

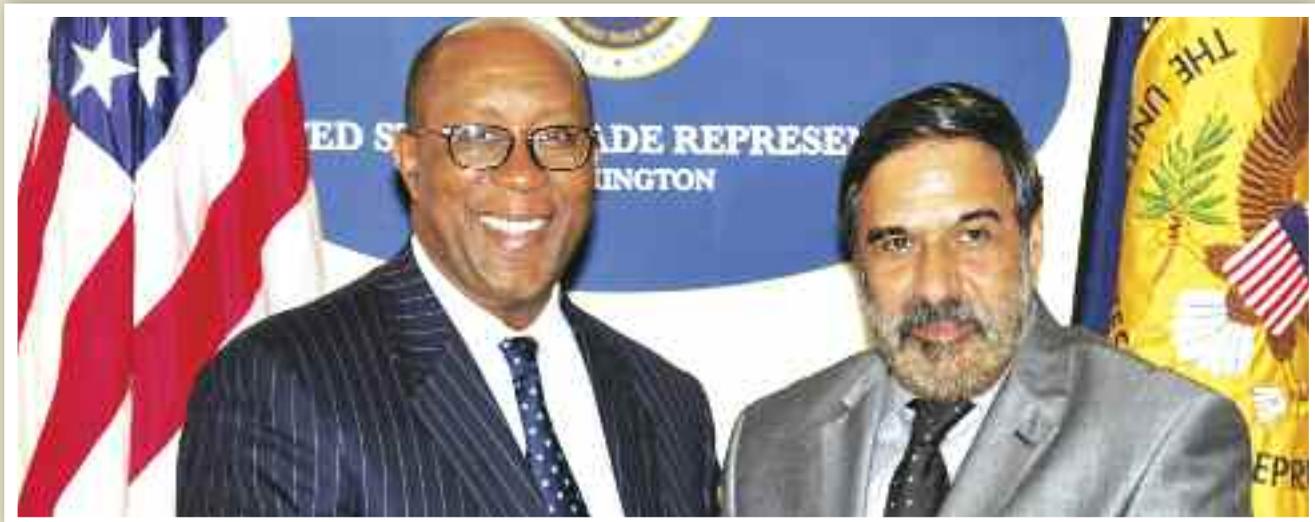
India Review

■ Vol. 7 Issue 7

■ www.indianembassy.org



Indian Finance Minister Pranab Mukherjee (right) and U.S. Secretary of Treasury Tim Geithner at the second meeting of the India-U.S. Financial and Economic Partnership in Washington, D.C. on June 28, 2011.



India's Minister for Commerce and Industry Anand Sharma (right) with U.S. Trade Representative Ron Kirk, in Washington on June 22.

Strengthening India-US financial and economic partnership

■ INDIA AND THE U.S. JOIN HANDS TO BRING ABOUT BALANCED AND SUSTAINED GLOBAL GROWTH

■ FOCUS ON INFRASTRUCTURE DEVELOPMENT AND CAPITAL MARKET REFORMS

■ RE-INVIGORATE TRADE POLICY FORUM TO RESOLVE BILATERAL COMMERCIAL ISSUES EFFECTIVELY

Strengthening India-US financial and economic partnership

Taking forward their ties, India and the United States have agreed to expand trade and investment links between the two economies, and to develop and strengthen their financial systems

Speaking at the inauguration of the second meeting of the India-U.S. Financial and Economic Partnership in Washington D.C on June 27, Indian Finance Minister Pranab Mukherjee said that in the one year since the forum's launch, it had succeeded in giving an impetus to the rapidly expanding financial and economic engagement between India and the U.S.

During the meeting, billed as the "highest-level" economic engagement between the two countries, Mukherjee and the US Treasury Secretary Timothy Geithner interacted with top U.S. corporate leaders and policy makers to discuss ways to further strengthen economic cooperation between the two countries. The first meeting of the India-U.S. Financial and Economic Partnership was held in April, 2010, in India's capital New Delhi.

Led by Mukherjee, the Indian delegation included Dr. D. Subbarao, Governor, Reserve Bank of India (RBI), R. Gopalan, Secretary, Department of Economic Affairs, Shashi Kant Sharma, Secretary, Department of Financial Services, Dr. Kaushik Basu, Chief Economic Advisor, Subhir Gokaran, Deputy Governor, RBI, B.C. Khatua,



Indian Finance Minister Pranab Mukherjee and U.S. Secretary of Treasury Tim Geithner in Washington, D.C. on June 27, 2011. Photo:- Jay Mandal

Chairman, Forward Market Commission, and Meera Shankar, Indian Ambassador to the US, among others. The U.S. delegation, led by Timothy Geithner, Secretary, U.S. Department of Treasury, included Ben S. Bernanke, Chairman, Board of Governors, Federal Reserve System, Austan Goolsbee, Chairman, Council of Economic Advisers to the President of the US, Mary L. Schapiro, Chairman, U.S. Securities and Exchange Commission, Gary Genseles, Chairman, Commodity Futures Trading Commission, Martin J.

Gruenberg, Vice-Chairman, Federal Deposit Insurance Corporation Board of Directors and Nathan Sheets, Director, Division of International Finance, among others.

The two-day meeting focussed on infrastructure development, capital market reforms, and the two countries cooperating on the Group of 20 (G20) efforts to reduce trade imbalances.

Minister Mukherjee assured the American investors that with the "major steps" that India had taken recently, its economy was back on its over 8.5 percent growth path.

Text of the opening statement made by Pranab Mukherjee at the India-U.S. Financial and Economic Partnership meeting:

“It is a great pleasure to be here for the second meeting of the India-US Financial and Economic Partnership. I am happy that the Partnership, which we launched last year in New Delhi, has succeeded in giving an impetus to the rapidly expanding financial and economic engagement between our two countries. A meaningful exchange of views has since then taken place at sub-cabinet level and at working group meetings. It has resulted in better understanding of each other’s economic policies, and mutual appreciation of our respective positions in many international economic forums, including at the G-20.

Our partnership is based on common values and interests, a shared vision of the world, and the deep-rooted ties of friendship between our people. As the world’s largest democracies and the leading market economies, we are committed to promoting freedom in our societies, which have a strong tradition of nursing pluralism and tolerance. This makes our relationship unique and casts upon us the responsibility to define and influence the developments that would help shape the 21st century. Indeed, President Barack Obama has characterized the India-US relationship as one of the defining partnerships of the 21st century.

We have continued to deepen and expand our strategic partnership as outlined by President Barack Obama and Prime Minister Manmohan Singh. President Obama’s visit has resulted in a number of important strategic outcomes that have seen progress in implementation.

The US has eased controls on high-technology exports for sectors like defense and space. We also appreciate the intention of the United States to support India’s full membership in the four multilateral export control



Indian Finance Minister Pranab Mukherjee (left) with President Barak Obama’s National Security Advisor Thomas E. Donilon (right) at the White House on July 28, 2011. Photo:- Jay Mandal

regimes. There has been progress on a number of bilateral agreements in the areas of science, technology and innovation, and clean energy research. We have also taken concrete steps in developing joint projects for

The Indian Government attaches high importance to the India-US strategic partnership, both in the pursuit of India’s national development goals and for advancing global peace, stability and progress

food security and agriculture in African countries.

Our economic relations are also growing rapidly. Bilateral trade grew by 30 per cent in 2010. Investments in each other’s economies continue to expand. The engagement of people and enterprises of the two countries

remains the cornerstone of our relationship.

India, as one of the world’s fastest growing economies, and the United States, the world’s largest economy, are committed to achieving a high growth global economy that is both stable and sustainable. Through our bilateral engagements and by working together in multilateral forums like the G-20, we can expand economic opportunities and prosperity worldwide.

The Indian Government attaches high importance to the India-US strategic partnership, both in the pursuit of India’s national development goals and for advancing global peace, stability and progress. We are committed to deepening our strategic partnership and enhancing dialogue and cooperation in various facets of our economic relationship.

We have a rich and varied agenda for discussion before us today. I am looking forward to having a very productive and comprehensive exchange of views on issues that have been identified.”

JOINING HANDS FOR BETTER GROWTH

During the course of his visit, the Indian Finance Minister also held a bilateral meeting with the U.S. Treasury Secretary and discussed issues of mutual interest and those related to the world economic situation.

Later, on June 28, Mukherjee participated in the Cabinet Level Meeting of the India-US Financial and Economic Partnership with Geithner. Asserting that India and the USA would work together to expand their trade and investment links and would further develop and strengthen their financial systems, the two leaders issued a joint statement at the end of the meeting.

According to the joint statement, the two countries would also “work together in the G-20 on an effective mutual assessment process to bring about strong, sustained, and balanced global growth”.

It further said that “leveraging their combined knowledge, experience, and shared interests, the two sides have agreed to a robust agenda for the coming year that includes deeper engagement” in three key areas:

- ❖ Macroeconomic challenges, including growth, unemployment, inflation, global liquidity, commodity prices, international capital flows and fiscal consolidation.

- ❖ Financial sector reforms, including deepening of capital markets, financial inclusion, and ensuring the stability, transparency, and integrity of the financial system.

