

# imprint

*India's Foreign Affairs Magazine. International affairs.  
India's imprint on the world in business and culture.*

## Natwar in Lahore: Punjabi hospitality at its best

RELATIONS between India and Pakistan always swing from one extreme to another. Such occasions are rare when we can say that every thing is normal. Like a love affair there are some moments when there is a passionate display of affection, every thing appears to be extremely rosy or 'everything is possible moment,' on the other hand there are also times of extreme pain and anguish. At present the relations between India and Pakistan are at the positive extreme. Indian External Affairs Minister Natwar Singh recently visited Lahore. On reaching there he could feel the positive mood. There seemed to be



**Indo-Pak friendship:  
Hope it is not a mirage**

no traces of the past animosity. Everybody appeared to be optimistic about everything. India and Pakistan have now a whole generation, which has not experienced partition and thus might not harbour

animosity for each other. This is a generation which has felt the winds of Globalisation and has come to terms with the past and believes in moving ahead rather than living with animosity.

On one occasion the Pakistan Punjab Chief Minister Pervaiz Elahai spoke about a Lahore-Amritsar bus to which Natwar Singh responded positively. A visa office is also likely to be opened in Lahore and 8,000 extra visas will be

issued to fans. Interestingly, during this visit of Natwar Singh no one spoke about Kashmir, somehow it did not fit into the mood. We can only hope that this phase of friendship exists for along time and does not turn into a mirage.

### CHECKLIST OF VISITORS

President of Italy -

**Carlo Azeglio**

President of Austria -

**Heinz Fischer**

British Foreign Secretary-

**Jack Straw**

President of Afghanistan-

**Hamid Karzai**

Finland's Minister of Foreign Trade -

**Paula Lehtomaki**

Foreign Minister of Iran-

**Kamal Kharrazi**

President of Iceland -

**Olafur Ragnar Grimson**

### INSIDE

- Editor's Perspective
- Oil diplomacy; Is India wooing Russia?
- Finnish Foreign trade minister visits India
- SAARC summit; India pulls out
- Afghan president visits India

## Russian and Malaysian automotive sectors beacon M&M

MAHINDRA AND MAHINDRA is spotting a partner for its assembly facility in Russia in the next few months. Through a distribution tie up, the company plans to export to Malaysia. Dr Pawan Goenka, M&M Chief Operating Officer, automotive sector, states, "We have

more or less decided on our joint venture partner for our assembly facility in Russia and will announce the name in the next three to four months." The stake in the assembly unit will be picked up through 'Sun' with which Mahindra & Mahindra have a joint venture in Russia.

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## A cultural dynamism in foreign policy

I was in Bangkok recently. Once again I noticed the culture was not too far off from ours. I saw Large Vishnu statues, working as art and solace to the visitors, at the entrance of so many office buildings, without embarrassment. Unhesitatingly one is welcomed by namaste greetings to all, even from policemen, and also bargirls. India has lost it a long time ago. Our culture, that is. We have forgotten ourselves and like our buildings, have become a nondescript mass without any trace of culture. The Chinese have suffered this fate in communism and sadly India has also suffered this fate due to politics. The politics of anti-Brahmanism and Dravidic and Dalit liberation and Mandal and Adivasi and Muslim and Socialism and what have you, has systematically removed any trace of the culture of the land which is alive and fulfilling elsewhere. In India it is our blank and defeated self-awareness, whether in Simla or in Hyderabad, the same horrible non-cultural, ill-designed and badly constructed faceless and characterless buildings have become the rule. We must deny our culture in all public engagement. Bad manners are the rule from communist Kerala to communist Bengal and aggressive Punjab to an even more ill tempered Tamil Nadu. We have no perspective of the change in our behavior and have slowly degenerated into a rude society without any distinct cultural traits. Economically India is a good twenty years backward from Thailand. We compare Mumbai to Shanghai, but if we even touch the level of Bangkok in twenty years it would be a miracle. Given our unaware state of mind culturally and understanding of the motivation that leads to progress.

