not putting to proper use our foreign exchange reserves, which has swelled up over US \$ 270 billion by now. Though this figure pales into insignificance as compared to the reserves of China and Japan, it is still a substantial amount. Assuming that 40 per cent of the reserves are flexible and can be termed as the flight capital, the rest can be auctioned out to the public and private sector against specific bankable projects, after strictly scrutinizing them. This will not only make available investible resources in the country, but also enhance the liquidity and buoyancy in the system. This line of thinking assumes importance against the backdrop that the government has been



contemplating earmarking certain percentage of the reserves for creating a sovereign fund to be operated directly under the control of the Government.

This does not dilute the importance of FDI as a source of investment. We can presume safely that in the next six months to one year, economic slowdown is going to be bottomed out. The cross-country flow of capital will be on sound footing. Keeping that in mind, IACC is organizing the Summit on US-India Trade and Economics (SUITE-2009) on 10-11 September, 2009 in New York. The supporting partners of the event are Manhattan Chamber of Commerce, Consulate General in New York, World Trade Center (WTC), Rhode Island and several local chambers. The media partner for the event is the Economic Times. The two day event is packed with important sessions including legal aspects of setting up businesses in India and the US, education, food processing, IT/ ITeS, healthcare, infrastructure, environment etc. A galaxy of eminent speakers including Union & State Ministers have been lined up for the event drawn from different segments. There will be excellent opportunities for networking and interface with investors.

The Summit, which is unique in its concept and reach, will explore and leverage potential synergies with US as a strategic business partner. The participants are from key policy decision makers, Federal and State Government Ministers, officials from India and the US and Indian industries. Your participation will be highly rewarding and enriching. I would request you to disseminate information on the Summit widely and enlist participation of delegates to make this event a grant success.

Thank You

S.K. Jain

National President, IACC



India's Investment Skyline Bright

- Study

India, with its strong fundamentals, has withstood the worst-ever financial crisis to sweep the world in recent times. India continues to be an ideal destination for foreign direct investment (FDI), according to a study conducted recently.

The comprehensive economic research study of the country's industrial climate was conducted jointly by New Media and Indicus Analytics, and titled "Investment Skyline of India" is a definitive guideline to investors for identifying the five top states in the country for best returns on their investments.

This positive aspect, highlighted in the study, has found its echo in the assessment of Secretary of State Hillary Clinton of India's economic growth by none other than the US Secretary of State Hillary Clinton, following her recent visit to this country.

Answering questions on the US State Department

website, she said: "India's six percent growth rate is a bright spot amid the global economic downturn, and bilateral trade and investment flows between our nations have doubled in the last five years." The 300 million members of India's burgeoning middle class present a vast new market and investment opportunity, Clinton added.

"Our countries should work together to open that market and spread the benefits of sustainable prosperity. We and the rest of the world have a lot to gain from our enhanced cooperation," she said.

Talking about relations between India and US, Clinton said both countries could mutually benefit from former's economic progress. "I know that some Americans fear that greater partnership with India will mean lost jobs or falling wages in the US. But if we manage our relationship well, both sides can benefit from India's economic



This excellent research-based and analytical study by New Media will obviously be useful to industrial and other investors in the process for deciding where to locate.

It also sets benchmarks for other states in India even as Maharashtra itself sets the pace in the economic and industrial fields, and looks towards higher standards in the promotion of economic prosperity.

Ashok Chavan, Chief Minister of Maharashtra



progress," she said.

In the study, India's western states of Maharashtra and Gujarat topped the list occupying the first and second slots respectively. The other



three slots were occupied by the southern states of Tamil Nadu and Andhra Pradesh, followed by the northern state of Delhi, as ideal destinations for investment.

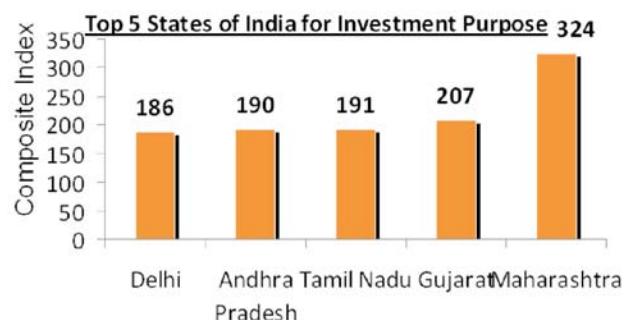
"Our purpose is to identify leading states based on several relevant indicators that reflect investment friendliness," said Satya Swaroop, Managing Editor of New Media, adding that

the study had taken into consideration, nine broad parameters for purposes of determining the states' investment potential.

These parameters include the state's income, capital formation, the size of its market, and infrastructure availability in the key areas of power, transportation, telecommunications, health and education, besides the process of urbanization it has undergone.

"The current study is unique because it is half yearly and dynamic. It does not offer year-old statistics as done in the routine annual studies," Swaroop said.

Amit Sinha, President of Indicus Analytics, one of India's leading economics research firms, said, "Our estimation model consisting of econometric modeling, statistical analysis and neural networks allows us to estimate data with great accuracy. Indicus is able to estimate GDP at district level and several consumer market parameters such as incomes, expenditures and savings at district and city levels. We are in a unique position to not only identify states but also specific districts in a state and its characteristics"



GSDP & Share in India's GDP

In terms of Gross State Domestic Product (GSDP), Maharashtra is well ahead of other states, being the financial and commercial hub of the country, followed by Uttar Pradesh, Andhra Pradesh, West Bengal and Gujarat. Also, in the same order, Maharashtra tops the list in terms of the share in India's Gross Domestic Product (GDP), and together they account for 40 percent of the total GDP of the country.

However, concentration of major economic activities in a few states is established further with the fact that the next five states contribute 37 percent to country's GDP while the balance 18 states account for 23 percent.

Capital Formation

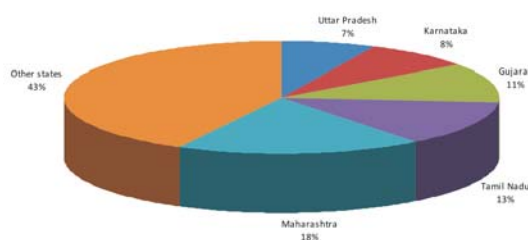
In terms of Gross Fixed Capital Formation (GFCF), Maharashtra topped the list of five, followed by Tamil Nadu, Gujarat, Karnataka and Uttar Pradesh. In the same order, the top five states contribute as much as 57 percent to India's gross fixed capital formation. The share of top 10 states is 80 percent of the country's GFCF.

Power Infrastructure

In terms of connected load for industrial usage, the most industrialized states of the country in the order are Maharashtra, Tamil Nadu, Gujarat, Andhra Pradesh and Karnataka. These five states also figure in terms of power consumption for industrial usage. Punjab, Rajasthan and Uttar Pradesh are close followers to these five states. The top five states account for 56 percent of share in India's total load for industrial usage.

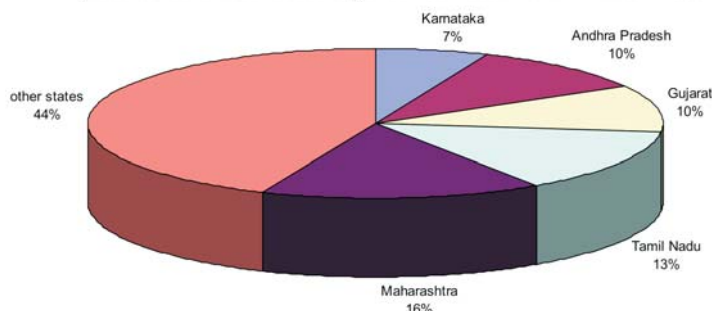
In terms of number of consumers for industrial usage, the five listed are Maharashtra, Gujarat, Karnataka, Andhra Pradesh and West Bengal, the last being an inclusion in the list. This might be due to the fact that small scale industries are quite prevalent in the state. In terms of the share in country's total consumers for industrial usage, Maharashtra tops the list, accounting for 17 percent.

Top 5 States - Share of India's Total Gross Fixed Capital Formation

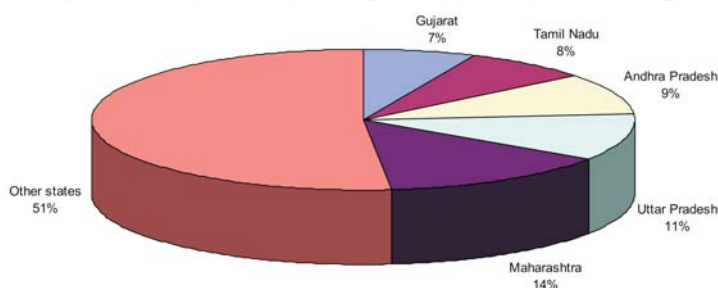




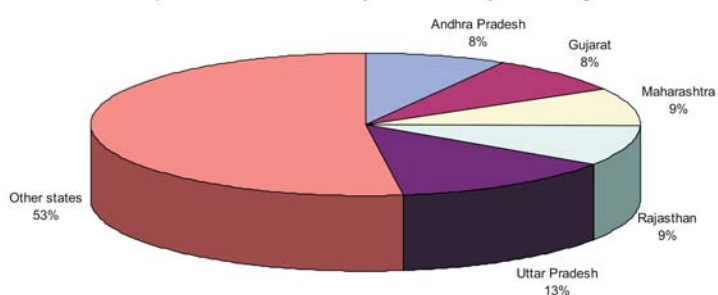
Top 5 State - Contribution to Country's Total Connected Load for Industrial Use



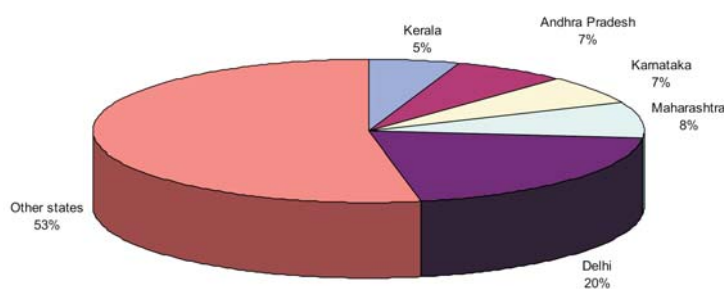
Top 5 States - Share in Countries Total Projected Expenditure on Roads and Bridges



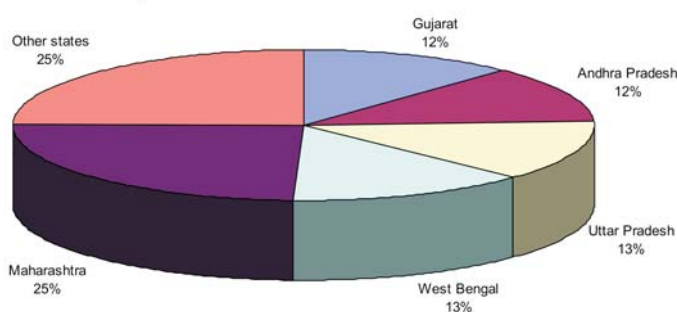
Top 5 States -Share in Country's Total Railway Route Length



Top 5 States - Registered Internet Domains



Top 5 States - Share in India's Total Market Size



Transportation Infrastructure

In terms of projected expenditure on roads and bridges during the period 2005-10, Maharashtra again shows its prominence as India's most favoured investment destination. However, the pattern also suggests a better and developed road network in the western and southern parts of the country.

Of the share of total projected expenditure on roads and bridges, the five states account for almost 50 percent of the total projected expenditure on roads and bridges of the country. For obvious reason these listed states have a fast mover advantage over others.

Urban Population

In terms of the size of urban population in the state, Maharashtra again the top ranking state. Also, contribution of these five top ranking states is exactly half of India's total urban population.

Apart from identifying the top five states under a composite final index that covered all the parameters, the study also looks at selected demographic, infrastructure and market related parameters to name the five top states in the country for investments, for each of the parameters.

Greater Achievements by Smaller States

GDP Growth: The study has also thrown up some unique feats achieved by the smaller and seemingly the most unlikely states, For instance, Mizoram topped the list of five states in urban growth. Similarly, Manipur headed the list for high average annual GDP growth in the last five years among all states, ahead of other unlikely competitors such as Jarkhand, Haryana, Nagaland and Uttaranchal.

Health Infrastructure: Similarly, the smaller states have scored over their bigger counterparts in health infrastructure in terms of the number of public and community health centres. The list of the top five states in this category includes Uttaranchal, Arunachal Pradesh, Himachal Pradesh, Mizoram and Meghalaya. However, Sikkim scored first in the number of hospitals per million population followed by Arunachal Pradesh, Goa, Delhi and



Nagaland. In the matter of the number of beds available in government hospitals, it was Nagaland that topped the top five, followed by Arunachal Pradesh, Sikkim, Orissa and Gujarat.

Educational Infrastructure: Kerala, India's most literate State, has naturally topped the Education Development Index, followed by Delhi, Tamil Nadu, Himachal Pradesh and Karnataka. In the matter of literacy, it is Kerala again at the top slot, followed by Mizoram, Goa, Delhi and Himachal Pradesh.

About the organizers of the study

New Media is India's largest bilateral trade magazine publishing house, with its footprints in as many as 125 countries across six continents. New Media publications, which include Indo-US Business, Indo-Swiss Business, Indo-Australian Business and Open Trade, are supported by reputed chambers of commerce and trade associations of various countries and enjoy the patronage of their respective consulates in the city. Three

of its bilingual publications, Indo-African Business (English and French), Indo-LAC Business (in English and Spanish) and Indo-CIS Business (in English and Russian) are published in association with Export Import Bank of India.

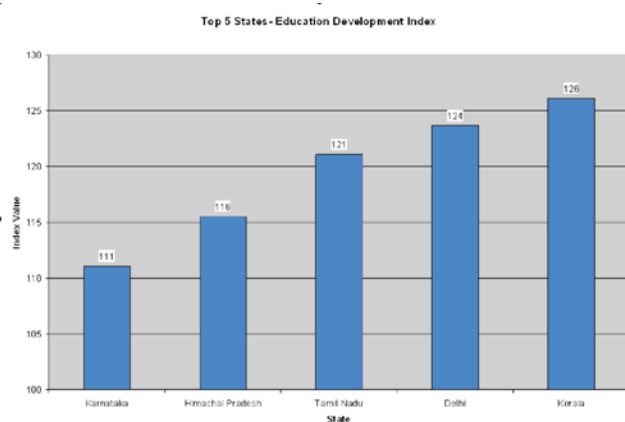
Indicus Analytics is a premier Indian economics research firm. It services the data and policy analysis requirements of highly research oriented entities, which include the most respected academic institutions and international organizations, key policymakers, and top decision makers in industry.

Some illustrious examples of those who have cited and used Indicus research, over the years are former President Dr. APJ Abdul Kalam, Prime Minister Manmohan Singh, former Finance Minister P. Chidambaram, Dr. Vijay Kelkar, Chairman, Thirteenth Finance Commission, the Reserve Bank of India and other institutions.

