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COMMERCIAL & ECONOMIC DEVELOPMENTS IN INDIA

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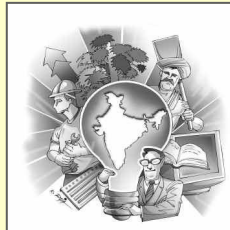
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India to witness 9-9.5 per cent growth rate over 2013-15: Morgan Stanley



Witnessing continuing structural reforms, globalisation and a sterling demographic dividend, India is bound to increase its growth rate to 9-9.5 per cent over 2013-15, even as China will moderate down to 9 per cent by 2012 and to 8 per cent by 2015, as per a new report by Morgan Stanley. India has one of the lowest median ages among the major economies and with the large working age population, India is bound to

reap twin effects. One, it will allow people to save a large proportion of their income, thereby increasing the country's rate of savings and two, it will boost the number of people who work and contribute to growth. With structural reforms the additional workers will find work and the sheer rise in the number of workers would increase gross domestic product (GDP) growth. Also with reforms, productivity per worker would increase raising the GDP even faster.

Moreover, globalisation gives additional job opportunities, extra capital to augment rising domestic savings and additional know-how. Basing its analysis on the above-cited factors, the report expects India to become the world's fastest-growing economy.

FII bet on debt; Jan-Aug inflows 8 times calendar 2009's \$1 b

FII flows			
	2010 (up to Aug 9)	2009	2008
(in \$ million)			
Equity	11,366	17,457.5	(11,974.40)
Debt	8,259	1,050	2,636.1
Total	19,625.00	18,507.50	(9,338.30)

Figures in brackets indicate outflows

Foreign institutional investors have turned gung-ho about investing in both debt and equity in India. FII inflows into India this calendar year to date have already exceeded inflows over the full calendar year 2009. What is more, net FII inflows into the debt market have grown over eight times from little over \$1 billion in 2009 to \$8.25 billion in the first seven months of this year.

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M & A deals treble to near US\$ 50 billion from 2009 level



India Inc's merger and acquisitions (M&As) have touched nearly US\$ 50 billion level from January-July 2010, over three times the total in 2009. M&A deals in 2009 were worth about US\$ 16 billion.

The deal valuations are also witnessing a revival in line with the recovery in stock markets and overall economy, besides the value of M&A deals has risen. According to data compiled by research firm VCCEdge, the M&A deal value increased by almost five-times to US\$ 5.4 billion in July 2010, up from US\$ 1.1 billion in July 2009.

The cumulative M&A deal value so far in 2010 from January to July'10 has touched US\$ 49.7 billion, as compared to US\$ 16.3 billion in the whole of 2009, VCCEdge said in its monthly deal report. The number of M&A deals so far this year stood at 411. Indian companies announced 64 M&A deals in June 2010 with a total value of nearly US\$ 14.1 billion. March has been the biggest month in terms of M&A deals so far this year, which saw 72 deals worth a total of US\$ 14.35 billion.

Indian IT firms top Europe Survey



Indian information technology (IT) service providers Cognizant, TCS and Infosys have topped the latest ranking of service providers in Europe, in a survey done by EquaTerra, an IT advisory service provider.

In the Performance and Satisfaction (SPPS) study by EquaTerra for 2009-10, Cognizant has captured the first position, with a 79 per cent score. TCS and Infosys have taken the third and fourth position, with 75 per cent and 74 per cent scores, respectively. The second place was taken by US company Compucenter, with 78 per cent.

The study evaluates client satisfaction by surveying over 2,000 client relationships from 750 top IT spending organisations across Europe, covering 12 countries.

India is the second-most important destination for FDI globally: UNCTAD



According to the United Nations Conference on Trade and Development's (UNCTAD) publication, World Investment Prospects Survey 2010-2012, India will be the second-most popular destination for foreign direct investment (FDI) globally over the next two years.