Given the cultural affinity with Southeast Asia I wondered how much cultural exchange is actually happening at any level, theological or the arts, or philosophy. Once again I wondered if Indians have the depth or the humility to actually have a decent interaction. Either we are suffering from a superiority complex, for no reason of intellectuality or achievement, probably from over-eating or corruption. The lack of humility or even proper knowledge of the sutras might result in spoiling whatever love or admiration exists in Burma or Thailand or Cambodia or Laos or Vietnam or Korea or Japan or China for India. However I have also visited Malaysia, China, and Japan, and felt that India needs to interact on cultural planes and progressive arts on a much more intense, frequent and deeper level and India must invest millions in building permanent cultural centers for learning Sanskrit, Indian dance, or astrology and there are thousands of students of Hindu philosophy who would give a lifetime to learn the Upanishads from Indian Pundits. I am confident that what I am proposing is not going to be seen as proselytizing or any form of hindutva. It is not. It is purely foreign policy that is appropriate and suitable in context to Southeast Asia, foreign policy that will be productive. These countries have a very strong affinity to Indian mythology and beliefs and wish to share a dynamic experience today, a link with the old country, which is denied on political expediency, which is actually very damaging to the bonding and strengthening of relationship and trust. This is a purely intellectual factor, which will result in closer and positive interaction between the intelligentsia of these countries, which is naturally the ultimate goal for diplomacy and future well being of the people of the region.

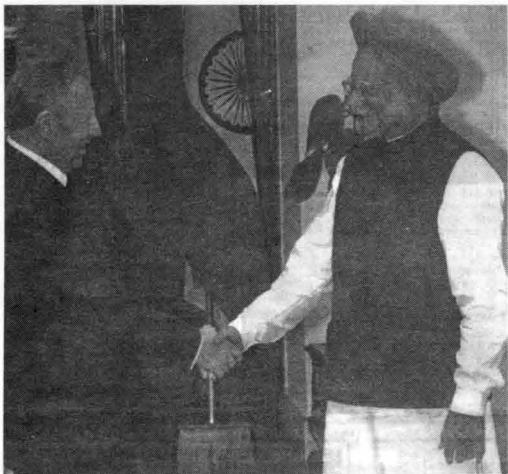


Wat Benchamabophit, The  
"marble Temple" at Bangkok



Anil Chopra, Editor & Publisher

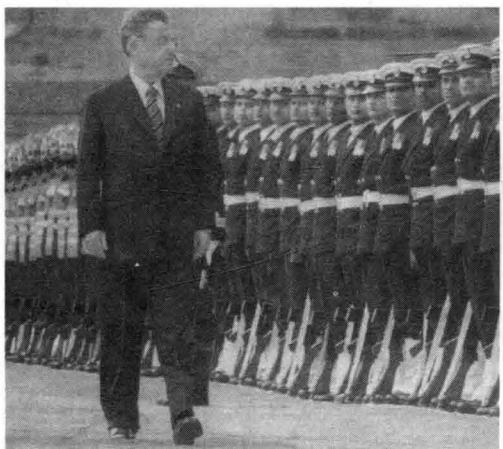
The brief for *imprint* is India's international economic relations, and India's foreign policy impacting economic development, as also the imprint of India globally, arising from the actions of our government. And of Indians in their achievements internationally.



Italian President of Carlo Azeglio Ciampi, visited India in mid February. Accompanying him was a trade delegation of 600 members, which conducted 800 business meetings. Italian President and his delegation came with a mission to consolidate Indo-Italian relations. In the Picture he is seen with the Indian Prime Minister Manmohan Singh.



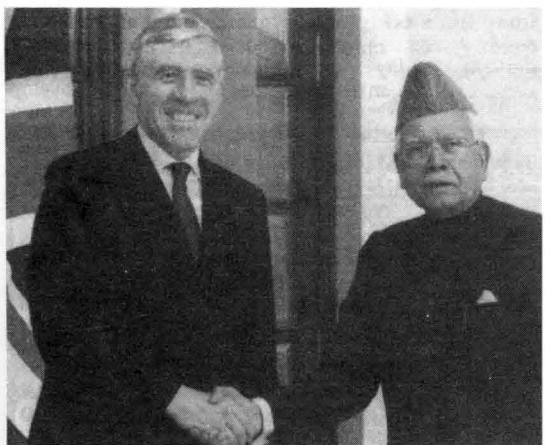
India up-and-coming, the world recognises it. In February the Indian FM P. Chidambaram (seen on background screen) inaugurated the new building of London Stock Exchange. On the forefront is British Chancellor of the Exchequer Gordon Brown



Austrian President Heinz Fischer inspects a ceremonial guard of honour at New Delhi. Heinz Fischer visited India in February.



Afghan President Hamid Karzai in discussion with Natwar Singh. The Indian external affairs minister visited Kabul in February.



Natwar Singh welcomes Jack Straw (l), the British foreign secretary. Jack Straw visited New Delhi in January. Two agreements signed during his visit formalized the return of illegal Indian immigrants and transfer of sentenced prisoners.

Build business  
strengthen ties:  
Jack Straw,  
British foreign  
secretary  
meets Omkar  
Singh Kanwar,  
the FICCI  
President. The  
occassion was  
Indo-British  
parliamentary  
Forum.