Constant interaction with internationally recognized experts and continuing non-funded research activities, have ensured national and international recognition for Indicus research services and data products. Reputed users of Indicus studies Include:

- Government organizations- RBI, Finance Commission
- Multilateral institutions- The World Bank, UNICEF, EU, DFID
- Universities - Stanford, Harvard, and Cambridge.
- Research organizations - Rajiv Gandhi Foundation, NCAER, RIS, IDF

(To access the complete study, please visit www.newmediacomm.com)



Pacts Inked on S&T, Space & Defence Tech; 2 N-Parks Marked for US Firms

Indo-US Ties Touch A New High



Relations between India and the United States entered a new phase of broader understanding, deeper commitment and enlarged cooperation on a much wider range of issues during the recent visit to this country of US Secretary of State Hillary Clinton. A joint statement issued by Secretary Clinton and her Indian counterpart External Affairs Minister S.M. Krishna reflects the enlarged engagement of both countries in further fortifying the strategic partnership already existing between them.

Remarked Secretary Clinton at a press conference at the end of her talks with various government leaders, including Prime Minister Manmohan Singh: Since I arrived here, people have asked me, "Can you pledge to maintain the positive US-India relations that President Clinton and President Bush worked to build?" And I tell them that I can pledge more than that. We will work not just to maintain our good relationship, but to broaden and deepen it. And to that end, our governments have agreed to a strategic dialogue built on the five pillars in our joint statement. Minister Krishna and I will co-chair this dialogue, and we have asked senior officials across both of our governments to take the lead on each of the subjects."

She disclosed that sites for two nuclear parks for US companies have been approved by the Indian Government. These parks will advance the aims of the US-India Civil Nuclear Agreement, facilitate billions of

dollars in US reactor exports, and create jobs in both countries, as well as generate much-needed energy India. We hope that India will be able to approve the liability legislation that will enable our US companies to seize these important opportunities."

In his opening remarks, Minister Krishna said that Secretary Clinton was one of the key supporters of the historic agreement between the two countries on civil nuclear cooperation, which was realized through a bipartisan effort in the US Congress.

"Our talks covered a comprehensive agenda encompassing the full range of global and bilateral issues of mutual concern and interest. Cooperation, trade, and investment between India and the US can play a constructive role in the revival of the world economy," he added.

As the joint statement indicates, the two governments

have concluded three important documents, one on the creation of a science and technology, two, a technical safeguards agreement which will permit the launch of civil or noncommercial satellites containing US components on Indian space launch vehicles; and three, an agreement on the end-use monitoring arrangements that will ensure Indian procurement of US defense technology.

Minister Krishna said, "The new dialogue that Secretary Clinton and I announced today on health, education, science and technology, and women's empowerment will impact positively on areas of vital interest and concern to the daily lives of our two peoples."

Reiterating her government's commitment in furthering its ties with India, Secretary Clinton said: "A significant part of the President Obama's cabinet will participate the Secretaries of Agriculture and Trade and Energy and Education and Finance and Health and Human Services and Homeland Security and more. We do not, however, intend for this to be a dialogue between ministers, or even between governments, but between our nation and our people, our scientists and business leaders, our civil society activists and academics, charitable foundations, farmers, educators, doctors, entrepreneurs, and the whole range of each of our countries. Nor do we see this dialogue simply as a forum for discussing important issues. We believe it must be a forum for action."

She said the two sides had shown progress already by finalizing important agreements including an end-use monitoring pact that would pave the way for greater US-India defense cooperation and one on technology safeguards that would set up commercial partnerships in space, and another on science and technology.

"We talked about pragmatic approaches to climate change and clean energy and how we can build on areas of common ground while narrowing areas of disagreement moving toward Copenhagen," Secretary Clinton added.

She said the discussions also covered common vision of a world without nuclear weapons and the practical steps that could be taken to strengthen the goal of nonproliferation. "And I affirm the Obama Administration's strong commitment to completing all of the remaining elements of our civil nuclear deal," Secretary Clinton said.

She said that both countries played a critical role in the G-20 discussions about how to spur global economic growth and recovery, expand trade and commerce, reduce protectionism, and create fairer global trading rules.

Later answering a question about the deepening relationship of the US with China and Pakistan as opposed to India, Secretary Clinton said, "We have demonstrated very clearly the significance and importance of our relationship with India. We entered into this relationship to broaden and deepen it as partners already on the world stage. And what we have outlined today will be a significant expansion of our bilateral relationship. We also have a very important set of issues that we are pursuing with Pakistan, with China, and with many other countries around the world."

She added: "But I don't think you can understate the significance of our relationship as two democracies. We understand the difficulties of decision making in democracies. And we respect the vibrancy of each other's democracy. That is a much stronger base for a relationship than any other in the world, because it is democracies that are able to expand an understanding of common interests and show mutual respect, and that is what is at the core of our broadening relationship between us. Yes, of course, we have relations with other countries. The United States is called upon to act globally every single hour of every single day. But as the invitation to Prime Minister Singh's first state visit in the Obama Administration demonstrates, we are very committed to this relationship."

Following is the text of a joint statement issued by the governments of the United States and India, following US Secretary of State Hillary Rodham Clinton's meetings on

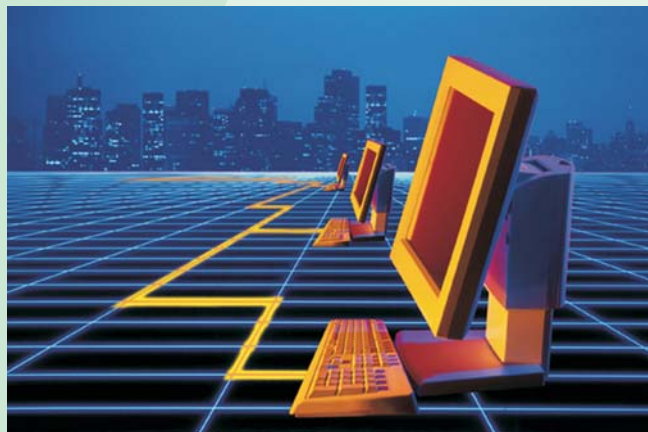


20 July 2009 in New Delhi.

External Affairs Minister S.M. Krishna and Secretary of State Hillary Clinton today committed to building an enhanced India- US strategic partnership that seeks to advance solutions to the defining challenges of our time.

They agreed to strengthen the existing bilateral relationships and mechanisms for cooperation between India and the United States, while leveraging the strong foundation of economic and social linkages between our respective people, private sectors, and institutions. Recognizing the new heights achieved in the India-US relationship over the last two Indian and US Administrations, they committed to pursuing a third and transformative phase of the relationship that will enhance global prosperity and stability in the 21st century.

Minister Krishna and Secretary Clinton will chair an "India-US Strategic Dialogue" that meets once annually in alternate capitals. This dialogue will focus on a wide range of bilateral, global, and regional issues of shared



interest and common concern, continuing programmes currently under implementation and taking mutually beneficial initiatives that complement Indian and US development, security and economic interests.

Secretary Clinton looks forward to welcoming Minister Krishna for the first round of the Strategic Dialogue in Washington, D.C. in the coming year.

Common Security Concerns

Recognizing the shared common desire to increase mutual security against the common threats posed by international terrorism, Minister Krishna and Secretary Clinton reaffirmed the commitment of both Governments to build on recent increased coordination in counter-terrorism. Secretary Clinton invited Home Minister P. Chidambaram to visit Washington in the near future. External Affairs Minister Krishna and Secretary Clinton

also reaffirmed their commitment to early adoption of a UN Comprehensive Convention against International Terrorism which would strengthen the framework for global cooperation.

Defence Cooperation

Noting the enhanced co-operation in defence under the Defence Co-operation Framework Agreement of 2005, Minister Krishna and Secretary Clinton reiterated the commitment of both Governments to pursue mutually beneficial cooperation in the field of defence. Minister Krishna announced that both sides had reached agreement on End Use Monitoring for US defense articles.

Towards a World Free From N-Weapons

India and the United States share a vision of a world free of nuclear weapons. With this goal in sight, Minister Krishna and Secretary Clinton agreed to move ahead in the Conference on Disarmament towards a non-discriminatory, internationally and effectively verifiable Fissile Material Cut-off Treaty. India and the United States will also cooperate to prevent nuclear terrorism and address the challenges of global nuclear proliferation. A high-level bilateral dialogue will be established to enhance cooperation on these issues.

Civil Nuclear Cooperation

Building on the success of the India-US Civil Nuclear Initiative, on July 21, India and the United States will begin consultations on reprocessing arrangements and procedures, as provided in Article 6 (iii) of the 123 Agreement for Peaceful Nuclear Cooperation between India and the United States.

Global Institutions

Secretary Clinton affirmed that multilateral organizations and groupings should reflect the world of the 21st century in order to maintain long-term credibility, relevance and effectiveness, and both Minister Krishna and Secretary Clinton expressed their interest in exchanging views on new configurations of the UN Security Council, the G-8, and the G-20.

Economic Growth & Development

As members of the G-20, India and the United States have pledged to work together with other major economies to foster a sustainable recovery from the global economic crisis through a commitment to open trade and investment policies. Minister Krishna and Secretary Clinton reaffirmed the commitment of both Governments to facilitating a pathway forward on the WTO Doha Round.

They pledged to co-operate to not only preserve the economic synergies between the two countries that have grown over the years, but also to increase and diversify bilateral economic relations and expand trade and investment flows. The two sides noted that negotiations for a Bilateral Investment Treaty would be scheduled in New Delhi in August 2009. They resolved to harness the ingenuity and entrepreneurship of the private sectors of both countries with a newly-configured CEO Forum that will meet later this year.

Education

External Affairs Minister Krishna and Secretary of State Clinton affirmed the importance of expanding educational cooperation through exchanges and institutional collaboration, and agreed on the need to expand the role of the private sector in strengthening this collaboration.

Space, S&T, Innovation

Recognizing the great potential in India-U.S. science and



technology collaboration, the two sides have concluded a Science and Technology Endowment Agreement, and signed a Technology Safeguards Agreement that will permit the launch of civil or non-commercial satellites containing US components on Indian space launch vehicles. Both sides welcomed India's participation in the FutureGen Project for the construction of the first commercial scale fully integrated carbon capture and sequestration project and India's participation in the Integrated Ocean Development Project, an international endeavour for enhancing the understanding of Earth and Ocean dynamics and addressing the challenges of climate change.

High-Tech Cooperation

Noting the high potential that exists due to the complementarities in the knowledge and innovation-based economies of the two countries, it was agreed that

the agenda and the initiatives in the bilateral High Technology Cooperation Dialogue should continue, with the objective of facilitating smoother trade in high technology between the two economies reflecting the present strategic nature of the India-US relationship.

It was also agreed that working groups would be formed to focus on new areas of common interest in nano-technology, civil nuclear technology, civil aviation and licensing issues in defence, strategic and civil nuclear trade.

Energy Security

Minister Krishna and Secretary Clinton pledged to intensify collaboration on energy security and climate change. Efforts will focus on increasing energy efficiency, renewable energy, and clean energy technologies through the India-US Energy Dialogue and a Global Climate Change Dialogue.

Both sides also agreed to launch a process of bilateral scientific and technological collaboration to support the development, deployment and transfer of transformative and innovative technologies in areas of mutual interest including solar and other renewable energy, clean coal and energy efficiency, and other relevant areas.

India and the US affirmed their commitment to work together with other countries, including through the Major Economies Forum, for positive results in the UNFCCC Conference on Climate Change in Copenhagen in December 2009.

Global Issues

The two sides noted the valuable engagement between both Governments on global issues of common concern such as strengthening democracy and capacity building in democratic institutions as co-founders of the UN Democracy Fund.

The two sides agreed to develop a Women's Empowerment Forum (WEF) to exchange lessons and best practices on women's empowerment and development and consider ways to empower women in the region and beyond.

Conclusion

Minister Krishna and Secretary Clinton reaffirmed that the excellent relations between India and the United States rests on the bedrock of kinship, commerce and educational ties between the Indian and American people. ■



Indo-US Bilateral Trade Expected to Touch \$90 bn in Five Years



Bilateral trade between India and the United States (US) is expected to be doubled in the next five years to \$90 billion from \$44 billion at present, according to a senior US Diplomat.

The US has identified education, science and technology, power, retail, food processing and agriculture among the key areas of investment and improvement, Andrew T. Simkin, Consul General, US Consulate General, Chennai, said recently.

On the current global economic slowdown, he said the US had felt the major impact and trade between India and US had come down drastically as a result of the ongoing recession.

Allaying fears over US outsourcing to

India, Simkin said time and again the US had made it clear that it wanted to continue its good relations with countries like India and it stood for free

trade.

Moreover, US Secretary of State Hillary Clinton, during her recent visit to India, had reiterated the stand and extended full cooperation in various fields, including combating terrorism, he said.

Simkin was speaking at a road show on Engineering Service Outsourcing- Opportunities and Challenges, organized by Indo-American Chamber of Commerce and Southern India Engineering Manufacturers Association. ■



US to Involve Private Sector in Robust Welcome to PM



The Government of the United States has begun preparations to accord a "robust" welcome to Prime Minister Manmohan Singh in November, the first state visit of the Obama Administration to make it a special occasion for the Indian leader and a "milestone" event in relations between the two countries.

Prime Minister Singh will be in Washington on November 24 in a sign of importance the US attaches to its ties with India. Assistant Secretary of State for South and Central Asia Robert Blake held the first inter-agency meeting in this regard recently, at the State Department.

"It was a kick-off meeting for what promises to be a very robust welcome of the Prime Minister, when he lands in Washington in November," a participant of the inter-agency meeting said.

"The brainstorming has just begun on how to take the relationship to a brand new level," he said, terming the meeting as very crucial. "This demonstrates the determination of this administration to make the first state visit of Prime Minister, a very special visit," the official added.

Besides top officials of the state department, the meeting was attended by senior officials from the department of commerce, US trade development agency, department of energy, US trade representative office and National Security Council.

A key feature of the meeting was participation of private

sector representatives. The Obama Administration has already indicated that the private sector would play a central role in moving the relationship forward.

This was amply reflected when secretary of state Hillary Clinton, during her recent India trip spent more time with the private sector in Mumbai, before meeting government officials in New Delhi.

The USIBC synergies summit has three cabinet secretaries, laying out their India agenda to the private sector.

"They are looking for private sector to be the full partners as the Obama Administration prepares for the Prime Minister's visits," a participant of the meeting said.

Those involved in preparation of the 2005 state visit of Singh, recalled that it was just a government affair restricted to a small group, unlike this time when a large number of agencies and the private sector have been brought on board at such an early stage.

"The planning meetings have just begun and this is exciting because the private sector has been so engaged so early on," one of the participants said.

"The heartening and gratifying thing to learn is that the state department and this administration fully recognizes the importance of the private sector in this relationship," he said. ■

Strong Indo-US Ties to Bring Global Stability- Cornyn

Strongly backing the Obama Administration's endeavour to deepen bilateral relationship with India, a powerful Republican Senator said Indo-US strategic ties would bring stability not only in the region but also across the world.

Senator John Cornyn from Texas said he is looking forward to the state visit of Prime Minister Manmohan Singh to the US.

Noting that China is a rising power, economically and militarily, Cornyn said balance of power is certainly one component to the Indo-US relationship.

"Obviously we always hope for our peaceful resolution of our differences, but I have always believed as Ronald Reagan said that peace comes through strength and not through weaknesses. I think, a strong India, just like a strong United States, will benefit not only the region, but the world in terms of keeping that peace," he said.

