



## **India's Finance Minister Ready to Address Challenges on Path to Sustained Growth**



***"The India story is a story of growth, prosperity and a newly discovered confidence to meet challenges."***

India's Foreign Minister, the Hon Mr P Chidambaram, was the guest of honour at a luncheon hosted by the Australia India Business Council on Thursday 16 November 2006. Mr P Chidambaram, who was visiting Australia for the Group of Twenty (G-20) meeting, also met with the Prime Minister, the Treasurer and senior business leaders.

Mr Chidambaram is widely recognised as one of the key architects in India's reform process and is a part of the country's economic 'dream team' with the responsibility to lead the Indian economy into its next growth phase. India's current economic standing is to a large extent the result of fiscal reforms by Indian Prime Minister Manmohan Singh (as then Finance Minister) and Mr Chidambaram in the 1990s.

Mr Chidambaram outlined his Government's vision for India and the drivers that will need to be put in place to sustain and increase India's growth in the coming decades.

The Minister began by highlighting the significant growth in India's economy, which over the past three years, has been growing at 8%. The goal of his Government, according to Mr Chidambaram is to ramp that growth up to 9% and to sustain that growth.

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## **India's Finance Minister Ready to Address Challenges on Path to Sustained Growth cont..**

To be able to achieve this outcome, India's Government will need to focus its endeavours on addressing the fundamental needs of its population, especially in rural areas, including better infrastructure (roads and electricity), sanitation and healthcare. The Minister acknowledged that this can only happen if India's economy continues to grow and there is more wealth and more resources to overcome these major challenges.

The Minister noted that one of the keys to creating more resources for the country was to strengthen its manufacturing sector. India is well known around the globe as a service economy. What is little known is that the growth of the service and manufacturing sectors are now on par. India is the world leader in industrial textile manufacturing, liquid milk production and the largest manufacturer of skins and hides (leather) in the world. India's steel manufacturing is significant and according to Chidambaram, India is set to become both the world's largest coal producer and the largest small car manufacturer.

The Minister acknowledged that in the past India had been seen as an economy that could provide services very cheaply, as it had a large, unskilled workforce. One of the key's to India's future growth, however, lies in its demography. India's relatively young population will become a key driver in the country's future and the Government is investing heavily in education and skills development, noting that the decline in average age will only begin in 2025. The Minister noted that it was the aim of his government is to develop a literate and skilled workforce over the coming 15 years, in order to sustain high growth.

India's economic policy is optimistic and pragmatic, acknowledging that globalisation is a two-way street. Indian industry has discovered a new sense of confidence and is investing heavily abroad. The Minister noted that certain sectors in India are opening up and invited Australian insurance companies to consider setting up in India.



**The Hon Neville Wran AC QC with Mr P Chidambaram**

The Minister remarked that he was not concerned with India's trade deficit with Australia. Significant imports from Australia, particularly coal, gas and minerals are crucial to supplying Indian industry and the population with power that will drive growth. As the Indian economy grows it will be looking to major commodities exporters like Australia to fuel that growth and as such Australia is an important strategic partner.

The Minister also acknowledged that in India's desire to sustain significant growth it will need to be mindful of the environmental impact of that growth, particularly in manufacturing, and would be seeking innovative technologies and best practice models from around the world to protect India's environment.

## **Australia partner country at Mining Exhibition. Strong participation signals growing mining sector cooperation**

Australia will participate in the International Mining and Machinery Exhibition (IMME) 2006 in Kolkata (November 2006) as a partner country. Australia will have a strong presence at IMME with over 40 Australian organisations participating, an indication of the growing links with India in the mining and resources sector.

"India and Australia have a strong and productive partnership on energy and resource issues so I am delighted that this relationship has been recognised with Australia's nomination as Partner Country for the IMME in 2006. We are honoured to be a part of this important event which brings together international expertise in mining equipment, technology and services," said Mr Ian Macfarlane, Australia's Minister for Industry, Tourism and Resources, who will be present at the inauguration as a guest of honour.

"Australia has a world class mining sector and Australian mining companies are highly innovative and productive. The strength of Australia's mining industry is reflective of the depth and diversity of the sector and our abundance of natural resources. We are the world's largest exporter of coal, iron ore, lead, diamonds, rutile, zinc and zirconium, and the second largest exporter of gold and uranium. Up to 80 percent of Australia's production is exported and we have a long-standing reputation as a secure, reliable and competitive supplier of these," added Mr Macfarlane.