Carrying  
forward the  
oil diplomacy:  
Mani Shankar  
Aiyar (r) with  
George HB  
Verberg,  
President  
International  
Gas Union.  
Occasion was  
the 3rd Asia  
Gas Buyers  
Summit in  
New Delhi

Paula Lehtomaki:  
Finland's Minister for foreign trade and development visited India in February.



India pledges its support for rebuilding Afghanistan. Afghan President Hamid Karzai being escorted by the Indian Foreign Secretary Shyam Saran. February witnessed Afghan Presidents visit to India.

Let us uplift the health sector: Heinz Fischer, Austrian President (centre) With CII president Sunil Kant Munjal (left) and Ficci president Onkar S Kanwar at a special session in New Delhi in February.



President of Iceland Olafur Ragnar Grimsson with Congress president Sonia Gandhi. President of Iceland visited India in February.



Kamal Kharrazi (r), Iran's foreign minister hands over a momento to Ficci president Onkar S Kanwar. The occasion was the 8th Iran-India joint business meeting held at New Delhi February.



A standing ovation to blooming Indo-Italian trade. Union minister for commerce and industry Kamal Nath (2nd from l) standing with Italian President Carlo Azeglio Ciampi (3rd from l) Ficci president Onkar S Kanwar (2nd from r), CII chief Sunil Munjal is on the extreme right. The occasion was Indo-Italy business forum in New Delhi, February 05



Meeting with the opposition: British foreign secretary Jack Straw having a discussion with LK Advani at his residence in New Delhi.

## Indo-Italian ties at its best

INDIA and Italy are the two countries, which share common values of democracy, independent judiciary, rule of law and free press. Italy and India also share warm and friendly relations. Recently there was a strong impetus to this relation. In the month of February Italian President H.E. Carlo Azeglio Ciampi visited India from Feb-12 to Feb-16. This had its own significance, as it was the first state visit to India by any Italian head of State.

Italian president was accompanied by Gianfranco Fini, Minister for Foreign Affairs, Antonio Marzano, Minister for Productive activities, Giuliano Urbani, Minister for Culture, Ms Letizia Moratti, Minister for University Education. Mrs. Margherita, Minister of State for Foreign affairs. Apart from this there was a high level of business

and media delegation which accompanied the president.

In an effort to strengthen the co-operation in space,



Stepping on the path of cooperation

science technology and other areas, India and Italy has signed as many as six agreements. These agreements will boost the rela-

tions between India and Italy in diverse fields. G. Madhavan Nair, chairman of ISRO and Sergio Vetrella, president of ASI signed these agreements. Indian Prime Minister Manmohan Singh and visiting Italian President were present at the occasion.

V.S. Ramamurthy, secretary department of science and technology, inked another agreement with Antonino Aremellini, Italian ambassador to India. In this agreement Ninety- two high technology areas were identified on which India and Italy will cooperate for the year 2005-2007.

Indian external affairs minister K. Natwar Singh and his Italian counterpart Gianfranco Fini signed a MOU for political cooperation between the two countries. A MOU on cooperation for the conver-

sation of Ajanta and Ellora cave paintings was also signed. Indian Minister for Information and Broadcasting- S. Jaipal Reddy and Italian culture Minister Gian Franco Fini signed this agreement.

Both countries feel that there is still scope for an increase in trade between the two countries. At present the actual flow of foreign direct investment (FDI) from Italy is only \$448 million, which is 1.83% of the total FDI inflow to India from all countries. With the signing of various agreements between the two countries we are sure that the trade and economic relations between the two countries are going to strengthen.

## Is Indian art witnessing a renaissance?

JUST some time ago, Chinese art was being called a big sensation amongst people with creative interest. However increasingly the art circles of Germany, France Holland and New York are showing interest in Indian art. More and more galleries are displaying Indian art. This is definitely a positive sign for the Indian art movement.

The price Indian paintings are fetching in the foreign market is also continuously increasing. Auction house Christie reports, as compared to last year, that on an average there has been a 36% rise in the amount of revenue generated per Indian painting.

## India to be an 'unrivaled' regional power: States NIC

AMERICA'S National Intelligence Council (NIC) has published in its report that in the next 15 years India will be an unrivaled regional power. NIC represents 15 spy agencies of the US including CIA. Further report mentions that in the next 15 years India will have a large military, naval and nuclear capability. The size of India's population which will be 1.2 billion by 2015 and its technologically driven economic growth will ensure that India will be a regional power.

