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U.S. Secretary of State Ms. Hillary Rodham Clinton with External Affairs Minister Mr. S.M. Krishna in New Delhi on July 20.

U.S. Secretary of State Hillary Rodham Clinton visits India

■ Reliance Big Entertainment and Spielberg announce \$825-mn funding for Dreamworks Studios

■ Government of India constitutes high-power infrastructure committee under Prime Minister Dr. Manmohan Singh

■ ISRO plans to double its revenues to \$120 million a year by expanding its portfolio of satellite launches

US Secretary of State Hillary Clinton visits India

India, US seek to deepen strategic partnership

US Secretary of State Hillary Rodham Clinton arrived in Mumbai on July 17 on a five-day-long visit to India.

During her visit to New Delhi, Secretary Clinton called on Prime Minister Dr. Manmohan Singh on July 20. In their discussions, the two leaders touched upon the Mumbai terrorist attack and its aftermath and the situation in the Afghanistan-Pakistan region. Later, Dr. Singh hosted a lunch for Secretary Clinton.

She also called on UPA chairperson Mrs. Sonia Gandhi and Leader of the Opposition in the Lok Sabha Mr. L.K. Advani.

Later, Secretary Clinton met External Affairs Minister Mr. S. M. Krishna for delegation-level discussions. The talks between the two leaders centered on bilateral ties and regional and global issues, including counter-terror cooperation, civil nuclear cooperation, climate change, non-proliferation, the situation in Pakistan and Afghanistan, and the Iran nuclear issue.

Foreign Minister Krishna and Secretary Clinton also discussed the structure and elements of an enhanced India-U.S. strategic partnership that would enable the two nations to advance solutions to the defining challenges of the times, and help enhance global prosperity and stability in the 21st century.

Following the discussions, Secretary Clinton announced that an expanded strategic dialogue would be a “signature accomplishment” of the two Governments in the days to come. The strategic dialogue will be held annually and alternately in New Delhi and Washington.

Later, the two leaders addressed a joint press conference. “Our talks covered a comprehensive agenda encompassing the full range of global and

bilateral issues of mutual concern and interest. India and the U.S. regard each other as global partners. Our two democracies can play a leading and constructive role on the global level in addressing the urgent global challenges of our times. The agenda of our dialogue reflects this global dimension of our partnership. With that vision to guide our path, we have created new forums for meaningful dialogue on climate change, disarmament and non-proliferation,” Mr. Krishna said.

Referring to economic cooperation, Foreign Minister Krishna added: “We

India-U.S. Agreements

¥ An India-U.S. Strategic Dialogue that will focus on five principal areas:

- Strategic Cooperation working groups will address counter-terrorism, defense cooperation carrying forward the Civil Nuclear Agreement and High Technology Trade;
- Energy and Climate Change working groups will continue the energy dialogue and also initiate discussions on climate change;
- Education and Development working groups will deepen partnership in education and carry out discussions on women’s empowerment;
- Economics, Trade and Agriculture working groups will strengthen discussions on business, trade and agricultural cooperation; and
- Science and Technology, Health and Innovation working groups will explore new areas for cooperation in leading technologies and in addressing global health challenges.

¥ **\$30-million science endowment** with equal contributions from both sides to be used for research and development, innovation, entrepreneurial, and commercialization activities in science and technology.

¥ **Technical Safeguards Agreement** which will permit the launch of civil or non-commercial satellites containing U.S. components on Indian space launch vehicles.

¥ **End-use monitoring arrangements** that will henceforth be referred to in letters of acceptance for Indian procurement of U.S. defense technology and equipment.



U.S. Secretary of State Ms. Hillary Clinton calling on Prime Minister Dr. Manmohan Singh, in New Delhi, on July 20.

also recognize the importance of ensuring that the steps planned to revive the global economy should safeguard the priorities of sustainable development and the goals of poverty alleviation in the developing world. Ours is a shared commitment to a rule-based multilateral trading system. Cooperation, trade and investment between India and the U.S. can play a constructive role in the revival of the world economy.”

On terrorism, he observed: “We held useful discussions on the situation in our region. Secretary Clinton and I also reaffirmed the commitment of both our nations to resist the threats to our democracies from terrorism.”

Referring to bilateral relations, Mr. Krishna said, “In our bilateral partnership, Secretary Clinton and I have focussed on the new agenda for India-U.S. “3.0” in which we will build on the excellent economic and political partnerships that already exist, redefine some of our dialogues to make them more result oriented, and create new dialogues for achieving shared objectives in areas of mutual interest.”

In her remarks, Secretary Clinton said: “I have come to India deeply committed to building a stronger



Secretary Clinton signing the 26/11 memorial book at the Taj Mahal Palace Hotel in Mumbai.

partnership between India and the United States, a partnership based on common interests, shared values and mutual respect. President Obama and I share this commitment, and he sends his greetings. We believe that cooperation between our two countries will be a driver of progress in the 21st century.”

Referring to bilateral relations, she said: “We will work not just to maintain our good relationship but also to broaden and deepen it. To that end, our Governments have agreed to a strategic dialogue built on the five pillars in our Joint Statement. Minister Krishna and I will co-chair this dialogue and we have asked senior officials across both of our Governments to take the lead on each of these subjects. A significant part of the President’s Cabinet will participate.

We do not, however, intend this to be a dialogue between Ministers, or even between Governments, but between our nations and our peoples, our scientists and business leaders, our civil society activists and academics, charitable foundations, farmers, educators, doctors and entrepreneurs. Nor do we see this dialogue simply as a forum for discussing important issues. We believe it must be a forum for action.”

Minister Krishna and Secretary Clinton also issued a Joint Statement on advancing common security interests, defense cooperation, seeking a world without nuclear weapons, civil nuclear cooperation, pursuit of sustainable economic growth and development, education, space, science and technology and innovation, high technology cooperation, energy security, environment and climate change, and a range of global issues.

“Recognizing the new heights achieved in the India-U.S. relationship over the last two Indian and U.S. administrations, they are committed to pursuing a third and transformative phase of the relationship that will enhance global prosperity and stability in the 21st century,” said the statement.

26/11 Tributes

Earlier in Mumbai on July 19, Secretary Clinton attended a commemorative event for 26/11 victims at the Taj Mahal Palace and Tower Hotel. Secretary Clinton said she chose to stay at the Taj Mahal Hotel to make it clear that India and the U.S. “are going to work together to stamp out the scourge of terrorism”.

She said: “I wanted to start in Mumbai and I wanted to stay here, and I wanted to show our solidarity for the people who lost their lives and were injured in the terrorist attack and for those who courageously prevented more deaths and injury.”

Business Meet

Secretary Clinton also held a meeting over breakfast with around ten of India’s top corporate names. Among those present were Ratan Tata, Mukesh Ambani, Swati Piramal, Sudha Murthy, Chanda Kochhar and Adi Godrej. “We discussed

an approach to meet the economic crisis. We hope to create a better world for our children,” she said, soon after the meeting organized by Tata group chairman Ratan Tata.

Secretary Clinton also visited the marketing headquarters of the Ahmedabad-based NGO Self-Employed Women’s Association (SEWA). Her association with SEWA dates back to 1995.

Secretary Clinton also took part in an interactive event of the Teach For India program at the St. Xavier’s College in Mumbai on July 18. Teach For India is an initiative that enables professionals and graduates across the country to associate themselves with government-run schools in their area. The program is modeled on the Teach For America non-profit organization that aims at building a movement to eliminate educational inequality.

ITC Green Building Visit

Secretary Clinton visited the ITC Green Building in Gurgaon on July 19. She was welcomed by Mr. Jairam Ramesh, Minister of State for Environment and Forests. The building showcases environment-friendly practices in India.

An informal dialogue was held wherein Mr. Jairam Ramesh underlined India’s development imperatives and also informed Secretary Clinton on the initiatives India is undertaking under its National Action Plan on Climate Change. The two sides agreed to work together to harness the opportunities for cooperation particularly in the field of renewable energy and energy efficiency.

ICAR Visit

On July 19, Secretary Clinton visited the Indian Council of Agricultural Research (ICAR) in New Delhi and interacted with agricultural scientists at ICAR, one of Asia’s largest agriculture research bodies. The U.S. and India would explore “new areas of cooperation” in agriculture, she said. “Agriculture is one of our five pillars of discussions,” she said at ICAR. Mr. Sharad Pawar, Minister of Agriculture was also present.

On July 20, Secretary Clinton visited Delhi University and addressed a select gathering of students and professors. ■

President confers Indira Gandhi Prize on Bill Gates

Microsoft founder and co-chairman of the the Bill and Melinda Gates Foundation received the Indira Gandhi Prize for Peace, Disarmament and Development on behalf of the Foundation in New Delhi on July 25. The Foundation has been actively working in India in the field of health and development, especially in the area of prevention of HIV/AIDS.

President Smt. Pratibha Devisingh Patil conferred the award on Gates. Prime Minister Dr. Manmohan Singh and UPA Chairperson Smt. Sonia Gandhi were also present on the occasion. In 2003, the Foundation launched 'Avahan', a 10-year initiative to support India's efforts to check the spread of HIV.

Speaking on the occasion, the Prime Minister called the Microsoft founder a "unique business leader" and an "inspiration".

"The Bill and Melinda Gates Foundation is an inspiration to business leaders around the world. Many business leaders in India too have been



Mr. Bill Gates receiving the Indira Gandhi Prize for Peace, Disarmament and Development on behalf of the Bill and Melinda Gates Foundation from the President, Smt. Pratibha Devisingh Patil, in New Delhi, on July 25, 2009. Prime Minister Dr. Manmohan Singh is seen applauding Mr. Gates.

inspired by its example and their work and have come forward to join the battle against poverty, ignorance and disease," Dr. Singh added.

Later, Gates also called on the Prime Minister.

Earlier on July 23, Gates met Health and Family Welfare Minister Ghulam Nabi Azad and discussed their shared commitment to promoting health and community development activities in India.

Bilateral MEETINGS

PM, President Obama meet at G-8 Summit



Prime Minister Dr. Manmohan Singh with U.S. President Barack Obama at the G-8 Summit, in L'Aquila, Italy, on July 9.

Army Chief General Deepak Kapoor visits US



Arry Chief General Deepak Kapoor paid a six-day visit to the U.S from July 20-25. He was given a guard of honor at Whipple Field. The General also laid a wreath at the Tomb of the Unknown Soldier. General Kapoor held talks on various bilateral and military issues with his counterpart, General George W. Casey Jr, and Admiral Mike Mullen, Chairman, Joint Chiefs of Staff Committee. He also met Gen David Petraeus, Commander, U.S. Central Command.