During times of our history, we have not been as close as we might, but I think with the civil nuclear programme that President Bush championed along with Prime Minister Singh, we have demonstrated our sincerity at the strategic partnership that I think, would benefit both the countries and help stability not only in the region but also across the world," Cornyn said in an interview.

A powerful Republican Senator, Cornyn is founder and Co-Chair of the Senate India Caucus, which now has as many as 37 Senators. This is the only country-specific caucus in the Senate. Recently he organised a reception

for the new Indian Ambassador to the US, Meera Shankar, in which nearly one-fourth of the Senators turned up.

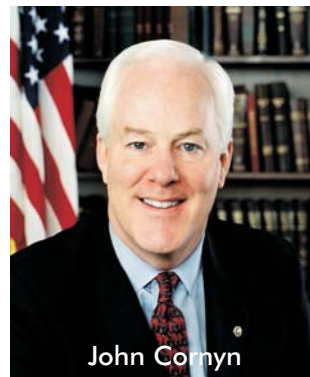
"We are thankful to him for his support for stronger relations between US and India," said Ashok Mago, an eminent Indian American community leader from Texas.

Looking forward to visit India for his second trip sometime next year, the first being in 2004, Cornyn said India and the US share common values and share common challenges in a very dangerous world.

"We know both of our countries have been victimized by terrorist activity. We know India is a democratic country, largest democracy in the world and it would continue to have a very important impact in Asia and the balance of powers in the United States and across the globe," he said.

The first Senator to Co-sponsor the Indo-US civilian nuclear deal in the Senate, Cornyn termed it as a "monumental development", in the relationship between the US and India.

"It demonstrated the confidence the United States had in India's democracy and leadership that the technology that would be used would for peaceful civilian purposes, which of course can protect against proliferation of nuclear materials. ■



John Cornyn

Mylan in Tie-up with Biocon to Market Biologic Products

Mylan has entered into collaboration with Indian biopharmaceutical company Biocon for the development, manufacturing, supply and commercialisation of multiple, high-value generic biologic compounds.

As per the collaboration, Mylan and Biocon will share development, capital and certain other costs to bring products to market. Mylan will have exclusive commercialization rights in the US, Canada, Japan, Australia, New Zealand and in the EU and European Free Trade Association countries, through a profit sharing arrangement with Biocon. Mylan will then have co-exclusive commercialization rights with Biocon in all other

markets. All other financial terms and product details remain confidential. Biocon CMD Kiran Mazumdar-Shaw said that the company was pleased to have a partner with which to accelerate work in generic biologics, especially with monoclonal antibodies.

"Monoclonal antibodies are emerging as the most dominant class in biologics. Through this partnership we hope to deliver high-quality, affordable biogeneric antibodies and biologics, thereby addressing a critical need to lower spiraling healthcare costs in both the developed and emerging economies," Mazumdar-Shaw said. ■



Major Breakthroughs Seen in Indo-US Economic Ties

India's economy has been one of the stars of global economics in recent years, with a growth rate of 9.2 percent in 2007 and 9.6 percent in 2006. Growth had been supported by markets reforms, huge inflows of foreign direct investment (FDI), rising foreign exchange reserves, both an IT and real estate boom, and a flourishing capital market. India's infrastructure is being upgraded during the 11th five year plan (2007-12), and economy has grown by more than 9.0 percent for three years running, and has seen a decade of 7.0 percent growth. This has reduced poverty by 10 percent, but with 60 percent of India's 1.1 billion population living off agriculture, with droughts and floods increasing with the changing climatic regime, poverty alleviation is still a major challenge. The Indian Government signed a wide-ranging nuclear treaty with the US, in 2008 in part to gain access to nuclear power plant technology that can ensure the country energy security and reduce its dependence on oil imports.

Against the above background, Amrita Chatterjee interviews Ms. Beth A. Payne, Consul General, United States Consulate in Kolkata, on India's expanding economic relations with the US and the potential for US investments in this country in general and Bengal in particular.

US Secretary of State Hillary Clinton talked about

the beginning of a new era in Indo-US relations during her recent visit to India. What opportunities do you visualize?

The development is so exciting! Hillary Clinton's visit emphasizes the Indo-US relations that have already started in areas of environment, health, defense, security, agriculture, technology and several others. Strategic relations have been built in partnership whether it's the issue of climate change, or need for nuclear energy. Crucially, the recent developments, including her visit, have broadened our relationship with India. We witness that friendship has grown much deeper in the last decade. Now, new avenues will open up towards development and at the same time in partnership. India and the US will combat the challenges of security, poverty alleviation, and climate change. The nuke deal has already solidified; there will be major breakthroughs in the forthcoming days.

Though India is economically stable, some political uncertainties still exist. Why do you think American investments should come to India?

Well, India now has stable Indian government; it's a stable and a very good government to work with. Political uncertainties are much less now. Investors can evaluate the immense potential that exists in this country. India has a committed work force, largest in the world market; it



Ms. Beth A. Payne began her assignment as U.S. Consul General in Kolkata, India, recently. A career Foreign Service Officer, she joined the U.S. State Department in 1993. She had earlier worked in the US embassies in Senegal, Rwanda, Israel and Kuwait. She also served in the Office of Children Issues in the State Department in Washington D.C. Ms. Payne received a M.S. in National Security Studies from the National War College in 2008; J.D. from American University's Washington College of Law in 1988; and a B.S. in special Education from Pennsylvania State University in 1985. She was also named the state Department's Consular Officer of the year in 2004 in recognition of her work in Iraq.



has an expanding market place with growing middle class. Government of India is greatly encouraging Private-Public-Partnerships and there are bigger opportunities for investors to come and explore.

In regard to Bengal, why do you think investors should stay on?

Well, every state has its own potential to attract investors, Bengal has a very educated work force. We just had a team from Export Import Bank, which finances large investments. It came to West Bengal. Bengal has tremendous potential in the Information Technology sector. Many US companies had an excellent experience here. Pepsi is expanding its potato processing plant for its products in the state. Lastly, it is very much up to the people of West Bengal, how they would like to shape the development opportunities in their State.

What in your opinion is the potential of rural Bengal as a global market?

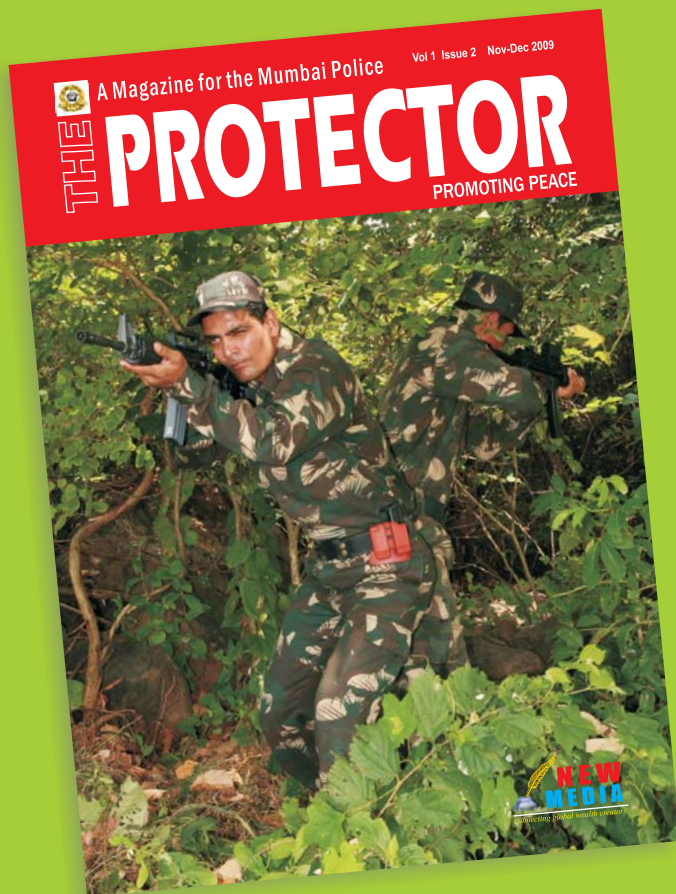
The rural sector in West Bengal is densely populated and has good potential. US largely believes in inclusive economic growth, where large sections of people can be part of the development process. Whatsoever, the existing challenges are in rural or urban areas, private investors can find creative solutions to such challenges, its just the law has to permit. FDI is restricted in insurance, thus many insurance companies cannot design any insurance coverage for the rural population. It is important to have policies and at the same time investments that are ideally, economically, and socially viable. CSR (Corporate Social Responsibility), is a big component now, everyone understands, that quick money will not last, the welfare of all is a factor for long term investments.

Do you think recession will end by 2011?

I cannot predict anything. We certainly can hope for the best to happen for all by 2011.

What is your take on the sustainability factor in the economic development of India?

As said, our perspective is of inclusive economic growth, which means the development process will not only benefit the entire population but will also consider the environmental issues. It should not be the way, like only a handful gets a bigger piece of pie. We should have win-win economic gain for everyone. If a large section stays behind and continues to survive in poverty, then growth is not a sustainable growth. We are happy to offer our lessons learnt. Education, health, needs to be taken care of. Climate change is threat before us, and the US is ready to extend all its support to combat such challenges ahead. ■



Watch out for the Next Issue !

26/11?

Never Again

Further details contact:

Vinay Kargaonkar

Additional Commissioner of Police

Tel: +91-22-2261 1569, or

Satya Swaroop, Managing Editor New Media

Tel: +91 22 29208888

Email: satya@newmediacomm.biz

India, US Finish 1st Round of Talks on N-Fuel Reprocessing

India and US have completed a first round of consultations on the operationalisation of the Indo-US nuclear deal by discussing both 'arrangements and procedures' on reprocessing of spent fuel of American origin on Indian soil, according to sources in India's Department of Atomic Energy (DAE).

The sources recently revealed that the consultations took place in Vienna and "are a significant step to further interactions at a commercial level and for the operationalisation of the Indo-US nuclear deal."

The first round of talks, they said, set off a process which is likely to be completed in two months. "We expect the consultations to be over in two months so that the implementation of 123 Agreement can start within the time frame given in the agreement," a top official of DAE said.

"The consultations were strictly based on Article 6 (III) of the 123 Agreement between India and US and few more meetings are expected to take place," he said.

The five-member Indian delegation was led by Ravi B Grover, the Director of DAE Strategic Planning Group (SPG) and also the Director of the Knowledge Management Group.

The US team was headed by Washington's point-man for nuclear negotiations with India Richard Stratford, who is also the Director of the Office of Nuclear Energy Affairs in the US State Department.

In keeping with their commitment to full civil nuclear cooperation, both Parties, as they do with other states with advanced nuclear technology, may carry out the following nuclear fuel cycle activities:

i) Within the territorial jurisdiction of either Party, enrichment up to 20 percent in the isotope 235 of uranium transferred pursuant to this Agreement, as well as of uranium used



in or produced through the use of equipment so transferred, may be carried out.

ii) Irradiation within the territorial jurisdiction of either Party of plutonium, uranium-233, high enriched uranium and irradiated nuclear material transferred pursuant to this Agreement or used in or produced through the use of non-nuclear material, nuclear material or equipment so transferred may be carried out.

iii) With a view to implementing full civil nuclear cooperation as envisioned in the Joint Statement of the Parties of July 18, 2005, the Parties grant each other consent to reprocess or otherwise alter in form or content nuclear material transferred pursuant to this Agreement and nuclear material and by-product material used in or produced through the use of nuclear material, non-nuclear material, or equipment so transferred. To bring these rights into effect, India will establish a new national reprocessing facility dedicated to reprocessing safeguarded nuclear material under IAEA safeguards and the Parties will agree on arrangements and procedures under which such reprocessing or other alteration in form or content will take place in this new facility. Consultations on arrangements and procedures will begin within six months of a request by either Party and will be concluded within one year. The Parties agree on the application of IAEA safeguards to all facilities concerned with the above activities. These arrangements and procedures shall include provisions with respect to physical protection standards set out in Article 8, storage standards set out in Article 7, and environmental protections set forth in Article 11 of this Agreement, and such other provisions as may be agreed by the Parties. Any special fissionable material that may be separated may only be utilized in national facilities under IAEA safeguards. ■



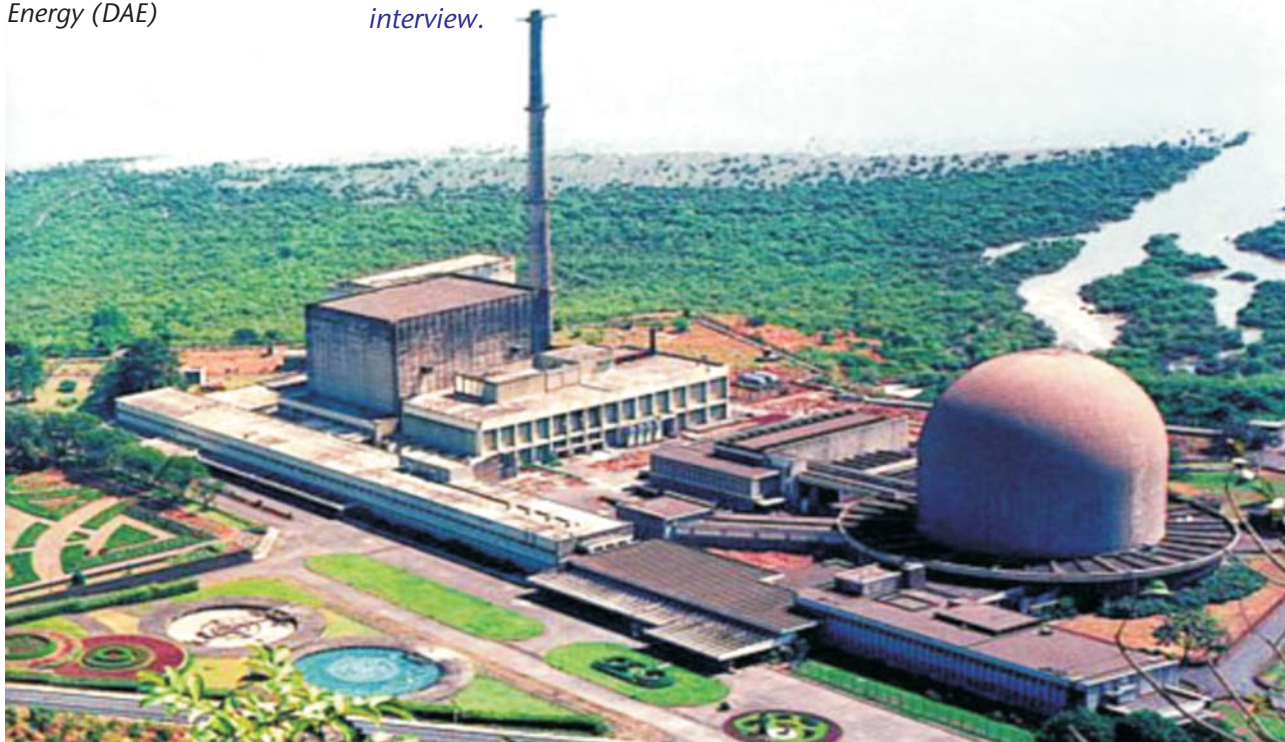
Installed Capacity to Rise to 40,000 MWe by 2020

India, Future Global FBR Tech Leader - Kakodkar



Dr. Anil Kakodkar,
Chairman of India's Atomic
Energy Commission (AEC)
and Secretary to the
Department of the Atomic
Energy (DAE)

Dr. Anil Kakodkar, Chairman of India's Atomic Energy Commission (AEC) and Secretary to the Department of the Atomic Energy (DAE) is upbeat about the country emerging as a global hub of nuclear energy equipment manufacturing, technology trade and commerce. A key negotiator of the historic Indo-US civilian nuclear energy agreement, culminating in the lifting of the 34-year-long ban on India by the Nuclear Suppliers' Group, Dr. Kakodkar says that India's capability to independently build small sized Pressurized Heavy Water Reactors (PHWRs) and thorium-based Fast Breeder Reactors (FBRs) which will have considerable demand in the future in the developing countries. **In an exclusive interview to Asian Nuclear Energy**, Dr. Kakodkar says the lead that India has taken in designing and building FBRs will make the country a global technological leader in this crucial area in the future. Dr. Kakodkar believes that India's nuclear power generation programme, which offers immense potential for technology and equipment suppliers from across the globe through joint ventures will result in an additional installed nuclear power capacity of 40,000 MWe by 2020. He says that India's capabilities in nuclear energy could also provide enhanced export opportunity for the Indian manufacturing sector to tap emerging markets in nuclear business. Following are excerpts from the interview.