- ❖ Infrastructure finance, including innovative strategies to mobilize capital for infrastructure development, and sharing best practices and building capacity for design and successful execution of Public-Private Partnerships.

The United States, the joint statement said, was “committed to making investments in technology, skills, and infrastructure necessary to maintain and enhance U.S. competitiveness in the global economy.”

On its part, “India intends to take



Union Finance Minister Pranab Mukherjee and Secretary of State Hillary Clinton at the U.S. State Department during a bilateral meeting on the sidelines of India-U.S. Economic Partnership conference in Washington DC on June 28, 2011 Photo:- Jay Mandal

steps to marshal private and public savings to meet the infrastructure needs of a rapidly growing Indian economy,” the joint statement said.

According to the joint statement, the India-U.S. relationship offers enormous economic opportunities for Americans and Indians alike.

Between 2000 and 2010, Indian exports to the United States grew by nearly 180 percent and U.S. exports to India increased over four times the previous levels

Through stronger collaboration and coordination amongst their economic and financial policymakers, the two countries have sought to deepen bilateral and multilateral engagements in order to fully capitalize on the wealth of economic opportunities between the two nations.

It said the India-U.S. economic relationship had made significant

progress over the past decade and that trade and investment between the two countries had expanded across a variety of industries and sectors during this period. Between 2000 and 2010, Indian exports to the United States had grown by nearly 180 percent while U.S. exports to India had increased over four times the previous levels, the statement said.

Earlier, the combined bilateral India-U.S. foreign direct investment had grown by nearly 165 percent between 2005 and 2009, according to the statement. Despite this progress, and especially given the size of the two respective economies, the joint statement pointed out that there remained untapped potential and opportunities to expand trade and investment linkages to the benefit of the two countries.

The Indian Finance Minister also met the Chief Executive Officers (CEOs) of Indian and American companies during his three-day trip to the U.S. Later, Mukherjee had a bilateral meeting with the US National Security Adviser Thomas E. Donilon.

India, US to accelerate investment treaty talks

India's Minister for Commerce and Industry Anand Sharma held talks with U.S. Trade Representative Ron Kirk on bilateral trade during his recent U.S. visit

5

Anand Sharma, India's Minister for Commerce and Industry, held wide-ranging discussions with Ron Kirk, United States Trade Representative, on June 22, when the former was visiting the United States. The two agreed to fast-track the technical negotiations for an early conclusion of the India-U.S. Bilateral Investment Agreement. They also agreed to re-invigorate the Trade Policy Forum (TPF) and make it more robust and effective in resolving bilateral commercial issues. During their discussions, Sharma and Kirk covered the entire range of issues related to bilateral trade and commercial engagement.

The Indian Commerce and Industry Minister apprised Kirk of various policy approaches being taken by India to sustain its high Gross Domestic Product (GDP) growth and the opportunities it offered to the U.S. business houses to develop partnerships with the Indian private sector. He mentioned infrastructure, agriculture and agro-processing, food processing, cold chain logistics, manufacturing of electronic devices, including chip design, as possible areas for enhancing bilateral cooperation. He also raised issues of importance for the Indian industry in their business operations in the United States.

Noting that the bilateral trade in goods and services had exceeded \$85 billion, Sharma said the talks focused on "what India's growth story stands for and what needs to be done to nurture India-U.S. ties".

Kirk acknowledged that "the booming bilateral trade and investment flows



India's Minister for Commerce and Industry Anand Sharma meeting U.S. Trade Representative Ron Kirk, in Washington on June 22, 2011.

between the United States and India support tens of thousands of critical jobs in both countries".

"However, to continue and grow our successes, both India and the United States must take concrete steps to resolve long-standing market access and investment concerns," he said.

On the World Trade Organization Doha Round, Sharma and Kirk "recognized the challenges that remain in ongoing discussions" but expressed their "commitment to exploring options for productive next steps".

Sharma later informed that the United States welcomed the unilateral action taken by India in reducing tariffs on a number of products, including raw pistachios, cranberry

products, seedless raisins, processed food, medical equipment, fertilizers, chemicals, heavy machinery, etc. The United States Trade Representative also appreciated India's efforts to increase cooperation in services and on improving the investment environment.

Earlier, addressing a gathering of policy makers, economists and scholars at the Center for Strategic and International Studies, Sharma highlighted the increasing role of emerging economies in the global scenario. He also emphasized that the bilateral business and institutional partnerships between India and the U.S. needed to be strengthened to the mutual benefit of both the countries. ■

NORTH AMERICAN BENGALI CONFERENCE 2011

Ambassador Meera Shankar attended the 31st North American Bengali Conference held in Baltimore, Maryland, on July 1. The Ambassador in her remarks said there was a saying that “what Bengal thinks today, India thinks tomorrow”. She said while it was well known that Bengal was in the forefront of political and cultural movements in India, the fact that Bengal was the center for science and technology development in India and the center of commerce was not very well known. She said it was time for Bengal to reclaim its place. 



Ambassador Meera Shankar (second from left) at the 31st North American Bengali Conference held in Baltimore, Maryland, on July 1.

INDIA ABROAD PERSON OF THE YEAR EVENT

Ambassador Meera Shankar attended the *India Abroad* Person of the Year event in New York on June 24 and handed over the Friend of India Award to Strobe Talbott, who served as Deputy Secretary of State during President Bill Clinton's tenure. She felicitated the *India Abroad* for their initiative taken nine years ago to institute the *India Abroad* Person of the Year Award to showcase the accomplishments of the Indian-American community and to honor individual Indian-origin achievers in various walks of life. 



Ambassador Meera Shankar presenting the Friend of India Award to Strobe Talbott (R).

ADOPTION PROGRAM ENHANCES INDIA AWARENESS

A group of students and teachers from the Turner Elementary School, Washington, DC visited the Embassy in connection with the Embassy Adoption Program on June 7, 2011. During the year, the Embassy worked with the students of the Turner Elementary School to enhance their knowledge about India. Ambassador Meera Shankar interacted with the students and received feedback from the students on their experiences of learning about India.



Ambassador Meera Shankar welcoming the teachers and students of the Turner Elementary School, Washington, DC.

Linda Colon of Turner Elementary School, speaking on the occasion.



Joyce Lofland of Turner Elementary School with the children.

Adam F. of Turner Elementary School speaking on the occasion.



Turner Elementary School children performing a dance during the event.

Ambassador Meera Shankar presenting prizes to the children.



NOORISTAN FOUNDATION RECEPTION



Ambassador Meera Shankar welcoming the members of the Nooristan Foundation at the Embassy on June 3, 2011.



Marie Kux, President of the Nooristan Foundation, addressing the audience.



Ambassador Tom Pickering addressing the audience.



A section of the audience.

INTRODUCTION EVENT FOR MANDANNA'S DEBUT NOVEL

The Embassy of India in collaboration with The Asia society, DC, hosted an introduction event for the US edition of Sarita Mandanna's debut novel *Tiger Hills* on June 9, 2011. A work of fiction set in Coorg, India, the novel is being published in over 25 countries and translated into 14 languages around the world.



Guests in attendance.



Author Sarita Mandanna speaking about her novel *Tiger Hills*.



Deputy Chief of Mission Arun K. Singh speaking at the event.



Jack Garrity, Director, Asia Society, DC, addressing the guests.

AN EVENING OF ENTHRALLING POETRY

The Embassy of India hosted an evening of Hindi and Urdu poetry recitation by renowned poets based in the United States on June 10, 2011.

Photo Legends

1. Deputy Chief of Mission Arun K. Singh welcoming the poets and the guests at the event.
2. Rashmi Sanan reciting her poetry at the event.
3. Madhu Maheswari reciting her poetry at the event, and giving vote of thanks.
4. Dr. Satyapal Anand reciting his poetry on the occasion.
5. Dr. Abdullah conducting the event.
6. Poets participating at the event.
7. Guests in attendance



SPOTLIGHT ON INDIAN-AMERICAN FILM MAKERS

The Embassy of India in association with The Asia Society, DC, hosted the screening of a documentary *Back Walking Forward* by Kavery Kaul on June 20, 2011, to highlight the contribution of Indian-American film makers in raising awareness about important contemporary themes.



Kavery Kaul speaking on her documentary *Back Walking Forward*.



A section of the guests.



Jack Garity, Executive Director, Asia Society, DC, addressing the guests.

AAPI DELEGATION VISITS THE EMBASSY OF INDIA

A delegation of American Association of Physicians of Indian Origin (AAPI) visited the Embassy on June 1, 2011. The AAPI delegation, led by Ajeet R. Singhvi, President of AAPI, was visiting Washington DC in connection with the 2011 Capitol Hill Legislative Conference.



Ajeet R. Singhvi, President of AAPI, addressing the audience.



Members of AAPI delegation at the Embassy.



Deputy Chief of Mission Arun K. Singh speaking to members of the AAPI delegation.

INDIAN FOREST SERVICE OFFICERS ON WASHINGTON VISIT

A group of Indian Forest officers visited the Embassy on June 10, 2011.

Deputy Chief of Mission Arun K. Singh briefed them on "India-US relations".



Indian Forest Service officers at the Embassy during their Washington visit



Deputy Chief of Mission Arun K. Singh briefing a group of Indian Forest Service officers at the Embassy.