Budget 2009-10 unveils \$210 bn allocation

High growth central while carrying forward agenda of equity and inclusion

On July 6, 2009, Finance Minister Pranab Mukherjee presented in Parliament a \$210 billion Budget for 2009-10 that seeks to return the country to the path of high growth while carrying forward Prime Minister Dr. Manmohan Singh's agenda of inclusive growth and equitable development.

To boost growth, the Budget has adopted a two-pronged approach. First, it seeks to push up overall public spending by as much as 36 percent; secondly, it plans to increase consumption demand by offering tax reliefs that would increase disposable income in the hands of citizens.

The immediate concern was to minimize the impact of the global recession on the Indian economy and in the medium term take back the country to a high growth path of over 9 percent annual average growth, the Prime Minister said soon after the Finance Minister unveiled the Budget. At the same time, the Budget has sought to carry forward the process of inclusive growth and equitable development, Dr. Singh said.

The Budget takes care of the expenditure programs of the Government's major flagship schemes for rural infrastructure development and social uplift — the Bharat Nirman, the National Rural Employment Guarantee Scheme, the Jawaharlal Nehru National Urban Renewal Mission and the National Rural Health Mission. Finance Minister Pranab Mukherjee said that the immediate task was to maintain growth in the face of the global economic meltdown.

Infrastructure

The Budget has tried to give a big push to infrastructure which is now targeted to go up to 9 percent of the country's GDP by 2013-14. A key element is that the India Infrastructure Finance Company Limited, will, in



Finance Minister Mr. Pranab Mukherjee heading to Parliament House with the Budget papers on July 6 in New Delhi.

consultation with banks, evolve a takeout financing scheme. The scheme will enable commercial banks to achieve financial closure for infrastructure projects faster than is possible now. This would also free their funds for further lending.

Agriculture

While agriculture has received critical attention, the allocation for the National Rural Employment Guarantee Scheme (NREGS) has gone up by a massive 144 percent to \$8 billion.

Finance Minister Mukherjee also announced several measures to provide credit relief to farmers, exporters, and micro and small enterprises (MSEs).

Disinvestment

The Finance Minister said that the Government would encourage people's participation in disinvestment of public sector undertakings although the Government would retain 51 percent of the equity of such units. However, banks and insurance companies will remain in the public sector and will be given all support, including capital infusion, to grow and remain competitive.

Private Sector Investment

Stating that India's high growth of 8.5 percent during 2004 to 2008 was fuelled in large part by private sector

Highlights

- ¥ No change in corporate tax rate
- ¥ Income tax exemption limit for senior citizens and women enhanced
- ¥ New indirect tax to be introduced soon
- ¥ Fringe benefit tax abolished
- ¥ Goods and services tax (GST) to be introduced on April 1, 2010
- ¥ An alternative dispute settlement mechanism to be set up to settle tax disputes
- ¥ Lawyers brought under the ambit of the service tax
- ¥ Tax exemption on profits in the natural gas sector extended
- ¥ Plan expenditure up 34 percent, non-plan spend up 37 percent
- ¥ \$87 million for new IITs and NITs
- ¥ National unique identification numbers to start rolling out in 12-18 months
- ¥ Outlay for national rural health mission increased to \$450 million
- ¥ Allocation toward National Rural Employment Guarantee Act hiked by \$8 billion
- ¥ \$4.2 billion for rural housing
- ¥ Stimulus for print media extended from June 13 to December 31
- ¥ Allocation for Jawaharlal Nehru Urban Renewal Mission raised by 87 percent to \$2.7 billion.

investment, he said that the Government was committed to creating a facilitating environment for private sector investment to flourish.

Mr. Mukherjee said, "I look forward to working closely with industry and our vibrant entrepreneurial community to address their outstanding concerns."

Taxation

In his tax proposals, Mr. Mukherjee has, by enhancing tax-exempt income, sought to increase the disposable income in the hands of citizens and help to boost consumption demand.

An investment-linked incentive has also been proposed for the business of laying and operating cross-country natural gas, crude or petroleum oil pipeline networks for distribution on common carrier principle.

India can grow up to 7.75 pc in 2009-10: Economic Survey

Painting a picture of a resilient economy, the pre-Budget Economic Survey 2008-09, tabled in Parliament on July 3 by Finance Minister Pranab Mukherjee, said that India could grow up to 7.75 percent in 2009-10, up from 6.7 percent in 2008-09.

The World Bank had recently said India would grow 8.1 percent in 2010, ahead of China (7.5 percent).

The economy, according to the Survey, can count among its strengths the large services sector which has historically been less affected by cyclical downturns than manufacturing, a strong farm sector, robust savings rate, ambitious infrastructure development program, and upbeat foreign investors.

The “shock absorbers of the economy”, it said, were the sound banking system, large foreign exchange reserves, a comfortable external debt position and low inflation. It listed as concerns the dip in growth of private consumption and gross capital formation and said the

downside risks were the reduced availability of risk capital, lower capital inflows, and delayed revival of the Organization for Economic Co-operation and Development economies.


In keeping with the resurgent mood, the Survey has listed an ambitious reform agenda for the Government. Surcharges, cesses and new taxes like the commodity transaction tax, the securities transaction tax, the fringe benefit tax and the dividend distribution tax had reversed the move toward a simpler tax system, it said. The Survey has also made some radical suggestions like auction of freely tradable 3G spectrum for next-generation mobile telephone services, raising foreign investment in defense to 49 percent, opening up multi-brand retail, and restricting price control to drugs with just five or six players.

It conceded that the return to the path of fiscal correction could occur next year with a fiscal deficit target of 3 percent of GDP by 2010-11, mobiliza-



tion of at least \$5.2 billion through disinvestment, de-control of petrol and diesel prices as well as sugar and fertilizer industries, opening coal mining to the private sector, and reform of the pension, insurance and retail sectors.

“These reforms should be implemented over the next four to five years, which will take the country back to the trend of growth,” said Dr. Arvind Virmani, Chief Economic Advisor in the Ministry of Finance.

The Survey suggested that indirect taxes that were reduced in the recent past as part of the fiscal stimulus package could be restored once the economy was back on track. 

Budget to recapture rhythm of growth: PM

Following are some of the highlights of Prime Minister Dr. Manmohan Singh's interview to Doordarshan on the Budget:

Q. To what extent does this fulfill the Government's mandate and what will it do for the common man?

PM: The focus of the Budget is to ensure that the short-term requirements of the economy are reconciled with the medium-term goals of our social and economic policies. Right now, the major concern is to minimize the impact of the international recession on the Indian economy. And for that it is necessary to provide stimulus to our economy — that process began in December last year. This budget carries that process further. At the same time,



admirably well.

And then simultaneously, it also seeks to carry forward the process of inclusive growth. Its expenditure programs will take care of our major flagship programs, such as Bharat Nirman, National Rural Employment Guarantee Act programs, the Urban Renewal Mission, and the Rural Health Mission. All

these programs receive handsome additional allocations. there are medium-term concerns that the growth momentum of the economy must be restored notwithstanding the decline in the international demand for our exports. The road to do that is to strengthen infrastructure investment both in the public and private sectors through the Public Private Partnership route. The budget does that

these programs receive handsome additional allocations.

Q. What will this do for people in rural areas?

PM: It is essentially a rural development oriented budget. There is a record increase in the allocations for the National Rural Employment Guarantee Fund, irrigation schemes, and the Bharat Nirman program, which seeks to upgrade and modernize rural infrastructure. These are all programs, which will primarily benefit our rural areas.

Q. At the same time, there is a new urban emphasis. The Urban Mission has a huge increase of 86 percent in the outlay.

PM: The Urban Mission focuses on the infrastructure needs of our cities. We have identified 60 cities. Simultaneously, the emphasis on basic amenities for the poorer section has also been taken into account.

Address by Ambassador Meera Shankar at the 26th Annual Mahatma Gandhi Memorial Lecture

Ambassador Ms. Meera Shankar delivered the 26th Annual Mahatma Gandhi Memorial Lecture on July 12, 2009 at the University of California, San Diego (UCSD). Over 200 people attended the event presided over by Prof. C.K. Prahlad, Paul & Ruth McCracken Distinguished Professor, University of Michigan. Seventeen High School students were

Independence through non-violent resistance or 'Satyagraha'. He strove not only for the political freedom of the country but also for the social and economic integration of those on the margins of society, recognizing that freedom cannot be built by perpetuating historical social injustices. A remarkable flow of ideas between India and the United States helped shape Mahatma Gandhi's ideas, which in turn

better way to solve their differences rather than resorting to military aggression.

Violence leads to more violence, and peace if at all achieved by violent methods, is like the uneasy calm one senses in a graveyard. A nation cannot be built through violence. Today, when terrorism and fundamentalism have become threats of global proportions, we have to rededicate ourselves to the essential values of



Ambassador Ms. Meera Shankar delivering the 26th Annual Mahatma Gandhi Memorial Lecture at the University of California, San Diego, on July 12..



Ambassador Shankar with the group of student awardees and others at the University of California, San Diego, on July 12.

presented the Mahatma Gandhi Scholarship award and four students received the Advancement Via Individual Determination (AVID) scholarships. The latter is given to students from families with no college education. The San Diego Indian-American Society (SDIAS) has given approximately 400 Mahatma Gandhi Scholarships since inception. Professor Madhavan, Founder and Executive Director, SDIAS, and Professor of Economics and Asian Studies Emeritus, San Diego State University, is the moving force behind this initiative.

Excerpts from the speech:

"It is my honor and privilege to be amongst you to deliver the 26th Mahatma Gandhi Memorial Lecture. It is also a pleasure to present the Mahatma Gandhi Memorial Scholarships and AVID scholarships to these brilliant students. Bapu, or "Father" as Mahatma Gandhi was fondly called by his followers, was a unique leader, who galvanized millions of Indians to stand up to the might of the British Empire and led the nation to


provided a new paradigm for political movements in the U.S. Henry David Thoreau's idea of civil disobedience influenced the evolution of Gandhiji's concept of 'Satyagraha', or "Truth Force", which became the defining principle of India's freedom struggle molding a colonized people into a potent movement for freedom. Gandhiji and his life, in turn, influenced and inspired a whole generation of Americans in the civil rights movement, including one of the great American leaders of our time, the Reverend Dr. Martin Luther King Jr. Both Mahatma Gandhi and Martin Luther King demonstrated that power need not come from the barrel of a gun, or might from wealth, that truth and perseverance, or Satyagraha, can be more lasting and effective.