The world is surely moving towards nuclear energy as the best option due to global warming and climate change. What opportunities do you see for India in the emerging scenario?

On short term basis the small size Pressurized Heavy Water Reactors (PHWRs) have a potential to be supplied to some developing countries. With nuclear energy likely to become centre stage, Fast Breeder Reactors (FBRs) are expected to be in considerable demand in future. With India having taken the lead in this crucial area, we could very well be the technological leaders worldwide. Same thing could happen in the context of thorium systems a little later.

India has developed the thorium-based nuclear fast breeder reactor (FBR) to overcome the shortage of uranium supply. What is its role in India's future nuclear power generation programme?

Thorium based reactor technology forms the third stage of the three- stage Indian Nuclear Power Programme. It is envisaged that after about the middle of the century, reactors based on thorium will become commercial not only for electricity generation but also for providing high temperature process heat for industries and hydrogen as a clean fuel as substitute for the petroleum based fuels. Taking into consideration the vast thorium resources in the country, it will provide energy for several centuries.

You are planning to scale up India's installed nuclear power capacity by nearly five times to 20,000 MWe by 2020 from the present 4,120 MWe, which is less than three percent of the country's total power production. Is the policy frame work in place to enable investment to realize a target this high? What incentives the government is expected to announce in order to boost private participation in this industry?

The present installed nuclear power capacity in India is 4,120 MWe. Out of the 20,000 MWe target mentioned in your question and which is likely to be revised upwards, NPCIL can manage about 10,000 MWe through its own financial resources. Atomic Energy Act in its current form does allow investment by private sector up to the extent of 49 percent.

Will there be any amendments to the Atomic Energy Act with regard to facilitating the private sector's entry into the closely guarded nuclear power generation field?

As mentioned above, Atomic Energy Act requires nuclear power generation to be done by a government company in which at least 51 percent shares are held by the Central Government. The private sector can however carry out manufacturing of nuclear equipment and other supply chain activities including construction.

The Indo-US nuclear deal has opened the doors to India for carrying out legitimized nuclear commerce. Please enumerate the immediate and long-term spin-offs.

The nuclear commerce in India has always been legitimate. In fact, India is well known for its responsible behavior in conducting its nuclear business. Immediate benefit of the international civil nuclear commerce with other countries will be an additionality of installed nuclear power capacity (40,000 MWe by 2020) over and above that to be achieved through the indigenous three-stage programme.

There are reports suggesting envisaged collaborations worth \$150 billion for setting up a total capacity of 10,000 MWe using equipment and materials from US reactors and companies. Do you expect any significant move or development in this regard during the forthcoming visit to India of US Secretary of State Hillary Clinton?

While the outlay indicated in the question seems highly inflated, discussions are currently taking place between Nuclear Power Corporation of India Ltd. and US vendor companies.

The Economic Survey (2008-09) has suggested allowing Foreign Direct Investment of up to 49 percent in Indian nuclear power plants. Is any policy announcement expected from the government in this regard?





FDI in Indian Nuclear Power Plants is not envisaged.

With multinational companies planning to manufacture nuclear power equipment in India to meet local as well as global demand, do you expect the country to become part of the global supply chain?

Yes, certainly.

Three decades of isolation has also made India realize its capabilities in the nuclear power generation sector. In the light of India's acceptability by the global nuclear community, what are the prospects of outsourcing of equipment/component manufacture to this country?

We certainly expect enhanced export opportunity for the Indian manufacturing sector in nuclear business following appropriate export control regime.

With global nuclear power firms eyeing partnerships with Indian companies, you have recently advised Indian companies to "exercise due diligence and read the fine print" before signing deals. Do you intend to issue any guidelines to Indian companies, defining their priorities in this regard to enable the country to become a supply chain king, as you said recently?

It is important that the Indian industry maintains their technological competence and freedom to support emerging markets both within the country and outside and in so doing they should not allow themselves to be subjected to extraterritorial application of foreign laws that restrict their participation in the domestic development of the three-stage nuclear power programme which is the key to

opening up of very large potential of nuclear power. DAE would continue its engagement with the Indian industry in this regard.

How soon will the project for setting up nuclear parks in different States across the country, each providing for six to eight reactors of 1,000-1,650 MW be ready?

Negotiations are already in progress with vendors from France, Russia and USA for this purpose.

You have ambitious plans of meeting 25 percent of power generation from nuclear plants by 2050. What will be the estimated installed nuclear power generation capacity by then?

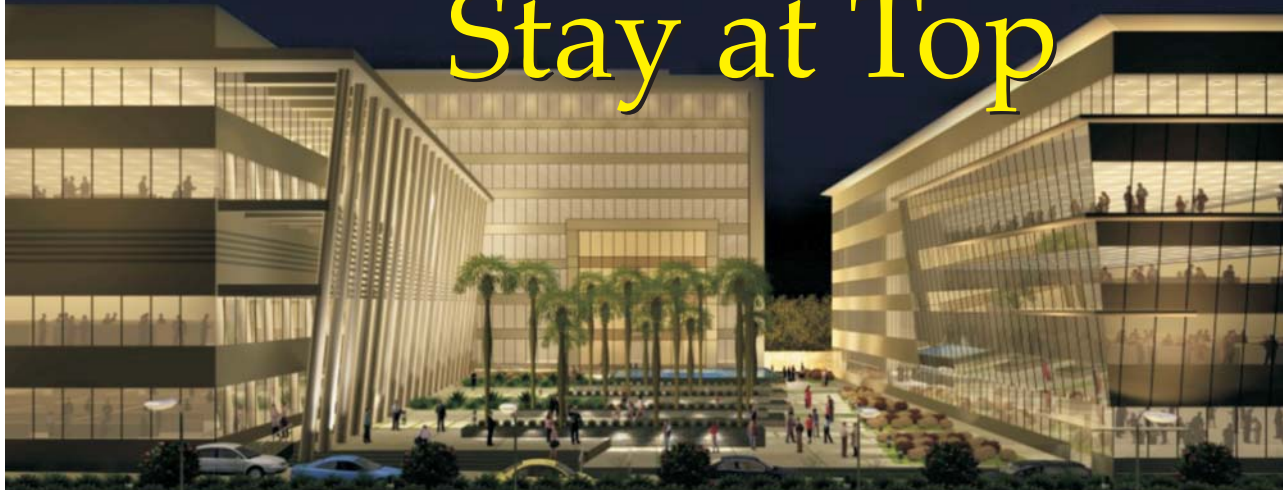
We expect around 25 percent of power to be realized by nuclear power plants on the basis of further indigenous development of the 2000 MWe programme by 2020. Another nearly 25 percent is expected to come as an additionality based on initial imports of LWRs/uranium to the extent of 40,000 MWe. Thus the proportion of nuclear power by 2050 could well be around 50 percent (~ 600-700 GWe) if we successfully bring to bear the indigenous capability built as part of the three-stage Indian nuclear power programme on the initial additionalities through imports.

What is the overall uranium supply scenario and what will be Uranium Corporation of India's contribution to it in the long run?

UCIL is poised to expand supplies to our expanding nuclear power programme. Further, AMD is aggressively pushing exploration activities by bringing in modern technology.



MIDC Helps State to Stay at Top



Maharashtra continues to be in the forefront of economic development, thanks to sterling efforts of the Maharashtra Industrial Development Corporation (MIDC). According to studies carried out by prestigious publications, such as Projects Today and Business World, Maharashtra has the highest planned project investment and a high, increasing implementation rate and is the number one State in overall business competitiveness.

Maharashtra has the sanction of 25 approved Special Economic Zones (SEZs) of which 10 are developed by MIDC, seven are developed on the lines of Public-Private-Participation (PPP) model and eight are developed as joint ventures, in all providing jobs to nearly one million people.

The 17 SEZs developed by MIDC and the PPP mode promote industries ranging from Information Technology to engineering, textiles to aluminium production, pharmaceuticals to biotechnology and leather goods. The eight SEZs proposed by MIDC as joint ventures are all multi-product except for one which is exclusively meant for processing plastics.

Maharashtra, the most urbanized state with a population of 11 crore, is also home to a flourishing textile industry. MIDC has promoted eight textile parks across the state.

Also being developed by MIDC is the Food Processing Industry across the State.

- Main processing industries are in the sectors of sugar, milk, poultry, rice, flour, meat, vanaspati, fruit and vegetables
- Food Parks are being developed in Butibori, Shendra, Newasa, Latur, Osmanabad.

Out of 66 mega projects in the State, 30 are in

production, 16 are under construction and land has been allotted to 20 others.

Through Maharashtra 20 percent of Country's net value is added in industrial sector. Maharashtra's Per Capita Income is 46 percent higher than the National Average. Recent investment in Maharashtra accounts for a fifth of the total national investment.

Important Statistics about Maharashtra are :

- 25 percent of the country's exports
- 22 percent of export-oriented units
- 77 percent of country's gems and jewellery exports
- 25 percent of country's IT exports
- 14 percent of all factory employment
- India's largest total and non-farm employment provider
- Leads in value of output in 15 out of 25 industry sectors including auto and components, machinery, food products, basic metals
- Auto & Auto Components: 38 percent of country's output
- Engineering: 23.1 percent
- Textiles: 10.4 percent
- IT & ITES: 30 percent of software exports
- Pharmaceuticals: 40 percent
- Chemicals & Petrochemicals: 27.4 percent

MIDC is established on 1 August 1962 under Maharashtra Industrial Development (MID) Act, 1961 For Planned Industrial Infrastructure Development & Balanced Regional Development. It is India's premier

industrial infrastructure development agency. MIDC has a enviable track records of building high quality infrastructure Including roads, water supply & sewage systems, Modern and high-tech pollution handling mechanism, effluent treatment plants, air strips.

MIDC is declared as Special Planning Authority in MIDC areas from 14 October 1993. It has Independent Development Control Rules since 7 January 1999. MIDC has also been declared as Special Planning Authority for Private Non Multi-product SEZs developed in the State.

Strengths of MIDC

- A sound financial corporation which brings flexibility in decision making
- Can execute projects with Public Private Partnership
- Designated as a Special Planning Authority
- Simplified procedures for approvals
- Provides robust infrastructure in the form of roads, water supply schemes and common facilities amongst others

Thrust Areas

- Information Technology
- Bio-Technology
- Agri -Business
- Food Parks
- Floriculture
- Pharmaceutical / Healthcare
- Development of Industrial Clusters
- Auto
- Apparel & Textile
- Wine
- Infrastructure
- Transport
- Roads
- Power (Captive Power)
- Gas
- Ports
- Airports
- Special Economic Zones

Advantages of Locating in MIDC

- Four decades of experience in industrial infrastructure
- Ready availability of land
- Clear title of land, free from all encumbrances
- Established connectivity
- Provision of world-class infrastructure
- True single-window clearances and approvals
- More dependability and reliability on account of being Government of Maharashtra undertaking

MIDC has Developed 230 Industrial Parks on 54717 ha. of land.

Major Industrial Areas	: 90
Small Industrial Areas	: 90
Growth Centre(State)	: 46
Growth Centre(Centre)	: 4

Classification of Areas

• Small Industrial Area	Upto 10 Ha.
• Growth Centre	Minimum 100 Ha
• Major Industrial Area	More Than 100 Ha

SN	Region	Land Got in Possession Last 10 Years (In Ha.)	Land Under Acquisition (In Ha.)
1	Konkan	193.00	15182.27
2	Nashik	5639.51	7488.49
3	Pune	11164.18	27343.49
4	Aurangabad	3604.95	5834.63
5	Amaravati	109.09	72.61
6	Nagpur	18.24	5609.36
	Total	20728.97	61530.85

MIDC's Strength: Water Supply Schemes

- Water Supply Schemes : 1977 MLD

Water Supply Utilization Patterns

- A. All Over Maharashtra 1312 MLD
 - 1) Domestic (54 %) 708 MLD
 - 2) Industrial (46 %) 604 MLD
- B. Mumbai Metropolitan Region 786 MLD
 - 1) Domestic (70 %) 550 MLD
 - 2) Industrial (30 %) 236 MLD

In MIDC's major water supply scheme, BARVI Grid present water losses are only 10.52 % (2008-09) which are now planned to be reduced to 10.25 % in year 2009-10

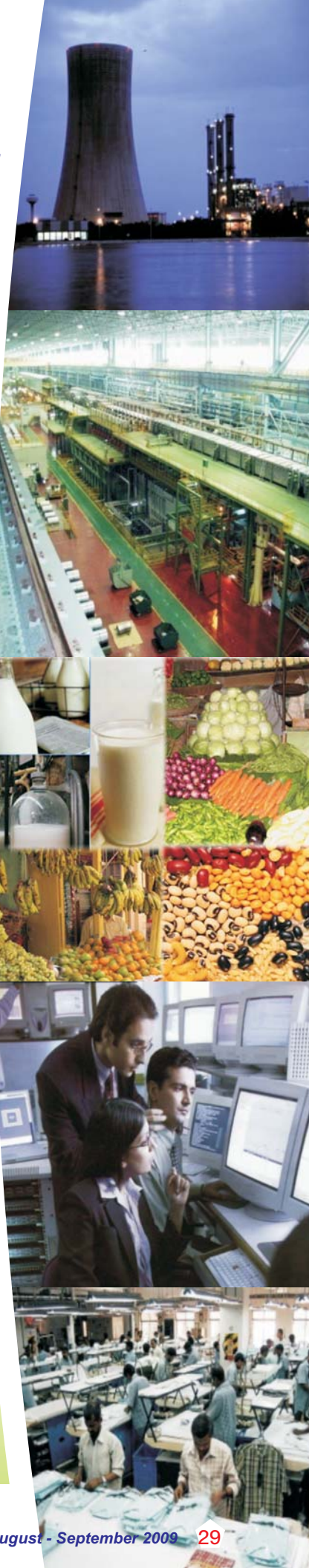


MIDC: Achievements

- Gems & Jewellery Parks , Floriculture Parks, Wine Parks developed.
- Fire Stations are Operational At 15 (TTC, Roha, Tarapur, Talaja, Addl.Ambernath, Mahad, Lote Parshuram, Hinjawadi, Ranjangaon, Kurkumbh, Hingna, Butibori, Solapur-Chincholi, Sangli-Miraj, Nanded Airport MIDC areas. 24 New Locations are expected to be equipped with new firestations.