“EAST MEETS WEST” IN CLASSICAL RECITAL

The Consulate General of India, New York, in association with Citi Bank and Salon De Virtuosi organized a Concert “East Meets West” on Tuesday, June 7, 2011 at the Consulate Ball Room.

The Concert featured three prominent artistes — Tali Roth on the guitar (representing the West), Pandit Samir Chatterjee on the tabla with Abhisek Mallick on the sitar (representing the East). Tali Roth, who has been hailed by the Classical Guitar magazine as an “extraordinary solo and chamber musician” and by the New York Times as “a marvelous classical guitarist”, performed during the first half of the concert.

Roth’s engagements include recording the entire classical guitar sound track for the Woody Allen film *You will Meet a Tall Dark Stranger*. Since her Carnegie Hall debut, she has performed throughout the US,



Tali Roth on the Guitar



Pandit Samir Chatterjee on Tabla with Abhisek Mallick on Sitar

Canada, Europe, Latin America, Japan and her native Israel.

The second half of the Concert featured Abhisek Mallick on the sitar accompanied by Pandit Samir Chatterjee on the tabla. Pandit Samir Chatterjee is a renowned virtuoso tabla artiste of India, who has

performed internationally as soloist or with other outstanding musicians from both the Indian and Western musical traditions. Samir also performed at the Nobel Peace Prize ceremony in Oslo, Norway in 2007. He performed twice in 2009 at the UN General Assembly. He has accompanied some of India’s greatest musicians including Pt. Ravi Shankar, Ustad Amjad Ali Khan and Ustad Vilayat Khan in concerts.

Abhisek Mallick has proved his musical acumen by receiving the ‘President’s Award’ from the Government of India, after winning the first prize in the All India Radio Music Competition in sitar. He is also the recipient of ITC Sangeet Research Academy Award organized by the International Foundation for Fine Arts. Abhisek has performed with many legendary sitarists.

The Concert was attended by around 130 persons.

JEWEL OF INDIA SERIES: SITAR AND VIOLIN COME TOGETHER

Under the “Jewel of India Series”, the Consulate General of India, New York in association with “Helena Kaushik Educational Foundation”, organized a concert by well known Sitarist, Partha Bose and Violinist, Michael Braudy at the New India House on June 3, 2011. The duo was accompanied by tabla player Subrata Manna. About hundred guests which included diplomats, musicians, academicians and media persons attended the event.

Professor Surendra Kaushik, founder of the Helena Kaushik Education Foundation made a brief presentation about their activities to provide higher education to underprivileged girls and build their capacity for rural leadership programs in one of the most backward districts of Rajasthan, India.

The concert began with a



Professor Surendra Kaushik, founder of the Helena Kaushik Education Foundation, making a brief presentation on their activities.



Michael Braudy rendering some of Tagore’s songs on violin.



Prabhu Dayal, Consul-General of India, New York, addressing the gathering.

presentation by Michael Braudy, who among others played some of Tagore’s noted songs: *Boro Asha Kore Eshechinu*, *Purano Shei Diner Kotha* and *Phule Dhole Phule Dhole*.

Following the presentation by Michael Braudy, Sitarist, Partha Bose played a few striking ragas, one on the arrival of spring, and another on the late evening followed by Gandhiji’s favorite Bhajan, *Vaishnav Jan To*.

Finally, a duet recital was performed by the Sitarist and Violinist which mesmerized the audience, compelling them to give a standing ovation to the musicians.

At the close of the event, Prabhu Dayal, Consul General of India, New York said that music knows no boundaries and is an instant communication that brings people together, fostering peace and tranquility.

PLANNING COMMISSION HINTS AT OVER 9 PERCENT GROWTH IN 12TH PLAN

The Planning Commission is set to target GDP growth of 9-9.5 percent for the 12th Five Year Plan (2012-17) period as 10 percent growth does not seem feasible, its Deputy Chairman, Montek Singh Ahluwalia, said on June 10.

“Realistically, even 9 percent GDP growth will need strong policy action. We could aim at 9-9.5 percent growth for the 12th Plan period, as 10 percent growth may not be feasible,” Ahluwalia said.

Addressing the two-day regional conference of the five southern states on the approach paper to the 12th Plan, he said the basic objective of the Commission would be to ensure faster, more inclusive and sustainable growth.

“Energy, water and environment will be the major sectoral challenges that have to be addressed without sacrificing growth. We need better performance in agriculture for rapid and inclusive growth, and manufacturing needs to grow at 11-12 percent per year to create three million additional jobs per year,” Ahluwalia told the ministers and officials from Andhra Pradesh, Karnataka, Kerala, Puducherry and Tamil Nadu.

Noting that the growth target of nine percent set for the 11th Plan (2007-12) may not be achievable due to the global financial crisis and drought in fiscal 2008-09, the Deputy Chairman said as per the mid-term appraisal, the revised growth target would be 8.2 percent as against 7.6 percent in the 10th Plan (2002-07).

“Though short of the nine percent target, the growth rate during the 11th Plan has been remarkable given the global crisis and drought.



Montek Singh Ahluwalia, Deputy Chairman, Planning Commission of India.

‘Finance Ministry vetting infrastructure debt fund scheme’

The federal Finance Ministry is examining a proposal to set up an infrastructure debt fund for financing infrastructure projects across the country during the 12th Five Year Plan (2012-17) period, Planning Commission Deputy Chairman Montek Singh Ahluwalia said on June 10.

“The proposal on setting up the infrastructure debt fund is being examined by the Finance Ministry. Financing infrastructure projects being a constraint, we should make regulatory changes so that overseas investors can invest in the fund,” Ahluwalia said on the sidelines of a meeting of the Planning Commission.

While the government is planning \$1-trillion investments in infrastructure projects during the 12th Five Year Plan as against \$500 billion during the 11th Plan (2007-12), Ahluwalia said the Planning Commission had framed guidelines for raising funds through debt instruments like bonds and other routes such as units in the capital markets.

“As financing huge infrastructure projects such as power plants, telecom, roads, highways, airports and seaports are complex, involving heavy capital infusion on a long-term basis, we have framed guidelines for setting up debt funds with a \$10-billion target for the first fund during the first fiscal (2012-13) of the 12th Plan period,” Ahluwalia said.

Finance Minister Pranab Mukherjee had announced on Feb 28 in the budget for this fiscal (2011-12) the setting up of debt funds through special purpose vehicles to attract foreign investments in various infrastructure projects.

There was also progress on inclusiveness though less than expected, and only some of the millennium development goals were met,” Ahluwalia pointed out.

Admitting that inflation had accelerated in the last two years due to global pressure on food, oil and other commodity prices, Ahluwalia said even volatile financial conditions and exchange rates had created an uncertain international environment.

Asserting that the country would be entering the 12th Plan from a very strong position, the Deputy Chairman said strong demand from all sectors had led to improvement in implementation, accountability and service delivery during the first four years of the 11th plan.

“To achieve the objectives of the 12th plan, the government’s programs need a new architecture, viz., greater localization, breakdown of silos, feedback from citizens and mechanisms for learning and sharing of best practices,” he noted.

“We had fruitful consultations with all the southern states on the approach paper to the 12th plan. The suggestions and inputs given by the respective states will be considered for the draft plan,” Ahluwalia added.

Karnataka Chief Minister B.S. Yeddyurappa and his Andhra Pradesh counterpart Kiran Kumar Reddy participated in the day-long meeting.

Planning ministers from Kerala, Puducherry and Tamil Nadu represented the respective states along with their officials in the absence of their chief ministers at the meeting.

The Commission will hold similar consultations with western and north-eastern states later this year.

INDIA TO REFORM GOVERNMENT FINANCIAL REPORTING SYSTEM

India would soon introduce a new accounting system to bring in better transparency and accountability in financial reporting of government institutions, Finance Minister Pranab Mukherjee said on June 12.

"The government has already accepted the recommendation of the twelfth Finance Commission for introduction of the accrual accounting in principle," Mukherjee said after inaugurating a conference of state finance ministers in New Delhi.

He said the Government Accounting Standards Advisory Board, a part of the Comptroller and Auditor General of India had prepared an operational framework and a detailed roadmap for implementation of the new accounting standards.

Under the accrual system, transactions are recorded at the time when economic value is created, exchanged, transferred or impaired, irrespective of whether cash is



Finance Minister Pranab Mukherjee

actually exchanged or not.

The present cash-based accounting system lacks an adequate framework for accounting of assets and liabilities, depicting consumption of resources and presenting the full picture of the government's financial

position at any point of time.

"At the heart of the any fiscal management system is the accounting system, which maintains the basic records of government transactions. A robust, comprehensive and transparent accounting system is a must for any government," Mukherjee said.

He said the relevance of accrual accounting had to be looked at from the overall perspective of public financial management.

"It covers a broad spectrum of activities including budget preparation and execution, internal controls, accounting and financial reporting, internal audit, audit by the Comptroller and Auditor General of India, monitoring and reporting arrangements,"

the Finance Minister said.

"Moreover, accrual accounting has to be assessed against the prevalent accounting practices, for improving the effectiveness of planning, policy making and the budgeting process for public resources," he added.