Today, 60 years after the death of Gandhiji, there have been protracted debates over the current relevance of Gandhian ideals, particularly the use of non-violent methods to achieve results. The world has been forced to recognize that dialogue between nations is a much

peace, humanity and the dignity of every individual, if we are to survive.

The world recognized the Mahatma as the Apostle of Peace when the UN General Assembly in 2007 decided to commemorate his birthday, October 2, as the International Day of Non-Violence. The greatest tribute to Gandhiji would be to live a life of selfless action dedicating ourselves to the common good so that we can wipe at least one tear "if not every tear from every eye", as the Mahatma wanted us to.

Today, I do not wish to only remind people of Gandhian values and principles. I wish to say, that it is important that we do not consign him to a moment and a context in history.

We should not think of him only as the historical leader of a non-violent and peaceful struggle for independence of a nation or as a great social reformer of his time or as a person who sacrificed himself to heal the wounds wrought by the horrors of India's partition. Gandhiji's ideas remain relevant to all aspects of our national and individual lives." 

'India-US Relations in Perspective'

On July 13, 2009, Ambassador addressed a breakfast meeting on "India-U.S. Relations in Perspective" organized by the World Affairs Council of San Diego. There was a lively question and answer session after the presentation, covering current events in India and their implications and further sectors of cooperation with the growing India-U.S. strategic partnership.

Excerpts from the speech:

"It is a great pleasure to be here in San Diego and I am particularly grateful to the World Affairs Council for hosting me.

I could not have chosen a more appropriate destination. California is the largest state and it is home to the largest number of Indians in the United States. California, along with Bangalore in India, became the metaphor of the new-age relationship between India and the U.S. San Diego, the state's second-largest city, represents so much that is at the heart of India-U.S. relations: its pluralism and diversity; its vibrant information, telecom, biotechnology and pharmaceutical centers; its Indian American population, estimated at around 18,000; its universities and laboratories; and, its vast naval bases that host two of the largest aircraft carriers, *USS Nimitz* and *USS Ronald Reagan*, which have participated in joint exercises with the Indian Navy in recent years.

More broadly, I believe that in federal democracies such as ours, the views from outside the capitals are as, if not more, important than what we get accustomed to hearing in the capitals. So, for all these reasons, I have looked forward keenly to the opportunity to exchange thoughts with you on India-U.S. relations.

India-U.S. relations have undergone a historic transformation over the course of the past decade, beginning with President Clinton's visit to India in March 2000 and Prime Minister Vajpayee's reciprocal visit to Washington DC in September of that year. President Bush and Prime Minister Dr. Manmohan Singh, through their sustained commitment and leadership, took the relationship to a new level. President Obama and Prime Minister Singh have reiterated a commitment to continue strengthening the relationship, to build what Secretary Clinton described as the third level of India-U.S. relations.

From the perspective of India, transformation of her relations with the U.S. has been probably the most significant feature of her



foreign policy over the past decade. Our relationship is wide-ranging. We have nearly 30 forums of bilateral engagement, spanning virtually all aspects of human endeavor. Our political dialogue has grown to an unprecedented level; our strategic understanding encompasses both our region and the world; and our cooperation has entered new frontiers.

Nothing symbolizes the transformation of the relationship more than the India-U.S. civil nuclear agreement. Neither Government could have persisted with this extraordinary endeavor without a strong belief in the importance of the India-U.S. relationship.

The strength of the relationship between our governments is underpinned by the vitality of private partnerships and the warmth of ties between the people of the two countries. 2.7 million Indians, who have made the U.S. their home; 94,000 students; and, the hundreds of thousands whose lives are intimately linked by air transport, fiber optics and satellite signals, are bringing us together.

Our trade has doubled in the last four years; U.S. exports to India have grown three times during the same period. While the U.S. is the largest source of foreign investments in India, Indian investment into the U.S. has also grown rapidly.

A recent study by Ernst & Young shows that there were 143 Indian investments in 2007 and 2008 across various sectors in the United States, ranging from a few million dollars to a billion dollars.

Beyond the statistics, India-U.S. partnerships have, in many ways, shaped the evolution of the knowledge economy, helped sustain U.S. competitiveness in IT and other sectors, and contributed to sustaining, as a recent

study has shown, 300,000 jobs in the U.S. directly and indirectly.

India considers partnership with the U.S. important for achieving its development goals. Similarly, the economic progress of one-sixth of humanity in the world's largest democracy provides a large market for the U.S. and an anchor of stability in the global economy.

India's neighborhood is the epicenter of global terrorism. We have shared stakes in Afghanistan's evolution from instability, and Pakistan's transformation from a safe haven for extremism and terrorism, into stable, democratic and peaceful states.

As we look to the future there are several challenges:

One, we have to address the global economic crisis, shape institutions and regulations to reduce the risk of its recurrence, and sustain openness in trade.

Two, India and the U.S. face similar challenges in the energy sector. Working together for clean, renewable, affordable and reliable energy supplies will be a vital aspect of our partnership.

Three, around the world, potential food shortages and water scarcity threaten economic progress and carry the risk of conflicts. In the past, the India-U.S. partnership ushered in the Green Revolution in India. We need a new global thrust to increase food production.

Four, U.S. leadership in medicine and India's own progress in making drugs at affordable prices offers a unique opportunity for collaborating in addressing global pandemics and diseases.

Five, we have synergies of resources and skills to develop new tools for education and learning.

In each of these areas, whatever India and the U.S. do together will not only benefit the people of our two countries, but will also change the course of people's lives elsewhere in the world.

India and the United States, as two proud and fiercely independent democracies, will have their differences. Indeed, our differing perspectives can bring greater value into our common endeavors.

Having returned to serve in the U.S. after just over a decade, I notice here, as I have in India, a new sense of excitement, goodwill and recognition of the convergence of our values and interests, which will steer us towards our goal."

Senate India Caucus welcomes Ambassador Shankar

Ambassador Ms. Meera Shankar received a warm welcome at a reception hosted by U.S. Senate India Caucus Co-Chairs, Senator Christopher Dodd (D-Connecticut) and Senator Hohn Cornyn (R-Texas) in her honor at the Mansfield Room of the U.S. Capitol on July 28.

More than 20 Senators, both Republican and Democrat, attended the event. These included Senators Harry Reid, Senate Majority Leader; John Kerry, Chairman of Senate Foreign Relations Committee; Bob Menendez, Chairman Democratic campaign committee; Barbara Boxer, Joe Lieberman, Daniel Inouye, Daniel Akaka, Roland Burris, Evan Bayh, Carl Levin, Al Franken, Kit Bond, Kirsten Gillibrand, Kay Hagan, Roger Wicker, Jack Reed, Jeff Merkley, Robert P. Casey, Jr., Bailey Hutchison, Sherrod Brown and George Voinovich.

"I am excited to play a role in continuing to develop this important relationship," said Senator Dodd. "India is a true friend to America, and an emerging global power", and added "Participation and cooperation between India



Ambassador Ms. Meera Shankar with Co-Chair Senator Christopher Dodd and Co-Chair Senator John Cornyn.

and the United States will not solve every problem, but we can make a significant difference in these together whose cooperation will be essential to tackling the challenges we will face together in the 21st century."

Sen. John Cornyn of Texas, the Republican co-chairman of the caucus, called India the "anchor of stability in Asia." He noted, "Our countries are natural allies and partners, even though many may not realize this," he added. "We also share common concerns about terrorism, extremism and the ideology of hatred that has killed our countrymen and women."

Ambassador Shankar described the event as "a tribute to India, to the Indian American community in the United States, to the warm and strong ties between our two countries, and

above all, to the values that bind our two nations together".

The Ambassador said the Senate India Caucus was not merely a forum to advance the partnership but "a very important symbol of the India-U.S. relationship". She lauded the founder and Republican Co-Chair of the Caucus Senator John Cornyn of Texas for "his vision" as he, in partnership with the then Senator from New York and now Secretary of State Hillary Clinton, had launched the Caucus in April 2004. She described Senator Dodd as a great friend of India and thanked him for taking on the co-chairmanship of this Caucus despite his many other leadership responsibilities.

Over 125 leading Indian-Americans from all parts of the United States attended the reception. Ambassador commended the Indian American community for its success and achievements and for "its role as responsible stakeholders in American society and its progress". She described the community as "a great bridge of friendship and understanding between our countries".

Embassy Events

Book Reading Event



Dr. Rajesh Kadian (inset) addressing guests at a book reading event of his recent work 'Concise Encyclopedia of United States-South Asia Relations' on July 15 at the Embassy.

Seeds of Peace

The Deputy Chief of Mission, Ambassador Arun K. Singh, hosted around 45 students and 10 staff members from the Seeds of Peace International Camp on July 15. The students hailed from India, Pakistan and Afghanistan.

Ambassador Singh briefed them about India-U.S. relations and latest developments in the South Asia region. This was followed by a lively Q&A session.



Seeds of Peace is an organization dedicated to empowering young leaders with the leadership skills required to advance reconciliation and coexistence. Seeds of Peace aims to break down barriers and build in their place a foundation for a more secure future.

Consulate Event

Ambassador Meera Shankar honored

The Consulate General of India, New York, hosted a reception in honor of Ambassador Ms. Meera Shankar on July 7. Around 170 guests, comprising American and Indian-American dignitaries from the Tri-State area, attended the event.

Ambassador Shankar in her address, touched upon a variety of issues, covering India-U.S. relations, India's economic growth, and the immense contribution of the Indian-American community. She highlighted India's efforts towards promoting inclusive economic growth, and remarked upon the successful completion of the 14th General Elections in India. The Ambassador also mentioned that she felt a sense of privilege at taking over the



Ambassador Ms. Meera Shankar with the Consul-General of India in New York, Amb. Prabhu Dayal, and other guests at a reception.

Ambassadorship at a time when "India-U.S. relations are on an upward curve". She expressed her gratitude to the Indo-American community for being a bridge between India and the U.S. and expressed the hope that the community would continue to support her, in her endeavor towards furthering India-U.S. ties. Earlier, Amb. Prabhu Dayal, the Consul-

General of India in New York, welcoming Ambassador Shankar, expressed his appreciation to the distinguished gathering for attending the reception in the Ambassador's honor in such large numbers.

The evening was also graced by the presence of a number of distinguished former Indian diplomats, such as Ambassador K.S. Bajpai, Ambassador Chinmoy Gharekhan, Ambassador S.M.S. Chaddha, Ambassador Ms. Sashi Tripathi, and Ambassador Aftab Seth.

A pictorial book on India titled 'India Unveiled', by American photographer Mr. Robert Arnett, was presented to Ambassador Shankar by Mr. Arnett himself. The event was followed by a dinner reception.