The NIC report further adds, "Whatever its degree

of power, India's rising ambition will further strain its relations with China, as well as complicate its ties with Russia, Japan and the West. India would continue its nuclear standoff with Pakistan," it adds.

The report also mentions that India will be drawn closer to other South Asian states such as Nepal, Bangladesh and Sri Lanka. These states are going to be more dependent on India and its economy. Interestingly, NIC forecasts that in order to counter the US and western influence India, Russia and China could

actually form a strategic alliance.

NIC-CIA also predicts that over the next 15 years, a number of countries will continue to pursue their nuclear, chemical and biological weapon programmes and in some cases will enhance their capabilities. The report also states that on the nuclear side, countries without these weapons, especially those in Middle East and North East Asia, may decide to seek them as it becomes clear that their neighbours and regional rivals are already doing so.

## South Korean steel giant Posco to invest in India

SOUTH KOREAN steel giant is going to invest in India. It has picked up India in place of Brazil for investment. Chang Oh Kang, President of Posco states "The Memorandum of understanding for the investment will be signed in next couple of months."

The fourth largest steel producer in the world Posco will soon establish a 10 million steel plant in the



On the article-caption-  
Chang Oh Kang,  
president Posco with  
Naveen Patnaik

port city of Paradip in Orissa. After testing, the soil of Paradip has been found suitable for setting up of the steel plant. During a meeting with Mr. Naveen Patnaik, the Posco team discussed the important issues of raw material availability and the Orissa government's commitment to develop infrastructure around the plant. This decision by Posco has put an end to the specula-

tions to whether it will invest in India or Brazil. The company has chosen India over Brazil and its spokes person states "Our investment in Brazil is in no way linked with what we are doing in India. They are two separate and mutually independent investments." He adds. Setting up of a steel plant at Paradip would hopefully speed up the development of the region.

## F-16 deal with America, is India really serious?

RECENTLY, Lockheed Martin has shown keen interest to sell the F16's to India. Indian Air force has also shown reciprocal interest for acquiring the fighter jets. But Pentagon officials do not believe that India is really serious about the deal.

Indian officials in the month of February met the

concerned officials from the Defence Security and Cooperation Agency in connection with the inquiries about the F-16's. They had to face searching questions from officials. America's Defence Security and Cooperation Agency is going to be the nodal agency for F16 deal. For a response to the Re-

quest For Information (RFI) Indian defence Ministry has given a three-week window. American agencies feel it as a mere token and India is not really interested in the purchase of these particular aircrafts. Some people in the defence circle also believe that RFI on F-16 is aimed at foiling the move

of Bush administration to supply the jet aircrafts to Pakistan. If we keep aside the speculations, then at present India is the biggest defence spender. India is on its way to modernize its archaic Military and Lockheed Martin would surely be interested in getting a slice of the cake.

## Indo-Israel relations; a purposeful engagement

INDIA and Israel are two nations facing similar problems of terrorism. Both countries exist in a volatile neighbourhood. At present Israel is the second largest supplier of arms to India after Russia. In February, Brig-General A. Mizrahi, chief of the staff of the Israeli ground forces command visited India. Although his visit was a hush-hush affair, it was important in terms of further improving the sharing of military intelligence, equipment, joint training, and exercise. During the visit there were discussions on joint R&D projects in hi-tech areas such as UAV's and missiles. Both countries also

discussed the purchase of Arrow-II anti ballistic missile defence system by India. The two sides also

re-examined the advancement of the \$55 million contract for 500 Israeli's "thermal imaging stand

alone systems (TISAS)" being mounted on the Indian BMP-2 infantry combat vehicle.

## Oil diplomacy; Is India wooing Russia?

"THE Soviet Union had a key role in ensuring Indian territorial integrity in the past 50 years and I am sure Russia will play the same role in ensuring our energy security over the next 50 years." These were the words of Indian Petroleum Minister Mani Shankar Aiyar at a road show in Russia. Mani Shankar visited Russia in February. This was in order to discuss the pur-

chase of oil assets in Russia. This also includes a stake in the ex-Yukos unit Yuganskneftegaz. During his visit Mani Shankar expressed keen interest in involving Russian companies in oil exploration in India.

Having realized the importance of energy security for the economic development, India at present is all out to woo Russian

companies to its 2005 oil and exploration round. India wants to work jointly with Russia on projects in both countries. At present India is aiming to buy stakes in oilfields in Central Asia and Russia. India is interested in stakes in Vankor and Sakhalin-3, apart from this it is also interested in Kurmangazy in the Kazakh section of the Caspian.