India one of the most preferred economies for FDI: Survey

Foreign direct investment (FDI) is set to increase in India in the coming years as competitive business costs coupled with high economic growth appeal to investors across the globe, an Ernst & Young survey released on June 6 said.

Though investor enthusiasm for India declined in 2010, causing the value of FDI to fall by 31.5 percent, India's perceived specialization as a low-cost business process outsourcing hub continues to appeal to investors across the globe, Ernst & Young's ninth Annual European Attractiveness survey said.

According to the survey, conducted on 812 business decision-makers across the

globe, India is the fifth most attractive country for expanding business.

In the next three years, the most attractive region for expanding business would be West Europe, with 31 percent affirmations.

"India ranked at fifth position with 17 percent of respondents believing the country to be a profitable economy for expansion of business," it said.

"The survey clearly establishes India as one of the leading economies where foreign capital will flow into in the coming years. In addition to the overall strong macro-economic fundamentals, India's navigation of the economic downturn over the last couple

of years has been strong and steady," Srinivasa Rao, Partner and National Director of Tax and Regulatory Services at Ernst & Young, said in a statement.

The survey also throws light on the cities across the globe that have the best chance of producing the next IT giants like Microsoft or Google in the coming years.

It said Mumbai and New Delhi had the potential to produce firms like Microsoft and Google.

"While Shanghai topped the chart with 14 percent affirmation, 8 percent of respondents named Mumbai and 4 percent named New Delhi as promising cities," the survey said.

Government committed to providing affordable housing

The government on June 10 said it was committed to providing affordable housing to all and that work was under way on a real estate regulation bill.

“The government is committed to providing shelter to all, and for this, the participation of the private sector is being promoted,” said Sunil Kumar Singh, Joint Secretary Housing, Ministry of Housing and Urban Poverty Alleviation at Realty 2011, 7th International Conference on Real Estate.

Speaking on improving the service levels, Singh said that the government was focused on integrated development of infrastructure services, securing linkages between asset creation and its maintenance for long-term project sustainability and accelerating the flow of urban sector investments. He added that the reforms would have to be implemented at the state and the central level.

“We are also working on the Real Estate Regulation Bill which will



focus on augmenting land supply to increase the stock of affordable housing, much transparent system and empowering the consumer,” Singh said.

A report jointly prepared by industry lobby Confederation of Indian Industry (CII) and Grant Thornton has pointed out the changes that the Indian cities should bring about to address challenges of sustainable growth, quality of life and climate change.

The report has also highlighted five key aspects that are critical for ensuring brighter future of the Indian real estate sector and Indian cities at large. As per the report, these five critical areas are — planning, governance, infrastructure, finance and green technology. ■

Indian firms voluntarily running social welfare programmes

Over 1,500 private companies in India are running various social welfare programmes voluntarily as a part of the affirmative action plan to help the weaker sections of society, an official statement issued by the Prime Minister’s Office said on June 14.

The action hinges on four major points, also termed as 4Es — employability, education, entrepreneurship development, and employment. Some 1,12,702 people have benefited from the private companies’ voluntary programs so far.

The leading industry chambers — Federation of Indian Chambers of Commerce and Industry (FICCI), Associated Chambers of Commerce and Industry (Assocham) and the Confederation of Indian Industry (CII) — are actively involved in the affirmative action plan.

CII has adopted the district of Nawashahar in Punjab and Cooch Behar in West Bengal, and FICCI has adopted Sonbhadra in Uttar Pradesh for implementation of the 4E program, which focuses on skill development and livelihood promotion for the disadvantaged population in these districts.

FICCI has imparted skill training to 11,000 scheduled castes and scheduled tribes candidates to enhance their employability. ■

Landmark manufacturing policy to boost growth, create 100 million jobs

India will soon have a national policy on manufacturing that will help create 100 million additional jobs and boost the sector’s GDP share to 25 percent by 2025. Industry associations have termed it as “one of the most important policy initiatives in recent times”.

“Creating livelihoods for millions of people in the working age group is important from the point of view of inclusive growth and the new manufacturing policy would enable just that,” Chandrajit Banerjee, Director General of the Confederation



Anand Sharma

of Indian Industry (CII), said on June 10.

“For the first time, we are going to have a policy dedicated to the manufacturing sector. Industry welcomes the in-principle nod given by the Prime Minister to the draft national manufacturing policy and hopes

that a final policy will be announced within a month,” said Harsh Mariwala, President of Federation of Indian Chambers of Commerce and Industry (FICCI).

A high-level committee on manufac-

turing headed by Prime Minister Manmohan Singh on June 9 cleared the draft of the policy that aims to increase the share of manufacturing in the country’s GDP to 25 percent by 2025 from the present 16 percent.

Analysts said the new policy, if implemented quickly, would provide a much-needed fillip to growth, especially the growth of industrial output.

The draft policy, prepared after consultations with various stakeholders, including different ministries, state governments and industry associations, was presented to the high-level committee by Commerce and Industry Minister Anand Sharma. ■

'India's domestic banking sector will be world's third largest by 2050'

The Indian domestic banking industry will become the third largest in the world by 2050 after China and the US, according to a survey released by global audit and consulting firm PwC.

"China and India could have a combined share of around 35 percent of global banking assets by 2050. The US, Japan and Western Europe are all projected to see large falls in their share of global banking assets in the coming decades," said Harsh Bisht, Leader, Banking and Capital Markets, PwC India.

The survey also said that India's rate of growth was expected to overtake that of China's in the long-run as it has more catch-up potential and



The State Bank of India is India's largest bank.

its working age population growth will be much stronger in the long-term.

Also, the combined domestic banking assets of seven of the prime emerging economies (E7) of the world — China, India, Brazil, Russia, Mexico, Indonesia and Turkey would

be more than that of group of G7 countries, the report said. The G7 developed economies of the world are France, Germany, Italy, Japan, Britain, the United States and Canada.

"The GDP of the E7 countries is currently well behind that of their G7 counterparts but we'll see them at level pegging within the next two decades and well ahead within the next four," said John Hawksworth, Chief Economist, PwC.

"In the banking world, this shift is happening even faster than anticipated and appears to have been accelerated by the financial crisis as emerging market banks have been relatively shielded from the effects of declining asset values" added Hawksworth. ■

Telecom revenue seen at \$63 billion in 2012

Revenues of the Indian telecom industry, that includes telecommunication services and handset markets, is likely to reach \$63 billion in 2012, registering an annual growth of nearly 16 percent, an industry study has revealed.

Telecom services, including mobile and fixed line services, will contribute \$45 billion, while mobile handsets market, that includes featurephones and smartphones, will have revenue of \$18 billion, according to the study conducted by IT and Telecom market research firm CyberMedia Research.

The study reveals that the industry is likely to register 15.8 percent annual revenue growth over the next five years.

With over 15 percent annual growth, revenue of India's telecom industry is likely to reach \$82 billion by 2014.

"Telecom growth story will be a function of the enhanced demand for high speed broadband and data services from both enterprises and consumers," said Anirban Banerjee, Associate Vice-President of CyberMedia Research.

The smartphones market in India is expected to grow to over 10 million units in 2011 from 6 million units in 2010. The Android Operating System will continue to gain acceptance as a mobile operating system and 12 percent of all smartphones shipped in India during 2011 are expected to be based on the Android platform, the study has reported.

Smartphones are mobile devices with advanced operating systems. In addition to having voice capability, these devices have the ability to download and run applications, and store user data beyond their required personal information management capabilities.

India to lead global economic growth: OECD

India is poised to register strong economic growth in 2011 that will help offset the impact of the general slowdown in some developed economies, Secretary-General of the Organization for Economic Cooperation and Development (OECD) Angel Gurría said on June 13.



Angel Gurría

"The prospects of growth of Indian economy is pretty strong. It played a substantial role in global recovery. It is helping the average growth of the global economy," Gurría said while addressing a joint press conference with Finance Minister Pranab Mukherjee in New Delhi.

Without specifying, Gurría said: "The Indian economy is enjoying one of the highest growth rates in the world, more than triple the rate of the OECD member countries."

"India's estimated GDP for 2011 will place it at the tenth position in the world, ahead of 27 OECD members. The prospects for continued high rates of growth in the Indian economy appear strong," he said.

Addressing a seminar on taxation organized jointly by the Ministry of Finance and the OECD, Gurría said that with high economic growth, India had witnessed a significant shift in the pattern of overseas investments.

"Between 2000 and 2007, stocks of foreign direct investment into India increased five-fold, but outbound foreign direct investment increased over 16-fold," he said. ■

India seals biggest military deal with U.S. for 10 C-17 airlifters

India has sealed its biggest \$4.1 billion deal with the US for 10 Boeing C-17 heavy-lift aircraft by signing a formal agreement that envisages delivery of the planes before 2015, government and company officials said on June 15.

“The Ministry of Defense has signed a letter of offer and acceptance for procurement of 10 C-17 Globemaster III heavy transport aircraft and associated equipment from the US government for the Indian Air Force (IAF) at a cost of \$4.1 billion. The agreement was signed on June 14 evening,” government officials said.