Indian economy looking up

Business sentiment in the Indian economy has improved, indicating a path of recovery. Dun & Bradstreet, the world's leading source of global business information, knowledge and insight, has found that business optimism has recorded a jump of over 40 percent, quarter-over-quarter.

The Dun & Bradstreet composite Business Optimism Index (BOI) for the third quarter of 2009, has recorded an increase of 40.8 percent, inching up to 132.1 after touching an all-time low of 93.8 in the second quarter of 2009.

It was observed that five out of the six optimism indices — volume of sales, net profits, selling prices, new



orders, and employee numbers — have registered an increase, compared to the previous quarter. The improvement, witnessed in the business optimism of Q3 2009, indicates that the worst may be over.

“Positive data releases, improving investment sentiment along with the post-election optimism seem to have provided the much-needed support to corporate confidence,” added Kaushal Sampat, chief operating officer, Dun & Bradstreet India.

IIP rises 2.7 percent

Concurrently, India's industrial output expanded 2.7 percent in May this year, the highest since September last year, thanks to strong consumer demand in the domestic market. This figure is significantly higher than the downwardly revised 1.2 percent in April and betters forecasts of a 1.4-percent rise.

With 10 out of 17 sectors in the Index of Industrial Production (IIP), recording growth in May, Finance Secretary Ashok Chawla said that the Government expected the positive momentum to continue in the coming months.

The manufacturing sector, which has nearly 80 percent weightage in the IIP, increased by 2.5 percent as producers are believed to be increasing output to meet the anticipated demand.

“Producers in India may have run down inventories during the early stages of the global turmoil, meaning

that the decline in production was steeper than the fall in orders. And the recent rise in production could be a result of businesses rebuilding inventories,” Moody's Economy.com analyst Sherman Chan said.

Rubber, plastic, petroleum and coal products — which have 58 percent weight in IIP — grew by 16 percent. This industry group alone contributed 0.8 percentage point in IIP's growth rate.

Gas production from the Krishna Godavari basin, from which Reliance Industries began to pump gas in April, is seen as a reason why this industry sector expanded sharply in May.

Food products, which have 90 percent weight in the index, continued to be in negative territory and declined by 15 percent.

Cement despatch grows 12 pc

Meanwhile, the 224-million-ton domestic cement industry, the world's second largest after China, has yet again come up with a robust despatch growth of 12.84 percent in June, the highest during the last four years in the month of June.

With this, the cement industry has managed to maintain a consistent growth of over 10 percent for the fourth consecutive month since March. It despatched 16.70 million tons of cement in June against 14.8 million tons last year. Production during the month rose 13.01 percent to 16.59 million tons.

Similarly, on a quarterly basis, the first quarter of the current fiscal witnessed the steepest growth since 2005, at 12.34 percent, with an overall despatch of 49.81 million tons. It was in the June quarter of FY06 that growth was over 13 percent.

Industry experts feel that the sector was helped by consistent demand from semi-urban regions and construction activities. The major portion of the growth has emanated from the northern regions, they add.

Financial sector is sound: Vijay Kelkar



India's financial sector is sound and the Government is closely monitoring the evolving macro-economic situation, Vijay Kelkar, Chairman of the 13th Finance Commission, said in Hyderabad on

July 20. He was speaking at a meeting with Andhra Pradesh Chief Minister Y. S. Rajasekhara Reddy and other state government officials.

“Inflation is under control while the balance of payments position also continues to be sound. The Government has shown its willingness to enact significant monetary, fiscal and sectoral policy measures to minimize the negative impact (of the global crisis) on the country's real economy,” Kelkar said.

On the international front, India is actively coordinating policy action with other countries for reform of international financial institutions as well as improved regulation and supervision of global finance.

“The fact that we are on a sounder fiscal footing has allowed the Government significant elbow room to act to contain the fallout of the crisis,” Kelkar added.

Foreign investment reflects rising confidence

As the Indian economy shows positive signs of revival, foreign investors are returning to India. In fact, India achieved the highest increase in foreign direct investment (FDI) in 2008, the Government said in its Economic Survey for 2008-09, quoting a recent study.

A recent study by the United Nations Conference on Trade and Development (UNCTAD) found that India had achieved an 85.1 percent growth in FDI flows in 2008, the highest across countries.

According to the study, FDI investments into India, went up from \$25.1 billion in 2007 to \$46.5 billion in 2008 even as global flows declined from \$1.9 trillion to \$1.7 trillion during the same period.

Meanwhile, the research arm of global rating agency Moody's has predicted that India, along with China, would again emerge as the preferred destinations for foreign investors.

"Investment opportunities in India and China will soon be in great demand again. The two emerging giants remained appealing to international investors even during the gloomiest phase of the global downturn," Sherman Chan, an economist with Moody's Economy.com, who



analyzes the economies of India, China, Hong Kong and Vietnam, said. "India is expected to record a gradual recovery in FDI inflows in the coming months, especially since the Indian authorities are keen to promote public-private partnerships in supporting growth initiatives," Chan noted.

"Although India has yet to see a notable pickup in FDI inflows, net capital inflows in the stock market have been rising at a solid pace, which is also a clear sign of improvement in investor appetite," she added.

According to Moody's, the recent stabilization in corporate conditions may have also revived investment flows into the two countries.

"Speculation that some economies have already bottomed out, or have their trough in sight, has also encouraged bargain hunting for investment opportunities now," she maintained.

She also predicted that the Indian rupee is expected to gradually regain strength in the coming months, having nosedived last year amid rapid repatriation of funds by foreign investors.

In a sign of confidence in the Indian markets, foreign institutional investors (FII) have so far pumped in over \$6 billion, this year, with over \$1 billion coming in July alone.

An analysis of FIIs activity shows that overseas investors were net purchasers of Indian stocks worth \$6.18 billion from January to July this year.

According to data with the Securities and Exchange Board of India (SEBI), FIIs were gross buyers of shares worth \$62 billion while they sold equities valued at \$56 billion resulting in a net inflow of \$6 billion.

In July, FIIs made a net investment of \$1.16 billion in the domestic equity markets, showing their confidence in an emerging market like India. Till now, FIIs are net sellers of debts worth \$151 million, even as overseas investors infused \$932 million so far in July, reveals SEBI data.

Ambani, Spielberg announce \$825 mn funding

In one of the largest deals in global cinema in recent years, Anil Ambani's Reliance Big Entertainment and Hollywood filmmaker Steven Spielberg on July 15 announced \$825-million funding for their Los Angeles-based production house Dreamworks Studios to make six films a year for global audiences.

In a joint global conference call from New York, Ambani and Spielberg also said that the movies produced by Dreamworks would be distributed by Walt Disney globally, while the exclusive rights for India would vest with Reliance Big Entertainment.



Steven Spielberg (L), Dreamworks executives Stacey Snider and David Geffen (R) and Anil Ambani. (File photo)

"Clearly, the outlay of \$825 million is what we are aiming at in the next three years — \$325 million will be in the form of equity, \$150 million will come from Disney, while the rest will come from banks and others," Ambani said.

Spielberg said that he was looking forward to films produced by Dreamworks. "I plan to visit India soon to meet filmmakers, scriptwriters and actors to see how we can all collaborate. We have a golden opportunity to have a better control over our product," he said. Some of the films that will be produced first include '39 Clues', 'Cowboys and Aliens', 'Dinner For Schmucks' and 'Motorcade'.

Ambani also announced that his associate Amitabh Jhunjhunwala and Spielberg's partner for decades Stacey Snider, would also serve on the Dreamworks board.

PM to head cabinet panel on infrastructure

The Government has constituted a high-power committee under Prime Minister Dr. Manmohan Singh to drive infrastructure development in the country, identified as a key priority area to push overall economic growth. "The committee will fast track the implementation of infrastructure sector projects and monitor performance keeping in view the mandate of the Government," an official statement said in New Delhi on July 11.

The members include Finance Minister Mr. Pranab Mukherjee, Agriculture Minister Mr. Sharad Pawar, Railways Minister Ms. Mamata Banerjee, Power Minister Mr. Sushil Kumar Shinde, Renewable Energy Minister Mr. Farooq Abdullah and Urban Development Minister Mr. S. Jaipal Reddy.

Planning Commission Deputy Chairman Mr. Montek Singh Ahluwalia, Civil Aviation Minister Mr. Praful Patel, Science and Technology Minister (Minister of State) Mr. Prithviraj Chauhan are special invitees



to the committee.

Road Transport Minister Mr. Kamal Nath, Communications Minister Mr. A. Raja, Rural Development Minister Mr. C.P. Joshi, Housing and Urban Poverty Alleviation Minister Mr. Kumari Selja, Shipping Minister Mr. G. K. Vasan and Parliamentary Affairs Minister Mr. Pawan Kumar Bansal are other members.

The new committee has been set up

The Mandate

- > Take decisions on proposals costing over \$31 million
- > Focus on energy, railways, highways, ports, airports, telecom, IT, irrigation and housing
- > Special emphasis on rural housing
- > Deal with measures related to financial, institutional and legal requirements
- > Grant approvals to facilitate private sector investment in specific projects
- > Lay down annual targets for performance for all infrastructure sectors
- > Review progress of infrastructure sector projects

against the backdrop of the Prime Minister's Office starting a delivery monitoring unit to review the Government's flagship programs and iconic projects. Its main task is to ensure effective delivery of programs with outputs from ministries concerned, fast-track implementation, ensure periodic reviews and give a quarterly performance report to the Prime Minister.

ISRO aims to double revenues annually



India's space agency plans to double its revenues to \$120 million a year by expanding its portfolio of satellite launches. With this, the Indian Space Research Organisation (ISRO)

would be poised to claim a bigger chunk of the global space business, said its Chairman Mr. G. Madhavan Nair recently.

Last April, India sent 10 satellites into orbit from a single rocket, signaling its intention to expand into that business. It also dispatched its first unmanned moon mission last October.

ISRO has signed a Memorandum of Understanding (MoU) with 26 countries, including Russia, France, Germany and Italy, South Africa and Brazil, for launching satellites and joint research work.

Momentive sets up new facility

Momentive Performance Materials, a US-based high tech silicones manufacturing company (formerly GE Bayer Silicones), has set up a new facility for silicones manufacturing and application development at Sriperumbudur near Chennai. The facility will entail an investment of \$27 million in two phases. With the inauguration of the first phase of the project,

the company would be shifting its India manufacturing base from its leased facility in Bangalore to the 15-acre land provided by SIPCOT (State Industries Promotion Corporation of Tamil Nadu) at Sriperumbudur.

The second phase, expected to be commissioned in 2010, will triple the capacity and complete the investment of \$27 million.

