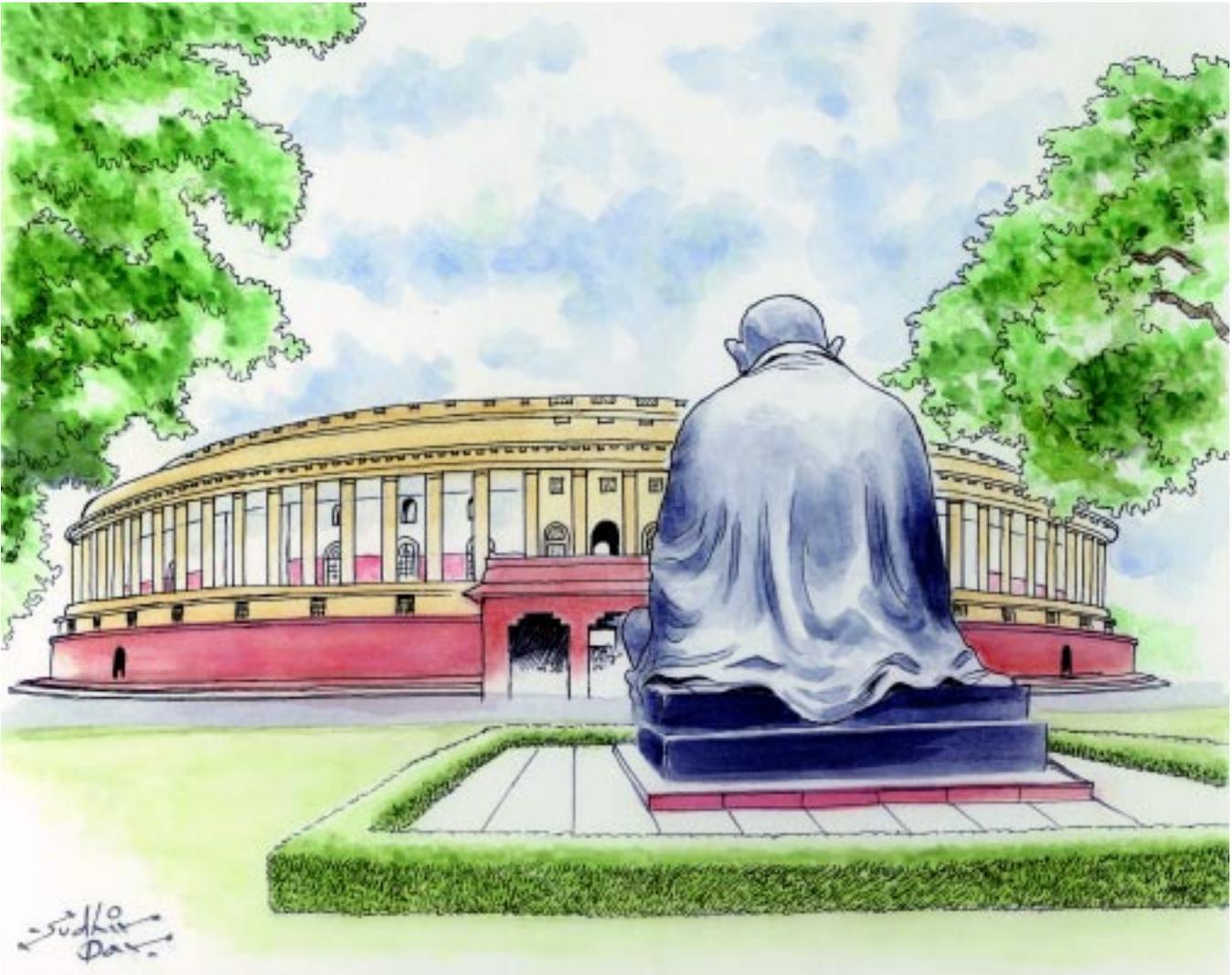


INDIA

A Dynamic Democracy



Sudha Dav

In its quest for modernisation, India has preserved its ancient civilization and never lost sight of the ideals that gave her strength through countless centuries. Science and technology provide the tools for improving the lot of its people. But the nation of over one billion continues to live with some of its traditions that go back 4,000 years, and more.

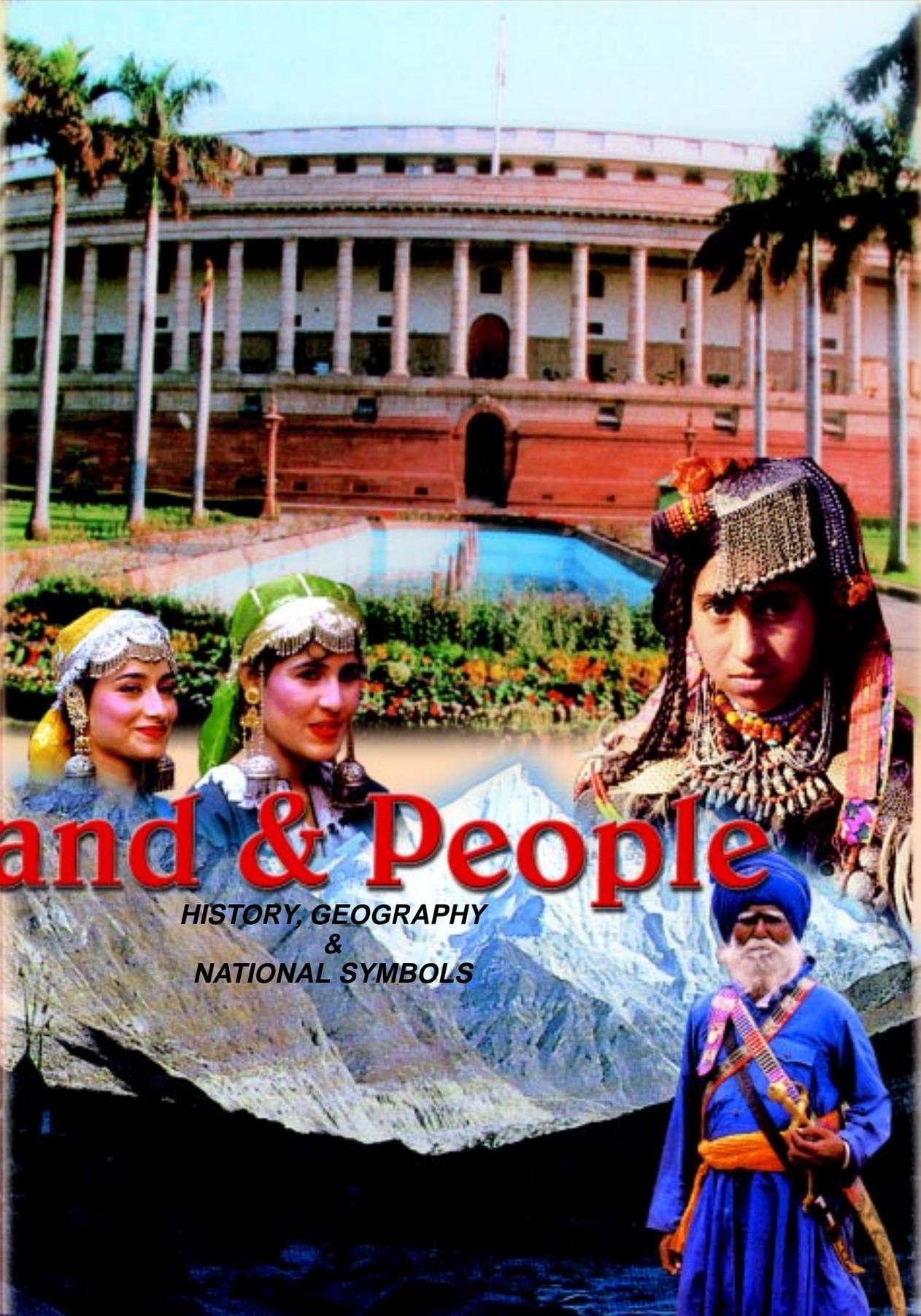
In a world where nations, big and small, are breaking into micro entities, often with disastrous consequences, India has demonstrated its inherent resilience. This strength comes from its composite culture that has made India a truly vibrant democracy.