## Indo-Bhutan rail link proposed

FIVE Indian border towns are going to be linked with five towns in Bhutan. A study for this purpose is commissioned through an agreement signed during the King Jigme's India visit in January end. This rail route would connect Bhutan's border towns with three railheads in Assam

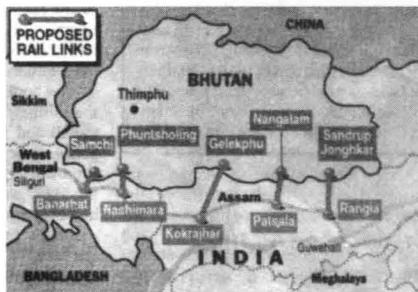
### Indian - Bhutan towns to be connected

Rangia - Sandrup Jonghkar  
Patsala - Nangalam  
Kokrajar - Gelekphu  
Hashimara - Phuntsholing  
Banarhat - Samchi

and two in West Bengal:

This is the first time that a railway track will be laid in Bhutan. It definitely won't be an easy task to execute. RITES is going to conduct the feasibility study of the project.

A large number of Bhutanese use Indian railway network frequently. Commissioning of these five rail links would ease the passenger traffic surge in the border towns. Apart from this improved con-



India and Bhutan proposed rail links

nnectivity would lead to related economic development. This would ensure that these places would not remain safe for insurgents and would strengthen the security initiative in border areas.

## Will an Indian receive a Noble peace prize this year?

IS an Indian going to receive a noble peace prize this year? According to news circulated on the Internet. Renowned



Ravi Shankar

sitar maestro Ravi Shankar is among scores of people nominated for the Noble Peace Prize this year. Some other prominent

people nominated for the Noble Peace Prize are former US secretary of state Colin Powell, Pope John Paul and rock star Bono, reports Washington Post.

## G-20 meet: Focus to be on agro issues

AT the G-20 meet, which is going to be held at New Delhi in March, India definitely wants to achieve something concrete. Using this platform, India will try to build a consensus amongst the member nations so that agriculture negotiations can be put forward at the World Trade Organization. India wants to press developed countries like the US and the European Union to convert their agricultural tariff from specific to ad-valorem and bring them in line with a particular ceiling. United

States has 42.5 percent of their tariff lines under non ad-valorem. EC has nearly 46% of their tariff lines under non ad-valorem, however India has only two items pertaining to almonds, which are under specific rates. At the G-20 meet, the member countries will make an effort to develop a consensus so that it can push tariff negotiations in agriculture.

As quoted by a government official in a leading India daily "Developed countries have not started the exercise to convert

specific duties to ad-valorem since they have not been able to come to an agreement over which formula to use to convert duties. We will try to build a consensus on allowing developed countries to use any formula to convert duties. However there is going to be a ceiling based on an average ad-valorem tariff level of developing countries and developed countries will have to bring their ad-valorem tariffs in line with this ceiling before tariff cuts can be discussed."

## Finnish Foreign trade minister visits India

PAULA LEHTOMAKI, Finland's Minister for Foreign Trade and Development Cooperation visited India in the month of February. On her first trip to India, Lehtomaki visited Bangalore, there she met Chief Minister Dharam Singh and addressed a Finland-India seminar organized in co operation with the Bangalore Chamber of Commerce and Industry.

Representatives of 22 companies and private banks (Nordea and Sampo Bank), financing agencies such as Finpro, Finfund, Ahlstrom which deal in speciality papers, mineral company Mesto, Raisio Life Sciences, energy major Wartsila and telecom giant Nokia, accompanied the minister.

Paula, the youngest minister in Finland's cabinet feels that the full potential of Indo-Finnish trade has not yet been realized. Bilateral trade between the two countries is not satisfactory. In the year 2003, Finland's exports to India were valued at Rs 1162.2 crore, while imports from India were valued at a meagre 531.3 crore. Lehtomaki said that her country is interested sharing its expertise in environment technology with India. The India-EU Business Summit is going to be held in Helsinki next year.

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## SAARC summit; India pulls out; summit postponed

INDIA has pulled out of the SAARC summit at Dhaka. The summit is postponed. According to the SAARC charter even if a single head of state does not participate the summit is postponed.

Some of the SAARC members are expressing resentment on India's decision. But India's participation in the summit was impossible considering the crisis in Nepal and the security concerns regarding Bangladesh, says Indian foreign secretary Shyam Saran. He also believes that, if the security condition in Bangladesh

was normal and the King of Nepal had not declared emergency in his country then India would have definitely participated in the SAARC summit.