According to Mr John McCarthy, Australian High Commissioner to India, "Trade in energy and resources are the drivers of the bilateral economic relationship, and this trade has the potential for further significant growth. Gold, for example, is now Australia's main export to India, and Australia supplies approximately 20 percent of India's gold market. Australian coking coal fuels the Indian steel industry and Australian companies are involved in the minerals exploration industry in India."

The Australian delegation will be the largest to have ever exhibited at a mining trade show in India. This will also be the largest mining event that the Australian Government will be participating in globally this year.



**Hon Ian Macfarlane MP, Minister for  
Industry, Tourism and Resources**

Australia has been a leader in the minerals industry for over a century and new methods of mining and mineral beneficiation often originate in the country. Australian miners and their suppliers of equipment, technology and services have made the country the biggest producer in the world of bauxite, alumina, lead and mineral sands. Australian companies exhibiting at IMME 2006 reflect Australia's role as a world leader in the export of mining and technology services (MTS).

The Australian MTS industry thrives and prospers in the domestic local market, one of the world's most open and aggressive. More than half the companies in the MTS sector are doing international business, which is a pace setter for Australian industry.

Australian exports of mining equipment were estimated to have exceeded USD \$1.8 billion last financial year. By 2010 this figure is expected to grow to over USD \$4.5 billion. Australian companies are leading the world in e-business solutions for the mining industry and the growing uptake of hi-tech systems in the mining industry could see more than 30 per cent of global mining expenditure over the next three years conducted using e-business. At least 60 per cent of the world's mines are now operating with Australian made and designed software.

# Gold That's Put to Use More Gold Begets - Australia-India Gold Trade

Address by Australian High Commissioner to India, Mr John McCarthy to the Associated Chambers of Commerce and Industry of India 2nd International Gold Summit.

1-2 September 2006, New Delhi

*Foul cankering rust the hidden treasure frets,  
But gold that's put to use more gold begets.*  
~William Shakespeare, Venus and Adonis, 1593

India's emergence as an economic and strategic powerhouse in Asia is proving to be one of the most significant forces for change in the 21st century. India has seized opportunities presented by the modern globalised economy, and is increasingly seen as a hub of global trade and commerce. It is therefore timely for India to further study how it can maximise the benefit it accrues from its critical role in the world gold market. I am grateful to ASSOCHAM for inviting me to be here today to participate in the 2nd International Gold Summit which is examining this issue.

For Australia, India is becoming increasingly important. This is not only because of its strategic role in Asia Pacific, but also because India has moved up to become Australia's sixth largest export market.

Gold is a critical element in this export trade. Gold is now Australia's main export to India. And the expansion in trade has been extraordinary. In 2000, gold exports to India were valued at less US\$50 million. By 2005, exports increased to over US\$2,500 million. Australia now supplies approximately 20 percent of India's gold market.

Because of the importance of Australia-India gold trade, we monitor the on-going debate in India about further liberalisation with interest. India's record, since opening up its economy in the early 1990s, is one in which you can take pride. As a result of freeing up import access, India now accounts for around 20 percent of global gold off-take in any one year.

Further reform of India's domestic market will also have a significant impact on India's ability to take on a greater role in the world gold market. India's regulatory structures are, of course, a sovereign issue for India. I have been around long enough not to presume to advise on such matters. I would however note that Australia continues to encourage India's liberalisation efforts in a general sense. Fostering and encouraging entrepreneurial talents in India is good for the regional and global economy. In other sectors, such as knowledge industries including information technology and biotechnology, Indian companies are examples of world best-practice.

Telecommunications and civil aviation are success stories and promise more. The prowess of Indian entrepreneurs in the global market is becoming legendary. India is already well on its way to becoming the global leader in export jewellery manufacturing. I have no doubt that, given the opportunity, India's entrepreneurs can play a leadership role in the world gold market more generally.

Our major gold companies have made the point that they enjoy very good relations with their main clients in India and our gold trade is forecast to remain steady in the next year or so, regardless of whether the Indian market is further liberalised. Our position on liberalisation is based simply on the principle of mutual benefit. A robust and responsible Indian gold market is good for regional and international trade. This in turn, benefits us all over time.

Australia strongly supports policy measures that promote high industry standards and consumer protection. We note the recommendation by the Ministry of Commerce and Industry concerning the hallmarking of gold. Promotion of these types of standards is good for the reputation of the industry, and provides greater certainty in trade.