The developing Asia region is predominantly considered as the most-sought place for FDI with six Asian countries featuring in the top 15. The survey was aimed at the largest global non-financial transnational companies (TNCs), national investment promotion agencies and location experts and explores the upcoming trends in the global FDI over the next three years.

According to the survey, 62 per cent of respondents believed that things would look up in 2012. In fact, 58 per cent of TNC's are planning to increase their international investment expenditures in the next three years. It is positive news, given that many developing economies depend on FDI inflows to ensure growth in their domestic markets.

The report further highlighted that it was for the first time that the four BRIC (Brazil, Russia, India and China) countries, all ranked in the top five for FDI inflows. The top investment destination for FDI remains China, followed by India, Brazil, the US and the Russian Federation.

Furthermore, the data released by other international organisations reflected the improved condition of global FDI since 2008. The Economist Intelligence Unit predicted that global flows will grow to US\$ 1.3 trillion in 2010. The International Monetary Fund (IMF) reported that the net inflows in emerging and developing economies were up to US\$ 294.1 billion in 2010 as compared to US\$ 274.8 billion in 2009. The UNCTAD predicted a further increase of global FDI between US\$ 1.6 and US\$ 2 trillion in 2012.

Exports in June 2010 touches US\$ 17.75 billion



The exports touched US\$ 17.75 billion in June 2010, posting a 30.4 per cent growth as compared to the corresponding period in 2009. The exports witnessed a positive growth for the eighth consecutive month on the back of good results reflected by major sectors such as engineering, oil, iron ore, chemicals, gems and jewellery.

According to the Export Promotion Council for Export Oriented Units and Special Economic Zones (SEZs), the first quarter of 2010-11 witnessed 67.8 per cent higher exports from SEZs than in the corresponding period of the previous year. As per a statement released by the Export Promotion Council, the first quarter exports from SEZs were US\$ 12.48 billion.

India is top exporter of petro products in Asia



India is now the largest petroleum products exporter in Asia, surpassing South Korea.

According to the data compiled by oil and metal information provider Platts, India's gross exports currently average 1 million barrels a day, inching past South Korea which exports 0.9 million barrels a day.

With the commissioning of a new refinery by Reliance Industries at Jamnagar and Essar Oil increasing refinery output at Vadinar, India overtook South Korea by mid-2009 and has since then consistently maintained the lead position.

India's average petroleum products export grew from 0.77 million barrels a day in January 2009 to one million barrels a day in August 2009. In the current year, the average oil products export from India stands at 1.07 million while South Korea exports average 0.88 million.

Auto component sector to see 4 - fold growth by 2020

The Indian auto component industry expects to grow by over four-fold to \$113 billion by 2020 as there have been projections of a similar jump in car manufacturing in the country in the next decade, said Automotive Component Manufacturers' Association.



The total passenger car production in the country will jump four times to reach 9 million cars in the next ten years, the industry body said in its forecast report. Although a major chunk of this will come from the fast growing domestic market, exports are likely to form around 35% of the total market by 2020.

"India would be among the top-five vehicle producing countries in the world by 2020," said ACMA executive director Vinnie Mehta.

Indian component industry is expected to clock a total revenue of \$25 billion in the current fiscal. Given high growth projections, the local component industry is looking to invest \$35 billion over the next decade.

Production of two-wheelers and three-wheelers are expected to double to 2.2 crore units by 2015 and reach three crore units by 2020 driven by current low penetration levels, expanding rural sales and growth in exports. Commercial vehicles production is forecast to cross the 22 lakh-units mark in the same period.

Blackstone invests Rs 1,350 cr in Moser Baer's energy biz

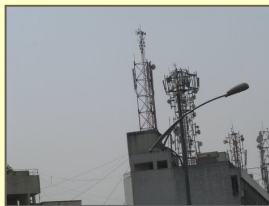
US-based private equity (PE) fund Blackstone has invested \$300 million (Rs 1,350 crore) in Moser Baer Projects Private Ltd (MBPPL), the unlisted energy business of Delhi-based global technology company Moser Baer India.