INDIA
A DYNAMIC DEMOCRACY

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INDIA
A DYNAMIC DEMOCRACY



Land & People

HISTORY, GEOGRAPHY
&
NATIONAL SYMBOLS



History

The history of India is shrouded in antiquity. The country has been thought of as a nation of philosophers with a well-developed and even idyllic society. Excavations of sites belonging to the Harappan era show that the people lived in brick houses in towns with excellent drainage. One of the oldest scriptures in the world is the four-volume Vedas that many regard as the repository of national thoughts that anticipated many of the modern scientific discoveries. Despite formidable barriers in the form of the mighty Himalayas and

the oceans, India received a succession of foreigners, many of them wielding the sword. Out of these waves of immigration has emerged the composite culture of India and made it a land of unity in diversity. India became a land of assimilation and learning, a land of change and continuity. The Aryans were among the first to arrive in India which was inhabited by the Dravidians. Others who came here included Greeks, Persians, Mughals and even British, Portuguese and French. Over the years there have been many major ruling dynasties like the Shakas, the Kushans, the Mauryas and Guptas. Nearly every major religion in the world is represented in India which is also the land of the Lord Buddha, Lord Mahavira and Guru Nanak Dev, the founders of Buddhism, Jainism and Sikhism, respectively.

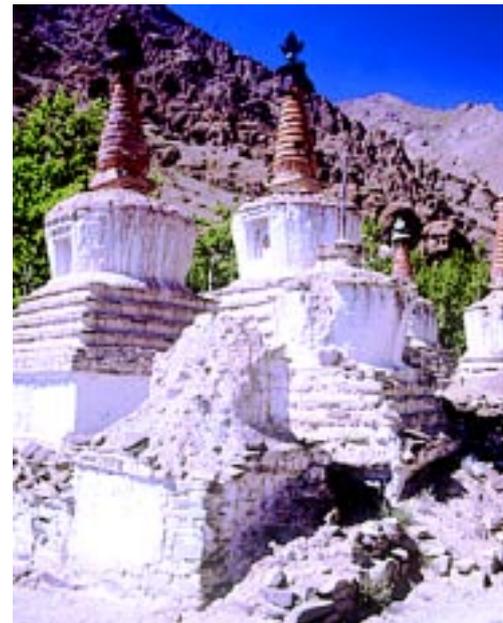


Physical Features

India, with an area of 3.3 million sq. km, is a subcontinent. The peninsula is separated from mainland Asia by the Himalayas. The country lies between 8°4' and 37°6' north of the Equator and is surrounded by the Bay of Bengal in the east, the Arabian Sea in the west and the Indian Ocean to the south.

The Himalayas form the highest mountain range in the world, extending 2,500 km over northern India. Bounded by the Indus river in the west and the Brahmaputra in the east, the three parallel ranges, the Himadri, Himachal and Shivaliks have deep canyons gorged by the rivers flowing into the Gangetic plain.

View of the three Bhagirathi peaks from the Ganga valley



On the shore of Lake Moriri in Ladakh



River Systems

The river systems may be classified as: (a) the Himalayan rivers, which are snow-fed and perennial and prone to flooding during the monsoon (June to September); (b) the Deccan rivers, rain-fed, fluctuating in volume and largely non-perennial; (c) the coastal rivers of limited catchment areas which are generally short (especially on the western coast); and (d) the rivers of the inland drainage basin are few and ephemeral. They drain towards individual basins or salt lakes like the one in Sambhar in Rajasthan or are lost in the sands, having no outlet to the sea.

Climate

The Himalayan range in the north acts as the perfect meteorological barrier for the whole country. Despite the country's size and its varied relief, the seasonal rhythm of the monsoon is apparent throughout. Although much of northern India lies beyond the tropical zone, the entire country has a tropical climate marked by relatively high temperatures and dry winters.



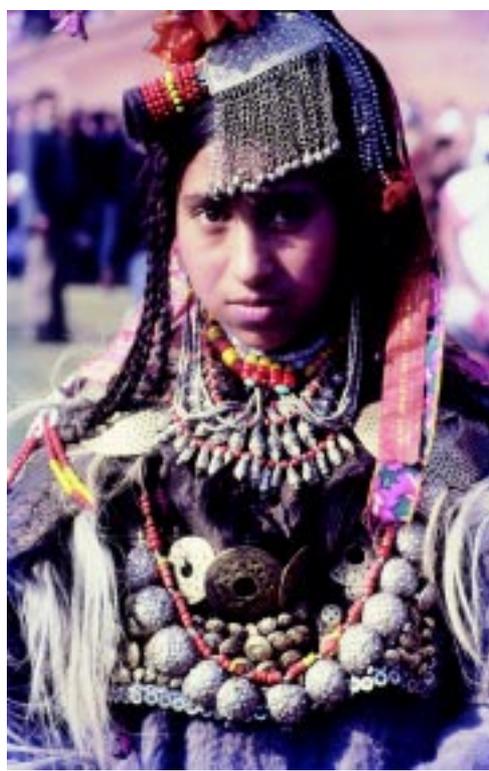
Autumn in the Kumaon hills



Near the source of the Ganga at Gangotri

Natural Vegetation

The Himalayan region, which is rich in vegetative life, possesses varieties that can be found practically from the tropical to tundra regions. In the rest of the country, the type of vegetation is largely determined by the amount of rainfall. Outside the Himalayan region; the country has three major vegetation regions: the tropical wet evergreen and semi-evergreen forests, the tropical deciduous forests, and the thorn forests and shrubs.



India is characterised by a variety of racial types, cultures and languages

People

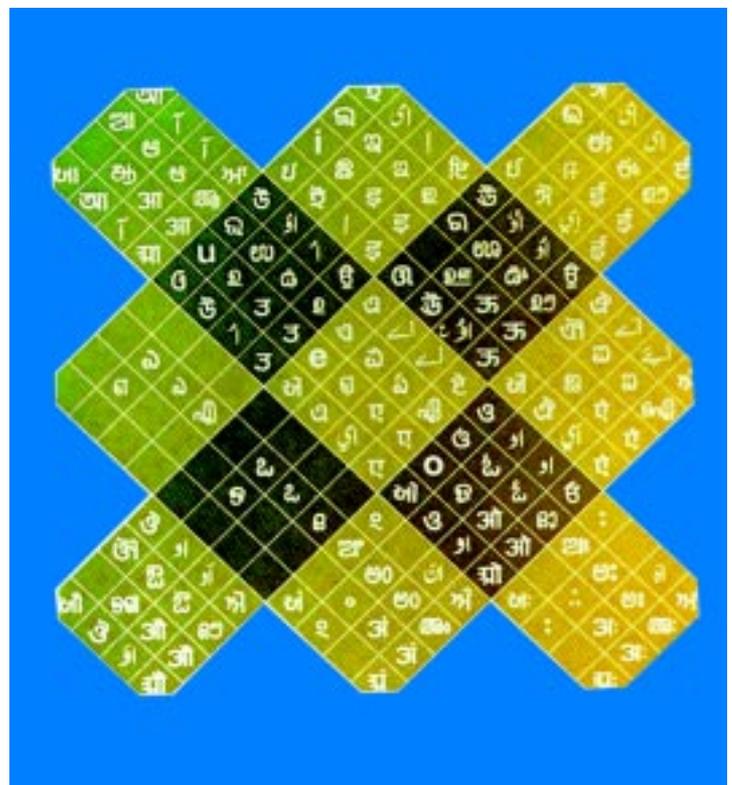
India is a country with probably the largest and most diverse mixture of races. All the five major racial types - Australoid, Mongoloid, Europoid, Caucasian and Negroid - find representation among the people of India.

Languages

India has 18 major languages. In addition to the officially recognised languages, over 1650 dialects are also spoken across the country. The Sanskrit of the Aryan settlers has merged with the earlier Dravidian vernaculars to give rise to new languages.

Hindi, spoken by about 45 per cent of the population, is the national language. English has also been retained as a language for official communication. More people read and write English in India than in many English speaking countries!

Indian literature dates back several millennia to the hymns of the vedic Aryans. The oral tradition nurtured classical literature, and produced great works of philosophy and religious doctrine. It also accounted for compilations of anecdotes like the Panchatantra and the Jataka tales, as well as epics like the Ramayana and the Mahabharata. In southern India, the creative energies of the Tamil poets found expression in the great works of Sangam literature. The epic Tirukkural by Tiruvalluvar is a masterpiece of this age. In the north, dramatists like Kalidasa produced great dramas in Sanskrit.



