

News Desk May 29, 2013

India, Japan welcome progress made in Delhi Mumbai Industrial Corridor

In a joint statement issued here after delegation-level talks held here, Prime Ministers Shinto Abe and Dr. Manmohan Singh described the DMIC as a visionary India-Japan Strategic Partnership project which would enable India to access innovative, cutting edge technologies.

They also expressed satisfaction over the progress made in the implementation of the Western Dedicated Freight Corridor (DFC). They expressed satisfaction that in Phase-I the procurement of civil works was at an advanced stage and that the Engineering Service Consultants for Phase-II were already in position.

The two Prime Ministers also expressed satisfaction with the signing of the first tranche of the Main Loan Agreement for Phase-II totalling approximately 136 billion Yen.

Both leaders shared the view that all instruments of funding of the Japan Bank for International Cooperation (JBIC) and the Japan International Cooperation Agency (JICA), including the Special Term for Economic Partnership (STEP) may be explored.

They reviewed the rapid progress made in absorbing next generation technologies through smart community projects and directed the relevant authorities to vigorously accelerate implementation of the seawater desalination project at Dahej, Gujarat, the Model Solar Project in Neemrana, Rajasthan, and the gas-fired independent power producer (IPP) project in Maharashtra.

The two prime ministers also stressed on the early realization of other smart community projects and directed that all necessary measures be taken to provide solutions for provision of gas at reasonable rates and for electricity and environmental regulations so that each project moves ahead speedily as a symbol of India-Japan strategic partnership.

Noting the importance of increasing Japanese investment and business in India for economic growth of both countries, they expressed their expectation to advance cooperation between the Ministry of Commerce and Industry of India and the Ministry of Economy, Trade and Industry (METI) of Japan in the framework of India's "National Manufacturing Policy" in such areas as industrial human resource development and business environment improvement.

According to the joint statement, the two leaders also highly appreciated the achievements of the Visionary Leaders for Manufacturing (VLFM) programme as a valuable Japanese contribution to the development of the manufacturing sector in India and welcomed the development of this programme as the new project 'Champions of Societal Manufacturing'(CSM).

Prime Minister Singh noted Japan's interest in supporting the introduction of high speed railway system in India. Prime Minister Singh appreciated Japan's high level of expertise in designing and implementing High Speed Railway (Shinkansen) systems. Prime Minister Singh conveyed that India will plan such projects based on its infrastructure priorities, commercial viability and financial resources in India. The two Prime Ministers decided that the two sides will co-finance a joint feasibility study of High Speed Railway system on the Mumbai-Ahmedabad route.

Economic Times, 12th April,2013

Germany expresses interest in investing in DMIC project

DMIC is aimed at creating mega industrial infrastructure along the Delhi-Mumbai Rail Freight Corridor

Germany has expressed interest in investing in India's ambitious \$ 90 billion Delhi-Mumbai Industrial Corridor (DMIC) after New Delhi made special presentation on the project to investors here.

Although it initially started with the help of Japanese investment, the project is open to participation from other countries as well.

Official sources said that India has made special presentation to the Germans that was spread over three days during Prime Minister Manmohan Singh's visit here.

This was part of New Delhi's strategy to woo investment from Germany, which it terms as "major potential investor". Germany is Europe's largest economy and a key state in the 27-nation European Union.

DMIC is aimed at creating mega industrial infrastructure along the Delhi-Mumbai Rail Freight Corridor, which is under implementation.

Japan is giving financial and technical aid for the project, which will cover seven states totalling 1,483 km.

Seven National Manufacturing and Investment Zones (NMIZs) have been notified along the DMIC. The project envisages development of world-class industrial townships on a public-private-partnership model.

Japan has committed to invest \$ 4.5 billion in this project. The Union Cabinet had approved an expenditure of Rs 18,500 crore on development of infrastructure for the project.

Further, India has sought Germany's cooperation in taking up a pilot project on skill development in the Delhi-Mumbai Industrial Corridor project.

The new corridor planned between Mumbai and Bangalore likewise also opens up interesting prospects for Indo-German cooperation.

Economic Times, 28th march,2013

Japan's JICA extends Rs 11,400 crore loan to India

NEW DELHI: Japan International Cooperation Agency (JICA) today decided to provide a Rs 11,400 crore loan for funding various infrastructure projects in India, including the Delhi-Mumbai Industrial Corridor (DMIC).

The loan will be used for construction of dedicated freight corridor for the development of DMIC, metro project in Chennai and piped water project in West Bengal, JICA said in a statement.

Wednesday March 27, 2013

India aspires to become a manufacturing hub

There is a lot of potential when you look at India's demographics, says Sta Maria. On the right is Krishnan

KUALA LUMPUR: India, long known as a software haven and a market where some Malaysian companies had succeeded in infrastructure projects, is now making a new pitch: to become a manufacturing hub.

"We see the manufacturing sector as the key for growth in India," Amitabh Kant, chief executive officer of the Delhi-Mumbai Industrial Corridor (DMIC), told a packed conference room at the Malaysia-India

Business Council (MIBC) Invest India Conference and Roundtable 2013, entitled *India: The Road Ahead*, at the KL Convention Centre yesterday.

DMIC is India's most ambitious infrastructure programme that aims to develop new industrial smart cities to expand the country's manufacturing base.

Based on Deloitte Touche Tohmatsu Ltd's "2013 Global Manufacturing Competitiveness Index", India would become the second-most competitive manufacturing destination by 2018.

MIBC president Tan Sri Krishnan Tan said: "India is an important market for Malaysia. Our trade with India has been growing steadily, and today India is among the Top 10 of Malaysia's trading and investment partners."

International Trade and Industry Ministry secretary-general Datuk Dr Rebecca Fatima Sta Maria, who was also present at the event, said: "There is a lot of potential when you look at India's demographics."

However, she said that Malaysian companies venturing into India "had to be patient and had the staying power to harness the potential (of India)".

She noted that Malaysia was targeting to hit US\$15bil (RM46.45bil) in bilateral trade with India this year and reach the US\$20bil mark by 2015. Last year, bilateral trade hit a record US\$13.3bil.

"The enhanced engagement between the private sectors of the two countries also contributed significantly to higher trade and investment," she told reporters.

India's economy is expected to expand by 6% this year, according to the World Bank chief economist.

"India's strong economic fundamentals, growing affluent middle class, cost-competitiveness, and strong domestic consumption levels have certainly made it an investment destination of choice for many multinationals," Sta Maria added.

Apart from manufacturing opportunities, Indian officials speaking at the conference said that their government had allocated US\$1 trillion (RM3.10 trillion) for investment in infrastructure in its 12th five-year plan, with about 45% to be raised from the private sector.

Meanwhile, IJM Corp CEO and managing director Datuk Teh Kean Ming told *StarBiz* that the company was keen to look for opportunities under the DMIC.

Teh said IJM had one road project and one property development project in India this year.

The company has been in India for almost 15 years, with interests in several projects ranging from highway projects, power plants and property development to engineering, procurement and construction contracting.