The investment will fund MBPPL's plans of commissioning 5,000 mega watt (Mw) of power generation capacity — 4,000 Mw of thermal power, 500 Mw of solar power and 500 Mw of hydro power — over the next six years in India and Germany. The group's 1,200-Mw Annappur Project-I in Madhya Pradesh, which has achieved financial closure, is the most advanced one.

The largest investment by a single PE investor in the Indian power sector will help MBPPL establish, what it called, "one of the country's leading independent power generation business".



Indian telecom user base up 17.98 mn in June



Telecom operators have added 17.98 million new users in June, taking the total telephone subscriber base in the country to 671.69 million.

The wireless subscriber base (GSM, CDMA and fixed wireless phones) reached 635.51 million by the end of June, from 617.53 million in May, registering a growth of 2.91 per cent, according to figures released by telecom regulator TRAI. The overall teledensity reached 56.83 per cent.

Continental Auto on India overdrive



Bangalore: Germany-based auto parts maker Continental Automotive has shortlisted India as one of its key growth drivers and is looking at setting up a plant in India to manufacture complete diesel injection systems and another one for making sensors for air bags. "At some point of time, the second plant after Thailand for CRDi could come up in India,"

Continental Automotive Components India Managing Director, Mr Claude d'Gama Rose, told Business Line. The auto parts major is also mulling a plant in India for making sensors for air bags to supply to its worldwide operations. Apart from Bangalore, Continental has a plant in Pune and another one in Manesar.

Mr. d'Gama Rose said that the company has started manufacturing certain auto components locally to drive down costs as well as prices.

Adani buys Aussie coal assets in \$2.7 bn deal



India's biggest coal importer, Adani Enterprises, has acquired an Australian coal asset of Linc Energy in a cash and royalty deal worth \$2.7 billion (Rs 12,500 crore). This would be the largest single investment by an Indian company in Australia and a second coal acquisition abroad for Adani. It owns a coal mine on Indonesia's Bunyu island that produces six million tonnes per annum (mtpa).

Delegation from Gujarat visits Doha

An eight member delegation consisting of leading business groups, coordinated by the CII, visited Doha on September 29-30, 2010. The delegation held several B2B meetings that were organised by the Embassy. In a separate function, the delegation made a presentation to a select group of Indian businessmen on the forthcoming Vibrant Gujarat Summit. The Ambassador presided over this event

Seventh Global Conference of the World Malayalee Council (WMC)



The Seventh Global Conference of the World Malayalee Council (WMC) was held in Qatar from July 29-30, 2010 and drew a sizeable number of 'NRKs' from various countries. Three Ministers from Kerala including the Minister of Industry and Commerce, Elamaram Kareem, Minister of Education and Culture, M.A. Baby and Minister of Revenue, K.P. Rajendran attended the conference. Other prominent invitees were Chairman of the Kerala Sangeetha Nataka Akademi and well known film actor, Mukesh, former Union Minister, O. Rajagopal and some litterateurs and Malayalee entrepreneurs from both Kerala and the GCC. The Embassy organized an official seminar cum dinner for NRIs to be informed on investment opportunities in Kerala, which was chaired by the Kerala Industries Minister.

Meeting of the Ambassador with the Minister of Education and Higher Education and Secretary General of the Supreme Education Council (SEC)



Ambassador, Deepa Gopalan Wadhwa met the Minister of Education and Higher Education and Secretary General of the Supreme Education Council (SEC), Saad Bin Ibrahim Al Mahmoud, in his office on August 9, 2010 to discuss ways of enhancing cooperation between the two countries. She also briefed him on matters relating to Indian schools in Doha.