Biocon ties up with Mylan

Biocon Ltd recently announced an exclusive collaboration with the US-based generic drugs major Mylan to develop, manufacture, supply and commercialize many high-value generic biologic compounds for the global markets. "Mylan will have exclusive commercialization rights in the U.S., Canada, Japan, Australia, New



Zealand and in the European Union through a profit-sharing arrangement with Biocon. Mylan will have co-exclusive commercialization rights with Biocon in all other markets,"

said a Biocon release. The deal is viewed as "one of the more comprehensive and high quality biologics initiatives in the industry to date".

Anand Sharma launches E-biz project

Launching the e-Biz Project, an initiative of the Department of Industrial Policy and Promotion (DIPP), in New Delhi on July 21, Minister for Commerce and Industry Mr. Anand Sharma said that over the years, the Government has been making progressive reforms to improve the business environment in the country. "For entrepreneurs and established companies looking at operating successful businesses in India, the Government needs to provide a regulatory environment that encourages and instills faith in investors," the Minister added.

At the event, Sharma said that Infosys, a leading Indian IT services provider, has been selected as project partner on the basis of a comprehen-



Minister for Commerce and Industry Anand Sharma addressing the media at the launch of the e-Biz Project in New Delhi.

sive bid evaluation process. Infosys would be responsible for designing and developing the e-Biz platform and establishing the support IT infrastructure.

The company would also help implement, maintain and expand the e-Biz solutions portfolio and services over the next 10 years, the Minister added.

The project aims at creating an investor-friendly business environment in India by making all regulatory information easily available to the stakeholders, the Minister said.

In effect, it aims to develop a transparent, efficient and convenient interface, through which the Government and businesses can interact in a timely and cost-effective manner, in the future, the Minister added.

For investors, this project will provide a one-stop shop for all business licenses and permits. Besides, it will also eliminate the need to physically interface with various regulatory authorities. The project will also provide relevant information round the clock and provide a single-window facility for business houses to file various returns. ■

IISc gets Pratt and Whitney chair

The US-based Pratt and Whitney, one of the world's leading aircraft engine manufacturers, has funded a chair at the Department of Aerospace Engineering of the Indian Institute of Science (IISc), Bangalore.



ment our fundamental research needs," said Paul Adams, senior vice-president, Pratt and Whitney, while inaugurating the chair at the institute on July 14. "Through the endowed chair, we're

hoping to further strengthen the relationships between our company, IISc and the Indian Government," he added.

The partnership is mainly aimed at increasing commercial activities in the sphere of manufacturing gas turbine engines. ■

The chair will bring the company and the institute together to work on fundamental and applied research initiatives to develop efficient and environment-friendly gas turbine engines. "The IISc has outstanding technical capabilities that comple-

India Inc's capex up 21.6 percent

India Inc's appetite for growth continues unabated with spending on capital expansion and investments rising a healthy 21.6 percent in the financial year 2008-09, compared with 38.5 percent in 2007-08. In absolute terms, capex spending has risen by \$46.80 billion. The capital-intensive sectors of India Inc do not find the current environment a deterrent to push ongoing expansion and so have continued with capex plans.



The automobile sector leads the growth rate chart with a 66 percent rise in capex spending, thanks to Tata Motors, which invested \$2.55 billion for acquiring Jaguar Land Rover. Oil and gas led the growth in absolute terms, accounting for a fourth of total capital spending. Reliance Industries leads, spending \$7.60 billion, mostly for expansion of oil and gas and the petrochemical business.

The telecom sector continues its expansion drive, with Bharti Airtel, Idea Cellular and Reliance Communication (RCOM) together investing \$8.15 billion (up 43.7 percent) on expansion of mobile, broadband and wireless services.

Ashok Leyland, John Deere to float equal stake

The country's second-largest truck maker Ashok Leyland and the US-headquartered John Deere Construction and Forestry Company plan to float a 50:50 joint venture company to manufacture and market earthmoving equipment.



The new company called Ashok Leyland John Deere Construction Equipment Private

Limited will initially make backhoes and wheel loaders and will set up a plant near Chennai, a company release said. The pilot production is expected to start next year and full-fledged production by January 2011. The new company combines Ashok Leyland's expertise and broad distribution network with John Deere's technical know-how and vast experience in the construction equipment business.

GST, FDI can quadruple FMCG turnover in 10 yrs: Survey

Despite the economic slowdown, India's fast moving consumer goods (FMCG) sector has grown consistently during the past three to four years, reaching a size of \$25 billion at retail sales in 2008. The industry is to record an annual growth rate of 10-12 percent for the next 10 years to reach \$43 billion by 2013 and \$74 billion by 2018.

Implementation of the proposed Goods and Services Tax (GST) and opening of foreign direct investment (FDI) are expected to boost growth further and raise the industry's size to \$47 billion by 2013 and \$95 billion by 2018, says a new FICCI-Technopak report. The report has made wide-



ranging recommendations to iron out the rough patches in the industry's growth trajectory, urging the Government, FMCG companies and retailers to work closely. It suggests the Government needs to rapidly implement GST to replace the multiple indirect taxes currently levied on FMCG products. This would have several benefits, including a uniform, simplified and single-point taxation format. ■

E&Y, CARE bullish on auto recovery



Reports of sales of passenger vehicles in India doubling in the next five years could bring back confidence to auto manufacturers in the country, after almost a year of sluggish demand for passenger vehicles. According to an Ernst & Young analysis, passenger vehicle sales in the country will grow at a CAGR of 12 percent to touch 3.75 million units by 2014 as against 1.89 million units at the end of 2008-09. While the domestic market is expected to contribute 2.75 million units to the total tally, the remaining 1 million units would contribute towards exports.

Likewise, as per estimates by CARE Research, the domestic two-wheeler sales will grow at a CAGR of 8.8 percent by 2014 at 11.3 million units vis-a-vis 7.43 million units in 2008-09.

"The Indian industry is drifting towards a general monopolistic scenario wherein there will be a large number of players selling similar products as against the current state of oligopoly where we have fewer big players," Rakesh Batra, partner and national head (automotive practice), E&Y said. "Although exports are poised to grow significantly due to India's fuel-efficient low-cost product range, there is an upside risk on exports as it is dependent on the recovery of the global markets," he added.

Services sectors attracts highest FDI



Services sector in India attracted the highest foreign direct investment (FDI) worth \$17.45 billion in the

period April 2006-March 2008, ahead of the computer and telecom sectors. The services sector accounted for 27 percent of the total FDI inflows worth \$64.40 billion received during the period, said Minister of State for

Commerce and Industry Jyotiraditya Scindia on July 13.

"FDI inflows in the country have increased from \$5.5 billion in 2005-06 to \$27.31 billion in 2008-09," the Minister said. However, despite the economic slowdown, inflows in 2008-09 have shown a growth rate of 11 percent over the previous year's \$24.58 billion, he added. The Minister also pointed out that the Government was undertaking various initiatives like economic cooperation with developed as well as developing countries to help promote FDI inflows. ■

Marine products exports beat downturn, rise 13 percent

Beating the global economic downturn, marine products exports from India increased to \$1.78 billion during 2008-09 even as China emerged as the second-largest market with exports of the country showing a 15 per cent rise in dollar terms. India exported 602,000 tons of seafood products during 2008-09, showing



an increase of 11.29 percent in quantity and 12.95 percent in rupee earnings, Marine Products Exports Development Authority (MPEDA) chairperson Leena Nair said. During the previous year, as much as 5,41,00 million tons of marine products, valued at \$1.57 billion, were exported. The exports in dollar terms stood at 1908.63

million, a growth of 0.50 percent compared to the previous year's 1899.09 million. An important feature of the export trend was the increase in exports to China, which accounted for 15 percent (in dollar terms) followed by the U.S. of 12 percent. Exports to the U.S. have shown a slight increase in quantity and rupee value even though in quantity terms these have fallen further to \$227.29 million (-10.8 percent) relegating it to fourth position, Nair added.

India launches first indigenous nuclear submarine

India launched its first indigenous nuclear-powered submarine on July 26 from Visakhapatnam in Andhra Pradesh. After the U.S., Russia, China, France and Britain, India is the sixth country to possess a nuclear-powered submarine. Prime Minister Dr. Manmohan Singh said on the occasion: "Today's launch is a reflection of the immense technical expertise that exists in our country and the strength of our research and development organizations."

The Prime Minister spoke at the headquarters of the Indian Navy's



Eastern Command in Visakhapatnam after his wife, Gursharan Kaur, following a brief ceremony, launched 'INS Arihant'.

Describing the launch as a "historic milestone", Prime Minister Singh congratulated the scientists and personnel associated with the project. "I am particularly glad that this submarine is the outcome of a productive public-private partnership. The private industry in India has evolved considerably during the last few decades and we should leverage its strengths to achieve our defense goals."

'Sporting drug' can save soldiers from chemical attacks

A substance used as a dope by athletes to improve performance levels can now be utilized to save lives of security personnel exposed to intentional or accidental cyanide poisoning.



Alpha-Ketoglutarate is in demand from the defense forces for use as part of their strategy to handle any chemical attack situation, where soldiers are exposed to lethal chemicals like cyanide. India's Defence Research and Development

Organisation (DRDO) has developed an Alpha-Ketoglutarate, which will give relief to Indian security men from the deadly cyanide effect," Dr. R Vijay Raghavan, Director, Defence Research & Development Establishment, said.

"The agent has been developed as part of a strategy to handle any nuclear, biological and chemical attacks," Dr. W. Selvamurthy, Chief Controller Research and Development (Life Sciences) at DRDO, said.

India to launch ocean monitoring satellite

The Indian Space Research Organisation (ISRO) is getting ready for the launch of its second ocean monitoring satellite in August, along with six European nano satellites. "The 952-kg OCEANSAT-2 is envisaged as an in-orbit replacement to OCEANSAT-1 and will be injected by the stripped down or core-alone version of ISRO's workhorse rocket Polar Satellite Launch Vehicle (PSLV-C14) in the same polar

sun-synchronous orbit of 720 km," S. Satish, ISRO's director (Publications and Public Relations), said. According to him, the intended orbit, combined with the wide swathe of the satellite's footprint, will enable observation of the same area of the ocean every two days.

OCEANSAT-2 will be used for identification of potential fishing zones, sea state forecasting, coastal zone studies, weather forecasting and climate studies.

DRDO's explosives detection kit

The indigenous explosive detection kit, devised by DRDO's High Energy Material Research Lab (HEMRL), is attracting international attention. Two US-based companies, one Hungarian company, and two Indian companies are in the fray to manufacture the kit on a commercial basis.