Acknowledging the deal, Boeing said in a statement that India would take delivery of the aircraft, powered by four digitally-controlled Pratt and Whitney’s engines, under the Foreign Military Sales (FMS) route of the US government in 2013-14.

“The aircraft is being offered in its latest US Air Force configuration, duly customized as per IAF requirements,” Defense Ministry officials said, noting that the delivery of the entire fleet would be completed within four years.

Boeing would also meet an offset obligation comprising 30 percent of the basic cost of the 10 aircraft, which would work out to about \$1 billion, the officials added. The basic cost, without the associated equipment and training costs for IAF personnel, would work out to about \$3 billion, they added.



The offset obligation arises out of the Indian defense offsets guidelines that mandate the ploughing back of a part of every deal amount in India’s defense industry.

“In addition to the purchase of products and services from public and private Indian defense industries, Boeing will establish a high-altitude engine test facility at the Defense Research Development Organization (DRDO),” India’s premier military technology developer, the officials said.

This facility is not available in India and will enable aero-engines to be tested within the country.

“Boeing will also establish a trisonic wind tunnel facility at DRDO to enable testing, research and development of various aerodynamic bodies,” the officials added.

With this contract, India has become the largest international customer of C-17s, which can carry a payload of 75 tonnes and can land and take off from airstrips of 3,000 feet. A tactical and strategic airlifter, the C-17 can land combat-ready troops in remote loca-

tions or airdrop them directly where needed. The C-17’s ability to back up allows it to operate from narrow taxiways and congested ramps.

“The C-17 will elevate India’s leadership in the region,” Boeing India’s President Dinesh Keskar said.

“The aircraft’s ability to transport large payloads across vast ranges, land on short, austere runways, and operate in extremely hot and cold climates makes it ideal for the region,” Jean Chamberlin, Boeing Mobility Vice-President and General Manager, said.

Boeing will support India’s C-17 fleet through the C-17 Globemaster III Sustainment Partnership (GSP), a multinational performance-based logistics program, the company said.

The GSP “virtual fleet” arrangement ensures mission readiness by providing all C-17 customers — with varied fleet sizes — access to an extensive support network for worldwide parts availability and economies of scale when purchasing materials. The procurement will help meet the growing heavy airlift needs of the Indian armed forces. ■

India likely to get anti-submarine torpedoes from U.S.

India is likely to get Mk-54 lightweight anti-submarine torpedoes to arm the eight P-8I maritime patrol aircraft it is buying from the US. The Pentagon has “officially notified” the potential sale of Mk-54 lightweight torpedoes to the Indian Navy.

The news was welcomed by the US Embassy in India, which said the sale of Mk-54 torpedoes reflected the mutual benefits of the India-US security relationship. “The final content and price for the deal will be deter-

mined during discussions with the Indian government,” the US embassy in New Delhi said.

The Mk-54 is the most advanced lightweight torpedo in the US Navy inventory and is intended to be employed with the P-8I maritime patrol aircraft, eight of which are currently under construction for India by the aerospace major Boeing. The P-8I, equipped with Mk-54 torpedoes, will help provide highly-effective long-range anti-submarine warfare capabilities for the Indian Navy.

“This sale reflects the mutual benefits of the U.S.-India security partnership. For India, the combined sale of the P-8I aircraft with the Mk-54 torpedoes will add to India’s anti-submarine capability, as it expands its ability to protect India and the critical sea lanes of the Indian Ocean,” the Embassy said.

“The offer highlights the commitment of the U.S. to share cutting-edge technology with India and to ensure a secure and stable South Asia,” the Embassy added.

Sukanya Roy wins America's coveted spelling bee crown

Spelling tongue twister “cymotrichous”, Greek for having wavy hair, Indian-American Sukanya Roy won the 2011 Scripps National Spelling Bee crown to retain the coveted honor for the community for the fourth year in a row.

Roy, 14, an eighth-grader at Abington Heights Middle School, Pennsylvania, said she knew as soon as she heard “cymotrichous” that she’d get the word right and win the championship.

“My heart started pounding, I guess,” she said. “I couldn’t believe it... It’s just amazing. It’s hard to put into words.”

Roy speaks fluent Bengali and every



summer travels to India to visit family. She hopes to pursue a career in international relations.

Roy is the ninth Indian-American in the last 13 years to win the coveted Spelling Bee crown, a run that began when Nupur Lala captured the award in 1999.

The spelling champion was awarded a cash prize of \$30,000, a trophy, a \$2,500 US savings bond, a complete reference library, a \$5,000 scholarship and \$2,600 in reference works and other prizes.

Anamika Veeramani had performed a hat-trick by being the top ‘bee’ last year. Roy was one of the six Indian-Americans who made it to the last 13 in the finals.

Indian American spreads peace message

From the ancient Moroccan city of Fez, an Indian American cultural and social entrepreneur is spreading the message of peace wafting from the Fez Festival of World Sacred Music. The nine-day festival that began on June 3 “has a peace making mission and was founded after the first Gulf War in 1994 when Fauzi Sakkali, the founder, felt that the world was polarizing,” India-born Zeyba Rahman said.

Since then the festival has brought

the finest multi-faith musicians and global audiences to Fez, a UNESCO designated World Heritage Site, according to the New York-based Asia and North America director of the festival.

This year’s festival, with the theme of “Wisdoms of the World”, has brought among others classical Dhrupad singers Gundecha Brothers from India and Farid Ayyaz Qawwals from Pakistan, besides host of other musicians from across the world.

Indian-American White House tech guru leaving

US President Barack Obama’s tech guru Vivek Kundra, who spearheaded his administration’s effort to streamline the federal government’s massive IT infrastructure is leaving in August for a fellowship at Harvard.

New Delhi born Kundra, 36, who has worked for two and a half years as the first federal Chief Information Officer, oversees \$80 billion in federal information technology projects and has led a push for more cloud computing.

Kundra occupied one of three tech-focused posts that the White House created to overhaul the government’s use of technology.

“The work that I dedicated myself to while serving as the federal CIO — in cutting waste, strengthening cyber security and building an open and transparent government through technology — would also drive my future research interests,” Kundra said.

Indian-American to lead MIT’s largest department

Indian-American Anantha P. Chandrakasan has been named the new head of the prestigious Massachusetts Institute of Technology’s (MIT) largest academic department — Department of Electrical Engineering and Computer Science (EECS), — Massachusetts-based MIT announced on June 13.

Chandrakasan is the Joseph F. and Nancy P. Keithley Professor of Electrical Engineering. He will take over the role previously held by Eric Grimson, who was named MIT’s Chancellor in February.

EECS is the largest academic department at MIT; nearly 30 percent of undergraduates major in the department’s programmes.

Upma dish wins Indian-American chef \$100,000 prize



Indian-American Chef Floyd Cardoz, the man behind New York’s now closed Danny Meyer Indian restaurant Tabla, has taken home a \$100,000 prize in the third season of Top Chef Masters with a simple upma dish. Mumbai born Cardoz, who beat out California luminaries Traci Des Jardins and Mary Sue Milliken for first place, would donate his winnings to the Young Scientists Cancer Research Fund at New York’s Mount Sinai School of Medicine, in memory of his father, who died of cancer.

Cardoz divided the judges with his inclusion of the popular Indian breakfast dish upma in his meal, but “in the end (he) impressed because of the spice and passion that infused his final meal of the season,” said The Wall Street Journal. “The three-course feast also featured a rice-crusting snapper in a fennel-laced broth and an innovative version of a Malaysian beef stew,” it said.

By winning the coveted prize, Cardoz joins the ranks of better-known chefs Rick Bayless, of Frontera Grill in Chicago, and Marcus Samuelsson, of Red Rooster.

India to launch 12 foreign satellites in next two years

India has bagged multi-million dollar contracts to launch 12 foreign satellites in the lower orbit from its spaceport over the next two years, a top space agency official said on June 1.

“Through our commercial arm Antrix Corporation, we have received orders from Canada, Indonesia, Germany and other European countries to launch a dozen satellites in the sun-synchronous orbit during the next two years,” state-run Indian Space Research Organization (ISRO) Chairman K. Radhakrishnan said.

Of the 12 satellites, four are from Canada, two each from Indonesia and Germany and one from Luxembourg. The remaining three are from universities in Europe.



ISRO Chairman K. Radhakrishnan



“We have an order from Germany to launch an 800-kg dedicated satellite (N-Map) for environmental studies. The other satellites, weighing between 80-100 kg will be launched on board our polar satellite launch vehicles (PSLVs) as additional payloads along with Indian communications or remote-sensing satellites,” an Antrix official said.

Antrix is also in negotiations with France to launch a remote sensing satellite (EnMAP) in the lower orbit.

India has already launched a total of 26 foreign satellites during the past decade for various countries, including Germany, Italy, Israel, Korea, and Singapore.

India to launch next communication satellite in July

India will launch another advanced communication satellite — GSAT-12 — in geosynchronous orbit in the second week of July using a smaller rocket, a senior official said on June 1.

The 1,400kg GSAT-12 will be launched from the spaceport at Sriharikota, about 80 km northeast of Chennai, on board the polar satellite launch vehicle (PSLV-C17). “The 320-tonne heavy rocket will have extended strap-ons for carrying solid and liquid propellants to put the spacecraft in the geosynchronous orbit in two stages,” Indian Space Research Organization (ISRO) Chairman K. Radhakrishnan said.