Independence Day Celebrations

The 64th Independence Day of India was celebrated at the Indian Cultural Centre, which functions under the aegis of the Embassy on August 15, 2010. The function was attended by a large number of community members living in Doha. Ambassador unfurled the National Flag at 7 AM and read out the President's message. This was followed by singing of patriotic songs by the children of Indian schools. Being the month of Ramadan, Ambassador hosted an Iftar in the evening for leading members of Indian community.

Independence Day Cultural Programme



To commemorate the 64th Independence Day celebrations, the Indian Cultural Centre in association with various Indian socio-cultural organizations and Indian schools in Qatar organized a cultural programme on 23rd September, 2010. The two-hour colourful cultural programme was inaugurated by the Ambassador of India and a souvenir was released on the occasion.

An Indian cultural festival was organized by the Embassy of India in association with Ministry of Culture, Arts & Heritage of the State of Qatar as a part of celebration of "Doha 2010- Capital of Arab Culture". The festival was jointly inaugurated by Qatari Minister of Culture, Arts & Heritage, H.E. Dr. Hamad bin Abdulaziz Al Kuwari and Ambassador of India, Mrs. Deepa Gopalan Wadhwa. On this occasion three cultural groups, namely Rajasthani Folk Dance led by Rajmata Goverdhan Kumari, Qawwali group led by Nizami brothers and Kathak dance group led by Dr. Rekha Mehra, presented colourful performances to a spellbound audience at Qatar National Theatre from September 26 - 28, 2010. An Indian Film Festival was also organized and three films, Khakee, Lakhsya and Refugee were screened at Landmark cinema. A reception was held at Indian Cultural Centre on September 25, 2010 to honour and introduce the visiting artists to the Indian community and the media persons.



Ambassador, Mrs. Deepa Gopalan Wadhwa speaking at a reception organized to welcome the visiting artists



Minister of Culture & his wife watching performance of Rajasthani Folk Dance along with the Ambassador on the opening day



Standing ovation given by Ambassador and audience to the Kathak Dance group

A glimpse of Rajasthani Folk Dance



Nizami brothers in Qawwali Concert



Dr. Rekha Mehra enthralled the audience with her Kathak skills

Must see places in India.....

Darjeeling fondly called "Queen of the Hills" is the dreamland of the East; it has been a popular hill station since the British period. Darjeeling in India owes its grandeur to its natural beauty, its clean fresh mountain air and above all, the smiling resilient people for whom it is a home. Darjeeling is surrounded by lofty mountains. Except for the monsoon months and if weather is clear then the Kanchenjunga peak can be seen. Down below in the valley flow the rivers swollen by rain water or melting snow. Darjeeling is a fascinating place rich in natural beauty and surrounded by the Buddhist monasteries. Its beauty surpasses any other hill station. The toy train coming from Siliguri is something, which is liked by the elders and the children equally. The real fun in coming to Darjeeling is on the toy train. It takes six to seven hours to cover a distance of 82 kms and the slow speed gives you enough time to watch and appreciate the beauty which nature has provided it. This train passes through the Forests, waterfalls, over deep valleys and through the mountains and tunnels.



Darjeeling – A popular Hill Station

Best Time to visit Darjeeling

The best time to visit Darjeeling is from March-May or September-November. The rains which start by May end are heavy downpours making living conditions cold and dreary. In winter there is a drastic fall in temperature from the summer's 15 to 25 degrees centigrade to 2 to 10 degrees in winter.

How to Reach Darjeeling - From Calcutta (665 km)

By Road : Darjeeling is connected to Siliguri the main city in the plains by the Tenzing Norgay Road (formerly Hill Cart Road).

By Bus: Bus services between Darjeeling and Siliguri are frequent. Private taxis, landrovers are also available. From Siliguri by bus/taxi/trekker to Darjeeling (80 km), about 4 hours.

By Rail: You can take the famous toy train, which is a meter gauge train operating over breath taking scenery. The journey takes approximately seven and half hours.

Disclaimer:

The information has been collected from various sources. Views, if any, may kindly be brought to the notice of the Embassy.