Through the explosive detection kit, the police can instantly identify the explosive that was used for detonation in the aftermath of a blast.

Samples from the scene of the crime can be tested against the chemicals given in the kit. The original kit won the DRDO 'technology spin-off award' from the Prime Minister in 2007.

Plasma Fractionation Centre in Chennai

The Union Cabinet on July 2 decided to set up a \$51.31 million, state-of-the-art Plasma Fractionation Centre at Chennai to manufacture plasma derivatives used in medical treatments. "The center will be a state-of-the-art facility with the latest technology and equipment matching international standards. The center will manufacture all important plasma derivatives which are presently being imported," a Cabinet note said.

"This will reduce our dependence on imports of these plasma products, which are expensive and are not easily accessible to needy patients. The center will be operated on a self-sustaining, non-profit basis in the public sector," the note added.

Stem cell therapeutic services launched

Bangalore-based healthcare company Catalyz Life Technologies on July 16 announced the launch of stem-cell therapeutics in Kerala. Catalyz aims to treat several incurable diseases using advanced stem-cell therapeutics in collaboration with the Florida-based International Stemcell Services. Catalyz chief executive Biju Jacob said: "Surgeons will be trained in the latest therapeutic technologies through workshops." The potential applications of stem-cell therapies are manifold and cover a large spectrum of diseases, he added.

The Online REVOLUTION



E-commerce transactions, particularly in the business-to-consumer (B2C) domain, are on an upswing in India, as both businesses and consumers realize the benefit of online transactions. Growing internet (especially broadband) connectivity is fueling growth for online services. The roll-out of broadband services by many telecom service providers in numerous Indian cities has given a big fillip to e-commerce.

At the other end of the value chain, public and private sector banks in the country today offer online banking facilities to their customers, along with a host of other services including settling of utility bills, taxes, third-party payments, and other transactions.

The relative ease of online payments — through credit cards or internet banking facilities — has enabled rapid growth in e-commerce transactions. The huge investments made by banks in ensuring secure online transactions have added to the consumers' comfort level. As portals and internet sites adopt enhanced security features, e-commerce trans-

actions are on the rise. The International Market Research Bureau (IMRB), a leading market research consultancy, recently released a report on India's e-commerce potential. According to the report titled 'Internet in India (I-Cube)', there are several verticals of e-commerce: Travel, comprising travel aggregators, tour operators, hotels and railways; E-tailing, comprising online retailers, and online auctions; Classifieds, comprising jobs, matrimony, property, automobiles; Paid content subscription, comprising research, articles, and exclusive videos, digital downloads, from internet to mobile phones; and the General category.

"Based on our discussions with various stakeholders, the size of B2C e-commerce industry for the year 2006-07 was computed to be around \$1.5 billion," says the report.

It predicted a 30 percent year-on-year growth for the following year, with revenues of about \$2 billion. There are about 7.9 million active online buyers in India, of which 80 percent buy travel products.

The online travel industry is the largest contributor to the B2C e-commerce segment, estimated to be around \$1.5 billion by the end of 2007-2008. The entry of low-cost carriers has given a boost to online travel portals.

E-commerce witnessed exponential growth in India in 2008, particularly in online ticket transactions. Today, millions of consumers are buying air, train, bus and movie tickets over the internet.

The largest player in e-commerce today is the Indian Railway Catering and Tourism Corporation (IRCTC), a public sector undertaking fully-owned by the Ministry of Railways. Its online ticket booking facility is a mega hit with passengers, even with those who don't have internet connections at home.

The corporation, which sold 18.9 million tickets online during 2007-08, more than doubled the figure the following year. The estimated growth sales for 2008-09 were at \$730 million, making IRCTC the largest contributor to e-commerce in the country.

The entry of travel portals such as

Cleartrip, ezeego1 and Yatra in the train ticket booking segment has given customers more options. Although, travel portals together account for a minuscule chunk of the overall e-bookings in the railways, they are popular with the relatively affluent travellers. For instance, both Cleartrip and Yatra have an AC to non-AC bookings ratio of 70:30, while for IRCTC, the ratio is the opposite.

In the airline sector, travel portals such as Makemytrip.com (one of the oldest), Cleartrip, Yatra, Travelguru, Arzoo (started by Hotmail co-founder Sabeer Bhatia), among others, are the preferred medium for many to book tickets.

The growing business of travel portals continues to attract funding from venture funds. Bangalore-based Viaworld.in, a full service travel company, which was founded by a team of engineers in 2006, recently raised \$5 million from NEA Indo U.S. Ventures, a venture capital firm. "With structured funding available, we can make investments and also forays into hotel, rail and bus bookings," says Vinay Gupta, CEO, Viaworld.in.

Its travel network is spread across 290 cities and it issues 5,000 tickets a day. With over 3,000 agents registered with it, the company has one of the widest networks in India today.

The success of travel sites has spawned a whole new range of portals with e-commerce as their business model. FlipKart.com (online book purchase), AskLaila.com (information search) and redbus.in (bus ticket booking) have been launched by entrepreneurs from India's IT hub — Bangalore, all of whom have been successful in securing funding from private equity firms.

Falling under the category of e-tailing (an online form of retailing), these portals are witnessing robust growth. According to the IMRB report, it grew from \$180 million in 2006-07 to \$230 million a year later. For instance, FlipKart.com, a Bangalore-based online book shop, is growing at a rapid pace, and expects sales of \$4.2 million, up from just \$1 million in 2008. Along



The online travel industry is the largest contributor to the B2C e-commerce segment, estimated to be around \$1.5 billion by the end of 2007-2008

with the PC-based internet access, mobile-based internet access is expected to drive growth of the B2C and consumer-to-consumer (C2C) e-commerce industry. With the surge in the use of GPRS-enabled mobile handsets, the size of the digital downloads market rose from \$35 million in 2006-07

to \$53 million at the end of 2007-08, according to the IMRB report.

India's robust e-commerce business is also attracting international players. For Alibaba.com, China's top e-commerce company, India is now one of the fastest growing international markets. According to Jack Ma, founder of Alibaba, e-commerce has not been affected by the global financial crisis.

With telecommunications majors rolling out fibre optic networks in a big way and expanding their broadband coverage in India, e-commerce transactions will continue to witness robust growth in near future.

The potential for online transactions — both B2C and B2B — is indeed huge in India.

Farah Pandith to don outreach role at State Department

Farah Pandith has been appointed U.S. State Department Special Representative to Muslim communities.

Secretary of State Hillary Clinton named Pandith in-charge of a new office that is responsible for outreach with Muslims around the world, according to a notice of the State Department.

Pandith and her staff will carry out Secretary Clinton's efforts to "engage with Muslims around the world on a people-to-people and organizational level", the notification said.

Pandith previously was an adviser on Muslim engagement at the State Department, serving as a senior advisor to the Assistant Secretary of State for European and Eurasian affairs. She



has served on the National Security Council as coordinator for U.S. policy on outreach to Muslims. She has also worked at the U.S. Agency for International Development on assistance projects for Iraq, Afghanistan and the Palestinian Territories.

Pandith immigrated to the U.S. in 1969 with her parents from Srinagar, the summer capital of Jammu and Kashmir. —IANS

Indian American to serve as White House Fellow

US President Barack Obama has appointed Anish Mahajan, an Indian-American internist and health services researcher, as one of the 15 people to serve as White House Fellows this year.

Mahajan, 34, a Robert Wood Johnson Clinical Scholar and an MS in Health Services from the University of California, Los Angeles, "is committed



to the ideal that health policy formulation should be informed by scientific evidence and stakeholder engagement", the White House said. Dedicated to public service, he is currently serving a two-year term as a publicly elected council member on a City of Los Angeles neighborhood council. He is vice-chair on the council's Public Policy Committee. —IANS

Indian American to run for US Congress

Raj Goyle, an Indian American Democratic legislator in Kansas state, will run for the U.S. House of Representatives next year. If elected, he would be the third Indian-American to be elected to the U.S. Congress after Dilip Singh Saund and Bobby Jindal.



Kansas families and businesses are struggling right now. We need strong, independent leadership to tackle these challenges," Goyle said.

He beat three-term incumbent Republican State Rep. Bonnie Huy in 2006. Goyle retained the seat in the 2008 elections with 67 percent votes.

Goyle, who grew up in Wichita, Kansas, also teaches at Wichita State University. His parents migrated to the U.S. from India. —IANS

Breakthrough for longer life-spans

A team lead by an Indian-American scientist has found what could be the single-most important medical breakthrough in history — significantly longer life-spans. Asish Chaudhuri



The discovery shows that proper protein folding over time in long-living bats explains why they live significantly longer than other mammals of comparable size, such as mice.

"Ultimately, we are trying to discover what underlying mechanisms allow some animal species to live a very long time with the hope that we might be able to develop therapies that allow people to age more slowly," said Asish Chaudhuri, professor of biochemistry, VA Medical Center, Texas and senior study co-author.

Chaudhuri and his colleagues made their discovery by extracting proteins from the livers of two long-living bat species (*Tadarida brasiliensis* and *Myotis velifer*) and young adult mice and exposed them to chemicals known to cause protein mis-folding. —IANS

Indian American to get White House award

Sanjay Kumar, an Indian American researcher at California University, Berkeley is among 100 young researchers named by President Obama as recipients of the Presidential Early Career Awards for Scientists and Engineers.

Kumar, 35, is an assistant professor of bioengineering specializing in cellular mechanics and biomaterials. He will receive the highest honor bestowed by the U.S. government on young professionals at a White House ceremony in autumn.

"These extraordinarily-gifted young scientists and engineers represent the best in our country," President Obama said. "With their talent, creativity, and dedication, I am confident that they will lead their fields in new breakthroughs and discoveries and help us use science and technology to lift up our nation and our world."