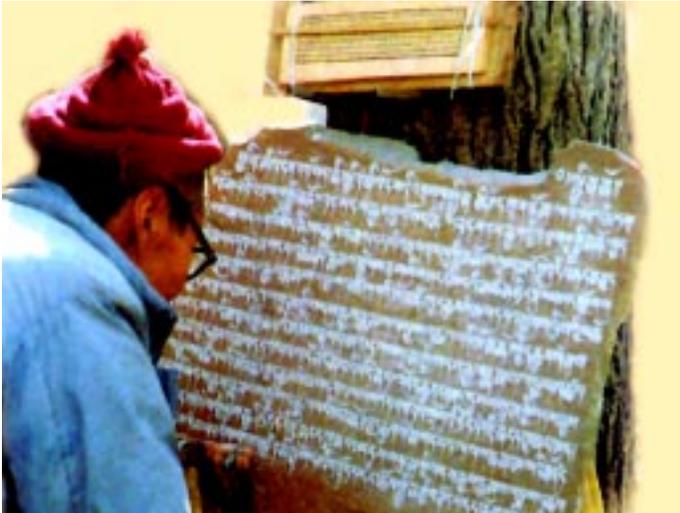
Calligraphic comparison of the different scripts in India

Religions

Hinduism: The Hindu religion had its origin in the concepts of the early Aryans who came to India more than 4,000 years ago. It is not merely a religion but also a philosophy and a way of life. Hinduism does not originate in the teachings of any one prophet or holy book. It respects other religions and does not attempt to seek converts. It teaches the immortality of the human soul and three principal paths to ultimate union of the individual soul with the all-pervasive spirit.



An Ancient Hindu temple



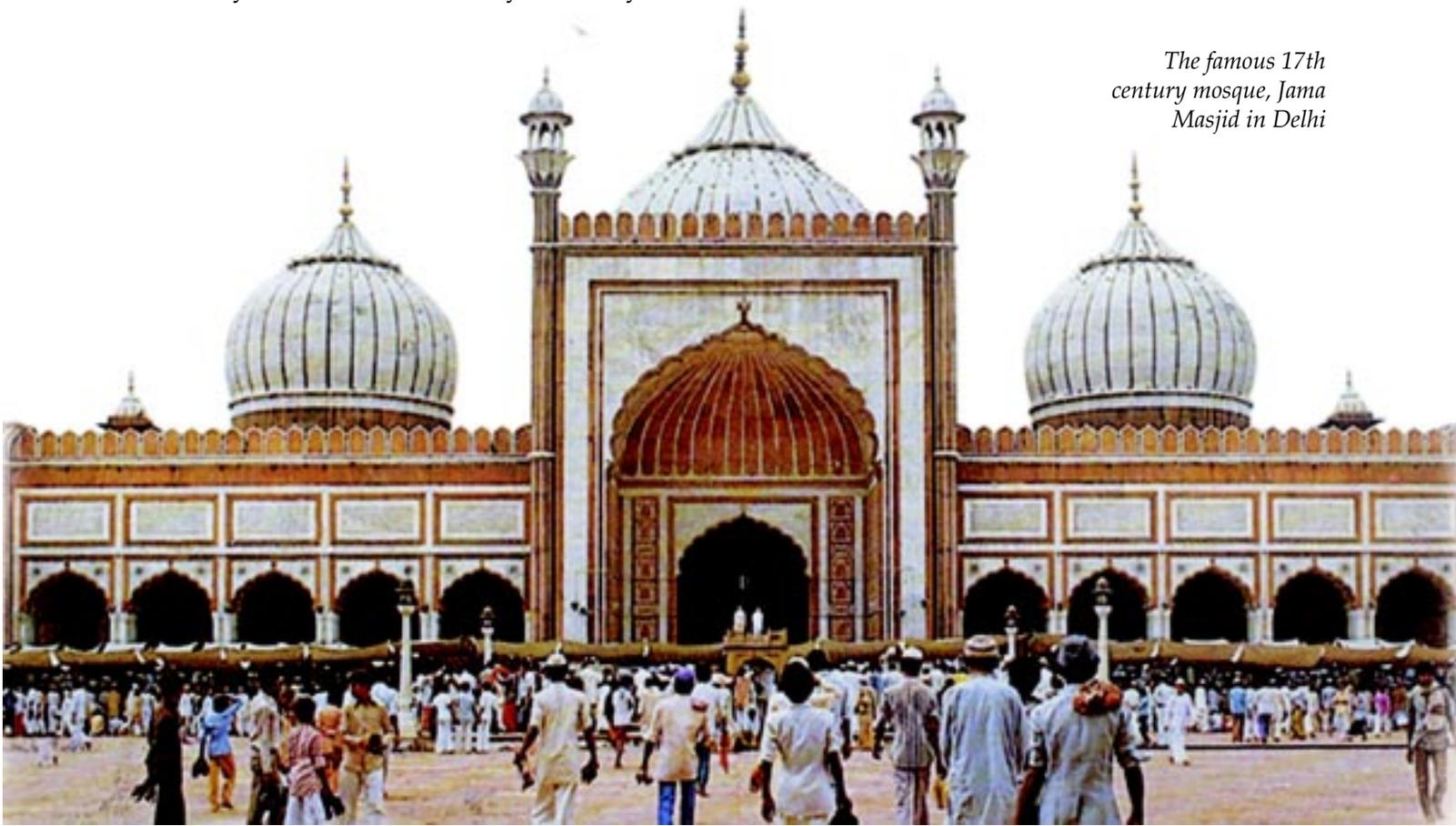
Engraving a Buddhist religious text

Jainism and Buddhism: In the sixth century before Christ, Mahavira propagated Jainism. Its message was asceticism, austerity and non-violence. At about the same time, Buddhism came into being. Gautam Buddha, a prince, renounced the world and gained enlightenment. He preached that 'Nirvana' was to be attained through the conquest of self. Buddha's teachings in time spread to China and many other countries of Far- and South-East Asia.

Islam: Arab traders brought Islam to South India in the seventh century. After them came the Afghans and the Moghuls, among who the most enlightened was Emperor Akbar who almost succeeded in founding a new religion Din-e-Elahi, based on both Hinduism and Islam. Islam has flourished in India through the centuries. Muslim citizens have occupied some of the highest positions in the country since independence in 1947.

The essence of Hindu faith is embodied in the Lord's Song, the Bhagavad Gita: "He who considers this (self) as a slayer or he who thinks that this (self) is slain, neither knows the Truth. For it does not slay, nor is it slain. This (self) is unborn, eternal, changeless, ancient, it is never destroyed even when the body is destroyed."

The famous 17th century mosque, Jama Masjid in Delhi

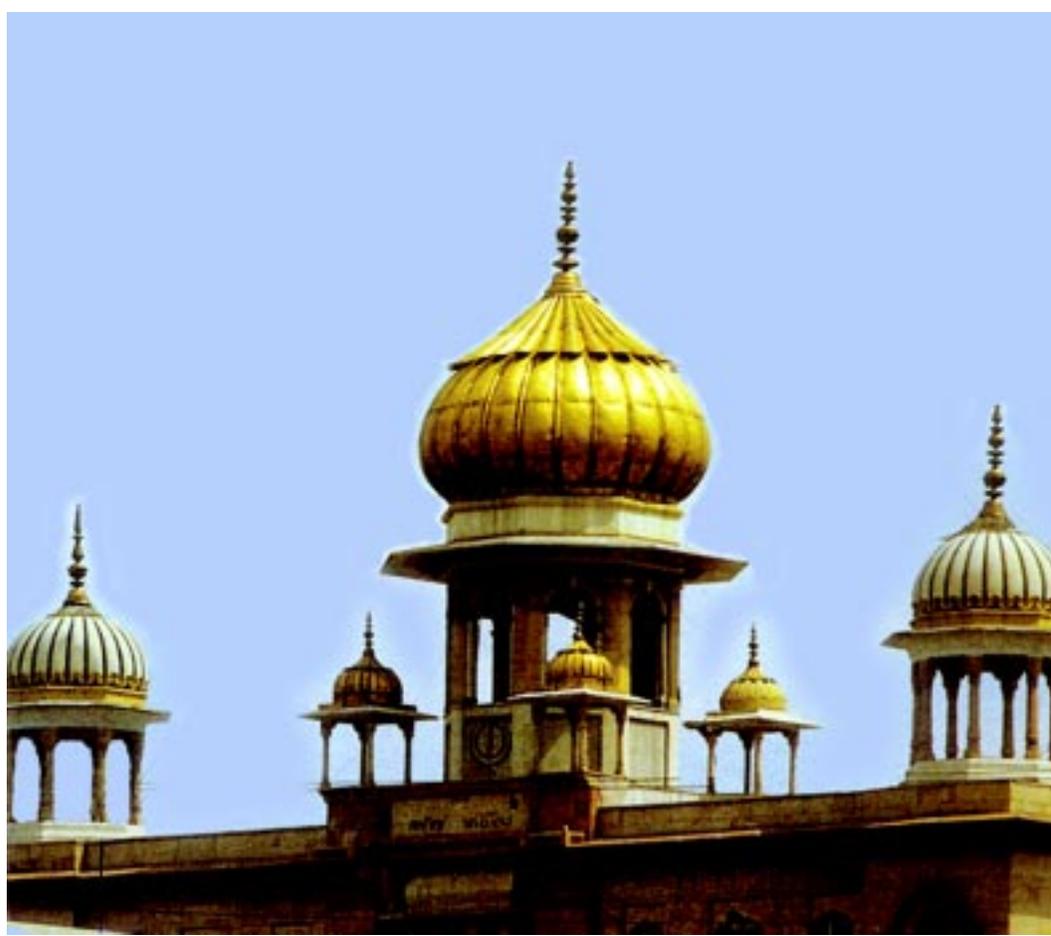


Sikhism: Guru Nanak, the founder of Sikhism in the 15th century, stressed the unity of God and the brotherhood of man. Sikhism, with its affirmation of God as the one supreme truth and its ideals of discipline and spiritual striving, soon won many followers. It was perhaps possible only in this hospitable land that the new religion could draw heavily on the Bhakti as well as the Sufi movements.

