

## Karnataka Moots Integrated IT City Near B'lore Airport

Bangalore: (IANS) The Karnataka government would build an integrated IT city near the Bangalore international airport to attract more investments in the knowledge sector, Governor H.R. Bhardwaj said Thursday.

"The state government has initiated measures to build an integrated IT city near the airport at Devanahalli, based on the central government's guidelines to create an IT investment region," Bhardwaj told law-makers in his address to the joint session of the state legislature in the Vidhan Soudha here.

Devanahalli is about 40 km from the city.

Outlining the state's industrial growth plans for the ensuing fiscal (2010-11), the governor said the government has approved proposals to set up 76 large and mega industries across the state with an investment of Rs.195,000 crore (Rs.1.95 trillion), with potential to create about 320,000 jobs.

"The government will develop industrial corridors and link them with core sectors such as IT (information technology), BT (bio-technology), automobiles, pharma, textiles, steel and cement. In line with the new industrial policy, additional incentives will be given in backward districts," Bhardwaj said in his hour-long address.

The 2009 industrial policy offers a slew of incentives, including interest free loan on VAT (value added tax), anchor unit subsidy, interest subsidy, incentives for energy and water conservation.

The governor also noted the IT industry's overwhelming response to the government's scheme to set up rural BPOs (business process outsourcing) centres to create jobs and check migration to urban areas.

"Sector-specific BT parks will be located at Mysore, Mangalore, Dharwad and Bidar in the state to decongest Bangalore and attract investments across the state for socio-economic development of the region and create employment opportunities," Bhardwaj pointed out.

Reiterating the state government's commitment to build infrastructure across the state, the governor said to improve air connectivity, plans have been drawn to develop airports at Shimoga, Gulbarga, Bijapur and Hassan on the PPP (public-private partnership) model for providing feeder service.

"The Mysore airport expansion has been completed for commencing operations. Additional land is being acquired to upgrade and expand existing airports at Hubli, Mangalore and Belgaum," Bhardwaj said.

The government also proposes to develop 11 airstrips at Davangere, Raichur, Chikmagalur, Udupi, Kushalnagar, Gokarana, Chitradurga, Bagalkot, Haveri, Gadag and Kollegal.

For the speedy completion of the new rail lines in the state, the state government will fund 50 percent of the project cost and the cost of land acquisition.

Stressing the need for quality road network for overall development, the governor said the World Bank has cleared tendering for upgrading 826 km of roads at an estimated cost of Rs.1,650 crore under the Karnataka state highway improvement project-2.

## Create Jobs In America, Get A Green Card!

Washington: (IANS) Backed by over 160 venture capitalists, including several Indian Americans, two US senators have introduced a bill to give fast track visas to immigrant entrepreneurs in return for creating jobs to increase America's global competitiveness.

The StartUp Visa Act of 2010 will allow an immigrant entrepreneur to receive a two year visa if he or she can show that a qualified US investor is willing to dedicate a significant sum - a minimum of \$250,000 - to the immigrant's startup venture.

"Global competition for talent and investment grows more intense daily and the United States must step up or be left behind," said John Kerry Democratic chairman of the Senate Foreign Relations Committee, who introduced the bill with Richard Lugar, top Republican on the panel.

"Creating a new magnet for innovations and innovators to come to the United States and create jobs here will offer our economy a double shot in the arm - robust job creation at home and reaffirmation that we're the world's best place to do business," Kerry said.

"Our country should strive to attract to the United States the most talented and highly skilled

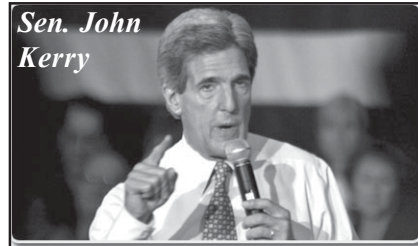
entrepreneurs," said Lugar.

Among the Indian American entrepreneurs, many of them from California's Silicon Valley, who have endorsed the senators' proposal are, Sameer Gandhi of Accel, Manu Kumar of K9 Ventures, Deepak Kamra of Canaan Partners, Ravi Belani of Draper Fisher Jurvetson, Karan Mehanderu of Scale Venture Partners and Ajay Chopra of Trinity Ventures.