Bangladesh is also not very pleased with India's decision of pulling out of the summit. It is natural but in the recent past the internal security condition of Bangladesh has deteriorated badly. Awami League leaders and activists are killed in broad daylight, that is evidence of an abnormal situation. In the last week of January, a hand grenade killed former Bangladeshi finance min-

ister Abu Mohammed Kibria. Till now more than 200 Awami League activists have been killed. From the beginning India was worried about the security condition in Bangladesh. An inspection committee was sent there to assess the situation. During the inspection committees visit, there were three bomb blasts. This speaks a lot about the appropriateness of Dhaka for the SAARC summit.

By not participating in the summit, India wants to demonstrate to the world that the prevailing condition is affecting all coun-

tries in the neighbourhood. This can't be ignored. India's withdrawal from the Dhaka summit should not be considered, as India's disregard for the successful development of the SAARC. India is instead confident about its approach towards the issue. By pulling out of the summit India is only trying to bring into the lime-light that whatever is happening in Nepal and Bangladesh is unfortunate. At this juncture India wants to put diplomatic pressure on the autocrats of the two nations so that they can mend their ways.

## M&M venture into Middle East electrical steel market

ELECTRICAL steel manufacturing segment of Middle East has a new player. The entrant is the Indian manufacturing giant Mahindra and Mahindra. The Indian company has entered into a joint venture with one of the world's largest steel maker Nippon Steel Corporation (NSC).

The joint venture has been christened as Mahindra Middle East Electrical Service Center. This joint venture will process electrical steel.

Let us now observe the future scenario of the electrical steel market in Middle East. Economists are expecting a strong upsurge in the economic development in the Middle East region in the next few years. Thus there is definitely going to be an increase in the demand for electricity. This in turn will increase the demand for Electrical Steel, which

is a key component for transformers required in electrical distribution. At this juncture this joint venture will be in a position to cater to the demand.

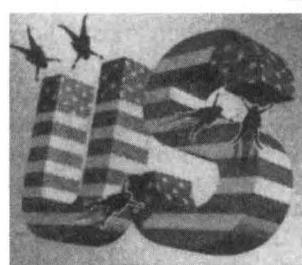
R R Krishna, director of

Mahindra Intertrade management (M&M's wholly owned arm which holds the stake of the joint venture) in a media release stated, "Given the product and processing expertise, MIL has ventured outside

India to add critical value chain for the transformer industry. An efficient model has been built in to service the customers in the Middle East and the neighbouring region including Africa."

## US relaxes Visa-Mantis: Scientists and students to benefit

FEBRUARY has brought good news for Indian scientists and students. Visa Mantis rules are relaxed. State department of United States has extended the time for which Indian Scientists and students can remain in United States without renewing security clearance. For a long time concerns were raised by Indian authorities about arduous visa requirements. This was discouraging Indian Scientists and stu-



dents from going to United States.

The easing of visa rules would lengthen the validity of the clearance to four years for students and for

two years for working scientists. This would also make it easier to stay in US for the interval of work or study programme. "The change sends a clear message that US highly encourage those with great scientific minds to explore studying and working in our country," states Asa Hutchinson, British under-secretary for border and transportation security in the department of homeland security.

## India-China's Oily tie up

CHINESE PM Wen Jiabao is likely to visit India in the month of March. A large delegation of oil companies is likely to accompany him. India should fully exploit the current conducive atmosphere in the Indo-Chinese relations. India and China are economies that are



Chinese premier Wen Jiabao

growing at a great pace. To further accelerate the economic growth, both countries desperately need regular oil supply in the near future.

India is interested in equity in Kazakhstan's oilrig. But due to the proximity of

China to Kazakhstan, It is natural that the first consumer of the Kazak oil should be China, not India. As the saying goes when you can't win with the competitor, join hands with him, this is what describes India's present oil policy in relation to China. India has in the past lost many important deals in Angola, Indonesia and recently in Sudan. Keep in this in mind, India plans to unite with China.

During the visit of Chinese Premier Wen Jiabao to India in March, both countries are likely to sign a framework of agreement on co-operation in the energy sector. India and China are both trying to secure their oil and gas supplies for their fast growth needs. Present visit of the Chinese premier will definitely pave a way for the energy tie up between the two emerging giants of the global economy.

## Multiple visa; long term stay permit: Iran's *tohfa* to India

INDIAN businessmen and investors planning to travel to Iran have some good news to hear. Iran has offered three year multiple visas and long-term stay permits to Indians. This would improve the economic ties between the two countries.