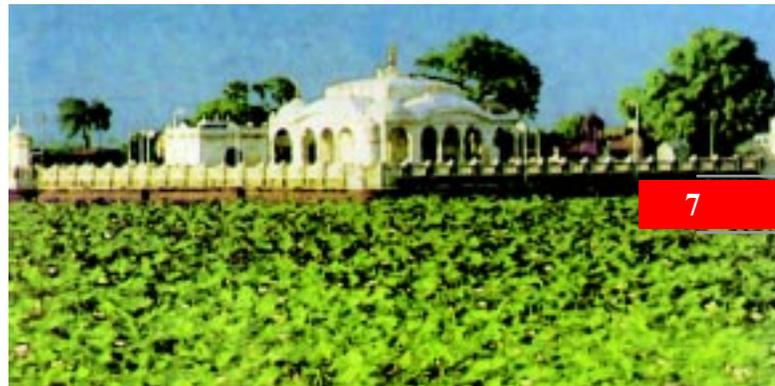
Christianity: Christianity reached India not long after Christ's own lifetime, with the arrival of St. Thomas, the Apostle. The Syrian Christian Church in the south traces its roots to the visit of St. Thomas. With the arrival of St. Francis Xavier in 1542 the Roman Catholic faith was established in India. Today Christians of several denominations practise their faith freely.

Zoroastrianism: In the days of the old Persian Empire, Zoroastrianism was the dominant religion in West Asia, and in the form of Mithraism, it spread over vast areas of the Roman Empire, far homeland and sought refuge in India. The first group is said to have reached Diu in about 766 A.D. The total number of Zoroastrians today probably does not exceed 130,000. With the exception of some 10,000 in Iran, almost all of them live in India, the vast majority concentrated in Mumbai. The Parsees, as Zoroastrians are called in India, excel in industry and commerce, and contribute richly to the intellectual and artistic life of the nation.

Judaism: Jewish contact with the Malabar Coast in Kerala dates back to 973 BC when King Solomon's merchant fleet began trading for spices and other fabled treasures. Scholars say that the Jews first settled in Cranganore, soon after the Babylonian conquest of Judea in



The Sisganj Gurudwara in Delhi, an important Sikh shrine



Pawapuri, the birth place of Mahavira



Se Cathedral in Old Goa



Synagogue in Cochin

586 BC. The immigrants were well received and a Hindu king granted to Joseph Rabban, a Jewish leader, a title and a principality.



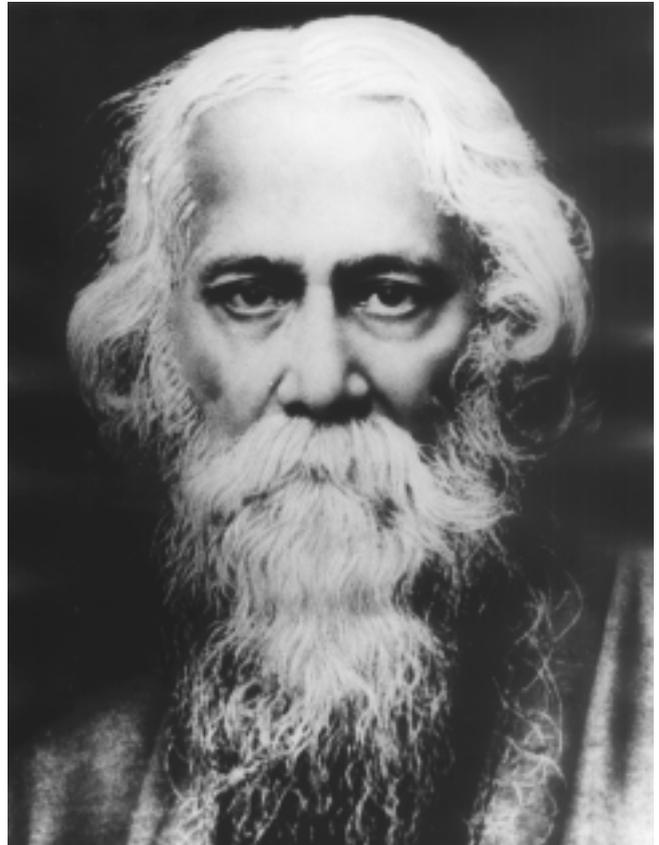
Parsee fire temple in Delhi

National Anthem

The song *Jana-gana-mana*, composed by Rabindranath Tagore, was adopted by the Constituent Assembly as the national anthem of India on 24 January 1950. It was first sung on 27 December 1911 at the Calcutta Session of the Indian National Congress. The complete song consists of five stanzas. The first stanza contains the full version of the National Anthem:

*Jana-gana-mana-adhinayaka, jaya he
Bharata-bhagya-vidhata.
Punjab-Sindhu-Gujarata-Maratha
Dravida-Utkala-Banga
Vindhya-Himachala-Yamuna-Ganga
Uchchala-Jaladhi-taranga.
Tava shubha name jage,
Tava shubha asisa mage,
Gahe tava jaya gatha,
Jana-gana-mangala-dayaka jaya he
Bharata-bhagya-vidhata.
Jaya he, jaya he, jaya he,
Jaya, jaya, jaya, jaya he!*

Playing time of the full version of the national anthem is approximately 52 seconds. A short version consisting of first and last lines of the stanza (playing time approximately 20 seconds) is also played on certain occasions. The following is Tagore's English rendering of this stanza:



India's first Nobel Laureate Rabindranath Tagore

*Thou art the ruler of the minds of all people,
dispenser of India's destiny.
Thy name rouses the hearts of Punjab, Sind,
Gujarat and Maratha,
Of the Dravida and Orissa and Bengal;
It echoes in the hills of the Vindhyas and Himalayas,
mingles in the music of Jamuna and Ganges and is
chanted by the waves of the Indian Sea.
They pray for thy blessings and sing thy praise.
The saving of all people waits in thy hand,
thou dispenser of India's destiny.
Victory, victory, victory to thee.*

National Emblem

The National emblem of India is a replica of the Lion of Sarnath, near Varanasi in Uttar Pradesh. The Lion Capital was erected in the third century BC by Emperor Ashoka to mark the spot where Buddha first proclaimed his gospel of peace and emancipation. The National emblem is thus symbolic of contemporary India's reaffirmation of its ancient commitment to world peace and goodwill.

The four lions (one hidden from view) - symbolising power, courage and confidence rest



on a circular abacus. The abacus is girded by four smaller animals, guardians of the four directions: the lion of the north, the elephant of the east, the horse of the south and the bull of the west. The abacus rests on a lotus in full bloom, exemplifying the fountainhead of life and creative inspiration. The motto 'Satyameva Jayate' inscribed below the emblem in Devanagari script means 'Truth alone Triumphs'.

National Flag

The Indian flag was designed as a symbol of freedom. The late Prime Minister Jawaharlal Nehru called it 'a flag not only of freedom for ourselves, but a symbol of freedom to all people.'

The flag is a horizontal tricolour in equal proportion of deep saffron on the top, white in the middle and dark green at the bottom. The ratio of the width to the length of the flag is two is to three. In the centre of the white band, there is a wheel in navy blue to indicate the Dharma Chakra, the wheel of law in the Sarnath Lion Capital. Its diameter approximates



the width of the white band and it has 24 spokes. The saffron stands for courage, sacrifice and the spirit of renunciation; the white, for purity and truth; the green for faith and fertility.

