

Stepping Into An 'Indian Decade' Of Growth & Uplift

New Delhi: (IANS) Supported by a foundation of robust growth, India stepped into the next decade of this millennium seeking not just to fulfill the aspirations of its billion-plus citizens but also assume its role as an emerging economy the world today looks at with respect and admiration.

The past year reinforced this hope and expectation when the Indian economy continued to register a relatively strong growth even as economies globally reeled under either a recession or a major slowdown — described as the worst in eight decades.

“The world is in panic mode again - and some economists think India will come to the

rescue yet again,” said the Wall Street Journal, recalling the years since mid-1990s when the nation powered ahead despite a spate of crises elsewhere.

“What will distinguish India in the decade that begins on Friday is its ability to now look inward, to clean its government, to uplift more of its population, to foster the businesses and innovations,” it said.

“That might just clinch more than the next decade - it could well pave the way for an Indian century.”

Every bit of statistics has its own larger story to tell about the country's progress during the last decade, with aberrations, if any, restricted to the past year — when again, the performance was far better than many economies.

Little wonder Prime Minister Manmohan Singh often quotes French thinker and litterateur Victor Hugo when he wants to reflect on how he views India's future: “No power on earth can stop an idea whose time has come.”

In fact, in his New Year message, the prime minister said: “As we welcome the dawn of a new

decade we should build upon the achievements of the past in striving for the realization of our dreams.”

In the past decade, India's economic growth has accelerated to over nine percent, foreign exchange reserves top \$280 billion, it is the largest recipient of inward remittances and 12-15 million new phone connections are added to the network each month.

This apart, merchandise exports have risen four-fold to cross the \$160-billion mark, foreign investment inflows amount to \$20 billion annually and its IT industry caters to most of the Fortune 500 companies, earning

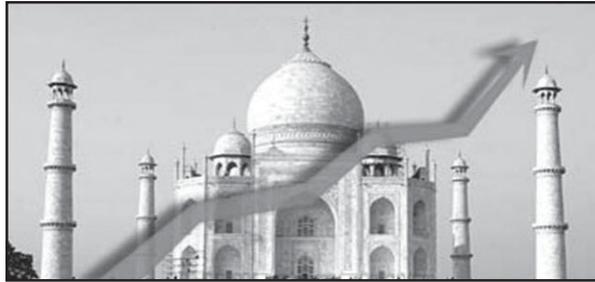
\$50 billion from exports.

Likewise, the country's stock markets rank among the best performers, foreign funds have pumped \$72.61 billion into the equities market and the corporate sector has made some global acquisitions where the size of the target company has been many times larger than the acquirer.

“From 2010, India will enter a new orbit of swifter growth, global innovation,” said Manoj Kohli, chief executive and joint managing director of Bharti Airtel, which was among the companies that scripted India's amazing telecom story.

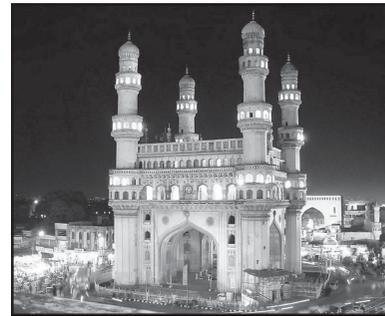
But the road ahead is not without challenges - infrastructure remains rickety, poverty is a major scourge, literacy is yet to become universal, the healthcare system is wanting and a social security net ignores the larger sections of society.

“Both the government and industry will need to collaborate more intensively to sustain 8-9 percent growth this decade to enable 300 million people, primarily in rural areas and below the poverty line, to truly reap the fruits of growth,” Kohli said.



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Special Task Force Set Up To Protect Industry In Hyderabad



Hyderabad: (IANS) Worried over the impact of ongoing Telangana agitation on Brand Hyderabad, the Andhra Pradesh government recently announced a dedicated task force to protect the industries and workers here.

Chief Minister K. Rosaiah assured the industry, especially the information technology and pharma sectors that the government would take all steps to protect them. He told a news conference that a dedicated task force would be formed and a helpline number would also be given to the companies to seek police help in case of emergencies. Rosaiah made the announcement hours after representatives of various industry bodies called on him and voiced their concern over the impact the agitation was having on industry and business in the state, especially in Hyderabad.

The chief minister said that due to the month-long agitation, pharma and bulk drug companies had suffered a loss of Rs.500 crore. He said several companies including those from IT sector were looking for alternate sites in neighboring states.