Environment Friendly Support

- MIDC has commissioned 19 common effluent treatment plants (CETPs).
- 6 CETPs are under construction.
- MIDC has four solid waste disposal units for MIDC areas. These plants use incinerators & plasma technologies.



SN	Airport	Proposal	Timeframe
1.	Amaravati	Handing over to MADC	July 2009
2.	Yavatmal	For Privatisation	By December 2009
3.	Nanded		
4.	Laturú		
5.	Osmanabad		
6.	Baramati		
7.	Kolhapur	Handing Over To Airport Authority Of India	February 2012
8.	Ratnagiri	Handing Over To Coast Guard	December 2009

- MIDC places a lot importance to environment

Airports with MIDC

- Amaravati • Yavatmal • Nanded • Latur • Osmanbad • Baramati • Kolhapur • Ratnagiri

Wine Parks

Godavari Wine Park, Vinchur-Nashik

- 52 kms from Nashik, spread over 151.36 hectares Krishna Wine Park, Palus Sangli
- 38 kms from Sangli, spread over almost 53.70 hectares

New Reforms Effected in MIDC

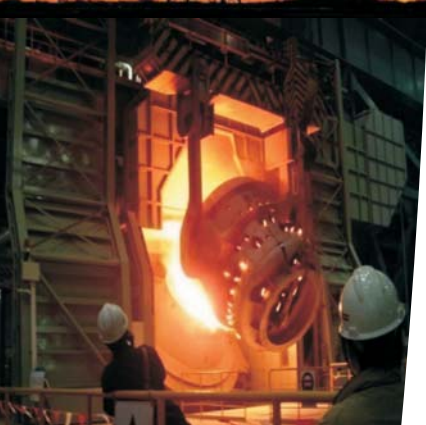
- Public Private Partnerships already successful in SEZs, airport privatization
- Implementation of Clean & Green Eco friendly (CGEF) with Science & Technology Parks Of India is already taking Shape at Lote Parshuram, Chiplun
- Single Window Clearance in MIDC process is initiated.
- Decentralization of powers to regional Level. e.g. most of the fire NOC will now be given at regional level.

Tie-up with Microsoft

- MIDC has signed an agreement with Microsoft to computerize multiple functions across the organization. Under the agreement, MIDC will deploy Microsoft's ERP (Enterprise Resource Planning) software to streamline processes in the corporation. This step is estimated to reduce about 70-80 percent of paperwork internally, the benefit of which will boil down to consumers.
- With this pact, MIDC has perhaps become the country's first State-owned industrial body to streamline its internal processes in such a fashion.
- MIDC has already computerized its water billing, land management, accounting,

Important MIDC Clients

- Automobiles: TATA Motors, Fiat, GM, Daimler Chrysler, Volkswagen, Mahindra, Bajaj Auto
- Pharmaceuticals: Pfizer, Wokhardt, Ajanta, Lupin, Novartis, Cadila, kopran, Cipla, Serum
- Engineering: Thermax, Siemens, Bharat Forge, JCB, Hyundai
- Chemicals: BASF, Tata Chemicals, Hical, ITC, Camlin
- Steel: POSCO, Jindal, Tata, Sunflag
- Textile: Raymond, Bombay Dyeing, Indocount
- Information Technology



The Best 6 Companies in India are in MIDC.

- International players like GlaxoWellcome, Novartis, Pfizer, Johnson & Johnson, Abbott are already established in various MIDC areas.
- Glenmark Pharmaceuticals, J B Chemicals, Unichem Laboratories, FDC, RPG Life Sciences, Aarti Drugs, Zandu Pharmaceutical, Elder Pharmaceuticals, Ankur Drugs and Pharma, TASC Pharmaceuticals, Indoco Remedies and Makers Laboratories, are established names in MIDC .
- Joint-Venture between MIDC & The Chatterjee Group (TCG) Company International Biotech Park Ltd. (IBPL) has established Biotechnology Park at Hinjawadi at Pune On 104 Acres.
- Major focus of this park is on Pharma Biotech, Contract Manufacturing, Research and Clinical Trials.
- The Development of the park is a Dumbbellstrategy: "Core-Shared Facility" at one end & "Anchor Tenant" (Clinical Research/Tech. Development Centre) at the other.

building proposal automation and file tracking systems.

Power Initiatives

- Hydel power generation proposal at Barvi Dam (12 MW).
- MoU for purchase of proposed 1000 MW probable power generation at Bhadravati, with MSEDCL
- Land allotment for power projects at Mul, Tiroda (Gondia), Dewali (Wardha), Chandrapur, Vardha Power (600 MW).
- Land acquisition under MID Act for Tata Power (Shahpur Dherund), Reliance (Nagothane, Alibag), Jindal (Ratnagiri), Ispat (Wave, Pen).

Effective Solutions on Recession offered by MIDC

- Six months extension for Building Completion Certificate
- Clients are allowed to complete 10 percent work in their stipulated time for getting BCC.
- Under New Amnesty scheme, the clients who have taken lands & still not started development are allowed to transfer their properties by paying 50 percent transfer fees.

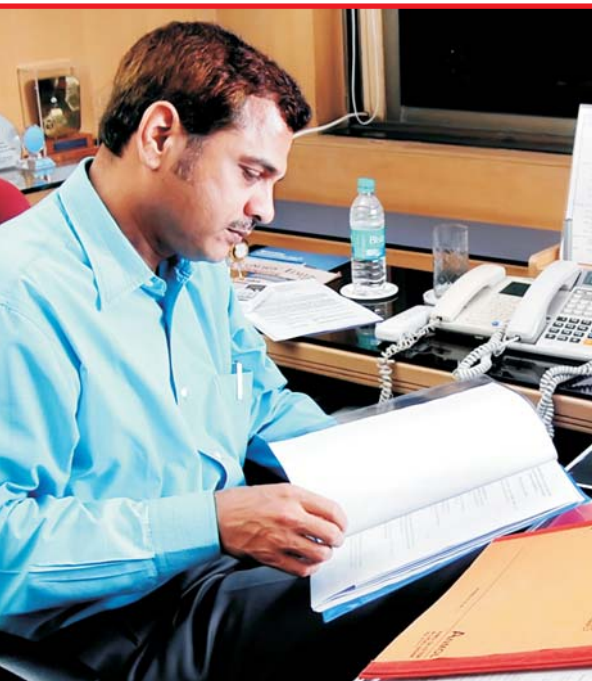
MIDC: Way Forward

- 61,530 ha. under acquisition.
- 10 SEZs on own & seven SEZs on PPP basis are in progress.
- Development of Truck Terminus in major industrial areas.
- New company MIGTCL is formed to develop Natural Gas Grid Network in major industrial areas.
- MIDC is declared as the Nodal Agency of Government of Maharashtra for Delhi Mumbai Industrial Corridor (DMIC) .

Industrial Region

Phase I: Igatpuri- Nasik Sinnar
 Phase II: Khed -Pune
 Industrial Area
 Phase I: Dighi Port & Nearby
 Phase II: Khed , Chakan

Coping with Pollution, the **MPCB** Way



Maharashtra is India's most industrialized State. Hence, pollution control assumes a challenging task in this State of 11 crore population and a coastline of 720 km. Industries spread across the State are wide-ranging; from chemicals to pharmaceuticals and biotechnology, from textiles and engineering to agro-based and biotech industries. Effluents spewed out from these industries require constant monitoring. Added to this is the coastal and river water pollution, contaminating the fish and endangering the lives of humans consuming them. Then there is noise pollution descending on major cities and towns such as Mumbai, Pune and others during the Diwali and Ganesh festivals. So, the hands of the Maharashtra Pollution Control Board (MPCB) are full. **Mahesh Pathak**, IAS, a young and dynamic officer, who took over as the new Member Secretary of MPCB on 24 July 2009, looks at the whole pollution scenario of the state and presents the MPCB initiatives in making the lives of people across the state safe in terms of the air they breath and the water they drink and the environs they live in.

MPCB has been conducting environmental monitoring for Ambient Air and Water in the state under different National and State programmes. These include National Air Quality Monitoring Programme (NAMP) and the State Air Quality Monitoring Programme (SAMP) and National Water Quality Monitoring Programme (NWMP) and State Water Quality Monitoring Programme (SWMP).

Apart from air and water pollution monitoring and control programmes, MPCB is also concerned about the noise levels during the Diwali and Ganesh festivals.

In the recent past, MPCB has augmented the water and air monitoring network in the State. Presently, the Board operates about 250 water quality monitoring stations and 76 air quality monitoring stations in the state, including eight CAAQM Stations.

Presently the data generated through these monitoring programs is collected at the Pollution Assessment Monitoring Surveillance (PAMS) Division in the headquarters. Soft data is compiled and up loaded to Environment Data Bank(EDB) of Central Pollution Control Board (CPCB) and hosted on MPCB website.

The Daily Ambient Air Monitoring data of five major cities - Mumbai, Pune, Aurangabad, Nashik and Nagpur are sent to television channels for display in public interest.

Water Quality Monitoring Network

For planning a water pollution control program, it is imperative to understand the nature, extent of pollution and control measures required. Water Quality Monitoring is an important exercise, which helps in evaluating the nature and extent of pollution control required, and effectiveness of pollution control measures already in existence. It also helps in assessing the water quality trends and prioritizing pollution control efforts.

To understand the prevalent water quality in Maharashtra, MPCB has taken up the task of assessing the water quality through programmes such as Global Environmental Monitoring System (GEMS) and Monitoring of Indian National Aquatic Resources System (MINARS) under National Water Quality Monitoring Program (NWMP), funded and guided by CPCB. It started in 1978 with three stations and increased to 38 by 1992.



In 2004, 10 more surface water stations and in April, 2006, 25 ground water stations were added, taking the total to 73.

Water (Prevention and Control of Pollution) Act, 1974, covers both surface water as well as ground water pollution. To tackle the hazards of faster deterioration of surface and ground water quality due to uncontrolled urbanization, industrialization and agricultural activities, the Board has decided to expand the existing water quality monitoring network in Maharashtra, covering all stretches such as drains, river basins, sea water etc.

Project Implementation Plan

Accordingly, a Project Implementation Plan was prepared and expanded the existing water quality network of surface water to 200, and ground water network to 50 locations. This is done by identifying and commissioning additional 152 surface water and 25 ground water locations under State Water Quality Monitoring Program (SWMP). Monitoring of all these stations are being carried out as per the Uniform Protocol for water quality monitoring issued by the Ministry of Environment and Forests and CPCB. In February, 2008, CPCB sanctioned 50 new stations under NWMP from

existing SWMP stations - 45 surface water stations with monthly monitoring frequency and five ground water stations with half yearly monitoring frequency. Presently, WQM network consists of 123 stations under NWMP and 127 stations under SWMP, taking the total to 250.

Air Quality Monitoring Network

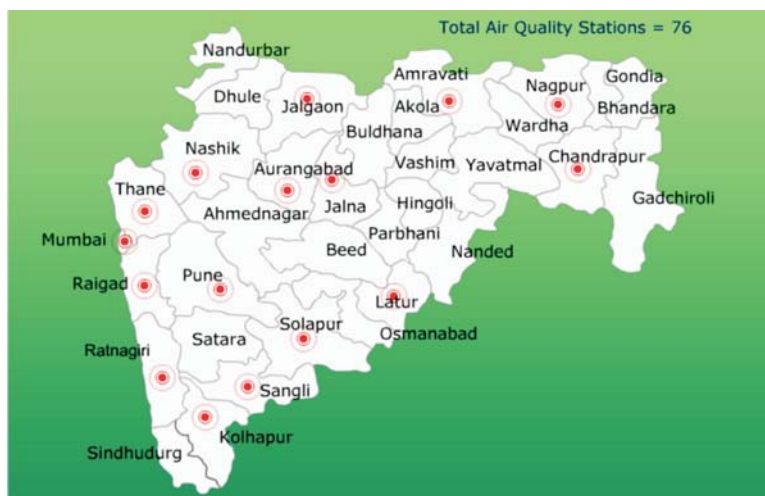
MPCB, as the regulatory agency in the state, requires the information of air quality levels at different locations for planning the pollution control strategy, for dissemination of information and other related matters. Considering the urbanization and industrialization in the state and also public awareness towards the subject, it is necessary for MPCB to collect air quality data at important locations across the State. MPCB is monitoring the air quality at various locations all over the state under National Ambient Air Quality Monitoring Programme (NAMP) and State Ambient Air Quality Monitoring Programme (SAMP).

Noise Pollution Monitoring:

Fire crackers of different make/ manufacture were tested for noise levels in the open space at Wadala Truck Terminal before Diwali Festival during different years in association with Mumbai Police and the NGO "Awaaz Foundation." The results of noise levels observed during the testing along with the names of the manufacturers were communicated to the Chief Controller of Explosives, Nagpur. Results are hosted at MPCB website.

Ambient Noise level monitoring surveys in Mumbai and other major cities were carried out during Ganesh Festival & Diwali Festival in different years. Most of the survey reports are displayed at MPCB website.

MPCB had invited tenders for carrying out the ambient noise monitoring during Diwali and Ganpati Festivals, as per the monitoring protocol given by CPCB. Accordingly, the work of noise level monitoring during Ganesh and Diwali festival, 2008, in Maharashtra is awarded to Ashwamedh





Engineers & Consultants, Nashik.

In order to assess the impact of traffic noise exposure on residents living adjacent to major roads, MPCB has conducted an extensive noise monitoring study covering 25 locations in six metro cities of Maharashtra during December, 2008 for two days i.e. on working day and Sunday. Report is available on MPCB website.

During festivals, mass awareness campaigns were being organised through print and electronic media. Involved the services of police authorities, NGOs, representatives of fire cracker manufacturers association etc, for effective implementation of the campaign.

Other Projects

Volatile Organic Compounds (VOCs) Monitoring survey at industrial areas such as Taloja and Mahad was conducted in February, 2009, in collaboration with SGS Laboratories, Chennai. Final report will be ready in 2009. Taloja & Mahad are critically polluted areas identified in Maharashtra by CPCB, because of huge pollution caused by industries.

Action Plan for these problem areas has been prepared and various efforts have been made to implement the same.

MPCB is also executing a project on "assessment of Status of Riverine fisheries and linking with water quality restoration programme" through Central Institute of Fisheries Education (CIFE), Mumbai. Initially, the Godavari river stretch is taken-up for the study. It is well known that the fish abundance as well as the diversity has decreased considerably due to pollution, the resultant decrease in oxygen levels and habitat degradation. The situation necessitates an investigation into the abundance of the fish fauna in the selected stretches of the Godavari within the state of Maharashtra.

Keeping in view of the above facts, it is proposed to carry out a study on the fish faunal diversity in 10 stretches of Godavari at Nashik & Aurangabad and to correlate with the observed physicochemical parameters. The study is in progress.

Coastal Monitoring project in collaboration with National Institute of Oceanography, Mumbai. Coastal water monitoring survey was carried out over the stretch of Maharashtra coast from Sindhurg to Dahanu at the various locations covering 720km. Sampling locations were decided considering the sites of effluent discharge points and natural drains which are carrying polluted water in to the coast. Main objectives of the study as under:

- Ecological monitoring of inshore & coastal areas to identify changes, if any, in water quality, sediment quality and biological characteristics and utilize the findings for corrective measures.
- Monitor for indicator pollutants and assess recovery of the ecosystems.
- Undertake predictive modeling of selected marine areas for planned disposal of industrial & domestic effluents.