The ₹1.5-billion GSAT-12 will have 12 extended C-band transponders for communications and weather forecast services. The launch cost is about ₹1 billion.

“As we are using a polar launch vehicle to place the satellite in the geosynchronous orbit, the spacecraft will be first placed in the lower elliptical orbit between 284 km perigee (closer to earth) and 21,000 km apogee (away from earth) and subsequently transferred into the intended orbit in stages between 21,000 km perigee and 36,000 km apogee,” Radhakrishnan said.

Two Indian firms win clean energy awards

Two Indian companies specializing in alternative energy sources for rural electrification have won this year’s prestigious Ashden Awards for Sustainable Energy in London.

The Husk Power Systems (HPS) of Bihar and the Abellon CleanEnergy Ltd of Gujarat received the awards on June 16. The award contains prize money of 20,000 pounds.

HPS generates electricity through the gasification of rice husk. The company has been trying to boost its entrepreneurial capacity in collaboration with Britain-based Shell Foundation for about two years.



Abellon at work: Chipping crop waste in the field

HPS has about 60 gasification plants that provide affordable electricity to over 25,000 Bihar households. Each connection costs ₹100.

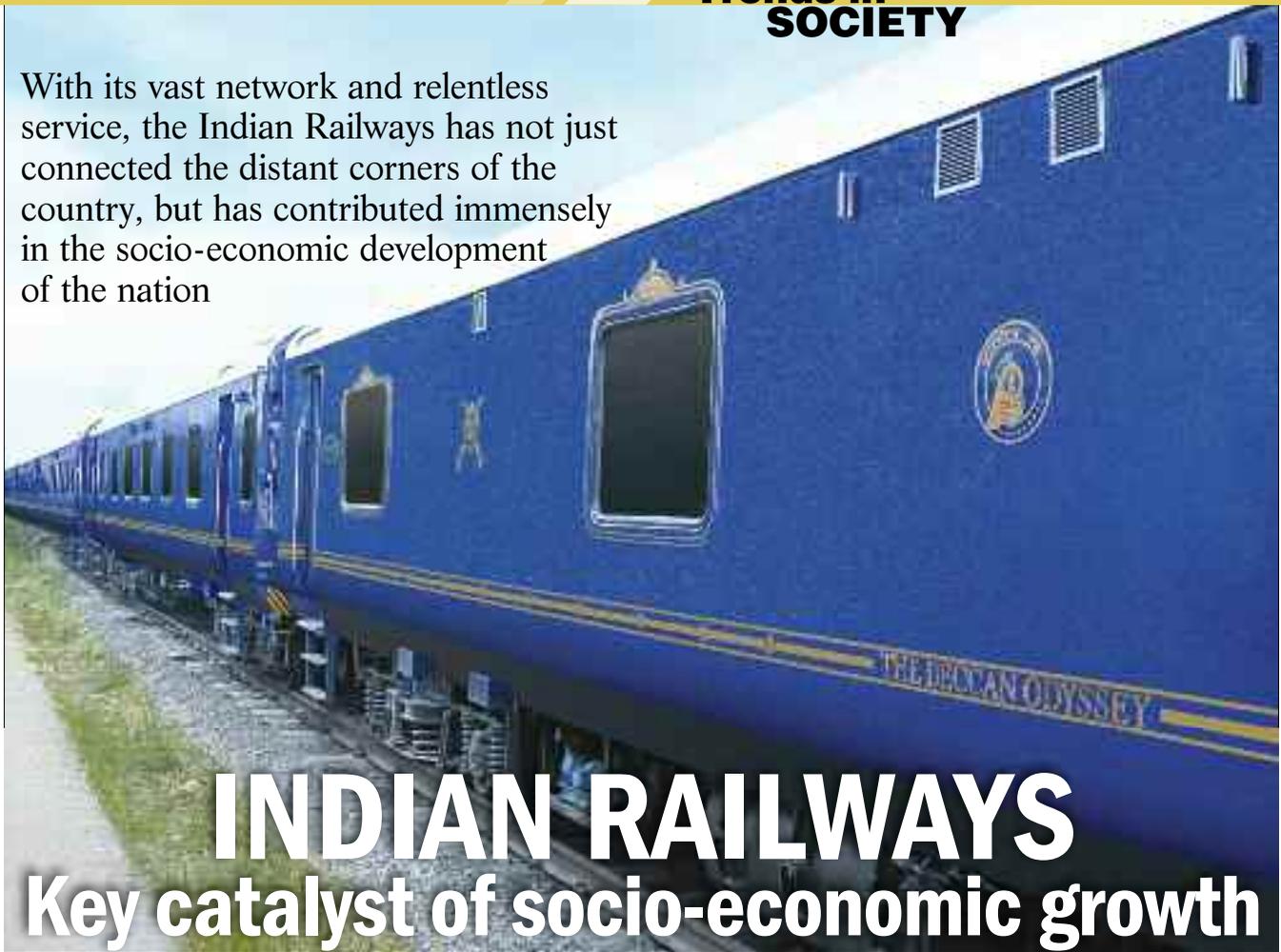
Abellon produces biomass pellets from crop waste to power Gujarat’s industries and gives farmers a

market for their waste products.

“We’ve adopted a new business model to expand effectively and efficiently, and this international recognition will certainly be a source of inspiration for everyone involved,” Gyanesh Pandey, CEO of HPS, said in a statement.

Sarah Butler-Sloss, Founder Director of the Ashden Awards and Chair of the Judging Panel, said: “Abellon has devised a system that relies on a local, clean source of energy to reduce CO2 by replacing dirty industrial fuels, drive economic growth, improve crop yields, and support farmers.”

With its vast network and relentless service, the Indian Railways has not just connected the distant corners of the country, but has contributed immensely in the socio-economic development of the nation



INDIAN RAILWAYS

Key catalyst of socio-economic growth

The Indian Railways — one of the largest developed networks in the world — is a key catalyst of socio-economic growth in the country. The premier transport and logistics organization of the country has the largest rail network in Asia and is the world's second largest under a single management.

Foreign direct investment (FDI) inflow into railways related components has been \$122.10 million from April 2000 to January 2011, according to the Department of Industrial Policy and Promotion (DIPP).

The total approximate earnings of Indian Railways on originating basis during April 1, 2010–February 28, 2011 were \$18.68 billion compared to \$17.26 billion during the same period last financial year, registering an increase of 8.24 percent.

The total goods earnings have gone up from \$11.64 billion during

April 1, 2009–February 28, 2010 to \$12.48 billion during April 1, 2010–February 28, 2011, showing an increase of 7.20 percent.

The total passenger revenue earnings during the eleven months of the financial year 2010-11 were \$5.22 billion compared to \$4.74 billion during the same period last fiscal, registering an increase of 0.15 percent.

The revenue earnings from other coaching amounted to \$508.4 million during April 2010–February 2011 compared to \$461.22 million during the same period last financial year, showing an increase of 10.23 percent.

The total approximate number of passengers booked during April 2010–February 2011 was 7206.30 million compared to 6777.13 million during the same period last financial year, showing an increase of 6.33 percent.

Indian Railways have carried 832.75 million tons (MT) of revenue earning freight traffic during

April 2010–February 2011. The freight carried shows an increase of 29.25 MT over the freight traffic of 803.50 MT actually carried during the corresponding period last year, registering an increase of 3.64 percent.

During the month of February 2011, the revenue earning freight traffic carried by Indian Railways was 76.80 MT. There is an increase of 4.26 MT over the actual freight traffic of 72.54 MT carried by the Indian Railways during the same period last year, showing an increase of 5.87 percent.

The Indian Railways has tied up with a Japanese bank for funding of \$6.65 billion for its dedicated western freight corridor project that would connect Mumbai to Delhi. The ambitious project involves building of nine large industrial zones, high-speed freight line, three ports, six airports, a six-lane intersection-free expressway connecting Mumbai with Delhi and a 4,000-mega watt (MW) power plant.



Moreover, the Chennai Metro Rail Ltd has awarded contract for power supply and Overhead Equipment (OHE) to Siemens AG of Germany and its Indian arm Siemens Ltd India Consortium for \$67.6 million.

The Indian Railways has also attracted the attention of Bombardier Transportation, part of the \$19 billion, Montreal-based global transportation company. It has submitted a proposal for the Dankuni Locomotive Project in West Bengal to set up an electric locomotive assembly and ancillary unit.

The Road Ahead

The state-run transporter is observing 2011-12 as the “Year of Clean Energy”, highlighting a slew of green measures taken by the then Railway Minister Mamata Banerjee. “Railways is always environment friendly, and is

Railways is always environment friendly, and is considered ‘evergreen’. It is also the most fuel efficient mode of transport

— Mamata Banerjee, Former Railway Minister

considered ‘evergreen’. It is also the most fuel efficient mode of transport,” Banerjee told Parliament while presenting the Railway budget. She pointed out the Ministry’s green initiatives, including free supply of 14,00,000 CFLs (compact fluorescent lamps) to railways households and phasing out of incandescent lamps.