*Continued next page*

## Australia India Gold Trade cont...

I want to talk about gold mining and investment. Australia is the world's third largest gold producer behind South Africa and the United States, and the second largest gold exporter. Australia supplies more than 11 percent of the world's gold each year and production is expected to hit 345 tonnes in 2008-09. We have approximately 70 operating mines. Our miners demonstrate world best practice in technology and sustainable development. This includes community engagement and development, mine rehabilitation, mine closure and environmental stewardship.

Australia wants international investment in its resources industry, including gold mining. This is because it makes commercial sense. Overseas control of Australia's gold production is estimated to be around 70 per cent. Investment opportunities can be found in a number of gold exploration projects in Australia, and I invite you to look further into this promising area of mutual benefit.

India has its own time scale, and you can do things there but it will take longer. Veterans of the India business scene tell us that even when all seems to have stalled, things could be happening behind the scenes, so patience is a key. Yet there are times India will move faster than you expect.

It is important to know that the time scale might involve lots of time off and disruption for festivals - we tried unsuccessfully to move around Mumbai on the last day of the Ganesha festival when 15,000 clay statues of favourite deity Ganesh (with elephant head) were immersed into the Arabian Sea at Chowpatty Beach. On the other hand, why do business in India if you miss out on the culture?

A number of Australian companies are active in the Indian gold mining sector or keen to enter - either on their own or as joint venture partners. Further liberalisation of the mining sector is one of the issues being grappled with in India, including through the Hoda Commission report. I would commend to you Australian gold mining and exploration companies. Quite simply, they are good at what they do. In one or two cases, Australian juniors are already involved in what might emerge as world class gold discoveries in India. India has the potential to supply a significantly larger percentage of its gold needs from domestic supply than it does at present, and we can help with the technical skills needed to develop a world class industry.

Two-way trade and investment in resources was high on the agenda when Australian Prime Minister John Howard visited India in March 2006 with a senior business delegation. These issues will again be in focus when Australia's Minister of Industry Tourism and Resources is expected to lead a delegation of around 70 senior industry representatives to the International Mining and Machinery Exhibition in Kolkata in November 2006. Australia is partner country at IMME this year in recognition of the growth of bilateral cooperation between our respective resources industries.

The scope of Australia's bilateral relationship with India has increased rapidly in line with India's economic and strategic growth. Trade and investment in the resources sector, including our main export gold, underpins this economic relationship.

Continuing with this engagement can help ensure that Indo- Australian relations achieves its full potential.

## India Guest Nation at National Field Day



The Consulate General of India, Sydney organised India's participation at the 55th Australian National Field Days, as guest nation exhibitor, from 17-19 October 2006 at Borenore, near Orange, Central NSW.

As part of a "regional thrust" initiative taken by Consul General of India, Sujan R Chinoy, this was the first time that India participated in a regional event in Australia. Until now, trade and economic exhibitions have traditionally been held in the large cities of Australia such as Sydney and Melbourne. The Australian National Field Day (ANFD) is Australia's longest running agricultural exhibition, held annually to showcase and demonstrate products that are offered to the Australian farmers, agriculturalists and related industries. Ireland, China, New Zealand, Canada and the UK are some of the countries invited in the past to participate as guest nation exhibitor. The guest nation's participation is expected to be an all-encompassing event, including trade, economic and cultural dimensions.

For India, ANFD provided an opportunity and a platform to project India in a comprehensive manner, including its vibrant economy, its modern technologies and its traditional culture, to regional Australia.

The 55th Australian National Field Days was declared open by the Consul General of India at the inauguration organised on the first day of the event. Orange City Mayor John Davis and Cabonne Council Mayor John Farr, Russell Turner, the local MLA, was also present along with ANFD Chairman Allan Watts and his team (pictured above). The inauguration ceremony was held against the impressive backdrop of a traditional Indian façade, an ornate wooden structure, provided by Shankar Dhar, Regional Director, India Tourism. Gambhir Watts, President of the Bharatiya Vidya Bhavan, Australia, added value to the event by organising scintillating performances of Indian dance.

India showcased its agricultural, manufacturing, services and Technology sectors. The participants organised by the Consulate General of India, Sydney, included Mahindra & Mahindra Tractors Division, Mahindra & Mahindra Automotive Division, MRF Tyres, NASSCOM, the India Trade Promotion Organisation (ITPO), International "Sonalika" Tractors, Trans Asia International and UPICO.