MPCB has prepared a Statistical Analysis Report on Water Quality in association with NEERI, Mumbai. This document contains compilation and statistical analysis of water quality monitoring data collected through National Water quality Monitoring Program during 2005-07. Various statistical tools have been used for useful interpretation of the data. This analysis will help to prioritize the areas of concern and then facilitate future actions such as minimization of pollution loads and also development of preventive action plan. This is the first initiative of the Board to effectively use the statistical tools as a part of pollution control management.

MPCB has already initiated improvements in water quality monitoring and taken corrective steps. Action is being initiated on the recommendations of the report. ■



WEST INDIA COUNCIL

Celebrating American I-Day, Mumbai Style

Come July and the bond between India and the United States becomes stronger; not because of the soothing monsoon weather; its because the Indo-American Chamber of Commerce (IACC), traditionally chooses to celebrate the 4th of July, the American Independence Day, in advance. This year too IACC staged a grand event to celebrate US independence on 3rd July 2009. The colors of USA were in full display as the Taj Crystal Room was elegantly lit and decorated with blue, white and red.

IACC-WIC Regional President Brian Brown, played perfect host to a bevy of dignitaries, prime amongst them was the Chief guest, US Consul General, Paul Folmsbee and Special Guest Pooja Bedi. The evening unfolded with the anthem of both the nations, following which Paul Folmsbee spoke about the ever strengthening ties between the US and India.

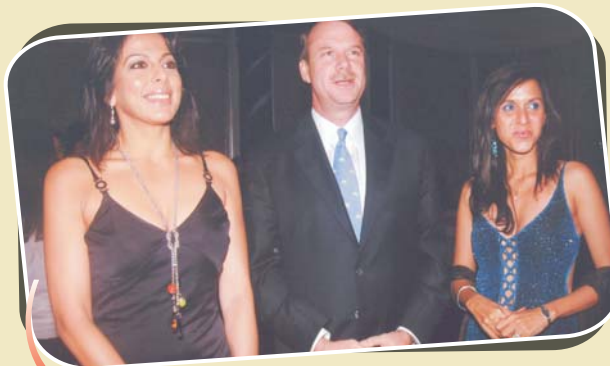
Ms. Bedi, speaking about her long association and her personal involvement in several initiatives by IACC said, "It's an honor to be here as the special guest today. It feels good when one's work is acknowledged."

Despite the rains, the crème de la crème of the Mumbai's corporate and cultural society flocked in large numbers to celebrate this special day, bearing testimony to Mumbai's "never-say-die" spirit. The guests were in 'high spirits' as cocktails flowed freely (thanks to Vasant Bhandhari of the -UB group) in the networking area, friends greeting each other nosily and new introductions made in the bustle and buzz.

And then there was Trudy D'Souza, Regional Director IACC, WIC, compering the evenings programme and charming everyone around. The entertainment commenced when India's numero uno singer performer & voice over artist, Ella Atai performed on the legendary Frank Sinatra's solo New York, New York. In addition to the evening's entertainment programme, there was also a 'Lucky Draw' where prizes were presented to winners from the audience. The evening also witnessed a noble cause- a 'Charitable Auction' where prizes were auctioned &



L-R: Brian Brown, Regional President IACC-WIC, Pooja Bedi, talk show hostess & humanitarian & Paul Folmsbee, US Consul General



Pooja Bedi talk show hostess, Paul Folmsbee US Consul General and Ms. Trudy Dsouza, Regional Director-IACC.



Retro Jazz beats from Darren Das & the Sixth Sense band providing scintillating entertainment.

part of the proceeds given to Taj's very own "Taj Public Service Welfare Trust", a trust dedicated to the victims of the 26/11 terror attacks.

The noble cause saw holiday packages courtesy Taj Hotel & Four Seasons Hotel being auctioned. The highlight of the auction was a breath-taking three nights stay at The Leela Presidential Suite Udaipur Lake Palace, worth over Rs. 7 lakh, with an approximate rate of 2 ½ lakhs per night.

The real party started after the stage was taken over by Darren Das & The Sixth Sense band who made sure the dance floor was flooded with an elegant mix of dignitaries and celebrities. The dance maestro himself Sandip Soparrkar & Jesse Randhawa flaunted some jaw-dropping dance moves. Singer Mehnaz who came in mid-way added to the glam quotient.

This Celebration would not have been a reality without the support of our ever loyal sponsors. Sponsors-Himalayan, Navnit Motors & Informa India; the Co-sponsors-FedEx Express & Wanbury and the Banner Sponsor-Ugam Solutions, K. Raheja Corps, Essar Group & Pitambari Products Pvt. Ltd.

The evening's celebration that witnessed a brilliant turnout of both Indians & Americans marks the beginning of a brighter future, a future minus terrorism.



It's the time to disco!!! Dance maestro Sandip Soparrkar & model Jesse Randhawa.



Team IACC at the celebration L R: Trudy D'Souza, Ritesh Sinari, Kaiwan Phiroozmand, Immaculate Mudaliar, Leena Mascarenhas & Suma Shetty.

GUJARAT BRANCH

Meet on Investment Opportunities

The Gujarat Branch of the Indo- American Chamber of Commerce (IACC) organized an interactive "IACC MEET" on 13 June 2009 at Hotel Fortune Landmark, Ahmedabad. Dignitaries, including Jaynarayan Vyas, a Minister on the Gujarat Government gave his presentation on "Investment Opportunities in Gujarat - GIFT" & K. Srinivas, MD, Gujarat Urban Development Co. Ltd on "Investment Opportunities in Gujarat GIFT" Also present in the programme were IACC National President S.K. Jain, IACC Secretary General R.K. Chopra and branch council members of IACC Gujarat Branch.

Krishna Bhaya, Secretary, IACC-Gujarat Branch welcomed the speakers - Vyas and Srinivas and the members on the stage and the audience.

Jain, gave a welcome speech. Kaizar Mahuwala,

Chairman IACC, Gujarat Branch gave an inaugural speech and a brief introduction of Vyas. Chopra introduced Srinivas to the audience.

Srinivas gave a brief introduction about the GIFT project and informed that it is a special scheme by the Securities Exchange Board of India (SEBI). After the implementation of the project, it would be a favorite spot for the visitors. It would include greenery, big infrastructure, buildings, etc. The project covers the nearby areas of river front (Sabarmati River) & the airport area. The company, which will implement the master plan prepared by their consultant company British Telecom, was also mentioned by him. The Gujarat Government has signed MOU with CISCO. As a result, the Map of Gujarat will display a new change.



Vyas said that the fear of an economic downturn hitting India was a politically motivated myth created by the vested section of urbanized elite. He said that only a few of the country's export-oriented businesses like IT, gems and jewellery, etc. were affected. The GDP of Gujarat is 9.8 percent compared to other states of the country. He highlighted the key points of Gujarat. Gujarat has the largest coastal area, which covers 1600 km. Mundra port is the pride of Gujarat.

Gujarat is first in production of Groundnut Oil & Cotton Seed, second in the production of Potatoes & Bajra and third in the Petroleum Sector. Amul milk products are sold across India. In the power sector, Gujarat generates around 4500-mega watt power. He concluded that there are vast opportunities in all the sectors of Gujarat.

Himanshu Vyas, Vice-Chairman, IACC Gujarat Branch,

offered a vote of thanks. The meeting was well covered by print and electronic media. The meeting was followed by lunch. ■



L-R: Jaynarayan Vyas, Krishna Bhaya, Himanshu Vyas, K. Srinivas, Kaizar Mahuwala, S.K. Jain, Narendra Patel, and R. K. Chopra.

Talk on Risk Management in Currency Futures

The IACC-Gujarat Branch organized a programme jointly with the National Stock Exchange of India (NSE), on "RISK MANAGEMENT WITH CURRENCY FUTURES" on the evening of 21 July 2009 at Hotel President, Ahmedabad.

IACC-Gujarat Branch Chairman Kaizar Mahuwala gave a brief introduction about IACC and warmly welcomed Ms. Bhawika Wanchoo, Branch Incharge of NSE, Ahmedabad, the speaker of the function. Ms. Wanchoo has been with NSE for 12 years and has been the Ahmedabad branch in-charge for the last nine years.



Bhawika Wanchoo addressing the audience

NSE is considered one of the most advanced exchanges in the world. It has launched a new asset class for trading Currency Futures on 29 August 2008.

Ms. Wanchoo started with an orientation on Currency Futures, what these mean, how to trade in them and the risks involved. Advantages of trading in Currency Futures is that there is no underlying exposure, while there are high accessibility, high price transparency, standard agreements, and daily mark to market. She also explained exchange traded currency futures vs. OTC market, regulatory framework, trading, clearing & settlement in currency futures.

Ms. Wanchoo said that all Indian residents or Indian companies including banks and financial institutions could participate in the market. She concluded the program by giving some tips to the members on how to trade in the stock exchange and that they can trade with multiple brokers in the same market.

Members from various sectors attended this meeting and found it interesting. Narendra Patel, Vice-Chairman, IACC Gujarat Branch, proposed a vote of thanks. The programme was followed by Hi-Tea. ■



From Wall Street to Main Street: Talk on US Financial Crisis

The IACC Gujarat Branch organized a Dinner meeting on the topic 'From the Wall Street to the Main Street: the Financial Crisis in the US' on the evening of 5 June 2009 at Ellisbridge Gymkhana, Ahmedabad.

Krishna Bhaya, Branch Secretary, IACC- Gujarat Branch warmly welcomed the speaker Prof. Douglas J. Young, Professor of Economics at Montana State University. Madhavi Gargesh, Past Chairperson IACC, gave a brief introduction of Prof. Young.

Prof. Young, who has worked extensively with the state government in Montana and been advisor to the Department of Revenue, started his speech by talking about the reasons for the current financial crisis in the US. He highlighted the issues of house prices and their effects of the recession.

Prof. Young said that the global and Asian markets are presently rising. The developed countries are making huge investments in countries such as Japan, China and India, which are of key interest to foreign investors. He concluded by saying that the Indian economy is booming

rapidly, which is a sign of significant growth.

The talk was followed by a question-answer session. Members from various sectors attended this meeting and found it interesting. Krishna Bhaya, Branch Secretary, IACC Gujarat Branch, proposed a vote of thanks. The programme was followed by dinner. ■



L-R: Krishna Bhaya, Prof Douglas Young, Montana University, and Tasneem Kalsekar, Cultural Affairs Specialist, The American Centre.

SOUTH INDIA COUNCIL

TAMIL NADU BRANCH



Andrew T. Simkin welcoming the participants at the panel discussion on Corporate Information Security program

Meet on Corporate Information Security

The Indo-American Chamber of Commerce (IACC) Tamil Nadu Branch, in association with the U.S. Consulate General, Chennai, organized a panel discussion on Corporate Information Security on 11 August 2009.

Andrew T. Simkin, U.S. Consul General for Chennai welcomed the participants and S. Ravishankar, Chairman, IACC (TN) gave the vote of thanks.

This program was aimed to present a better



understanding about protecting one of their most important and proprietary asset - Corporate Data.

Dale Orr, Regional Information Systems Security, U.S. Embassy, New Delhi, spoke on Network Security - The Current Scenario through Video Conferencing. Other

speakers include Raman Govindarajan, CEO, Perf Systems, Chennai, who talked about Corporate Data Security Typical Security Threats and Remedies and N.S.N. Pillai, Head, Risk Management and Information Security, Ashok Leyland, spoke on Corporate Security Audit. ■

Seminar on Engineering Services Outsourcing

The Tamil Nadu Branch of the Indo-American Chamber of Commerce (IACC), in association with the Southern India Engineering Manufacturer's Association (SIEMA), organized a programme "Engineering Services Outsourcing-Opportunities and Challenges" on 6 August 2009.

Andrew T Simkin, U.S. Consul General for Chennai, who was the Chief Guest, said that the volume of trade

between the two countries was \$ 44 billion and it was expected to double over the next five years.

He said the US is keen on strengthening free trade, economic co-operation and bilateral ties with India. However, the growth might not rise to the expected levels this fiscal because of the global slowdown.

Simkin said the US Commerce Department had identified promising areas for the US firms to step into areas such as computer and peripherals, education services, electricity and transmission equipment, food processing, mining and minerals, coal and gas, retails and franchising.

He said the Indo-U.S. relationship had been on a strong growth trajectory and there were a lot of resources and areas for co-operation on which the countries could work together.

S. Ravishankar, Chairman, IACC welcomed the gathering, IACC Regional President Sankaran Raghunathan, Krishna Samraj, Managing Director, Magna Electro Castings Private Limited and Mr. Jayakumar Ramdass, President of SIEMA were also present. ■



Andrew Simkin addressing the participants. Others (L-R) Dr. Sankaran P Raghunathan, Jayakumar Ramdas, N Krishna Samaraj, and S. Ravishankar.

Farewell to Frederick Kaplan

The IACC-TN Branch hosted a high-tea to bid farewell to Frederick Kaplan, Consul for Public Affairs, U.S. Consulate General, Chennai. The farewell function was held on 25 June 2009 at Hotel The Park, Chennai. ■

S. Chandrasekar presenting a memento to Frederic Kaplan. Also seen (L-R) Dr. Sankaran P. Raghunathan, and S. Ravishankar





Cultural Skills for Doing Business with US

The IACC-TN Branch conducted a one-day Workshop on "Cross cultural skills for doing business with America" on 26 June 2009 at Hotel Ramada Raj Park, Chennai.

Ms. Sreemathi Ramnath, Founder and Principal Consultant of Immer Besser Cross-cultural Management Consultancy, is the faculty for the workshop. This program was aimed to create awareness of the differences amongst the corporate executives and individuals who deal with their American colleagues and business partners. The participants learnt on American etiquette, culture, communication pattern, body language and business negotiation pattern.

The workshop was highly interactive and beneficial. ■



Trainer Ms. Sreemathi Ramnath, interacts with the delegates at the Workshop.



Round Table Meet with Linda Droker

L-R: Sankaran P Raghunathan, Regional President, IACC (SIC); Ms. Aileen Crowe Nandi, Principal Commercial Officer, US Consulate, Chennai; Ms. Linda Droker, Director, South Asia and Oceania, US Dept of Commerce, and Umesh Pujara, Vice-Chairman, IACC (TN). ■

KARNATAKA BRANCH

Session on Civic Elections: What You Can Do...

The Indo American Chamber of Commerce (IACC), Karnataka Branch organized an interactive breakfast session on "Empowering Ourselves for the Forthcoming BBMP Elections," held in Hotel Fortune Select JP Cosmos on 3 June 2009.

In this session, Arun, ALMT Legal, along with Ms Kathyayini Chamraj, CIVIC, made a presentation on the powers, authority and the obligations of the corporators together with a small component of the electoral process



Ms. Kathyayini Chamraj, Civic familiarizing the IACC members with electoral process for BBMP elections.



for the BBMP elections. CIVIC is an organisation working in Bangalore since the late 1990s seeking to empower people in the electoral process and to ensure that the citizens enjoy their guaranteed rights and benefits.