In an attempt to link Sikkim to rest of the country through rail, IRCON, the Railway public sector undertaking (PSU) has signed a memorandum of understanding (MoU) with North-East Frontier Railway for the execution of the project. The 45-

km long broad gauge railway link will connect Sevoke in North Bengal to Rangpo in Sikkim. The project, estimated at a cost of \$747.4 million, is expected to be completed in the next five years.

For the financial year 2011-12, the railways have projected a 17.1 percent increase in upper-class passenger revenues and 16.4 percent in second-class revenues, over a passenger growth of 6.4 percent. During financial year 2010-11, with a 5.3 percent increase in passenger numbers, the railways’ revenue is set to grow 11.2 percent.



COMPANIONSHIP IN TWILIGHT

By Anil Chandra

The author, a former Indian bureaucrat, is a short story writer and a scholar. Chandra has also written three books on history covering ancient India and China

A beam of morning sunlight filtered through the parting curtains on to Mr. Parmar's bed. The old man twisted on his back and listened. The house at Mashowbra, near Shimla was quiet; the grandchildren must have gone to school and their parents to work. The day, as always, promised to be long and dreary, which made Mr. Parmar unsettled and fidgety. After getting up and reading the morning newspaper meticulously, he could think of nothing to do. He was all alone.

All alone! Stepping in front of the windows, he looked toward the mountains. Greying whiskers spread over his unshaven chin, and his bloodshot eyes seemed to reveal his sorrow. Last night, lying in the bed, he had overheard his son and daughter-in-law talking: "He has no hobby and he doesn't care to cultivate one. He stays home all day moaning and sighing to himself. It's as though I asked him to move in with us just to hurt him."

"But you know father wasn't like this before... when mother was alive."

The cicadas in the mountains began chirping so loudly they could be heard in the house — the first sound of summer. He had a sudden yearning to go up the mountain. Since it was past the time for early climbers, he had the path to himself — except for the five birds, the cicadas and the wind, making the melodies of the mountain.

The next day, Mr. Parmar went climbing again. That evening at dinner, he was no longer just an audience, and his spirits were high. "We want to go with you!" piped the children. "On Sunday, we will go first thing in the

morning," the old man replied.

On Sunday, they set out early. It took them more than thirty minutes to reach the mountain top, and from there Mr. Parmar led the way down another path to a public park with a pavilion and the look-out with an excellent view.

A woman standing at the edge of the look-out suddenly began singing. Quite sure he was her senior, Mr. Parmar waited until she had finished and then asked casually, "How old are you?"

"I'm sixty-seven," the woman replied. Her hair was short and she had a longish face, fair complexion and eyes that sparkled with spirit.

She was two years younger than he was. "You certainly don't look your age," Mr. Parmar said.

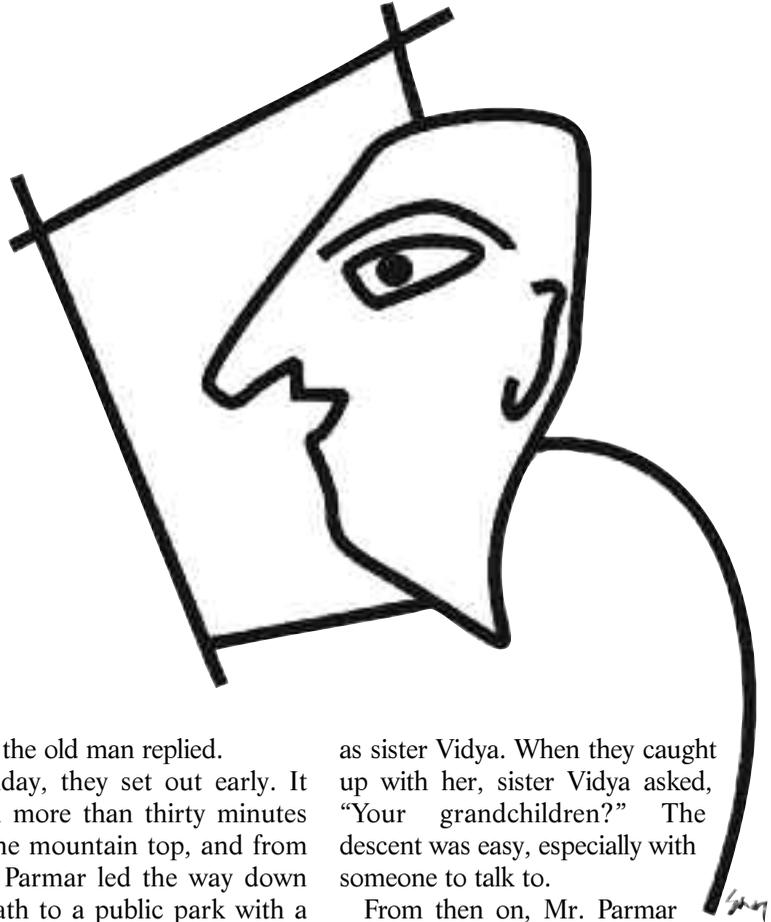
The woman smiled and strode off.

On the way down, they saw her again, walking with a group of elderly men and women who addressed her

as sister Vidya. When they caught up with her, sister Vidya asked, "Your grandchildren?" The descent was easy, especially with someone to talk to.

From then on, Mr. Parmar followed a new daily schedule. He got up early to join the group mountain climbing, and then came down to see the grandchildren off to school. He met sister Vidya almost every morning, and they gradually began to confide in each other. Knowing she was a widow living with her daughter and son-in-law, he assumed that she also had family problems, and could understand his.

"When they watch television, I never complain about being disturbed during my nap. Why then should I be accused of disrupting the children's sitar practice and homework when I want to watch the television? It's a good thing, I am not dependent on them. If I had to ask them for money, I can't imagine what the situation would be like."



Sister Vidya was silent for quite a while. "My daughter and her husband are good to me," she said. "But I don't live on them for nothing. I never want people to look down on me."

The rainy season arrived early that year, and it rained non-stop for days together. The hikers disappeared. Mr. Parmar's rheumatic pain recurred, giving him a severe backache and confining him to a chair by the window, from where he listlessly watched the entrance to the path up the mountain.

One day, he heard somebody calling him – sister Vidya?

He got up with difficulty, and opened the door to the house. She was laughing as she came in. "Look at me! It wasn't raining when I started out, so I didn't carry an umbrella. But just as I got here, it started to rain. So I decided to pay you a visit."

Though his back was still aching, Mr. Parmar insisted that she stay for lunch. He was quite adept at cooking certain special dishes, and sister Vidya praised them highly. Eating alone, Mr. Parmar has lost interest in cooking, but now he extended her another invitation. In return, sister Vidya offered to treat him to her style of cooking.

The two started having lunch together, once or twice a week. At first, Mr. Parmar told his family about these meetings but gradually stopped bothering to mention them.

"Your father's girl friend came again today".

"How do you know?"

"All the dishes are put back in the wrong places."

The couple laughed, and Mr. Parmar found himself smiling as well. He hadn't been aware they were leaving such traces. "Do you think we are going to get a new mother?" his daughter-in-law asked. "Grandmother Vidya and father are good for each other. An old person should have companionship."

Only then did the possibility of marrying sister Vidya crossed Mr. Parmar's mind. Almost seventy and married again? Seventy! So what?

But their luncheon dates were quietly discontinued before the rainy season was over. It was sister Vidya's turn to invite him, and she didn't call. Obsessed with his secret thoughts, he did nothing to get in touch.

Then one afternoon, the rain stopped and all at once and there was radiant sunlight everywhere. Impulsively, Mr. Parmar picked up the phone and called sister Vidya. "People are going up the mountain," he lied. "Would you like to come for a stroll?"

She hesitated, but eventually agreed to meet him. After hanging up, he went to the bathroom to shave. Looking into the mirror, he felt foolish — practically seventy and still excited over a date!

The sun had dropped behind the mountain and the path was shady and

He felt weak without the support of his stick, and his backache was starting up again. "Getting old," he sighed. "It's no good getting old without a companion."

cool. After exchanging greetings, they walked in silence. Suddenly sister Vidya tripped. He hurried to steady her. "Be careful!", he said. "It's slippery. Here take this stick."

He felt weak without the support of his stick, and his backache was starting up again. "Getting old," he sighed. "It's no good getting old without a companion."

"My daughter said exactly the same thing," sister Vidya said.

"Sister Vidya..."; he wanted to explain, but struggled in vain to find the proper words.

She turned to him and said, "Listening to my daughter talk like that, I started to feel self-conscious. That's why I didn't call you. You know Mrs. Negi, our neighbour? It was she who told my daughter about us. All my life I have done nothing to make people

talk about me. I am quite aware of proper behavior."

"Let them wag their tongues! If we enjoy being together, so be it. They can't tell us what to do." He hadn't intended to say so much, but since the opportunity has presented itself, he might as well go on. "Sons and grandsons, they are my own flesh and blood, but our age difference makes it difficult to communicate. I'll be seventy this coming October. How many more years do we have? What we need is companionship. Someone to talk to, go places with, or ask how we feel when we are ill. We aren't lovesick young people."