## ***India Guest Nation at National Field Day cont..***

Mahindra & Mahindra of India, leading manufacturers of general-purpose utility vehicles, light commercial vehicles, jeeps & other automobiles participated on a grand scale, with dozens of Mahindra tractors, loaders and other products on display. The Mahindra PIK-UP, its latest utility vehicle for the Australian market, was unveiled at the Field Days in both the 4WD and 2WD, single and dual-cab, versions. The Mahindra PIK-UP was test-driven by hundreds of local residents and farmers over a gruelling test track specially prepared for the purpose. Their surveys at the Field Days showed very positive evaluation, in preparation for its imminent launch in the Australian market. MRF Tyres of India also received great attention at the event. The MRF logo was easily recognised by visitors on account of the eponymous cricket bat used by Indian and Australian cricketers. The entrance to the Indian pavilion featured these major products.

A seminar on India-Australia Trade & Economic Partnership was also organised by the Consulate General of India, Sydney, at the ANFD Site on 18 October, 2006 to facilitate trade and economic interaction between Indian and Australian businesses. The Seminar was chaired by the Consul General of India, who delivered an address on the rise of the Indian economy and the prospects of furthering bilateral trade and economic relations with Australia. Professor Kevin Parton, Head of School of Rural Management Charles Sturt University, Rajiv Yadav, Executive Director ITPO, Neville Roach, Chairman Emeritus Australia India Business Council (AIBC), Mike Dowson, Regional Adviser, NSW Department of State and Regional Development and Sandeep Khurana, India Specialist Austrade addressed the seminar. Indian companies had the opportunity to introduce their products and company profile to the participants.

As part of a publicity blitz to raise awareness of modern India in regional Australia, the Consulate General of India arranged for the distribution of over one thousand copies of a special publication on India entitled "India - A Dynamic Democracy" published by the External Publicity Division of the Ministry of External Affairs, New Delhi.

The varied display of Indian culture received very favourable comments from among the visitors, media and local officials. They observed that it was the first time that a guest nation at the ANFD had put on such a remarkable display of its culture in addition to exhibits.



**Punjabi Beat Bhangra group perform at the National Field Day.**



**Consul General Sujan Chinoy with Mahindra Tractors from India.**

# Melbourne Business School launches new "Access India" program



Melbourne Business School's Mt Eliza Centre for Executive Education has joined forces with Indian School of Business (ISB) to offer a new five-day residential program - Access India. This program is designed for senior executives considering India for partnerships, strategic alliances, offshoring, market enhancing opportunities or market testing. This Australian-first partnership program is endorsed by the Australia India Business Council and will be held at ISB's world-class campus at Hyderabad, India from the 5-9 March 2007.

"With economic growth averaging 8 per cent per annum, improved infrastructure and services sector growth, it's time to explore the opportunities in India," says Professor John Onto, Director of the Access India program at Melbourne Business School.

"India has emerged as a critical player in today's global market. With one of the largest and fastest-growing economies in the world, combined with cost-effective intellectual resources, no aspiring global player can afford to ignore this burgeoning region."

"Senior executives in Australia are part of a global community - to stay competitive in the global arena, they need to consider integrating India's cost and capability advantages into their company's operational value chain," he adds.

ISB is one of India's leading business schools. It has a strong track record in delivering similar programs with Kellogg School of Management, London Business School and Wharton Business School.

Access India is designed for senior executives considering India as a business destination. Executives will strengthen their knowledge about the Indian business and trading environment. Their understanding of the economic, cultural, trading, political, legal and human capital profile of India will be enhanced. The program will be delivered through company visits, academic sessions, panel discussions, case study analyses, cultural visits, peer learning and networking.

"Part of the program will include site visits to India's sunrise industries and companies which have successfully established themselves in the global marketplace," says Professor Onto. "Through site visits, panel discussions and professional networking, executives will learn about the opportunities and growth prospects in India."

"Topics that will be covered include negotiating strategic alliances and partnerships; OEMs in India and strategic importance for the country; and vertical integration and outsourcing to India. Executives will also improve their understanding of best practice implementation."

Program presenters will consist of Indian business and academic authorities, with in-depth familiarity of the intricacies of accessing the Indian business community. They are complemented by session leaders with experience of the challenges and opportunities for Australian companies considering doing business with India.