In the month of February



Iranian foreign minister Kamal Kharrazi

foreign minister of Iran Kamal Kharrazi visited India. According to Kamal Kharrazi, the approval of Iran-Pakistan-India gas pipeline, by India, has created a conducive atmosphere for commerce in the region. He also believes that the LNG and Oil deals between the two countries have provided a

solid base for India's energy security and economic growth. The Iranian foreign minister also believes that the initiative taken by Iran, Russia and India to create a North-South transport corridor and an East corridor, extending to Uzbekistan, would considerably reduce the cost and time of movement of merchandise between the two countries and would open new horizons for regional cooperation.

## India-Central America: Strengthening relations

INDIA wants to strengthen their bonds with Central American nations. With this purpose, Minister of State for External Affairs, Rao Inderjit Singh visited Honduras, Surinam and Mexico in the month of February. It was a nine-day visit. In a first meeting of its kind, during this visit, Rao Inderjit Singh interacted with foreign ministers of Panama, El Salvador, Costa Rica, Guatemala, Nicaragua, Honduras, Belize and Dominican Republic. "Bilateral relations, economic and technical assistance, trade and support for India's candidature to UN security council were discussed," mentions one report. Apart from this, at Paramaribo, Surinam, Singh had a meeting with fifteen ministers of Caribbean community (CARICOM). This was the first formal meeting between India and the Caribbean community.

## Indian brains create their imprint: Engineering Oscars for five

INDIAN'S are creating their imprint everywhere in the world. Probably there is something in our genes. This time Indian's are shining in the Engineering field. The 2005 list of US National Academy of Engineering's 2005 scroll of honour has five people of Indian origin.

Indian's who have found

their way into the list are Subhash Mahajan, chairperson, department of chemical and material engineering, Arizona State University; Arunava Mazumdar, professor of mechanical engineering, University of California, Berkely; R Shankar Nair, senior vice president, Teng & Associates, Chicago;

Raja V. Ramani, Professor emeritus, mining and geo environmental engineering, Pennsylvania State University; and Subhash Singhal, director of fuel cells, pacific Northwest National Laboratory, Richland, Washington. Semiconductors, fuel cells, nano technology, building technology and coal mine safety.

## India-Norway: Long term friendship on the horizon

NORWEGIAN Minister of Trade and Industry, Borge Brende recently visited India. Both countries share several political ideals however their trade and industry relations have been minimum till now. In a response to a question on how Norway is going to change this, the Norwegian Minister stated "India has seen an amazing economic growth in the past decade. The annual growth has reached 6-7 percent; this has firmly established India among the most dynamic economies. Our bilateral trade has not kept up with these impressive growth figures. The annual bilateral trade in the same period has varied between 150 and 210 million USD. Last year however we saw a marked increase, as our bilateral trade grew by 44% in the year 2004." He fur-

ther puts in, "This is for the first time that the trade between the two countries has surpassed 300 million." He also mentions that the level of bilateral trade between the two countries is still modest as compared to the bilateral trade between India and Norway's neighbours.

The Norwegian Minister is confident, still there is scope for further expansion of economic relations and that both countries can benefit from further improvement in economic relations. He further says, "At present India is attracting more investment from Norwegian companies. The most important Norwegian companies are already established in India or are looking into increasing activities here."

When asked as what support he wants from the



Borge Brende: Norwegian Minister of Trade and Industry

Indian side to improve the bilateral trade between the two countries, Borge Brende states "The ongoing efforts by the Indian government to ease the administrative burden on foreign companies wishing to establish roots in India are extremely positive." He also believes that if the bureaucratic regulations surrounding the businesses were trimmed, this would give impetus to the bilateral trade between the two countries.

## Bloom time in Indo-Iran ties

INTERNATIONALLY this is a difficult time for Iran. But Indo-Iran ties are excellent at present despite many countries frowning at the relationship due to various reasons. India seems to understand the mounting US pressure on Iran. India also extended its support for various developmental activities in Iran.

India and Iran always had cultural ties since ancient times; Irani carpets have decorated Indian homes since ages. Presently commercial interests are bringing Iran and India closer. For India, Iran is a promising supplier of Gas, which India critically requires for our presently galloping economy. India is also helping Iran in the development of Chabahar port in South Eastern Iran. Thus friendly relations between the two countries definitely make sense in commercial terms as well.

## Road to Muzzafarabad

THE road to Muzzafarabad is not so smooth, this is what all of us know even though we have not travelled on this route. There are a number of roadblocks, which keep coming up on the path of Srinagar-Muzafarabad bus route. This time India has dropped the demand for passports as an identity document for Srinagar-Muzafarabad bus service. But this has not made the route clear for the bus service. Now Pakistan has objections with Indian government's stamp on the travel papers. Pakistan does not want the Indian government's stamp on the



Natwar and Karzai

travel papers for the Srinagar-Muzafarabad bus route. Interestingly, on the other hand Pakistan has no objection on the Jammu and Kashmir government's seal on the papers.