The StartUp Visa Act of 2010 would amend immigration law

to create a new EB-6 category for immigrant entrepreneurs, drawing from existing visas under the EB-5 category, which permits foreign nationals who invest at least \$1 million into the US, and thereby create ten jobs, to obtain a green card.

After proving that he or she has secured initial investment capital and if, after two years, the immigrant entrepreneur can show that he or she has generated at least five full-time jobs in the United States, attracted \$1 million in additional investment capital or achieved \$1 million in revenue, then he or she would receive permanent legal resident status.



## India Will Unearth Money Stashed Abroad: President Patil

New Delhi: (IANS) India will take all the steps necessary to unearth black money stashed abroad, with negotiations already on with a number of tax havens for sharing such information, President Pratibha Patil said recently.

"India is an active part of the global efforts to



facilitate exchange of tax information and take action against tax evaders," the president told the joint session of parliament

to kick-off the budget session.

"My government has undertaken a number of steps to unearth unaccounted for money parked outside India. These include amendment of the Income Tax Act, 1961, to enable the central government to enter into tax agreements with non-sovereign jurisdictions."

While no official data is available on the quantum of slush funds, it is estimated that such black money stashed away by Indian nationals in tax havens overseas could be worth nearly \$140 billion.

According to the president, steps have already been initiated for negotiating what are called agreements for exchange of information with major jurisdictions so as to unearth illegal money.

## India Can Become Fastest Growing Economy In Four Years: Survey

New Delhi: (IANS) India's gross domestic product (GDP) can expand by double-digit levels to emerge as the fastest growing economy in the world by 2014, even as spiraling prices remains the immediate concern, says the Economic Survey for this fiscal.

"It is entirely possible for India to move into the rarefied domain of double-digit growth and even don the mantle of the fastest-growing economy in the world within the next four years," said the survey, a day ahead of the federal budget.

"The Indian GDP can be expected to grow around 8.5 percent (plus or minus 0.25 percent), with a full recovery, breaching the 9 percent mark in 2011-12," said the survey tabled by Finance Minister Pranab Mukherjee in the Lok Sabha, the lower house of parliament

"In the medium term, it is reasonable to expect that the economy will go back to the robust growth path of around 9 percent that it was before the global crisis slowed it down in 2008."

The survey said there were several reasons to suggest that the India's economic fundamentals

remained strong, including high savings and investment rate, the arrival of home-grown companies in the global space and the dream run for the services sector.

At the same time, agriculture continues to be the cause for concern even as it remains the mainstay of the Indian economy, with the bulk of its workforce dependent on farming, either directly or indirectly.

"There is need to undertake serious policy initiatives to reach the government's target of sustained 4 percent growth in this sector."

The survey also expressed concern over rising prices, especially in essential items that has pushed the country's annual food inflation, based on wholesale prices, to nearly 18 percent in recent weeks.

"As of now the outlook for inflation is conditioned by supply-side pressures in the near term," said the survey while also making a

veiled criticism in the manner in which the government has sought to tackle rising prices.

"Making available adequate and timely quantities of these items and at different locations to overcome supply side mismatches is the real challenge," the survey noted, adding in some essential items there were ample stocks.



The annual report card also said the current rebound in growth called for the gradual withdrawal of the \$37-billion stimuli since December 2008 to help the country weather the ills of global slow-down.

"The largely structural nature of fiscal defi-

***The survey said there were several reasons to suggest that the India's economic fundamentals remained strong, including high savings and investment rate, the arrival of home-grown companies in the global space and the dream run for the services sector.***

cits in India, the levels of recovery in the economy and the sustainability of the recovery without fiscal stimulus call for resumption of process of fiscal consolidation in a gradual manner."

At the same time the export sector needed a further push, even as it said that the outlook for India's merchandise trade has brightened in 2010 with the prospects of a recovery in world output and trade volumes.

"While in the short-term, stimulus measures have worked, some fundamental policy changes are needed. For the merchandise sector these include furthering tariff reforms by lowering the peak duties from the present 10 percent to 7.5 percent."