The benefits of the Access India program include:

- \* practical insights into the emerging markets of India, including growth opportunities, infrastructure facilities and regulatory environment;
- \* enhanced understanding of best practice implementation and vertical integration;
- \* experiential and peer learning from site visits; and
- \* developing Australian, Indian and other industry networks.

For further information about the Access India program, please visit [www.mbs.edu/mteliza](http://www.mbs.edu/mteliza), contact toll free on 1800 00 66 80 or email [programs@mbs.edu](mailto:programs@mbs.edu).

# Media Seminar : "Rising Convergences: Australia, India and East Asia"

The Australian High Commission, New Delhi, organised a seminar in Chennai on 15 and 16 September 2006 titled "Rising Convergences: Australia, India and East Asia". The seminar, supported by the Australia-India Council, was the second in an ongoing series begun last year on media convergences between Australia and India and was the High Commission's major public diplomacy event of the year.

The seminar drew eighteen senior media practitioners and academics from Australia, India, China, Indonesia, Singapore and Malaysia, apart from top Indian editors and journalists.



**Australian High Commissioner John McCarthy at the media seminar, "Rising Convergences: Australia, India and East Asia" in Chennai 15-16 September. Right: Mr N Ram, Editor-in-Chief, The Hindu.**

The seminar was inaugurated by Mr N Ram, Editor-in-Chief of the Hindu newspaper, India's most respected national daily. Major areas covered at the seminar included discussions on Australia and India's economic and security links, China and India as economic competitors or collaborators; new orientations in India's foreign and security policies; the outlook for Southeast Asia - including partnerships between Australia and India; Indonesia's resurgence, security challenges for the region as well as prospects for integration in Asian trade, financial and labour markets.

The seminar provided a unique opportunity to focus senior media figures from Australia, India and East Asia on the outlook for the region of Australia's most intense diplomatic engagement, East Asia. It also highlighted the potential for collaboration in the region between Australia and India - the world's largest democracy and an increasingly important partner for Australia.

Amongst the international participants, Mr Peter Hartcher, International and Political Editor, the Sydney Morning Herald and Ms Colleen Ryan, Shanghai Correspondent, AFR participated from the Australian side. Mr Asad-ul-Iqbal Latif, Visiting Fellow, Institute of Southeast Asian studies, Singapore, Mr V Pandiyan, Deputy News Editor, The Star, Malaysia and Mr Bambang Harymurti, Editor-in-Chief, Tempo, Indonesia also made presentations at the seminar.

The Indian side included many of India's top editors including Mr N Ram, Mr Gautam Adhikari, Editor, Daily News and Analysis, Mr Kamalendra Kanwar, Editor, The New Indian Express, Dr Manoj Joshi, Editor (Views), Hindustan Times, Dr Raja Mohan, Editor (Strategic), Indian Express and Mr TCA S Raghavan, Economic Columnist and Consulting Editor, Business Standard.

Students of Australian studies, international relations, media and journalism and public relations departments of prominent colleges and universities in Chennai attended the seminar.

## ***Sport Knowledge Australia***

July 2006 heralded the start of Sport Knowledge Australia's (SKA) educational and management programmes in China and India. The aim of the programmes was to impart knowledge and expertise to both markets in anticipation of their major upcoming sporting events, namely the Beijing Olympics 2008 and the Commonwealth Games India 2010.

Established through a grant from the Australian Government, Sport Knowledge Australia (SKA) began operations in January 2005. Based at Sydney Olympic Park, SKA is jointly owned by the University of Sydney, University of Technology, Sydney and Sydney Olympic Park Authority.

In August 2006, SKA delivered its first Sports Facilities Management programme in India at the Indian School of Business, Hyderabad. Participants travelled from all over India as well as from Vietnam, Oman and South Africa to attend the programme at one of the world's leading academic institutions.

SKA's presenter, Jeremy Evans, re-enforced the programme's key learning principles using practical case studies taken from the Telstra Stadium, Sydney; the Telstra Dome, Melbourne; the Millennium Stadium, Cardiff; and the Melbourne Sports and Aquatic Centre. The programme ended with a visit to the Andrapradesh Sports Complex, Hyderabad, the principal venue for the 2007 World Military Games. Here 3,000 athletes from 100 countries will compete in a variety of track and field and team sports October next year.