National Animal - Tiger

The large Asiatic carnivorous feline quadruped, *Panthera tigris*, maneless, of tawny yellow colour with blackish transverse stripes and white belly, proverbial for its power and its magnificence, is the national animal of India.

There are very few tigers left in the world today. In the middle of the century the tiger population in India had dwindled to a few hundreds. The Government of India, under its Project Tiger programme, started a massive effort to preserve the tiger population. Today, thanks to Project Tiger, India's population of tigers is in a comfortable position.



National Bird - Peacock

The blue-crested Indian peafowl or peacock (*Pavo cristatus*), found in many parts of the country, is probably the world's oldest ornamental bird. It has a long tail of multi-coloured feathers, each of which with an iridescent ocelli ('eye'). The male peacock is more beautiful to look at than the female peahen who lacks the brilliance of the male's showy plumage. A noticeable characteristic of the male peacock is that it erects its tail of colourful feathers into a 'train' (fan) when it wants to attract the female.

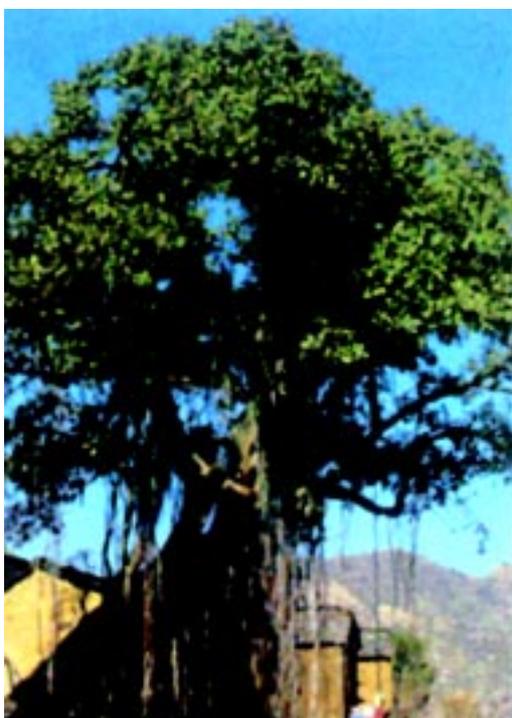


National Flower - Lotus

The Lotus or water lily is an aquatic plant of Nymphaea family with broad floating leaves and bright fragrant flowers that grow only in shallow waters. The leaves and flowers float and have long stems that contain air spaces. The big attractive flowers have many petals overlapping in a symmetrical pattern. The root fans out horizontally through the mud below the water. Lotuses are delightful to behold as their blossoms open on the surface of a pond. In India the sacred lotus is legendary and much folklore and religious mythology is woven around it.

National Tree - Banyan

Indian fig tree, *Ficus bengalensis*, whose branches root themselves like new trees over a large area. The roots then give rise to more trunks and branches. Because of this characteristic and its longevity, this tree is considered immortal and is an integral part of the myths and legends of India. Even today, the banyan tree is the focal point of village life and the village council often meets under the shade of this tree.



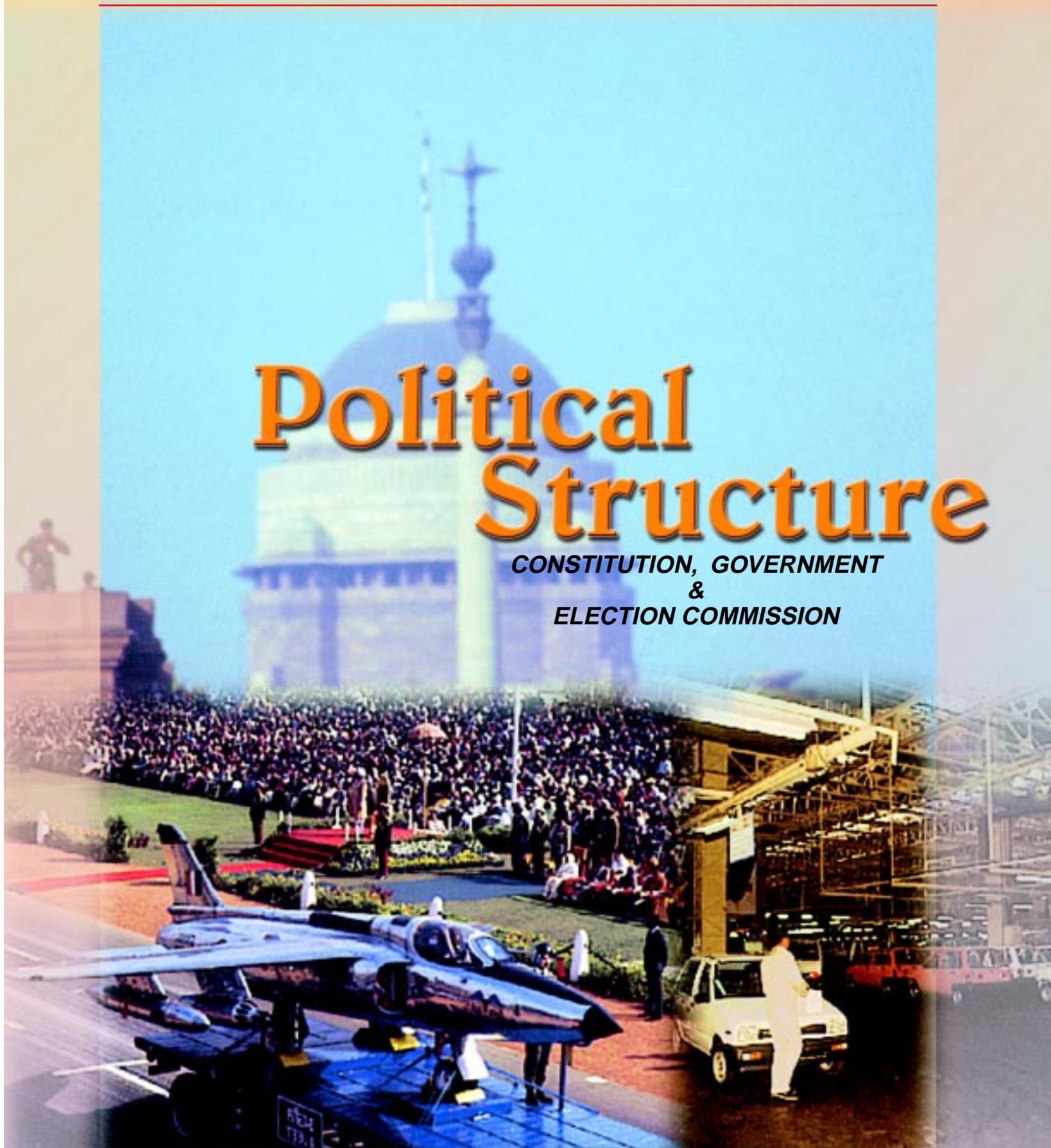
National Fruit - Mango

A fleshy fruit, eaten ripe or used green for pickles etc., of the tree *Mangifera indica*, the mango is one of the most important and widely cultivated fruits of the tropical world. Its juicy fruit is a rich source of Vitamins A, C and D. In India there are over 100 varieties of mangoes, in different sizes, shapes and colours. Mangoes have been cultivated in India from time immemorial. The poet Kalidasa sang its praises. Alexander savoured its taste, as did the Chinese pilgrim Hiuen-Tsang. Akbar planted 100,000 mango trees in Darbhanga, known as Lakhi Bagh.

INDIA
A DYNAMIC DEMOCRACY

Political Structure

*CONSTITUTION, GOVERNMENT
&
ELECTION COMMISSION*



The Dawn of Freedom

Led by Mahatma Gandhi, India after a unique non-violent campaign, threw off the yoke of British rule on August 15, 1947. Free India's first Prime Minister, Pandit Jawaharlal Nehru, described the moment as a 'tryst with destiny'.

In less than three years of attaining freedom, India had framed a Constitution and declared itself a Republic on January 26, 1950. The Constitution was given shape by some of the finest minds of the country, who ensured for the citizens of India the trinity of justice, liberty and equality. The Constitution was made flexible enough to adjust to the demands of social and economic changes within a democratic framework.

Adopting the path of democracy, the country held its first general elections in 1952 and since then, regular elections, to the Parliament as well as State legislatures have been a central feature of the working of the largest democracy in the world.



Mahatma Gandhi addressing a public meeting during the freedom struggle

The Union of India

India is a Union of twenty eight States and seven centrally administered Union Territories of which one, Delhi, is the National Capital Territory.

The States are Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttaranchal, Uttar Pradesh and West Bengal.