Last year, Kumar received a National Institutes of Health (NIH) award honoring innovative new scientists. The award granted him \$1.5 million over the next five years. —IANS

The Homecoming

By Rabindranath Tagore

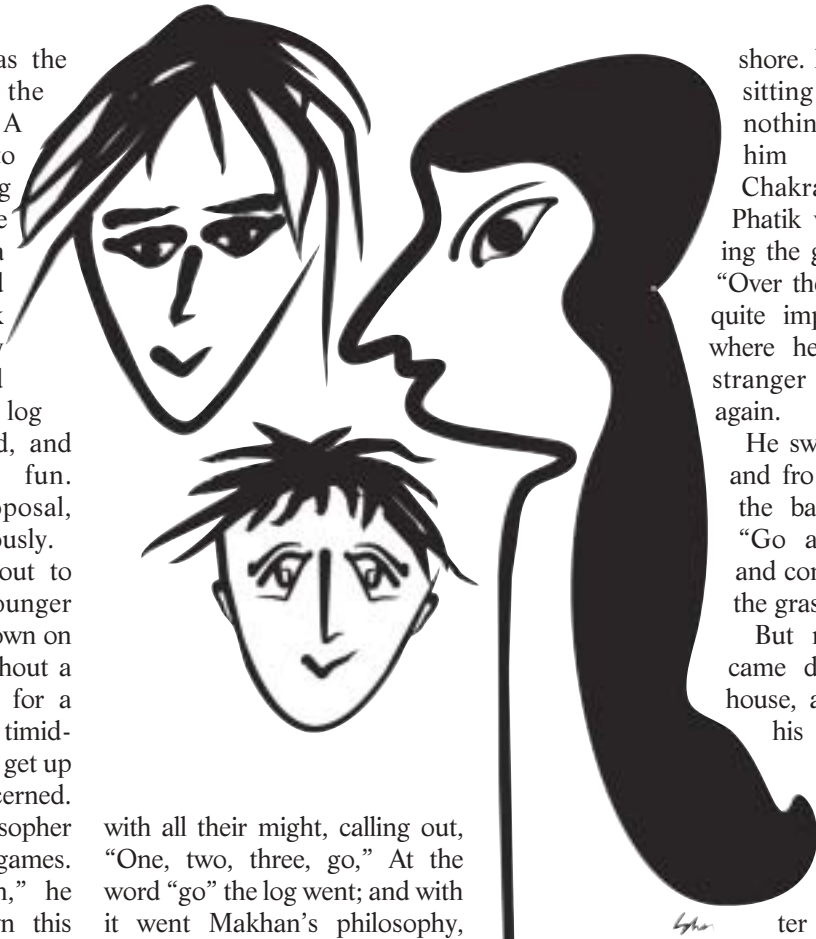
Phatik Chakravorti was the ringleader among the boys of the village. A new mischief got into his head. There was a heavy log lying on the mud-flat of the river waiting to be shaped into a mast for a boat. He decided that they should all work together to shift the log by mean force from its place and roll it away. The owner of the log would be angry and surprised, and they would all enjoy the fun. Everyone seconded the proposal, vowing to carry it out unanimously.

But just as the fun was about to begin, Makhan, Phatik's younger brother, sauntered up and sat down on the log in front of them all without a word. The boys were puzzled for a moment. He was pushed, rather timidly, by one of the boys and told to get up but he remained quite unconcerned. He appeared like a young philosopher meditating on the futility of games. Phatik was furious. "Makhan," he cried, "if you don't get down this minute I'll thrash you!"

Makhan only moved to a more comfortable position.

Now, if Phatik was to keep his regal dignity before the public, it was clear he ought to carry out his threat. But his courage failed him at the crisis. His fertile brain, however, rapidly seized upon a new maneuver which would discomfit his brother and afford his followers added amusement. He gave the word of command to roll the log and Makhan over together. Makhan heard the order, and made it a point of honor to stick on. But he overlooked the fact, like those who attempt earthly fame in other matters, that there was peril in it.

The boys began to heave at the log



with all their might, calling out, "One, two, three, go." At the word "go" the log went; and with it went Makhan's philosophy, glory and all.

All the other boys shouted themselves hoarse with delight. But Phatik was a little frightened. He knew what was coming. And, sure enough, Makhan rose from Mother Earth blind as Fate and screaming like the Furies. He rushed at Phatik and scratched his face and beat him and kicked him, and then went crying home. The first act of the drama was over.

Phatik wiped his face, and sat down on the edge of a sunken barge on the riverbank, and began to chew a piece of grass. A boat came up to the landing, and a middle-aged man, with grey hair and dark moustache, stepped on

shore. He saw the boy sitting there doing nothing, and asked him where the Chakravortis lived. Phatik went on chewing the grass, and said: "Over there," but it was quite impossible to tell where he pointed. The stranger asked him again.

He swung his legs to and fro on the side of the barge, and said; "Go and find out," and continued to chew the grass as before.

But now a servant came down from the house, and told Phatik his mother wanted him. Phatik refused to move. But the servant was the mas-

ter on this occasion. He took Phatik up roughly, and carried him, kicking and struggling in impotent rage.

When Phatik came into the house, his mother saw him. She called out angrily: "So you have been hitting Makhan again?"

Phatik answered indignantly: "No, I haven't; who told you that?"

His mother shouted: "Don't tell lies! You have."

Phatik said suddenly: "I tell you, I haven't. You ask Makhan!"

But Makhan thought it best to stick to his previous statement. He said: "Yes, mother. Phatik did hit me."

Phatik's patience was already exhausted. He could not hear this injustice. He rushed at Makhan, and

hammered him with blows: "Take that," he cried, "and that, and that, for telling lies."

His mother took Makhan's side in a moment, and pulled Phatik away, beating him with her hands. When Phatik pushed her aside, she shouted out: "You little villain! Will you hit your own mother?"

It was just at this critical juncture that the gray-haired stranger arrived. He asked what was the matter. Phatik looked sheepish and ashamed.

But when his mother stepped back and looked at the stranger, her anger was changed to surprise. For she recognized her brother, and cried: "Why, Dada! Where have you come from? "As she said these words, she bowed to the ground and touched his feet. Her brother had gone away soon after she had married, and he had started business in Bombay.

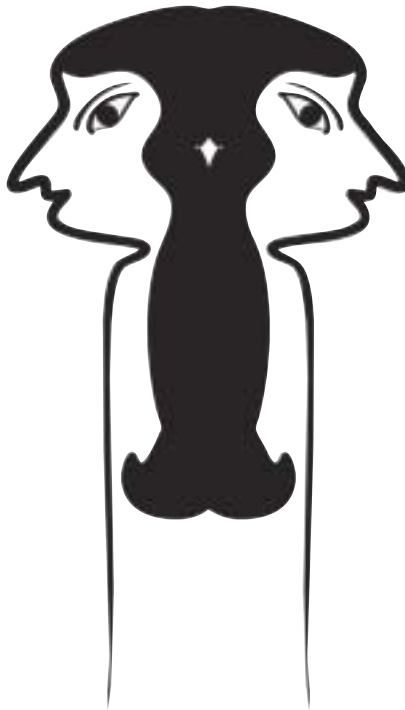
His sister had lost her husband while he was in Bombay. Bishamber had now come back to Calcutta, and had at once made enquires about his sister. He had then hastened to see her as soon as he found out where she was.

The next few days were full of rejoicing. The brother asked after the education of the two boys. He was told by his sister that Phatik was a perpetual nuisance. He was lazy, disobedient, and wild. But Makhan was as good as gold, as quiet as a lamb, and very fond of reading, Bishamber kindly offered to take Phatik off his sister's hands, and educate him with his own children in Calcutta. The widowed mother readily agreed. When his uncle asked Phatik if he would like to go to Calcutta with him, his joy knew no bounds, and he said; "Oh, yes, uncle! "In a way that made it quite clear that he meant it.

It was an immense relief to the mother to get rid of Phatik. She had a prejudice against the boy, and no love was lost between the two brothers. She was in daily fear that he would either drown Makhan some day in the river, or break his head in a fight, or run him into some danger or other. At the same time she was somewhat distressed to

see Phatik's extreme eagerness to get away.

Phatik, as soon as all was settled, kept asking his uncle every minute when they were to start. He was on pins and needles all day long with excitement, and lay awake most of the night. He bequeathed to Makhan, in perpetuity, his fishing rod, his big kite and his marbles. Indeed, at this time of departure his generosity towards Makhan was unbounded.



When they reached Calcutta, Phatik made the acquaintance of his aunt for the first time. She was by no means pleased with this unnecessary addition to her family. She found her own three boys quite a handful to manage without taking in anyone else. And to bring a village lad of fourteen into their midst was terribly upsetting. Bishamber should really have thought twice before committing such an indiscretion.

In this world of human affairs there is no worse nuisance than a boy at the age of fourteen. He is neither ornamental, nor useful. It is impossible to shower affection on him as on a little boy; and he is always getting in the way. If he talks with a childish lisp he is called a baby, and if he answers in a grown-up way he is called impertinent.

In fact, any talk at all from him is resented. Then he is at the unattractive, growing age. He grows out of his clothes with indecent haste; his voice grows hoarse and breaks and quavers; his face grows suddenly angular and unsightly. It is easy to excuse the shortcomings of early childhood, but it is hard to tolerate even unavoidable lapses in a boy of fourteen. The lad himself becomes painfully self-conscious. When he talks with elderly people he is either unduly forward, or else so unduly shy that he appears ashamed of his very existence.

Yet it is at this very age when in his heart of hearts a young lad most craves for recognition and love; and he becomes the devoted slave of any one who shows him consideration. But none dare openly love him, for that would be regarded as undue indulgence, and therefore bad for the boy. So, what with scolding and chiding, he becomes very much like a stray dog that has lost his master.

For a boy of fourteen his own home is the only Paradise. To live in a strange house with strange people is little short of torture, while the height of bliss is to receive the kind looks of women, and never to be slighted by them.

It was anguish to Phatik to be the unwelcome guest in his aunt's house, despised by this elderly woman, and slighted, on every occasion. If she ever asked him to do anything for her, he would be so overjoyed that he would overdo it; and then she would tell him not to be so stupid, but to get on with his lessons.

The cramped atmosphere of neglect in his aunt's house oppressed Phatik so much that he felt that he could hardly breathe. He wanted to go out into the open country and fill his lungs and breathe freely. But there was no open country to go to. Surrounded on all sides by Calcutta houses and walls, he would dream night after night of his village home, and long to be back there. He remembered the glorious meadow where he used to fly his kite all day long; the broad river-banks where he would wander about singing and shouting

for joy; the narrow brook where he could go and dive and swim at any time he liked. He thought of his band of boy companions over whom he was despot; and, above all, the memory of that tyrant mother of his, who had such a prejudice against him, occupied him day and night. A kind of physical love like that of animals; a longing to be in the presence of the one who is loved; an inexpressible wistfulness during absence; a silent cry of the inmost heart for the mother, like the lowing of a calf in the twilight; this love, which was almost an animal instinct, agitated the shy, nervous, lean, uncouth and ugly boy. No one could understand it, but it preyed upon his mind continually.

There was no more backward boy in the whole school than Phatik. He gaped and remained silent when the teacher asked him a question, and like an overlaid mule patiently suffered all the blows that came down on his back. When other boys were out at play, he stood wistfully by the window and gazed at the roofs of the distant houses. And if by chance he spied children playing on the open terrace of any roof, his heart would ache with longing.