“Several companies who were planning to invest in the state are now looking at other states,” he said.

The industry leaders voiced their concern that frequent shutdowns and disturbances were damaging Brand Hyderabad and its image as an investment destination.

Confederation of Indian Industry (CII) plans to shift the partnership summit scheduled to be held here next month to Chennai. Rosaiah has sought the central government's help to convince the organisers not to move the prestigious event.

The chief minister said additional forces were deployed to protect industries and workers during the shutdown Wednesday called by the all-party Joint Action Committee. He appealed to all political parties to ensure that the state's image as an industrial hub and investment destination was not damaged.

Executives May Now Cut Air Travel, Opt For Video-Conferencing



New York: (IANS) The attempt by an Al Qaeda-linked Nigerian Muslim to blow up a flight at Detroit couldn't have come at a worse time for the airline industry which is expected to suffer losses of \$11 billion this year. An Indian-origin aviation businessman observed that corporate people may now prefer video-conferencing to frequent travel.

Having been bled by the 9/11 terror attacks, then high fuel costs and now the global recession, the airline industry's hopes of improving its financial health have been delivered a big blow by the Christmas Day attack. Since the Al Qaeda terror attacks nine years ago, the global airline industry has

accumulated losses of over \$50 billion. Many North American airlines have gone out of business. Others have merged to survive. Big orders to Boeing, Airbus and Bombardier have been cancelled.

But with the worst of the current recession likely over, many North American airlines have been reporting a higher occupancy rate in recent months.

“Now this attack is a big blow. It will undo the gains made by the industry in recent months,” said an Indian-origin aviation businessman with operations across North America.

Tighter security measures introduced at airports in North America and Europe will also put additional burden on financially stretched airlines.

Long queues at airports and in-flight restrictions are bound to deter people from travelling frequently. Ban on carry-on bags and use of laptops during the last one hour of the flight is going to be the last straw for most frequent travellers.

“People are going to cut down on their air travel because of these hassles. Which family with kids would like to travel without carry-on bags because of the needs of their kids?” asked the businessman, requesting anonymity. Business class travel is also likely to take a big hit, he said.

“Business and corporate people in North America use flight time to dispose of work by using laptops. If they are not allowed its use for one (last) hour of a flight of just two-three or four hours, their productivity will suffer.

Dubai Issues New Rules On Property Rentals

Dubai: (IANS) Dubai ruler Sheikh Mohammed bin Rashid Al Maktoum recently issued a decree specifying the limits on increase in property rent values for the year 2010, WAM news agency reported.

The decree aims at ensuring stability of Dubai's property market and preventing any rental increases that are not based on clearly defined legal references and standards.

For properties rented in 2009 and before, the maximum increase in rent value shall be set as per the previous relevant similar decree for 2009.

The decree approves the Real Estate Regulatory Authority's (RERA) price index which shall be followed as the reference for setting any increase in rent values in 2010.

India, Japan To Ease Visa Rules

New Delhi: (IANS) India and Japan recently decided to ease visa rules within a year to spur trade and tourism as two of Asia's biggest economies agreed to conclude a key economic pact soon.

The issue of hassle-free visas and intensification of economic ties figured prominently in discussions between Prime Minister Manmohan Singh and his Japanese counterpart Yukio Hatoyama.

“I requested Prime Minister Hatoyama to ensure that Japanese visa system becomes more liberal to enable faster growth of trade, investment and people to people contact,” Manmohan Singh told reporters at a joint press conference here.

He said the Japanese prime minister had pointed out some “restrictive features” in the Indian visa system and he had promised to look into it.

“In order to facilitate two-way travel, they directed the concerned authorities to accelerate the consultation on simplification of visa proce-

dures and to complete it within a year,” a joint statement signed by the two leaders said.

India has introduced a visa on arrival scheme for tourists from five countries, including Japan, on an experimental basis.

Hatoyama wrapped up his three-day visit to India in December, his first stand alone visit to an Asian country since his party's surprise victory in the August elections, that ended a five-decade-plus run of the Liberal Democratic Party.

Trade and investment have gone up between the two countries since Tokyo eased sanctions imposed after India's 1998 nuclear tests, but the two leaders stressed that bilateral trade is nowhere near the potential. With their broader strategic partnership on mind, underscored by the launch of a new security dialogue, the two leaders asked their respective negotiators to resolve issues to conclude the Comprehensive Economic Partnership Pact (CEPA) by next year.