The centrally administered territories are Andaman and Nicobar Islands, Chandigarh, Delhi (National Capital Territory), Daman & Diu, Dadra & Nagar Haveli, Lakshadweep and Pondicherry.

Constitution

The Constitution of the Republic came into effect on 26 January 1950.

The Constitution provides for single and uniform citizenship for the whole nation and confers the right to vote on every person who is a citizen of India and is 18 years of age or older.

*Mahatma Gandhi
with Indira Gandhi*





Pandit Nehru delivering his "Tryst with Destiny" address to the midnight session of Parliament on Independence Day in 1947

Fundamental Rights

The Fundamental Rights of every Indian citizen include the freedom of speech, expression, belief, assembly and association, migration, and choice of occupation or trade. These rights also protect every Indian from discrimination on grounds of race, religion, creed or sex, and are enforceable in courts of law.

Government

The Legislature: India has a parliamentary form of government based on universal adult franchise. The executive authority is responsible to the elected representatives of the people in Parliament for all its decisions and actions. Sovereignty rests ultimately with the people.

Rajya Sabha (Council of States): The Council of States consists of not more than 250 members, of whom 12 are nominated by the President of India and the rest elected. It is not subject to dissolution, one-third of its members retiring at the end of every second year.

The elections to the Council are indirect. The allotted quota of the representatives of each State is elected by the members of the Legislative Assembly of that State, in accordance with the system of proportional representation by means of a single transferable vote. The nominated members are persons with special knowledge or practical experience in literature, science, art and social service. The Rajya Sabha is presided over by the Vice-President of India.

Lok Sabha (House of the People): The House of the People at present consists of 545 members. Of these, 530 are directly elected from the States and 13 from the Union Territories. Two members are nominated by the President to represent the Anglo-Indian community.

Unless dissolved sooner, the term of the House is five years from the date appointed for its first

Jawaharlal Nehru, Subhash Chandra Bose and other leaders





Area: 32,87,263 sq km
Land and boundary: 15,200 km
Coastline: 7516.6 km
States: India has 28 states and 7 union territories.
Largest state: Uttar Pradesh
Smallest state: Sikkim
Main Cities:
 New Delhi (Capital) : 12 million people
 Mumbai : 15 million people
 Kolkata : 12 million people
 Chennai : 6 million people
 Bangalore : 5 million people
 Hyderabad : 4 million people

The Judiciary: The judiciary is independent of the executive. It is the guardian and interpreter of the Constitution. At the apex of the entire judicial system exists the Supreme Court of India. Each State has its own High Court. A uniform code of civil and criminal laws applies to the whole country.

The States: The States have their own Legislative Assemblies and in certain cases a second Chamber. All members of the Legislative Assemblies are elected by universal adult franchise. The Heads of the States are called Governors. Appointed by the President, they normally exercise the same powers in the States as the President does in the Union government. As in the Central Government, each State has a Cabinet headed by the Chief Minister responsible to the elected State Legislature.

meeting. The Lok Sabha elects its own presiding officer, the Speaker.

The Executive: The President of India is the Head of the State and the Commander-in-Chief of the Armed Forces. He is elected by an electoral college composed of members of both the Houses of Parliament (Rajya Sabha and Lok Sabha) and the legislatures of the constituent States. The President holds office for five years and can be re-elected.

The President does not normally exercise any constitutional powers on his own initiative. These are exercised by the Council of Ministers, headed by the Prime Minister, which is responsible to the popularly elected Parliament.

The Vice-President is elected jointly by the members of both the Houses of Parliament. The person enjoying majority support in the Lok Sabha is appointed Prime Minister by the President. The President appoints other ministers on the advice of the Prime Minister. The Prime Minister can remain in office only as long as he or she enjoys majority support in Parliament.



Dr. A.P.J. Abdul Kalam, President of India



Parliament House

Election Commission: The electoral machinery is centralised in an independent statutory body called the Election Commission. The Commission is responsible for the superintendence, direction and control of the electoral rolls for all elections to Parliament and to the State Legislatures and also for conducting the elections.

Media

All India Radio (AIR) and Doordarshan (DD), which were administered by the government since their inception, are now governed by an independent body of eminent persons who constitute the Prasar Bharati Board. A large number of private 24-hour news as well as entertainment channels also beam their programmes across the country freely through satellite.

Newspapers and magazines in India are independent and largely privately owned. Over 5,600 newspapers, 150 of them major publications, are published daily in over 100 languages. Nearly 40,000 periodicals, some specialising in different subjects but most of general interest, are also published in India.

The Supreme Court of India



INDIA
A DYNAMIC DEMOCRACY

Foreign Relations & Defence





FOREIGN RELATIONS

The foundations of Indian foreign policy were laid during the freedom movement, when our leaders, even when fighting for independence, were engaged with the great causes of the time. The principles of India's foreign policy that emerged then have stood the test of time: a belief in friendly relations with all the countries of the world, resolution of conflicts through peaceful means, sovereign equality of all states, independence of thought and action, and equity in the conduct of international relations. In keeping with the past traditions of pursuing an independent foreign policy, India seeks to promote multi-polarity in world relations.

The guiding principles of Indian foreign policy today are founded on pragmatism and the pursuit of national interest without compromising on basic and well-established tenets and principles. In a period of rapid and continuing change, foreign policy must be capable of responding optimally





*Prime Minister Dr. Manmohan Singh meeting with the President of USA
Mr. George W. Bush in New York on September 21, 2004.*

to new challenges and opportunities. Indian foreign policy is viewed as an integral part of the larger effort of building the nation's capabilities through economic development, strengthening social well being, and of protecting India's sovereignty, territorial integrity and security not only in its defence and economic aspects, but in the widest sense of the term.

Commensurate with national interest and security, the improvement of bilateral relations is an important component of any foreign policy, and India has succeeded in establishing a network of mutually beneficial relations with all the countries of the world. In fact, a major priority and focus of

India's foreign policy is the intensification and consolidation of ties with the neighbours, strengthening of peace and security in our neighbourhood and in our region as a whole through mutually beneficial cooperation and by building a climate of durable trust and mutual acceptance of each other's legitimate concerns.

India has very close relations with the mountain kingdoms of Nepal and Bhutan with extensive linkages and interactions at various levels in diverse fields. Mutually beneficial economic cooperation with both these countries continue to be strengthened and enhanced, and bilateral mechanisms have been evolved to effectively



Prime Minister Dr. Manmohan Singh and the British Prime Minister Mr. Tony Blair, addressing a joint Press Conference in London on September 20, 2004.

address the various issues of mutual concern, including security. Significantly, Nepal was the first foreign country visited by Shri Natwar Singh after his appointment as the External Affairs Minister in the Congress-led UPA Government. India's relations with Srilanka and Maldives continue to be close and cordial. Government of India remains committed to the unity, sovereignty, and territorial integrity of Srilanka and to the restoration of a lasting peace through a peaceful, negotiated settlement that meets the just aspirations of all communities and which is consistent with democracy, pluralism and respect for individual rights. India has consolidated its relations with Myanmar and Bangladesh through high level exchanges and mutually beneficial arrangements. To diversify areas of contact and cooperation, the focus has been on stabilizing the situation in the border areas and cooperating in finding new ways and solutions for removing bottlenecks and obstacles and exploring ways to diversify trade.

India remains committed to establishing a relationship of peace, friendship and cooperation with Pakistan. Prime Minister Dr. Manmohan Singh and President Pervez Musharraf met in New York on September 24, 2004 and reiterated their commitment to continue the bilateral

dialogue to restore normalcy and cooperation between the two countries. The Composite Dialogue process is underway. India has made several wide-ranging proposals to Pakistan on building confidence and enhancing cooperation. Apart from identifying certain areas of convergence and future cooperation, India has also taken steps to liberalise the visa regime with Pakistan. The increase in people-to-people exchanges reflects the reservoir of goodwill on both sides, based on commonalities and affinities. Several high profile exchanges have taken place at the level of parliamentarians, business delegations, media, culture and sports. India is desirous of resolving all outstanding issues with Pakistan peacefully through bilateral dialogue in accordance with the Simla Agreement, the Lahore declaration and the Islamabad Statement issued on January 6, 2004. However, the whole process of serious and sustained dialogue hinges on building an atmosphere of trust and confidence, free from violence and terror and requires an end to cross-border infiltration and dismantling the infrastructure of terrorism in Pakistan.

India's endeavours to seek a friendly and cooperative relationship with China continue to be guided by the principles of Panchsheel, mutual sensitivity to each other's concerns and equality.



The visiting Prime Minister of Singapore Mr. Goh Chok Tong is being received by the Prime Minister Dr. Manmohan Singh at a Ceremonial Reception in New Delhi on July 9, 2004.