SKA, with its knowledge and experience of global events and facilities management hopes to assist India's leading sporting stakeholders further in their planning and delivery of the 2010 Commonwealth Games. SKA's CEO, Leighton Wood, himself a former Melbourne 2006 Commonwealth Games chief executive, says India is poised to take advantage of its role as host of the 2010 Commonwealth Games in Delhi, "India is a country already rich in sporting culture and traditions and the prospect of hosting a major event like the Commonwealth Games will strengthen that culture and help grow India's sport industry."

With India also pitching to host the 2014 Asian Games, SKA's entrée into its sport education market is timely says Wood, "Through its involvement with the Indian School of Business, SKA offers organisations the chance to develop world-class leaders and equip them with the latest knowledge so that they are capable of paralleling India's dynamic economic growth."

## ***India-Australia Ecotourism Working Group***

The inaugural India-Australia Ecotourism Working Group meeting was recently held in New Delhi on 5 October 2006. The Ecotourism Working Group stems from 2002 Memorandum of Understanding between Australia and India on cooperation in the field of tourism, and the India-Australia Ministerial Action Plan which highlights the call for cooperation on ecotourism.

The Ecotourism Working Group members - consisting of Indian and Australian government, industry and research institution representatives - met to share knowledge and experience to advance the development of ecotourism in both countries.

Concluding the Working Group meeting, parties agreed to continue to forge stronger working relationships for ecotourism between Australian and Indian Governments, industry, and research institutions with the aim to:

- \* increase the level of high yield visitation between countries focussed on ecotourism;
- \* increase two way trade in services;
- \* increase two way investment in nature based tourism infrastructure;
- \* strengthen collaboration in research and training; and
- \* develop the capacity of the ecotourism industry in both countries through exchange on best practice operating standards.

# Conservation Workshops

Three Australian heritage management specialists from AusHeritage conducted a specialist workshop (part-funded by the AIC), from 27-29 September at the National Museum, New Delhi. The workshop, attended by cultural heritage professionals from many parts of India, provided a strategic framework for allocating resources to preserve collections in India as well as develop a management plan to minimise damage from natural and man-made disasters.

AusHeritage is Australia's international network for cultural heritage services. The organisation's members include Australian universities, national collecting institutions, State galleries, libraries and museums, private architectural firms and private and government conservation services. Heather Mansell (State Library of New South Wales), Vinod Daniel (Australian Museum) and Ian Cook (3CS Asia Pacific) were the resource people for this workshop which is part of AusHeritage's long term strategy to partner with India cultural heritage training providers and deliver certificate level programs to complement existing training courses in India.



"This is yet another example of close collaboration on an area of importance for both Australia and India. AusHeritage, Australia's international network for heritage services, has worked with Indian institutions on several projects, including workshops and training sessions, in recent years," said Mr David Holly, Deputy High Commissioner, Australian High Commission.

"Australian and Indian heritage practitioners have been working very closely over the last decade and learning from each other in preserving our valuable past for future generations," said Mr Vinod Daniel, Chair of AusHeritage.

"The workshop is an outcome of the close collaboration between the National Museum Institute and AusHeritage and will develop capacity for participants in prioritising allocation of human and financial resources for management of India's internationally significant cultural collections," added Mr Daniel.

AusHeritage has also provided support for developing a new exhibition gallery at the Chhatrapati Shivaji (Prince of Wales) Museum in Mumbai in addition to working closely with several private and government Indian cultural heritage organisations. It has a memorandum of understanding on cultural heritage collaboration with the Indian National Trust for Art and Cultural Heritage (INTACH).

The workshop was supported by the Australia-India Council (AIC) which has also funded previous initiatives in this area.

## **Bollywood epic "Love Story 2050" shot in Adelaide**

Bollywood rolled into Adelaide on 3 September 2006 for the shooting of 'Love Story 2050', India's first futuristic film. The film, directed by Harry Baweja of Baweja Movies, was shot in Adelaide over six weeks. Harry Baweja heads up one of the most respected production houses in India. This major Indian project is also the long awaited launch of Harman Baweja, son of Harry Baweja, and also features Miss World 2000, Priyanka Chopra, as the leading lady.

Anupam Sharma of Films and Casting Temple was the Australian consultant and line producer responsible for the complete Australian production of this film. The team from Temple, Australia's largest nationally operating film production company working with India, is responsible for bringing the maximum number of projects from India to Australia.

Adelaide and South Australia are actually named and featured in the first half of the script and dialogues of the film. South Australia will provide a viewing audience of up to 1.5 billion people the backdrop to romance, adventure, action and comedy including a cameo appearance by the South Australian Premier, Hon Mike Rann MP, that made international headlines. Due for international release with over 700 prints and international emphasis in June 2007, this romantic love story will link Adelaide to Mumbai in 2050 with the finale of the film set in Adelaide.