One day he summoned up all his courage, and asked his uncle: "Uncle, when can I go home?"

His uncle answered, "Wait till the holidays come." But the holidays would not come till November, and there was a long time still to wait.

One day Phatik lost his textbook. Even with the help of books he had found it very difficult indeed to prepare his lesson. Now it was impossible. Day after day the teacher would cane him unmercifully. His condition became so abjectly miserable that even his cousins were ashamed to own him. They began to jeer and insult him more than the other boys. He went to his aunt at last, and told her that he had lost his book.

His aunt pursed her lips in contempt, and said: "You great clumsy, country lout. How can I afford, with all my family, to buy you new books five times a month?"

That night, on his way back from school, Phatik had a bad headache with a fit of shivering. He felt he was going to have an attack of malarial fever. His one great fear was that he would be a nuisance to his aunt.

The next morning Phatik was nowhere to be seen. All searches in the neighborhood proved futile. The rain had been pouring in torrents all night, and those who went out in search of the boy got drenched through to the skin. At last Bishamber asked help from the police.

At the end of the day a police van stopped at the door before the house. It was still raining and the streets were all flooded. Two constables brought out Phatik in their arms and placed him before Bishamber. He was wet through from head to foot, muddy all over, his face and eyes flushed red with fever, and his limbs all-trembling. Bishamber carried him in his arms, and took him into the inner apartments. When his wife saw him, she exclaimed; "What a heap of trouble this boy has given us. Hadn't you bet-

ter send him home?"

Phatik heard her words, and sobbed out loud: "Uncle, I was just going home; but they dragged me back again."

The fever rose very high, and all that night the boy was delirious. Bishamber brought in a doctor. Phatik opened his eyes flushed with fever, and looked up to the ceiling, and said vacantly: "Uncle, have the holidays come yet? May I go home?"

Bishamber wiped the tears from his own eyes, and took Phatik's lean and burning hands in his own, and sat by him through the night. The boy began again to mutter. At last his voice became excited: "Mother," he cried, "don't beat me like that! Mother! I am telling the truth!"

The next day Phatik became conscious for a short time. He turned his eyes about the room, as if expecting some one to come. At last, with an air of disappointment, his head sank back on the pillow. He turned his face to the wall with a deep sigh. Bishamber knew his thoughts, and, bending down his head, whispered: "Phatik, I have sent for your mother." The day went by. The doctor said in a troubled voice that the boy's condition was very critical.

Phatik began to cry out; "By the mark — three fathoms. By the mark — four fathoms. By the mark —." He had heard the sailor on the river steamer calling out the mark on the plumb-line. Now he was himself plumbing an unfathomable sea.

Later in the day Phatik's mother burst into the room like a whirlwind, and began to toss from side to side and moan and cry in a loud voice.

Bishamber tried to calm her agitation, but she flung herself on the bed, and cried: "Phatik, my darling, my darling."

Phatik stopped his restless movements for a moment. His hands ceased beating up and down. He said: "Eh?"

The mother cried again: "Phatik, my darling, my darling."

Phatik very slowly turned his head and, without seeing anybody, said: "Mother, the holidays have come." ■■■



For a boy of fourteen his own home is the only Paradise. To live in a strange house with strange people is little short of torture, while the height of bliss is to receive the kind looks of women, and never to be slighted by them...

A.R. Rahman invited to join Academy board

The Academy of Motion Picture Arts and Sciences that awards the Oscars annually, has invited Oscar winner A.R. Rahman and 133 other artistes and executives, who have distinguished themselves by their contributions to theatrical motion pictures, to join the organization. Those who accept the invitation will be the only additions in 2009 to the Academy's roster of voting members.

"These filmmakers have, over the course of their careers, captured the imagination of audiences around the world," said Academy president Sid Ganis. "It's this kind of talent and creativity that make up the Academy, and I welcome each of them to our ranks."

The Academy's membership would have allowed a maximum of 166 new members in 2009, but as in the previous years, the several branch commit-



tees endorsed fewer candidates than were proposed to them.

Voting membership in the organization has now held steady at just under 6,000 members since 2003.

New members will be welcomed into the Academy at an invitation-only reception at the Academy's Fairbanks Center for Motion Picture Study in Beverly Hills in September.

Now, Paul Schrader turns to Mumbai



Yet another foreign director has set his sights on Mumbai. After Danny Boyle's dark and passionate look at the city in 'Slumdog Millionaire', it is American director Paul Schrader's turn to make a film in India's financial capital, Mumbai.

Schrader is set to direct 'Extreme City', a Mumbai-based underworld drama. Produced by Anubhav Sinha, the film will be shot in and around the slums of Dharavi and will star both Hollywood and Bollywood stars. "I can't deny there's tremendous interest in another Mumbai slum saga after 'Slumdog Millionaire'. But our project was firmed up much before Danny's film released," Sinha said.

Mumbai, already under much global scrutiny after 'Slumdog Millionaire', is expected to get a further touristic boost with Schrader's film. "To have Schrader agree to make a film for me is a dream come true. Paul came down to India first in July, 2008. When I suggested he make a film for me, he was surprised.

Paul Schrader making a film for an Indian producer does sound strange, doesn't it? "He didn't give an immediate answer. But at the Toronto Film Festival in October, he finally agreed. He is writing and directing a drama-thriller tentatively titled 'Extreme City' for me. We've otherwise been interacting for two years," added Sinha, who has directed films like 'Cash' (2007), 'Dus' (2005) and 'Tum Bin' (2001).

'Extreme City' will be shot largely in Mumbai, and Schrader will soon finalize his script for the film. "Paul has started work on the script. It'll be an English-language film. But the Indian characters will speak their natural language. The Mumbai underworld is familiar to Hindi film-goers but not to a global audience," said Sinha.

The film will star one leading Hollywood and one Bollywood male star, added Sinha. "I started my collaboration with Paul Schrader as a fan... the paper on which he wrote the plot outline, I asked him to sign so I could keep as memento."

'Rush Hour' director to make film for Big Entertainment

Hollywood filmmaker Brett Ratner, who has made films like 'Rush Hour' and 'X-Men: The Last Stand', has tied up with Reliance's Big Entertainment to bring cinematic material from all over the world to India.



He has now acquired a French graphic novel on behalf of the production house to be made into a film. "It's to be titled 'Infinity'. It will be directed by Sylvain White. I feel the boundaries between Bollywood and world cinema are evaporating. And material with a strong visual appeal will enable Bollywood to go global," Ratner said.

"This tie-up with Reliance has given me more creative and financial free-

dom. For example, I've this deal with Paramount. I can go to them now with Reliance's financial proposal and get more room for quick and effective negotiation," he added.

Ratner can't believe how quickly he cut a deal with Reliance. "I met the Reliance team at the Cannes film festival. And before I could get back to the U.S., the contract was ready. When I met these guys, I realized they loved cinema. And that's very important to me. In the U.S., the studio system is run by business giants who are not necessarily movie fans," he said. Ratner wants to use his partnership with Reliance to distribute Jackie Chan movies in the Indian market.

The splendid isolation of **CHIKHALDARA**

Meandering through the green hills, the water courses ahead to enter a forest. Lost in the lush green vegetation, suddenly the water emerges and crashes down at break-neck speed, a white shimmering sheet, offering a delightful visual treat. The fresh air of the hill tinged with the lingering fragrance of coffee offers repose to the tired summer soul. This little beauty, tucked away from the hustle and bustle of a city, is called Chikhaldara.

Situated at an altitude of 1,118 m in Amravati district of Maharashtra, Chikhaldara is not only the 'sole' resort of the Vidarbha region, but also the only coffee growing area in Maharashtra. Chikhaldara's beauty first caught the eyes of Captain Robinson of the Hyderabad Regiment in 1823, who found the English countryside reflected in the hues of this Indian valley. The lush green reminded him of an English spring and the brown and orange hues of an English autumn. Blinded by the beauty of the place, Robinson even had suggested transferring the seat of power of the British Empire to Chikhaldara!

The hills of Chikhaldara are believed to have been named after the villainous Keechaka, who was killed by Bheema, the great Pandava warrior. According to the Mahabharata, after a long, drawn-out fight, Bheema threw Keechaka into the valley. Thus it was named 'Keechakadara'. Chikhaldara is the corruption of the original name. After his fight he bathed in a nearby lake, which is today known as Bhimkund. Nearly 3,500 ft deep, situated near the Alladhoh village, Bhimkund offers a spectacular view of the waterfall.

Abounding in scenic beauty, this place is home to a variety of exotic flowers, birds, wildlife and beautiful butterflies. Developed as a hill station for the officers of the Empire, the plateau boasts of a 'Company Bagh', which is now the pride of the forest



department. A variety of roses adorn the garden while a mini train occupies pride of place in the midst of it all. The area became well known with the introduction of the Semadhoh Tiger Project at Melghat in 1973. The 25 km forest stretch from Chikhaldara to Semadhoh is home to abundant wildlife. Panthers, sloth bears, sambar, the Indian bison, wild boars and wild dogs inhabit the area.

Mythologically important for pilgrims, Chikhaldara is also home to an ancient temple in the Vairat village. Situated nearly 150 feet underground, visiting the original temple is not an easy task. The locals, however, have made a new temple for devotees. The original temple is located on the west side of the Vairat hills and one has to pass the valley and then with the help of ropes reach the underground way.

Blessed with numerous small waterfalls and enchanting valleys, the beauties of Chikhaldara are best observed from Hurricane Point, Devi Point, Prospect Point and Panchbol. Devi Point, near the Chikhaldara bus station houses a temple built inside a huge stone for the local goddess. The entrance to the natural temple is draped with the curtain of a waterfall, which finds its source in the nearby Shakkar Lake.

One of the most famous landmark is



The hills of Chikhaldara are believed to have been named after the villainous Keechaka, who was killed by Bheema, the great Pandava warrior

the Panchbol Point. One can experience the marvels of nature at this scenic spot. A huge common valley formed by the edges of five hills, this place is also known as the Five Echo point. As the valley is fenced off by the five hills, the echos can be distinctly heard five times. Thus the name, 'Panchbol'. At Vairat hills, named after King Vairat, the brother of Keechaka, is the Sunrise Point. This spot is a must-see for all those early risers who wish to see the morning hues spread across the sky.

> Celestial spectacle



In a rare celestial spectacle, the sun is covered by the moon during a total solar eclipse in the Indian city of Varanasi on July 22. The longest solar eclipse of the 21st century cast a shadow over much of Asia, plunging hundreds of millions into darkness across the giant land masses of India and China.

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