Over the last few years, the bilateral relationship has developed and diversified, and the momentum of high-level exchanges has been maintained. Prime Minister's visit to China in June 2003 has proved to be a crucial link in the chain of high-level visits forged over the past few years in the ongoing process of building mutual trust and understanding between the two countries. The Joint Declaration issued during the visit was signed by the two Prime Ministers themselves – the first time such a document was signed at this level between the two countries. The Declaration outlines the principles and shared perspectives, which will guide the future development of our bilateral relations. India's dialogue with China now addresses not only the various areas in which they can improve bilateral cooperation, but also international issues such as terrorism, security, environment, sustainable development and multilateral economic regimes. A notable development of recent days was China initiating a process by which Sikkim would cease to be an issue in India-China relations. India-China trade relations are developing rapidly. Exchanges are growing in culture, education, science & technology, media and tourism sectors. Both India and China are agreed to qualitatively enhance the bilateral relationship while addressing outstanding differences through peaceful means in a fair, reasonable and mutually acceptable manner.

With Japan, India's Global Partnership for the 21st century is being concretised around the two main pillars of economic cooperation and strategic convergence. The process was underlined when the Japanese Prime Minister visited India. With the Republic of Korea, as part of its Look East Policy, India is taking a long-term and comprehensive view of bilateral relations.

An important focus of India's foreign policy has been the strengthening of regional cooperation. India is an active member of the South Asian Association for Regional Cooperation (SAARC), which was launched in December 1985. With India's full support, SAARC has recently taken significant steps in accelerating the pace of economic cooperation in the region.

India's relations with its neighbours in South East Asia, bilaterally as well as collectively under the ASEAN framework, continued to chart new milestones. There is today much better appreciation in these countries of the strengths in India's pluralistic society, its democratic polity as also its liberalizing economy as manifested in the form of a large market, investment opportunities, IT prowess and HRD capacity, and also as a balancing factor in its relations with other Asian players.



Prime Minister Dr. Manmohan Singh with the Sri Lankan Prime Minister H.E. Mahinda Rajapakse

From a Sectoral Dialogue Partner of the ASEAN in 1992 and full dialogue partner and member of the ARF (ASEAN Regional Forum) in 1996, India became a Summit Partner in 2002, underlining the strong convergence of interests on both sides to forge a closer partnership. India and ASEAN signed a Framework Agreement on Comprehensive Economic Cooperation at the second ASEAN-India Summit in Bali in October 2003. India also signed a Framework Agreement for Establishing a Free Trade Area with Thailand in October 2003. India expects to sign an agreement on Comprehensive Economic Cooperation with Singapore.

Relations with countries in the Pacific region also moved to higher gear. Apart from closer engagement with Australia with meetings of Ministerial Framework Dialogue and Strategic Dialogue, India became the 12th Dialogue Partner of the Pacific Islands Forum (PIF) during the Suva Summit in August 2002. This new relationship, which is a natural extension of our 'Look East Policy' will help in building enduring linkages and cooperation with the region.

India's relations with the Central Asian countries continue to be excellent, underpinned by

historical and cultural bonds and marked by regular high-level contacts and multifaceted cooperation. India's Silk Route Initiative provides the roadmap to further consolidate and diversify India's ties with this important region.

India deeply values its close historical ties and traditional cultural affinities with the Gulf countries. Over the years, the mutually beneficial relations between India and the countries of the Gulf region have become multi-dimensional. The sizeable Indian community in the Gulf countries constitutes an important link between the people of India and the Gulf. The countries in the region are one of the main sources for India's energy imports and amongst our most important trade, investment and joint venture partners.

India enjoys cordial and increasingly substantive relations with 14 countries of West Asia and North Africa (WANA) region. With regard to the Arab-Israel conflict, India has been consistent in its support for Arab-Palestinian cause and has called for a comprehensive solution of the problem through peaceful negotiations. Ties with West Asia will receive a fresh thrust. The government fully backs the Palestinian cause. India has also been aggressively pursuing upgradation of our bilateral



President A.P.J. Abdul Kalam with President of Brazil Mr. Luiz Inacio Lula da Silva in New Delhi on 25-01-2004



Prime Minister Dr. Manmohan Singh shaking hands with Prime Minister of Thailand Mr. Thaksin Shinawatra on the sidelines of first BIMST-EC Summit in Bangkok on July 30, 2004.

trade and economic relations with these countries and has recently made major investments in upstream and hydrocarbon sectors in Sudan and Libya.

India-EU relations are characterized by a steady positive evolution in recent years. The institutionalization of the annual Summit dialogue between India and the EU is an emphatic assertion of the maturity and depth of their bilateral ties. The EU is India's largest trading partner and the highest investor. Trade and economic cooperation have steadily expanded over the years. The 4th India-EU Summit held in New Delhi on November 29, 2003 signified mutual interest to intensify the multifaceted cooperation. The 5th Summit was held at The Hague, Netherlands on November 8, 2004.

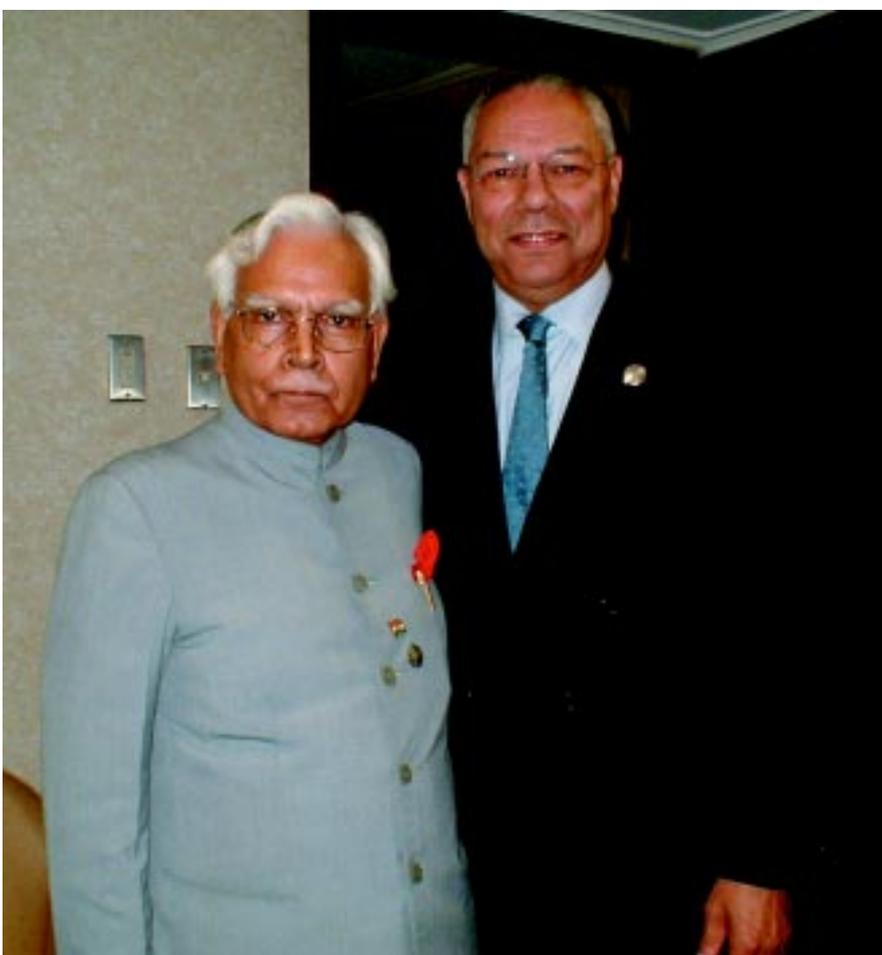
Russia continues to have a special place in India's foreign policy. India's relations with Russia have grown over the years to constitute an important foreign policy objective for both the countries. Close contacts including at the highest level, regular dialogue, intensive cooperation in economic, defence and scientific fields, and commonality in understand-ings of both the countries have been the elements of strength in the relationship.

India's relations with the United States have undergone a qualitative transformation in recent years. The two largest democracies have reached an unprecedented level of dialogue and engagement as they seek to build a strategic partnership in pursuit of their many common goals in Asia and beyond. The United States remains India's largest and one of the fastest growing economic partners. The bilateral economic cooperation has deepened across a wide range of subjects. The two sides are exploring frontier areas of S&T, developing vaccines against communicable diseases, pursuing transformational technologies for clean energy, making environment safer, strengthening mutual capabilities in combating terrorism and cyber crimes and discussing ways to deal with

transnational threats and proliferation of Weapons of Mass Destruction. They have crossed new thresholds in defence cooperation, high technology commerce and strategic trade.