## **Diwali Gala Dinner Dance**

On 21 October, Diwali Festival Day, AIBC Victorian Chapter held its annual Diwali Gala Dinner Dance. This event is one of the key signature events for AIBC Victoria and its charity raising evening. Over \$10,000 was raised from the live and silent auctions and raffles at the event and has been donated to The Make-A-Wish Foundation.

Dignitaries attending the evening included Butshikan Singh, Consul General of India, Melbourne, John So, Lord Mayor of Melbourne, Hon Marsha Thomson, Minister for Information, Communication and Technology and David Vendy, Lord Mayor of City of Ballarat.

The guests were also treated to Bollywood Dance entertainment by the Jhanak Dance Company.



**(Right) John So, Lord Mayor of Melbourne and (left) guest**



**The Jhanak Dance Company entertained guests**

## ***SMEC Named India Exporter of the Year***

SMEC has been recognised for its achievements in India by being named the NSW "Indian Exporter of the Year" at the 2006 Premier's NSW Export Awards, which took place at Sydney Town Hall on 19 October.

The Premier's NSW Export Awards is an annual program, which recognises excellence in the export of goods and service by NSW businesses.

SMEC grew out of the Snowy Mountains Scheme and today is one of the leading engineering and development consultancies in the world.

Neville Roach AO, Chairman Emeritus, AIBC presented Ross Hitt, CEO of SMEC with the award.

## ***AICC NSW and AIBC Merge***

The AIBC and the AICC in New South Wales are now a unified body with the necessary resolutions being passed at the Special General Meeting held on Friday 29 September 2006.

This is a key milestone for the AIBC as it continues its journey to promoting trade and investment between Australia and India for the benefit of its members and the two countries. There are many people that need to be acknowledged and who have been responsible for making this happen, but the one key person is Neville Roach AO who has been passionate about this merger and has put in a considerable amount of his personal time and energy to achieving this outcome.

Until the next AGM of the AIBC NSW, a Joint Management Committee will be established comprising of the current members of the Management Committee of the AIBC NSW Chapter and members of the AICC Executive Committee.

## ***KPMG's National India Economic Update and Thought Leadership Dialogue***

A series of briefings presented by KPMG and the AIBC travelled nationally throughout September and October. Titled, "KPMG's National India Economic Update and Thought Leadership Dialogue" - these valuable briefings combining essential business and economic intelligence as well as an opportunity to network with AIBC members and KPMG's India Business Practice Team members.

Sujan Chinoy, Consul General of India, provided the audience with a detailed presentation on opportunities in India with a special focus on infrastructure, ICT, power and retail.

Hasnain Shroff, a Senior Manager of KPMG in India specialising in tax and regulatory issues, presented a compelling analysis of the Indian economy which detailed how India has become one of the World's strongest growth economies. The presentation also described India's Foreign Direct Investment regime, entry strategies, tax issues and regulatory issues.

### **AGROTECH 2006**

Agrotech 2006 which will be held from 1-4 December this year in Chandigarh, India. The exhibition is being organised by the Confederation of Indian Industry, one of the leading Industry associations in India. The fair attracts over 200,000 visitors each year. Specific sectors covered will include Biotechnology, Dairy, Food and Beverages, Poultry and Live Stock and Farm Technology and Equipment.

For further information please call Rohitas Batta or Sanjay Kapur on 0411 478 103/0413 884 205.  
[www.agrotech-india.com](http://www.agrotech-india.com)

### **INDIASOFT 2007**

The Electronics and Computer Software Export Promotion Council (ESC) will be organising its annual IT exhibition INDIASOFT 2007, 9-10 January 2007 in Hyderabad, India. INDIASOFT 2007 will focus on Embedded Software, E-Governance, Software Services & IT Enabled Services. Australian IT companies are invited to attend this major showcase.

For more information please contact Mr R.D. Patel via email [rajni@agromin.com.au](mailto:rajni@agromin.com.au) or mobile 0400 498 219.