Ms Chamraj educated the IACC members on the affairs of the corporation, the role of the corporator in a growing metropolis like Bangalore and lastly, familiarised the participants with the electoral process for the BBMP elections. ■

SIC Meet at Soukya Holistic Health Centre

A meeting of the South India Chapter of the IACC was held in Bangalore at Soukya International Holistic Health Centre on 27 June 2009. Vasanth Kini chaired the meeting in the absence of IACC Regional President Sankaran. Branch chairmen, SIC members and Branch secretaries of the Southern branches attended the meeting. Each of them presented the activities and membership status of their respective branches.

SOUKYA has been rated as a 'One Stop Wonder of the 101 Best Spas of the World' by Conde Nast's Tatler Spa Guide 2008; awarded the 'Best Ayurvedic Spa' for the 2nd consecutive year at AsiaSpa's India Awards and been rated by India Today as the 'Best of India - Place for Nature Cure'. Issac Mathai, Managing Director, Soukya

talked to the members about holistic healing and stress management. ■



Issac Mathai of Soukya addressing the members on holistic healing & stress management.



IACC officials during South India Meet

Celebrating US I-DAY in True Spirit

The IACC Karnataka Chapter celebrated the American Independence Day on 4 July 2009 at The Ball Room, Hotel Lalit Ashok.

The Lalit Ashok was all decked up in red, white and blue to capture the spirit of American Independence Day as members of the IACC, Karnataka as well as American

citizens came together for some nostalgia, networking and patriotism.

The guests list was a virtual who's who of the industry and a multitude of American citizens. Everyone, whether they were in sarees, kurtas or western attire came dressed in the colours of the star spangled banner. ■



The charm of the function was enhanced by the dance performances presented by Lourd Vijay's dance troupe.

The entire evening was filled with various games. Members were given badges having the name of popular American celebrities like Julia Roberts, Oprah Winfrey, George Washington etc. Various games were then played involving the celebrity groups, creating the tempo to boost the celebratory spirit.

The food was as authentic as you could get on a fourth of July holiday anywhere in America.

The star sponsor for the evening was Kingfisher Airlines, which has recently launched a direct flight from Bangalore to Dubai. Liquor was sponsored by The UB Group.

There were many prizes given away as well, such as free

tickets to London, Dubai and other domestic destinations sponsored by Kingfisher Airlines along with lunch and dinner coupons sponsored by various five-star hotels.

The evening was thoroughly enjoyed by the members of IACC as well as the American citizens. ■



Programme by the Lourd Vijay Group



Cake cutting ceremony L-R : Rajkumar, Vice Chairman (IACC), Steve, CISCO, Pradeep, Kingfisher Airlines, Vasanth Kini, Chairman, IACC.



IACC members, American Citizens enjoying the celebrations.

Session on Union Budget 2009

The IACC Karnataka Branch organized an interactive breakfast session on "Under the Magnifying Glass Budget 2009".

Ms. Krupa Venkatesh and Vishveshwar Mudigonda, Senior Directors of Deloitte Touche Tohmatsu India, presented a study of the Union Budget 2009.

With complete and accurate analysis they covered topics relating to Direct Taxes: Corporate Taxation, Personal Taxation and Amendments, and Indirect Taxes: Customs Duty, Excise Duty, Service Tax and Goods & Service Tax.

The session was held at Hotel Fortune Select JP Cosmos on 10 July 2009. The talk was very interactive and informative for IACC members. ■



Interactive session on "Under the Magnifying Glass – Budget 2009"



ANDHRA PRADESH BRANCH

Consulate Staff Join Maiden Celebrations of US I-Day

The Andhra Pradesh Branch of the Indo-American Chamber of Commerce (IACC), celebrated the 233rd anniversary America's independence at Hotel Taj Deccan, Hyderabad on 3rd July 2009 with more than 150 participants from IACC, Consulate and other Prominent representatives from Indian and American companies.

IACC-AP Branch Chairman Jagadeeswara Rao welcomed the guests informed that this was the first time the Branch was celebrating this occasion, which also incidentally, marked the presence of the American Consulate General's office in Hyderabad.

The program started with singing of the national Anthems of the two nations and was very well received with special guests D.K. Aruna and Ahmedulla, Ministers in the Government of Andhra Pradesh, Deputy Speaker of the Andhra Pradesh Legislative Assembly Nadendla Manohar, former Chief Minister of Andhra Pradesh Nadendla Bhaskar Rao. Others present on the occasion included IACC National Vice President Syed Baderuddin, and P. Bhaskara Narayana, Vice Chairman of the AP Branch.

Cornelis Keur, Consul General, US Consulate, Hyderabad, the Chief Guest of the evening, shared with the attendees his joy to be in Hyderabad and his appreciation of Indian art and culture with widespread love and affection. He said that presently the US is outsourcing its services from India, and the relationship between the two nations will strengthen with the increase in trade between the two countries.

Keur said that strong financial and industrial policies are the two important aspects which will boost IndoUS bilateral trade, adding that, as against the general perception, the Government of US is not against outsourcing, and neither has the US Government taken any decisions against outsourcing.

Commenting on the occasion, Aruna said the celebrations of American Independence Day in Andhra Pradesh is a testimony to the strong and excellent relations the two nations enjoy.

Manohar remarked that bilateral relations between America and India are presently limited to services. Product manufacturing and maintenance will better and increase the relations between these two nations and will create good employment opportunities as well.

Ahmedulla, Bhaskar Rao, IACC National Vice President Syed Baderuddin and Madan Mohan Reddy, Director, Aurobindo Pharma, were the other prominent members who addressed the gathering.

Proposing the vote of thanks, the Branch Vice President, Bhaskara Narayana thanked the guests and expressed his appreciation to Aurobindo Pharma, which had sponsored the event. The Celebrations ended with a Dance performance by Ms. Veena & Group on enthralling folk music, followed by cocktails and dinner. ■



Syed Baderuddin introducing Chief Guest and Guests of Honour to Audience. (L to R) R. Jagadeeswara Rao, P. Bhaskara Narayana, Nadendla Bhaskar Rao, Cornelis M. Keur, Madan Mohan Reddy, D.K. Aruna, Ahmedulla Syed, Nadendla Manohar and P. Radhakishore.



US Visa: Process & Compliance

The Andhra Pradesh Branch of the Indo-American Chamber of Commerce (IACC), organized on 5 June 2009 a session on US Visa : Process and Compliance with the staff of the newly opened US Consulate Office, Hyderabad.

IACC - AP Branch Chairman Jagadeeswara Rao welcomed the guests and congratulated the Consulate General and his whole team for starting their operations in Hyderabad. He also commended the officials for processing more than 440 applications each day and expressed his belief that this would go a long way in strengthening the bilateral relations between India and the US as now the visas are being processed conveniently within the state itself, thus avoiding travel to Chennai and other places.

IACC National Vice President Syed Baderuddin briefed about the formation of the AP Branch and its successful completion of 25 years of service towards promoting bilateral trade between the two nations. He said that in coming years the two-way trade would surely scale to greater heights with high value programmes such as the Indo-US summit and visits of business delegations.

Consul General Cornelis Keur shared his experiences in the country and expressed his faith in the growth of trade and bilateral relations of the two nations with assurance

of their full governmental support.

Other officials of the Consulate including Consul Mark Leoni, Fredric Stern, Chief of Non-Immigrant Visa Section, Ms. Kalpana Murthy, Vice Consul, Business Executive Programme (BEP), Jason Rieff, Head "Fraud Prevention Unit" briefed on the processes and requirements of their respective departments.

The speakers stressed the need to understand the limited and valuable time that an applicant gets during the interview and briefed on dos and don'ts like the necessity of being short and precise in explanation, keeping to the point, not making guesses, having proper and complete documents, not getting panicky, keeping a check on body language etc.,.

Jason Rieff warned against fraud practices in documentation as this could lead to cancellation of the Passport or red labeling of the company itself and requested all companies to notify any such cases at their website so that stern action could be taken.

The session ended with the speakers being given mementos by IACC- AP Branch office bearers and past chairmen. AP Branch Vice Chairman P. Bhaskara Narayana proposed a vote of thanks in which he thanked all the Consulate officials for their valuable inputs and suggestions. ■



L to R: Ms. Kalpana Murthy, Mark Leoni, R. Jagadeeswara Rao, Cornelis Keur, Syed Baderuddin, Fredric Stern, and Jason Rieff.



Workshop on Stimulus Package

Members of the IACC-AP Branch, Hyderabad, participated in a half-day workshop on the Indian Government's 'Operationalization of Stimulus Package' jointly organized by the Federation of Indian Export Organizations (FIEO), Andhra Pradesh Chapter and Export Credit Guarantee Corporation (ECGC) on 12 May 2009 at Hotel Quality Inn Residency.

The Government, under the Stimulus Package, has sanctioned Rs. 350 crore out of the corpus available under National Export Insurance Account for the benefit of exporters and banks. The subject scheme is ready for

implementation by ECGC under which additional benefits are made available to the exporters for shipments made between January 2009 and June 2009. Benefits will be available to exporters under the Export Credit Insurance Policy (ECIP) cover issued by ECGC. The benefits will be available to all the exporters classified under the MSME category. For other non-MSME category, the benefits will be extended to those exporters dealing in Textiles (including handicrafts and handloom), Gem & Jewellery, Leather, Engineering Products, Carpets, Project Goods, Auto Components and Chemicals. ■

Buyer-Seller Meet on Beauty Products

The Andhra Pradesh Branch of the Indo-American Chamber of Commerce (IACC), coordinated with US Commercial Service, Hyderabad in organizing a unique virtual buyer-seller matchmaking session on 12 May 2009. During this virtual session, 12 American exporter companies presented information on their companies and products (beauty and cosmetics, which were

displayed at the venue) through a live internet and telephone based platform to Indian importers, distributors and retailers.

The meeting was organized at US Commercial Office, Hotel Taj Deccan, Hyderabad. Due to great demand for this kind of programme, a second session was organized on 9 June 2009 with different industry people. ■

Session on 'Collaboration Simplified'

The Andhra Pradesh Branch of the Indo-American Chamber of Commerce (IACC), organized a web session on remote management and virtual network: "Collaboration Simplified" with Cisco WebEx and C2C-TMA World on 19 May 2009. Through WebEx the actual session held at Bangalore was simultaneously organized at Hyderabad and Tamil Nadu Branch, Chennai.

The session aimed at accelerating the growth of company by finding out methods to experience some of the latest collaboration trends, tools and technologies and also to understand how growth of the company could be accelerated in the current economic scenario, when travel budgets have been tightened and there is an immense need for cutting down costs.

Ravi Shekhar Pandey described the drivers for collaboration from an expert perspective and underlined why smart businesses are using collaboration technology and how it is expected to grow in the coming years.

Vinay Kumar, a leading consultant, spoke about the TMA World collaboration model used to create a mechanism for effective collaboration and to measure and enhance team collaborative efforts.

Kiran Datar, MD, Cisco WebEx Technology Group provided a complete overview of collaboration technologies - Remote IT support, online training, online meetings, portal, instant messaging, online webinars/events, etc. ■



Seminar on 'Business Opportunities in Pennsylvania'

The Andhra Pradesh Branch of the Indo-American Chamber of Commerce (IACC), organized a seminar on 'Business Opportunities in the State of Pennsylvania', in cooperation with the State of Pennsylvania's Overseas Office in India on 8 April 2009 at Taj Krishna, Hyderabad.

The seminar was meant to create an awareness about the various investment opportunities available in the State of Pennsylvania.

P. Radhakishore - Director at the US Commercial Service, Hyderabad, spoke about the opportunities for bilateral trade between India and the US. He added that India is the second largest growing economy in the world and trade between India and the US is growing at 75 percent each year. He informed that the trade shall continue to flourish as US exports to India are growing rapidly due to increasing demand in defense, aviation and aerospace sectors in India.

Briefing on how commercial services promote the bilateral trade through its various offices spread across India, Radhakishore also pinpointed various useful websites and advised the Indian companies to seek the assistance of US EXIM Bank's schemes in increasing their business prospects especially with US companies.

Ms. Supriya K, Associate Director from Pennsylvania India Office and the point of contact for Foreign Direct Investment, spoke extensively about the business friendly environment in the State of Pennsylvania and the business and financial incentives provided to foreign investors.

Today, Pennsylvania's economy is characterized by diverse blend of industrial manufacturing, advance technologies and service firms. Supriya mentioned that powered by a \$2.8 billion Economic Stimulus package, Pennsylvania is the ideal choice for international businesses looking to establish a presence in the US. This economic package is available in the form of in loans, grants, and guarantees.

High Technology is a high priority for Pennsylvania and the State's innovative programs and initiatives are growing in areas like next-generation technology and alternative energy. In addition to Economic Stimulus

package, Pennsylvania's renewable energy sector has benefited from the \$650 million Energy Independence Fund which was created to promote clean energy and economic development projects throughout the state.

Located in the heart of the bio-pharma corridor, Pennsylvania ranks in the top five States nationally for life sciences and medical device firms. Business Facilities magazine ranked Pennsylvania the number one state for biotechnology in 2008. She also informed, how Pennsylvania's Life Sciences Greenhouse Initiative is fueling the development of new therapies by providing funding and support for new companies.

Ms. Sushama Kanetkar, Pennsylvania's Authorized Trade & Investment Representative, Director for India, also spoke on this occasion. She emphasized the growing trade between Pennsylvania and India and how India is becoming an important trading partner for the State.

IACC-AP Branch Chairman R. Jagadeeswara Rao and Vice Chairman P. Bhaskara Narayana, Director and CFO at Natco Pharma Ltd, Hyderabad, also spoke on this occasion.

Narayana narrated his company's experience in operating in Pennsylvania. Natco Pharma has acquired US based drug store SaveMart Pharmacy, a multi-utility drug store in Lancaster, Pennsylvania in 2007. He mentioned that it was a smooth acquisition and the operation of the business has been equally smooth. ■



L to R: Ms. Sushama Kanetkar, P. Bhaskara Narayana, Supriya K., P. Radhakishore and R. Jagadeeswara Rao.

'India's Aviation Growth Potential Among the World's Greatest'

Boeing Co of the United States has, in its 20-year sales outlook for India, described the potential for air travel growth in the sub-continent-sized country as "among the greatest" in the world.

According to Dinesh Keskar, President of Boeing India, Indian carriers may buy 1,000 new jets, worth \$100 billion, over the coming two decades.

"There is strength and resilience in the Indian commercial aviation sector over the long term," Keskar said. "The potential for future growth of air travel, both domestically and internationally, is among the greatest in the world."

Speaking at a media conference recently, Keskar dwelt upon company data and forecast for the India's commercial airplane market.

Averaging 7.0 percent annual growth over the past 10 years, the country's economic growth remains among the strongest in the world. The period also saw a record growth in air travel, which is now tracking at 2007 levels, Boeing said in a statement.

Tied closely to the country's economic growth, Keskar said air



travel in India will rebound.

Rising incomes and the introduction of new discount carriers have allowed more people to travel by air in India. ■

S Kumar's Buys US Firm that Made Obama's Inaugural Suit

Indian apparel firm S Kumars Nationwide Ltd has acquired the bankrupt US clothier Hartmarx Corporation at a gross enterprise value of approximately \$120 million as a going concern through its wholly-owned subsidiary SKNL North America BV and Emerisque Brands UK.

