



## INDIA NEWS

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### **State Visit of President of India (Rashtrapatiji) to Switzerland [May 25-29, 2005]**

Hon'ble Rashtrapatiji, **Dr.A.P.J. Abdul Kalam** came to Switzerland on a State Visit from May 25 to 29, 2005 on invitation of the President of Swiss Confederation. Last Presidential visit from India was in 1970 by late Shri V.V. Giri, Swiss have only one or two State visits in a year.

#### **May 25: [Geneva]**

- Rashtrapatiji had an interactive session with approximately 20 top Swiss business/industry CEOs/Chairmen and senior officials representing pharmaceutical, chemical, re-insurance, bio-technological, GPS/Micro systems, etc. sectors which was organized by the Mission in collaboration with World Economic Forum and the Swiss-India Chambers of Commerce.
- Rashtrapatiji also visited the Centre for European Organization for Nuclear Research (CERN) and had a fruitful interaction with scientists and engineers working in CERN. Rashtrapatiji visited

LHC tunnel and ATLAS experimental cavern at CERN. Rashtrapatiji had witnessed a signing ceremony of "Statement of Intent" between Atomic Energy Commission and CERN, signed by Dr. Anil Kokadkar, Secretary, Department of Atomic Affairs/Chairman of Atomic Energy Commission and Mr. R. Aymar, Director-General, CERN.

[For text of the speech, please visit website:

<http://presidentofindia.nic.in/scripts/fvlatest1.jsp?id=31>

#### **May 26 : [Lausanne & Zurich]**

- Accompanied by Mr. Pascal Couchepin, Swiss Federal Councillor for Interior and Science & Technology, Rashtrapatiji visited Micro-nano Technologies and "Brain and Mind" Labs at the Federal Institute of Technology (FIT) at Lausanne. Rashtrapatiji had also addressed a well-attended gathering of academicians, scholars, students and other invitees.

[For full text of the speech, please visit website:

<http://presidentofindia.nic.in/scripts/fvlatest1.jsp?id=32>

- Rashtrapatiji also visited Federal Institute of Technology (FIT) at Zurich. After interaction with Nobel Laureates, academicians and scholars, Rashtrapatiji addressed a gathering of invited guests at ETH.

[For full text of the speech, please visit website:

<http://presidentofindia.nic.in/scripts/fvlatest1.jsp?id=33>

**May 27: [Berne]**

- Rashtrapatiji was received by President of Swiss Confederation Samuel Schmid on arrival in Berne at the beginning of the State visit. Rashtrapatiji attended a lunch hosted by the Federal Councillors of the Swiss Confederation. A ceremonial reception in honour of Rashtrapatiji by the Swiss Armed Forces at Barnplatz was attended by Federal Councillors of the Swiss Confederation. Rashtrapatiji addressed a meeting of the Federal Councillors of Swiss Federation at Swiss Parliament.

[For full text of the speech, please visit website:

<http://presidentofindia.nic.in/scripts/fvlatest1.jsp?id=34>

- Rashtrapatiji led the Indian delegation at official level talks. Swiss delegation led by President Samuel Schmid consisting of Federal Councillor for Foreign Affairs Ms. Micheline Calmy-Rey, Federal Councillor for Justice and

Police Mr. Christoph Blocher, Federal Councillor for Economic Affairs Mr. Joseph Deiss. On the delegation level talks, agenda items covered issues related to bilateral, economic exchange, cooperation in the field of defence, regional issues i.e. relations between India and Pakistan and relations between India and EU, international issues covered UN Reforms, immigration issues and security issues.

- Swiss President Samuel Schmid hosted a Banquet in honour of Rashtrapatiji was attended by the Indian delegation and the Swiss official delegation consisting of Federal Councillor for Foreign Affairs Ms. Micheline Calmy-Rey, Federal Councillor for Justice and Police Mr. Christoph Blocher, Federal Councillor for Economic Affairs Mr. Joseph Deiss.

[For full text of the speech, please visit website:

<http://presidentofindia.nic.in/scripts/fvlatest1.jsp?id=35>

**May 28: [Berne Canton]**

- After visiting Einstein Museum at Berne, Rashtrapatiji visited Iseltwald village and interacted with Swiss school children there.
- Ambassador's reception in honour of Rashtrapatiji was well-attended by Swiss businessmen, academicians, scholars and Indians as well as prominent

persons of Indian origin living and working in Switzerland.

**May 29:**

Rashtrapatiji left for next leg of visit to Iceland.

**Mrs. Sheilla Dikshit, Hon'ble Chief Minister of National Capital Territory of Delhi [May 18-20, 2005]**

Chief Minister of Delhi, Mrs. Sheilla Dikshit chaired a 'Leadership Session' on the topic "**Good Governance – The New Delhi Experience**" on May 19, 2005 at St. Gallen University.

**Swiss-India Chamber of Commerce [SICC] turns 20**

Swiss-India Chamber of Commerce [SICC], Zurich, established in 19985, is celebrating its 20<sup>th</sup> anniversary on June 10, 2005. SICC is instrumental in promoting trade and investment between Switzerland and India.