# Is Australia missing the boat because we're still thinking of the old India?

By Stephen Manallack

Is Australia missing the boat on India? While we are excited by China, are we also aware that old bureaucratic India, old cultural India, staid old India with the legacy of the caste system is actually taking off? The signs of change are everywhere in India, but nowhere more so than in two recent newspaper reports - in a poll commissioned by The Economic Times, Bill Gates has replaced Mahatma Gandhi as the "greatest hero" among the younger generation of India's corporate executives and business students, while the front page of The Times of India reported that there were now 10 million mobile phones in New Delhi alone.

Have we missed out? Among our competitors, the City of London is not holding back in building its relationship with this new India - it has declared the whole of 2007 as "The Year of India" and will match this with business, cultural and political events. The former rulers are working flat out to play a key role in the new India.

And so is the rest of the affluent world. Consider these "big five" indicators of just how far and how fast "good old India" is going:

- \* Wipro has acquired Sweden based Hydoauto Group AB for US\$31 million
- \* India is easing bank regulations so that the Reserve Bank of India will open more of the ultra mega power projects to external investors
- \* The global AC Neilsen Consumer Confidence Survey has India at the top of the list by a large margin
- \* Within three years there will be a whopping 1.1million individuals each with a liquid wealth of US\$100,000, on top of which there are 83,000 millionaires in India and growing
- \* The private equity market attracted US\$2.2 billion in 2005 and is set to reach US\$7 billion in 2010, the year of the New Delhi Commonwealth Games

And just in case you think that the Commonwealth and cricket will make them look this way, the Indian economic leaders expect China to be their biggest trading partner within a very short time. India is building average annual growth of GDP of 8% by "looking east" in its own way, powering to be fourth largest economy in the world, with over 300 million middle class.

A whole range of small to medium enterprises are taking up opportunities in "the new globalization" which makes collaboration between the smallest of firms possible in any part of the globe. Some of these include services in clean technology, security, education, and consumer products from the small end of town. In fact the new trend in trade is "collaboration", finding the niche on the product or services supply chain where you can really add value, rather than doing the whole thing.

There are some "hidden" opportunities for Australian exports to India, and these include training services in the so-called "soft skills", because Indian management graduates are light on in communication, leadership and more. Others are financial services, eLearning and professional services, though our accountants, engineers and architects are already there. We might think India is the headquarters of new technology, but in downtown Mumbai we heard the clanking of an ancient typewriter, and turned to see a shop advertising "We type your letters"!

We can also expect more Indian investment in Australia. Technology companies like Wipro and Infosys have already invested here, and our resources sector is expecting a new wave of Indian money.

At a political level, we are engaging with this new India. Our Prime Minister visited earlier this year and almost all state Premiers have recently been, plus our diplomatic mission in New Delhi is one of the few around the world that is growing. But it is in the level of business dialogue that we are missing out - whether at big business or SME level. A structured, well coordinated program of business to business dialogue would encourage more action from both countries, and it should be backed up by more extensive media coverage in both.

The point is we can't expect to sit back and let it happen. As we look to India, let's remember the words of Albert Einstein, that "Imagination is much more important than knowledge". The next generation of Indian business, cultural and political leaders will add value by thinking creatively, independently and differently - and we Aussies should be there with them.

## Australia-India Focus

The Australia India Focus Newsletter is produced bi-monthly by the Australia-India Council and the Australia India Business Council.

Australia-India Focus aims to inform our readers on the range of cultural and business activities occurring between Australia and India.

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Australian Government



The Australia-India Council (AIC) was established in 1992 in response to a recommendation by the Senate Standing Committee on Foreign Affairs, Defence and Trade, following an enquiry into Australia's relations with India.

The Council initiates or supports a range of activities designed to promote a greater awareness of Australia in India and a greater awareness of India in Australia, including visits and exchanges between the two countries, development of institutional links, and support of studies in each country of the other.

The Council offers support, in the form of funding, for projects likely to contribute to the development of the relationship within the context of AIC objectives and guidelines.

For more information, visit [www.dfat.gov.au/aic](http://www.dfat.gov.au/aic)

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AIBC's mission is, "To build stronger business links between Australia and India for the benefit of our members and both countries."

This is achieved through a rich programme of seminars, workshops and networking events around Australia, the coordination of inbound and outbound trade and investment missions, linkages to government agencies and other professional and industry associations in both countries. As a business organisation, the AIBC aims to ensure productive access to a wide range of useful introductions and leads, dissemination of useful and timely news and information through our website, newsletters and emails and professional development programs for our members.

The AIBC works with business and government representatives to build upon many of these developments and activities.

For more information, visit [www.aibc.org.au](http://www.aibc.org.au)

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