He was getting a bit worked up, and stopped walking. Sister Vidya also paused and responded softly: "I understand; only ... people talk."

"What is there for them to talk about? If we don't take care of ourselves, who will? Sister Vidya, I collect a good pension, and I own a house at Solan. If you are willing, the two of us can lead a good life together."

At length sister Vidya said, "To be frank, my daughter will not object to whatever decision I make. But I'm sixty-seven. Should I make myself a laughing stock? So many years have passed and now, at this late stage, if I change my name..."

They reached a spot where they often paused to catch their breath. Here, in a niche between two rocks, somebody had made a shrine, in which were many idols.

Sister Vidya joined her palms and bowed. "If there are gods, I pray for their divine guidance." She moved back a step and bowed again.

He noticed perspiration on her forehead and asked, "Tired?"

She shook her head. With a companion, life certainly would be more meaningful.

Side by side, the elderly couple looked toward the opposite mountain peak. Magnificently coloured clouds filled the sky, clustered around the golden setting sun. The sun had lost its intensity, but was still splendid to behold.

RAJINIKANTH RELEASED from Hospital in Singapore

Tamil superstar Rajinikanth who was undergoing treatment at Mount Elizabeth Hospital in Singapore was discharged on June 15 and would remain in that country for some more time. The 60-year-old actor was flown to Singapore on May 28 and was admitted to the hospital the next day. He was earlier admitted in the intensive care unit (ICU) of the Sri Ramachandra Medical Centre in Chennai for recurrent respiratory infection and gastro-intestinal problems.

Soon after leaving the hospital, Rajinikanth spoke to Tamil Nadu Chief Minister J. Jayalalithaa and congratulated her on her election victory. He also called DMK President and former Tamil Nadu Chief Minister M. Karunanidhi on June 16, and informed him about his condition.

He thanked his fans for praying for his recovery on June 18 and said he would make them happy in his next movie



Rana. In a four-page letter to his ardent fans, released to the media here, Rajinikanth said: "I was at a loss for words when I sat to write to fans soon after getting discharged from the hospital."

"I am talking to you after speaking to the Chief Minister who had assured the government's help and to Kalaigarnar (Karunanidhi) who has immense affection for me," the actor said, adding: "Sorry, for not talking to you first." ■



Karisma's five characters span 500 years

This comeback will be a whammy for Karisma Kapoor. In Vikram Bhatt's *Dangerous Ishq*, she plays five roles set in five different lifetimes spanning a whole gamut of mythological and historical events.

Karisma plays Mirabai, a devotee of Krishna, and then moves forward in time, that includes the partition era, Indira Gandhi's assassination, and the present-day politics.

Reluctant to reveal the details, Vikram Bhatt, who is busy researching the women characters of ancient, medieval, and modern India, says, "Karisma's character will pass through four different eras and lifetimes, plus there's a role in the present times. So, it's actually a total of five roles."

Vikram says, "Karisma has always been a very hard-working and capable actress. But in terms of challenges posed to her performing abilities, I feel there have not been too many golden opportunities. I feel this is the right time for Karisma to do *Dangerous Ishq*. It takes her to a new level as an actor."

The film, written by Amin Haji, will have Karisma sharing screen space with five leading men. And, it is believed the guys being considered are not the Vikram Bhatt regulars like Aftab Shivdasani and Dino Morea. ■

Youth will drive content in Indian cinema: AMITABH BACHCHAN

He has devoted over four decades to the film industry, witnessing major changes in content along the years, but megastar Amitabh Bachchan has always made it a point to keep in sync with the tastes of the youth, who constitute the bulk of the audience as, he stresses, "You have to listen to them."

The 68-year-old icon, says while he is happy with most of the changes, he still has reservations over the use of expletives and doing explicit scenes in films.

He says the youth will continue steering changes in content — from candyfloss romance dramas to dark comedies, hardcore action fights, and hard-hitting reality films.

"Indian cinema will change with every generation! When we came in the 1970s and 1980s, the old timers didn't necessarily agree with what we did. But the youth seemed to like it, and so we went ahead," says Amitabh.

"I'm happy that changes are taking place in the industry. Sometimes we regret changes... Some of the language has

the use of expletives... I am uncomfortable using expletives, I am uncomfortable doing explicit scenes, but the younger generation is okay doing it; so we have to go with it.

Amitabh's *Bbuddah...Hoga Tera Baap* released on July 1 and *Aarakshan* will hit theatres Aug 12. ■





TIME FOR PULSATING ACTION ON HIMACHAL HIGHWAY

If you are an intrepid motorist and want to test your nerves in the most inhospitable terrain and tough climatic conditions, then a 475-km-long Himalayan highway is your calling.

The Manali-Leh road that links the tourist resort town of Himachal Pradesh to Leh in Jammu and Kashmir has been reopened as part of an annual drill, attracting adventure lovers and motorists.

“Since the reopening of the Manali-Leh highway, we have been getting a number of inquiries from motorists across the globe daily about its road worthiness,” Mehar Chand Thakur, a travel agent in Manali, said.

The highway was reopened on June 1 after remaining closed for over six months due to heavy snow in the region.

Commenting on the highway that passes through the cold deserts of

Lahaul & Spiti and Ladakh, Suresh Rana, a six-time winner of the motor rally Raid-de-Himalaya, said the entire Manali-Leh route was tough and the pressure on the motorist was extreme.

“In a four-wheeler, a sport utility vehicle will be the ideal machine. In the two-wheeler category, a 500 cc bike is the perfect vehicle,” he suggested.

The non-stop journey in a four-wheeler between Manali and Leh takes 16-18 hours.

“Since the journey is quite treacherous, it’s advisable to give it two days with a night halt at Sarchu (mid-way between Manali-Leh),” said Rana.

IF YOU ARE KEEN ON TRAVELING THROUGH SOME OF THE HIGH PASSES IN HIMACHAL PRADESH, HERE ARE A FEW TIPS:

- Make sure your trip is planned well in advance. Check on general road conditions and confirm whether the high mountain passes are open.
- Most of the picturesque destinations in Kinnaur, Chamba, Lahaul & Spiti and Kullu districts are at high altitudes. Even during summer, you must carry woollen clothes, jackets and some eatables as you may have to remain stranded on roads for days together due to landslides.
- Make sure you are medically fit
- Make sure you have an extra driver, especially if you plan to drive at night. Carrying extra fuel is a must.
- Travelling in small groups and carrying life-saving medicines is recommended.

The road crosses four high mountain passes in the cold desert — Rohtang Pass (13,050 ft), Baralacha Pass (16,020 ft), Lachlungla Pass (16,620 ft) and Tanglangla Pass (17,480 ft).

A.K. Dikshit, Commander of the 38 Task Force of the General Reserve Engineering Force (GREF), said some of the areas along the Rohtang Pass, some 52 km from Manali, were still under 45-50 feet snow. GREF is a wing of the Border Roads Organisation that maintains the highway.

Dikshit said a sudden drop in the temperature, even in summer, can trigger winter-like conditions in Rohtang. “Even oxygen is quite minimal and high velocity winds start blowing later in the day. It’s advisable to cross the pass in the morning,” he said.

Himachal Pradesh, whose economy is highly dependent on tourism, attracted 13, 298,748 tourists, including 454,851 foreigners, last year. ■



EMBASSY OF INDIA

2107 Massachusetts Avenue NW
Washington, D.C. 20008
Tel: 202-939-7000
Fax: 202-462-7276

PRE-SORT FIRST CLASS

Pre-sort First Class
U.S. Postage
Paid
Silver Spring, MD
Permit No.
3966

■ Lunar Eclipse



This combination of 10 pictures taken on June 15 shows the moon during a total lunar eclipse. Parts of Europe, Africa, Central Asia and Australia saw a total lunar eclipse, the first of 2011 and the longest in nearly 11 years. A total lunar eclipse occurs when Earth casts its shadow over the Moon. The lunar face can sometimes turn reddish, coppery-brown or orange, tinged by light from the Sun that refracts as it passes through our atmosphere.

EMBASSY OF INDIA

2107 Massachusetts Avenue NW, Washington, D.C. 20008

Tel: 202-939-7000; Fax: 202-462-7276

E-mail: indembwash@indiagov.org

Website: www.indianembassy.org

CONSULATES

Consulate General of India
3 East, 64th Street
New York
N.Y. 10065

Tel: 212-774-0600

Fax: 212-861-3788

E-mail:

cg@indiagny.org

Website:

www.indiagny.org

Consulate General of India
540 Arguello Boulevard
San Francisco
CA 94118

Tel: 415-668-0662

Fax: 415-668-2073

E-mail:

info@cgisf.org

Website:

www.cgisf.org

Consulate General of India
455 North Cityfront Plaza Drive
(NBC Tower Building)
Suite #850 Chicago, IL 60611

Tel. 312-595-0405 to 0410

Fax. 312-595-0416

E-mail:

cg@indianconsulate.com

Website:

www.chicago.indianconsulate.com

Consulate General of India
1990 Post Oak Blvd. # 600
3 Post Oak Central
Houston, TX 77056

Tel. 713-626-2148/49

Fax. 713-626-2450

E-mail:

cgi-hou@swbell.net

Website:

www.cgihouston.org