Emerisque and SKNL will also assume liabilities estimated at over \$33.5 million. Once the transfer of assets is complete, SKNL and Emerisque plan to revive the iconic American brands that constitute the Hartmarx portfolio.

Hartmarx, one of the last remaining American clothing manufacturers with iconic "Made in America" brands, has made several suits for the US President Barack Obama, including the one he wore at his inauguration.

The 120-year-old maker of Hickey Freeman and Hart Schaffner Marx brands, however, soon after on 23

January, was forced to seek bankruptcy protection along with 50 of its wholly-owned US subsidiaries when it filed voluntary petitions for protection under chapter 11 of the US Bankruptcy Code.

On 22 May it announced having entered into a "stalking horse" asset purchase agreement with Emerisque and SKNL for substantially all assets for \$119 million, which was objected to by its lender, the Wells Fargo-owned Wachovia Capital Finance Corp, which filed a formal objection saying the bid would leave the lenders \$50 million short of full repayment.

A stalking horse agreement refers to an attempt by a debtor to maximise the value of its assets as part of or prior to a bankruptcy court-approved auction process.

The original offer of \$70.5 million in cash, a junior secured note with a face value of \$15.0 million, subject to adjustments for changes in the company's borrowing

Lupin Acquires Global Rights for US Firm's Nasal Spray

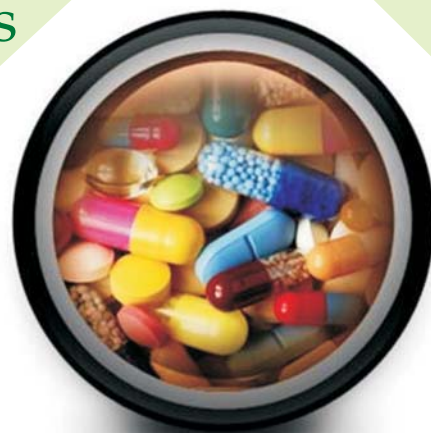
Indian Pharma major Lupin has acquired the global rights for an intra-nasal steroid (INS) product, AllerNaze.

The Mumbai-based company has acquired the rights from Collegium Pharmaceuticals, a mid-size innovator company in the US, it announced in a press release recently. Though Lupin declined to comment on the size of the deal, sources said the down payment was in the range of \$20-30 million, apart from milestones-based payments that the US company would be eligible for.

S Ramesh, President (finance & planning) at Lupin said, "The exact percentage of milestones payments will be a function of sales. Initially, we plan to sell it in the US but, by 2011, we hope to start marketing it to other countries as well. After the US, Europe and Japan are big markets for this product."

According to research firm IMS, the INS market generated annual sales of \$2.5 billion in the US alone and Lupin is focusing its attention on this lucrative market.

The US Food and Drug Administration (USFDA) approved the drug in



January this year. AllerNaze nasal spray, is an aqueous based intranasal steroid to be prescribed for people with seasonal allergic rhinitis (SAR) and perennial allergic rhinitis (PAR). The drug can be used by adults and children over the age of 12. ■

base and assumption of \$33.5 million liabilities was raised during the negotiations to \$128.4 million - of which \$83.9 million (amounting 72 percent of the balance on Hartmarx's bankruptcy loan as of 8 May), and \$5.5 million of the junior subordinated secured note being paid directly to Wachovia, in exchange of support for the deal.

"This acquisition will add tremendous value to S.Kumars Nationwide group as Hartmarx is the largest formalwear clothing company in the US and directly owns and/or controls (through licenses) 34 clothing brands," the company said.

The acquisition will enable the SKNL Group to establish a substantial footprint in the global clothing high-end apparel market and bring new business to the existing SKNL Group operations in India through a "front-end back-end synergy" strategy.

Hartmarx, which has grown through a series of acquisitions, produces and markets business, casual and golf apparel under its own brands, including Hart Schaffner Marx, Hickey-Freeman, Palm Beach, Coppley, Monarchy, Manchester Escapes, Society

Brand, Racquet Club, Naturalife, Pusser's of the West Indies, Brannoch, Sansabelt, Exclusively Misook, Barrie Pace, Eye, Christopher Blue, Worn, One Girl Who ... and b.chyll.

In addition, the company has exclusive rights under licensing agreements to market selected products under a number of premier brands such as Austin Reed, Burberry men's tailored clothing, Ted Baker, Bobby Jones, Jack Nicklaus, Claiborne, Pierre Cardin, Lyle & Scott, Golden Bear and Jag. The company's broad range of distribution channels includes fine specialty and leading department stores, value-oriented retailers and direct mail catalogs.

Hartmarx has listed assets of \$483 million and debt of \$261 million as of October 9, 2008. The company said it owed \$113.5 million to banks that gave it bankruptcy financing.

Hartmarx, which has a workforce of 4,000, is one of the largest formal-wear clothing companies in the US and owns or controls (through licences) 34 clothing brands. ■

RComm in Pact with Gameloft to Sell Celebrity Mobile Games

India's second largest telecom operator, Reliance Communications (RComm), that has been dabbling with the idea of enhancing its value-added services (VAS) portfolio so as to boost revenues, has tied up with US-based mobile games company Gameloft.

Under the agreement, Gameloft that specializes in developing 'mobile games' based on world celebrities and Hollywood movies, will soon release a mobile game based on the life of Paris Hilton. This will be available on RComm's GSM and CDMA network across WAP/Brew and Blackberry platforms. The game is called 'Paris Hilton's Diamond Quest'.

As part of its tie-up with Reliance Mobile, Gameloft will also launch the mobile games version of some of the latest Hollywood offerings. These include 'Night At Museum 2', 'Terminator Salvation' and 'The Mummy 3'.

Interestingly, 'Night At Museum 2' released across Indian cinema houses recently, while 'Terminator Salvation' has been one of the biggest Hollywood successes in recent times.

Krishna Durbha, head, VAS, RComm, said, "Our tie-up with Gameloft is part of our strategy to strengthen our gaming portfolio. Indians love celebrities and movies. Through these unique offerings, we are making sure that our subscribers derive added excitement by not only playing games on their Reliance Mobile but also play games based on super-hit Hollywood movies and celebrities".

The download price for the game is Rs 49. As part of the larger game-plan, Gameloft will also offer Reliance Mobile a portfolio of games based on 'Ferrari World Championship', 'Wimbledon 2009', 'Spider-Man Toxic City', and a few offerings based on famous television series including 'CSI:



Miami'.

RComm had initially said that it wants VAS to contribute about 15-20 percent of its revenues. Recently, the firm had launched a Re 1 sachet platform to enable subscribers to use VAS products for Rs 1 per day.

Gaming is the high-value wireless revenue stream, beyond basic voice services and simple text messaging for an operator. This is because usually, the operator ends up getting almost 80 percent of the revenues while the content developers share the rest.

It is estimated that the Indian mobile gaming market will generate \$336 million in annual revenue by 2009. Gameloft is an attractive partner for RComm as it has partnership agreements with several leading licensors and sports personalities which it plays to its advantage to attract international relationships.

Gameloft partners include Ubisoft Entertainment, Universal Pictures, ABC, Dreamworks Animations SKG, Endemol, 20th Century Fox, Viacom, Sony Pictures, Touchtone Television, Warner Bros., FifPro, Ferrari, Paris Hilton, Gus Hansen, Kobe Bryant, Derek Jeter, Reggie Bush, Chuck Norris, Jonny Wilkinson or Robinho. ■

RELIANCE
Communications
Anil Dhirubhai Ambani Group

Raytheon Bags \$82 mln ISRO Order for Navigation System

Raytheon Company has been awarded an \$82 million contract from the Indian Space Research Organization (ISRO) to partner it in modernising the Indian air navigation system. Raytheon will build the ground stations for the GPS-Aided Geosynchronous Augmented Navigation System (GAGAN) and ISRO will provide the space segment and additional ground equipment.

The GAGAN system is designed to provide satellite-based navigation for civil aviation over Indian airspace and adjoining areas in the Indian sub-continent and East Asia.

"GAGAN will be the world's most advanced air navigation system and further reinforces India's leadership in the forefront of air navigation," says Andy Zogg, Vice President, Command and Control Systems at Raytheon Network Centric Systems. "GAGAN will greatly improve safety, reduce congestion and enhance

communications to meet India's growing air traffic management needs."

According to Raytheon representatives, it is the only company that has delivered satellite-based augmentation systems that have been certified for safety-of-flight operations. The company developed the Federal Aviation Administration's Wide Area Augmentation System and was engaged in the Japan Civil Aviation Bureau's Multi-Function Transport Satellite Augmentation System.

"Our GAGAN solution addresses the four essential elements of safe air navigation: accuracy, integrity, availability and continuity," says Fritz Treyz, Raytheon

Network Centric Systems director of Business Development who led the Raytheon team pursuing the GAGAN initiative.

Raytheon says it expects to have the GAGAN system functional by 2013. ■



DuPont Buys Indian Firm to Enter Local Cotton-Seed Market

DuPont, one of the world's top five seed companies, has acquired Nandi Seeds and the cotton germplasm business of Nagarjuna Seeds in India, hoping to target the country's \$275-million-a-year cotton seed market and marking its maiden entry into the cotton seed business worldwide. India is the world's second-largest producer and consumer of cotton.

Significantly, with this deal, DuPont India will now sell dominant-player Monsanto's *Bacillus thuringiensis* (Bt) cotton through Nandi Seeds, which has a licence from Monsanto India to use BT technology to produce cotton seeds here.

The Rs 40-crore acquisition of Nandi, through DuPont India's subsidiary Pioneer Seeds, will give DuPont an easy entry into a cash crop that has seen yields grow manifold over the past six years. Buying Nagarjuna's cotton germplasm business would allow DuPont to introduce some elite hybrids in India.

"These acquisitions will help us enter the cotton seed market here and meet the needs of Indian farmers who grow more than nine million hectares of cotton each year more than anywhere else in the world," said K.V. Subbarao, Country Manager of Pioneer India.

"Cotton is a natural fit for Pioneer in India. It completes

3M India to Step Up R&D Work to Meet Rising Demand

3M India, the subsidiary of \$25.3 billion diversified technology focussed 3M Corporation, is expanding the company's R&D capabilities in India with an aim of meeting the growing local needs. The company which reported a revenue of Rs 742 crore for the year ended December 31, 2008 with an YoY growth of 22 percent, is spending Rs 60 to Rs 70 crore to set up one more R&D centre in Bangalore.

With the new centre, the company aims to have a R&D strength of about 200 researchers over the next four years from the present 85. This will help the company come out with new innovative products exclusively meant for the Indian market, company officials said recently.

"Looking at the business in India, majority of our growth is coming from new products. Almost 25 percent of our sales today comes from new products that did not exist four years ago. Our focus is to develop new products which are relevant to local market and accordingly we are putting up the new lab," Ashish Khandpur, Senior Executive Director (technical) said.

In 2008 alone, the company has developed about 60 products in its India lab exclusively meant for the local market including dust free ventura adopter, raised pavement markers and dust free sander. 3M India, which was established in 1988 now markets about 5,000 products in India with focus on healthcare, industrial, consumer and office and safety and security segments. The company employs about 1,200 people including about 400 in manufacturing and 500



in sales and marketing. The company expects its growth rate in the Indian market to continue despite the global recession.

Ajay Nanavati, MD, 3M India said, the company's focus would be to grow at least two and half times more than the growth of Indian GDP.

"Our growth rate in 2008 has slightly come down since our revenue base is also growing fast. I don't see any reason to panic as most of the segments we operate in including industrial markets, transportation, healthcare and safety are growing at a healthy rate. We hope to be able to sustain the momentum going forward," he added.

3M has five manufacturing facilities located in India including Ahmedabad, Bangalore, Pondicherry and Pune. ■

our high-value product and service offering to farmers and enables us to further strengthen our growing seed business here," he said. Pioneer offers corn, rice, pearl millet, sunflower and mustard in the Indian market and its revenue has grown 40 percent for the last five years to reach about \$70 million in 2008.

"Agriculture, food and nutrition is a key growth segment for DuPont in India, and these acquisitions are part of the company's strategy to expand its presence here," said Balvinder S Kalsi, president, DuPont India.



This is the latest in a series of investments by DuPont in India. Pioneer, recently, announced the opening of a new corn research centre in Bangalore to speed delivery of new, improved products to market and meet the growing demand for food and feed. The new Bangalore centre is the fifth field research facility in India for Pioneer and will develop high-yielding hybrids adapted to the unique growing conditions in the area.

Cotton will be sown in central and western India over the next few weeks and all seed companies have revved up their marketing campaigns for the season. Though, a poor monsoon could blight the prospects of agri-input companies, DuPont believes it is too early to worry.

"I think we have to wait and see how the rains do in the main agricultural markets of India. As of now, we are very optimistic about the season," Kalsi said. DuPont has launched several new crop protection products this kharif season. ■

Global Outlook Targets Rs 25cr India Income in '09

Global Outlook, a white label hosted Microsoft Exchange and collaboration services provider with its data centres in Hyderabad and Dallas in the US, is targeting to achieve Rs 25 crore revenues from the Indian market by the end of this calendar year, according to its Executive Chairman Dayakar Puskoor.

The venture-backed company, which recently launched its Managed Business Mail through Bharat Sanchar Nigam Limited (BSNL), has signed up 10 partners across India in the last seven months and currently has close to 3,000 enterprise users, he told media persons in Hyderabad recently.

"Our goal is to reach out to 50,000 enterprise users by this year end," he said, adding that two other telecom operators in the country were running trials on its Managed Business Mail.

Puskoor said the three-year-old company would shortly be launching a unified communications solution, which integrates instant messaging, live meetings and Voice-over Internet Protocol (VoIP) with email on any mobile. Launch of Microsoft's hosted customer relationship management (CRM) product, targeted at sales and marketing



professional, will follow suit, he said.

"The email market in India is expected to reach \$125 million by 2012, growing at a compound growth rate of 24 percent. There are 4.55 million broadband-connected small and medium business PCs, and 13 percent of this is expected to be the hosted exchange opportunity," he added.

India's Ecron in Alliance with US Firm to Tap New Markets

Contract research organisation Ecron Acunova of Bangalore has announced a global strategic alliance with Essential CRO, US, in emerging markets.

The alliance provides potential clients with access to do clinical trials in 18 countries, a release by Ecron Acunova said here. The CRO network offers services in pharmaceutical, biotechnology, medical device, diagnostic and nutritional space.

Essential, based in Illinois, US and Ecron Acunova, which has a presence in Bangalore, the US, and Europe, have been partners for several years.

In the past six months the alliance has won big projects across 14 countries "in the

eight-figure range" from mid-sized biotech and large pharma sponsors, the release said.

D.A. Prasanna, Founder of Ecron Acunova, said, "The alliance adds 20 years of experience of conducting clinical trials for marketing authorizations in the US and EU and the advantage of fast patient recruitment in Central, East Europe and India."

Essential has a therapeutic database of 4,500 studies and a good record of global patient recruitment, he said.

Lee Jones, President and Chief Executive Officer of Essential CRO, said, "Our combined size of 350 employees and corporate cultures ensure that the alliance [is able] to meet unique sponsor needs in a timely manner."

Prasanna said, "Sponsors see speedy completion of early development studies with Ecron Acunova's PK/PD (pharmacokinetics and pharmacodynamics or the action of the drug in the body), central lab and biometric services under one roof."