In this case both sides are working on the principle that both countries

will display flexibility on the documentation front. The only precondition is that neither side will utilize it later to undermine each other's basic position on Jammu Kashmir.

With the fresh complications arising on the Srinagar-Muzafarabad bus service, the diplomatic skills of the Indian External Affairs Minister Natwar Singh are being tested and we hope that Natwar (Not-a-war) will definitely come out with a solution, which will clear the roadblock.

## Afghan president visits India

HAMID KARZAI, the Afghan President came to India in the month of February. This was a three-day visit by the Afghan President. In the month of February the Indian External Affairs minister Natwar Singh had visited Afghanistan. India has pledged continued assistance to Afghanistan in its rebuilding process. This visit of the Afghan leader would further strengthen the strong bilateral ties that are already there between India and Afghanistan.

## Look before you sign a trade pact: lesson learnt from Indo-Thailand trade pact

SEPTEMBER-1, 2004 was when the trade pact was signed between India and Thailand. The future situation appeared to be extremely rosy and there was no heed given to voices of experts. Financial experts were warning us that the trade pact might backfire. Now when much water has flowed below the bridge then we are realizing that the picture is not so beautiful. At present reports indicate that there is 400:1 trade surplus favouring Thailand in the first three months of the Early harvest scheme of the Indo-Thai Free Trade agreement.

Thailand's Department of Foreign trade mentions that during the three months i.e. Sept, Oct and November 2004, Thailand exported goods worth 2 billion Bahts at concessional rates to India whereas during the same period goods worth

just 5million Bahts were exported from India. The Department also mentions that the top exports from Thailand include colour TV sets, polycarbonate's and car parts. From the Indian side products, exported were mainly jewellery parts, picture tubes and gear lever. Indian corporates are worried for good reason. The MNC's basically the Japanese companies have vast manufacturing bases in Thailand and these companies might use Indo-Thai FTA to their advantage. This could be actually true. However Ficci Director General Amit Mitra says, "There have been rumblings in the Indian Industry for the past 2-3 weeks. We have to check whether they have violated any rules of origin or value addition norms. If they have not then we need to look inwards and see whether the

surge has occurred in industries where we have core competence and then see whether these industries are suffering because of lack of reforms.

However we should not ignore the statistics, which clearly state that if the trend of the first quarter post continues then the trend could potentially skew the \$1.44 billion (in 2003-2004) trade in favour of Thailand. At present India has a minor trade surplus with Thailand. During the first five months of the current fiscal year India has imported \$280.21 million worth of goods and exported goods worth \$280.21 million from Thailand. Therefore this is a lesson we must learn for our future trade agreements with other nations so that these trade pacts are of use for us and do not harm our economy.



**David C. Mulford, US Ambassador**

*Ambassador speak: "If India wants her foreign direct investment (FDI) from the US to quadruple, it would be possible only if the retail sector is opened up. India's small trade is not going to be hurt by FDI inflows to retailing."*

## Increased Interaction for mutual benefit: India, China and Russia

CENTRAL Asia has always been integral to the East-West relationship. Now the efforts of our external affairs minister K. Natwar Singh would surely increase the regions vitality in the years ahead. Indian external affairs minister states "As central Asia's energy resources are developed and new transportation links are laid out, we should be able to interact and cooperate even more. If we include China in this geographical picture, then we get a more holistic view." He adds, "Russia, China and India are therefore, likely to interact increasingly on a variety of ways." The statement was made at a seminar on "India and Russia in the 21<sup>st</sup> century" Organised by observer research foundation.

## Launch point for DuPont: India

"WE will launch several new products in the country. India could be the knowledge hub for the Asia Pacific region," states Upal Roy, business manager, DuPont Fluoroproducts, EI Dupont India. This is good news for Indians. The US based major Dupont has decided to make India the launch pad for its products worldwide. Once the products are launched in India and successfully tested then they will be rolled worldwide.

Recently, DuPont has unveiled Teflon Sign Solutions, a unique three-layered signage system. This

initiative will be rolled out in Asia Pacific and European markets later. 'Solae' a global consumer brand was also launched in India. The Solae Company, a wholly owned subsidiary of DuPont, launched this global consumer brand. "India has a growth potential and we are developing the brand. Our aim is to have a market approach for the product for customised service," mentions R. Prakash, market development manager, Fluoropoly-mer solutions, Asia Pacific region, DuPont.

As per the sources, Dupont is interested in focussing on

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