**Finance Minister in Zurich [June 9-10, 2005]**

Mr. P. Chidambaram, Minister of Finance addressed a select gathering of Swiss investors on June 10 which was organised by Swiss India Chamber of Commerce, Zurich.

**Prime Minister to visit USA from July 18-20, 2005**

Prime Minister Dr. Manmohan Singh will visit the United States from July 18-20, 2005 at the invitation of President George W. Bush. India

and the United States are jointly engaged in the process of widening and deepening their multi-faceted cooperative relationship. The forthcoming visit of the Prime Minister to USA will take this process further based on a shared vision of the leaders of the two democracies.

**Visit of Her Excellency, President Chandrika Bandaranaike Kumaratunga to India, [June 2-4, 2005]**

The President of Sri Lanka held cordial, wide-ranging discussions with the Prime Minister of India, Dr. Manmohan Singh. The discussions were substantive and covered the gamut of bilateral relations between the two countries, post-tsunami reconstruction efforts in Sri Lanka, and regional and international issues. The President of Sri Lanka

met with Smt. Sonia Gandhi, Chairperson of the UPA. Shri P. Chidambaram, Minister of Finance, and Shri Mani Shankar Aiyar, Minister of Petroleum & Natural Gas and Minister of Panchayati Raj, called on the President of Sri Lanka.

Bilateral trade recorded a volume of US\$ 1.8 billion in 2004 with the trade imbalance between the two countries having narrowed significantly. On Comprehensive Economic Partnership Agreement (CEPA), the negotiations on the CEPA to be concluded by the end of 2005 to give a new thrust to overall bilateral business activity as well as to encourage investments in several areas of mutual interest and thereby strengthen the partnership in economic development between the

two countries. Indian assistance would consist of a grant of Rs. 100 crores for relief and reconstruction projects, a moratorium on debt repayments for three years, as well as the factoring of post-tsunami reconstruction priorities into existing and proposed lines of credit

### **China emerges India's 2nd biggest export target**

China has emerged as one of the top five destinations of exports from India, according to the latest available disaggregated merchandise trade data for 2004-05. The top five destinations of Indian exports sorted on the basis of the growth rates in dollar terms in 2004-05 over 2003-04 are: Singapore (78.63 %), Peoples Republic of China (55.20 %), United Arab Emirates (38.48 %), USA (15.45 %) and Hong Kong (11.94 %). 18 Indian IT companies have presence in China, employing around 2,000 people, which is expected to double this year with total investments are around \$50m.

### **IT exports soar to \$17bn**

India today commands an impressive 44% share of the total global outsourced market. Technology exports from India rose in FY05 to \$17.2bn, a 34.5% growth over \$12.8bn earned in previous fiscal. Projected IT and ITES export growth in the current fiscal is \$22.5bn, a 30-32% increase. The total value of outsourcing to India in '04 is estimated at 44% of the world-wide total. It is forecast to reach \$48bn by '08. IT software and services exports

were up at \$12bn, a 30.5% growth over the previous \$9.2bn, while ITES revenues were \$5.2bn, a 44.5% jump over \$3.6bn. Exports and domestic Indian IT and ITES industry together grew by 32% to register \$22bn revenues, from \$16.7bn last fiscal. Domestic software and services revenues stood at \$4.2bn, while the domestic ITES revenues were \$0.6bn. Domestic market revenues in FY04 were \$3.9bn.

### **IT exports up 34% to \$17.2 bn**

Software services industry grew 32% to touch \$22 billion during 2004-05. Software services exports registered highest growth since the slowdown in 2001, to touch \$17.2 billion (34% growth) during the year. Domestic market grew by 23% to touch \$4.8 billion.

### **IT & ITES sector hits million mark**

Indian IT and IT enabled services (ITES) industry employs over a million people recently. The landmark figure was crossed in FY05. The software and services industry employed 6.97 lakh people, up 23.6% from the 2.42 lakh employed in the last year. This sector employed 3.48 lakh people, up 52.6% over 42,000 it had the previous year. Indirect employment attributed to IT and ITES industry is 2.5m in FY05 according to Nasscom. IT services was \$55-65 per hour, while offshore rates were \$18-26 per hour. Besides the traditional application development and maintenance, Indian companies are now getting newer kinds of work like infrastructure management, and

engineering services. Indian companies now earn around \$400-500m from this service offering, the market size of which is estimated to be around \$7-12bn. In FY05, revenue from product development.

and R&D services was \$3bn, up from previous \$2.3bn. The top 4 Indian software exporters had 660 clients in the \$1bn plus category. US and UK remain the dominant market, Indian companies are gaining traction in newer geographers such as Japan, Germany and Singapore. 68 % of the FY05 software and services exports came from the US, 24% from Europe, 5% from Asia Pacific and the balance 3% from rest of the world. The offshore penetration of Fortune 500 companies increased to 400 companies in '04. Small and medium size firms have registered a growth of 20-22% in revenues last year. Mid-size firms demonstrating the value of a focused solutions provider and walking away from price driven deals, BPO firms balancing voice and non-voice business to diversify revenue and raise seat utilisation and increased cross border M&A activity.