A notable feature of Indian foreign policy has been its firm and consistent advocacy of general and complete disarmament. Nuclear disarmament continues to enjoy the highest priority. The nation's stand on issues related to disarmament and international security in various multilateral and regional forums are premised on India's national security interests and its tradition of close engagement with the international community. India's policy on disarmament also takes into account the changes that have taken place in the global security environment; the need to factor the diverse threats from non-state actors in contexts ranging from Weapons of Mass Destruction to Small Arms and Light Weapons. This is reflected in policy pronouncements and diplomatic initiatives within the UN and outside.

As a founder member of the United Nations, India has been firmly committed to the principles and purposes of the United Nations and has made significant contributions to its various activities,



Meeting between External Affairs Minister Natwar Singh and US Secretary of State Collin Powell



President of India Dr. A.P.J. Abdul Kalam with Pravasi Bharatiya Samman Award winners, January 2005*

including peace-keeping operations. As a major troop contributor participating in UN peacekeeping operations, India has always underlined its continuing commitment to peacekeeping as an important instrument for the maintenance of international peace and security. India has also played an active role in the deliberations of the United Nations on the creation of a more equitable international economic order. It has been an active member of the Group of 77, and later the core group of the G-15 nations. India has participated proactively in the various UN debates on environment, development, social and humanitarian issues, contributing many ideas that formed the basis of a number of resolutions.

Economic Diplomacy

Economic Diplomacy has been a key component of India's foreign policy. Apart from leveraging international economic institutional mechanisms to the best advantage of the country, one aspect of economic diplomacy has also been the promotion of South-South cooperation. The Indian Economic and Technical Cooperation (ITEC), established in 1964, provides a means of reaching out to other developing countries in the sharing of our developmental experience with them. Today this programme extends to 155 countries in Asia, East Europe, Africa and Latin America. Training has been very popular among these countries, which are sending nearly 3,000 candidates in Indian institutions each year. India also has sent experts in foreign countries and supplies equipment and machinery to the countries of South to meet their developmental needs.

Reforms

With the global trend of countries throwing open their economies, India has begun to place special stress on economic diplomacy at all levels — bilateral, regional and multilateral. The existing opportunities are being expanded while new ones are being created for trade, investment and technological cooperation with both the developed and the developing world. India feels that the establishment of a just and equitable International Economic Order is the only answer to the various economic ills and problems of development in today's world.

The success of India's economic reform programme may not be possible without a favourable global economic environment. The effort of the government has been, therefore, to forge a con-sensus at international fora in favour of policies that support the economic development programmes of the developing countries.

The Indian Diaspora

The Government has taken a series of steps to engage the Indian diaspora in a constructive manner and to address their long felt concerns. Reflecting this concern was the decision of the new government to create a separate Ministry of the NRI (Non-resident-Indian) Affairs, headed independently by a Minister of State. A separate division was created in the Ministry of External Affairs in April 2000 as nodal point to handle diaspora related matters. A High Level Committee on Indian Diaspora, chaired by Dr L.M.Singhvi, which was constituted in September 2000, has

made several recommendations about matters that concern the overseas Indian community. The recommendation on Revised PIO Card Scheme was implemented with effect from September 2002.

The Government organized the first Pravasi Bharatiya Divas (PBD) in New Delhi in January 2003, as recommended by the High Level Committee on Indian Diaspora. Over 2000 NRIs and PIOs from 61 countries gathered in the first event of its kind. Notable participants included the then Prime Minister of Mauritius, Aneerood Jugnauth, and Nobel Laureates Sir V S Naipaul and Prof. Amartya Sen. The second PBD was held in January 2004 with equally enthusiastic participation. The third PBD is scheduled to be held in Mumbai on January 7-9, 2005. The Government has also instituted Pravasi Bharatiya Samman Awards to honour eminent NRIs/PIOs and introduced other special schemes for the Diaspora. The Parliament passed a Bill on dual citizenship in December 2003.

The Government has consistently endeavoured to attend to the aspirations of the Indian diaspora. For example, at the specific urging of the Surinamese Indian community, the Seventh World Hindi Sammelan was held in their capital Paramaribo in June 2003.

It is difficult to enumerate the achievements of a country's foreign policy in exactly quantifiable terms. With this as a qualification, it would be a fair assessment to say that Indian foreign policy has sought to preserve, with conviction and consistency, the principles that were enunciated by the founding fathers of the Republic, both in the development of our bilateral relations and in

international fora. A significant factor underlying this achievement has been the consensus within the country, cutting across political divides, on the basic aims and objectives of Indian foreign policy.

DEFENCE

India believes in a policy that promotes peace and international cooperation. However, the country has a land frontier of 15,851 km, a coastline of about 7,600 km and an Exclusive Economic Zone (EEZ) of 2.2 million sq km. island territories, vital offshore installations and airspace. The armed forces, therefore, have to be kept prepared and well-equipped to repel any external threat.

The country's armed forces are well-trained, disciplined and free from politics. The accent in defence planning is on increasing indigenous capacity and a reliable mechanism of inter-services, inter departmental and multilevel coordination and monitoring has also been devised to help defence planning. The current strategic and technological scenarios as well as future projections are taken into consideration in preparing the defence plan. Periodic review addresses any unexpected development or threat to security.

Army

India has the largest standing volunteer Army in the world. The Territorial Army provides the second line of trained personnel. With a tenacity of purpose in combat, the Indian Army has been operating in some of the most varied and most inhospitable terrain imaginable, including the highest battlefield in the world, the Siachen Glacier.

Despite the end of the Cold War, the global strategic environment continues to be uncertain and unstable.

The rise of religious fundamentalism and ethnic assertions have heightened tensions in many parts of the world. It has also given birth to an indirect mode of warfare by way of terrorism which India has been fighting for over a decade. In such a scenario, the Indian Army needs to constantly upgrade its critical weapons and induct state-of-the art systems to ward off threats from potential adversaries.

In order to accomplish its envisaged role in the existing global and regional

Arjuna Tank - one of the most modern tanks in the world





Naval Aircraft Carrier R22 with 22 Aircrafts

geopolitical scenario, the Indian Army has embarked upon a comprehensive integrative process of modernisation, encompassing enhanced mobility and fire power, information technology and communication, surveillance, night fighting capability and matching logistic support systems. Indigenous strategic missiles, Prithvi and Agni, have added considerable reach to the Army's arsenal.

Keeping pace with the changing global political and strategic environment, India has stepped up its traditional defence cooperation relationship and forged new ties. This includes goodwill visits by senior military functionaries, joint exercises, technological exchanges, training interaction and export of defence items. Military-to-Military co-operation includes Joint Working Group (JWG) on Counter Terrorism with USA, UK, France and Russia, Army Staff Talks with France, Defence Consultative Group with UK, JWG on Peacekeeping with US and UK, as also Military Technical Interaction with US and Russia.

Indian Army has always made significant contribution to UN demands for peace keeping. Known for equanimity and forbearance, the performance of the Indian contingents in Congo, Somalia and Mozambique have received special praise. Currently, India has large contingents in Lebanon (UNIFIL) and Ethiopia/Eritrea (UNMEE) besides military observers in many other nations.

A notable development in the Armed Forces has been the decision to induct women officers in various branches of all the three services. The Indian Air Force has already commissioned trained women pilots. Encouraged by the success of the experiment to induct women officers, the Army proposes to increase the intake of women officers.

Counter insurgency operations have added to Army's toughness, tenacity and resilience. The Army has been rendering assistance during disasters and natural calamities. The Army has also been taking initiatives on matters relating to environment and conservation with afforestation drives, greening of wasteland and development of alternative sources of energy.

The Indian Army is an apolitical organisation with intrinsic secular characteristics and serves as an example of national integration. It enjoys the respect, trust and faith of the Indian population.

Navy

The Indian Navy has to guard not only a large coastline, but also offshore oil, seabed reserves and sea lanes which are used for 97% of the Indian trade.

Modernisation of the Navy is being carried out to meet the threat perception in the prevailing security environment. There is a proposal for indigenous construction of an air defence ship. As part of a long term perspective plan for construction of submarines, the Mazagaon Dock Limited has already constructed several submarines and destroyers for the Indian Navy. A Russian aircraft carrier will soon be joining the Indian Navy to become the second such ship in the naval fleet.

India is one of the few countries to have the technology for submarine construction. The Indian Navy has also pioneered in Asia the idea of docking a submarine on pontoon, which will help in carrying out all dry dock routines. The Indian Navy also has the proud distinction of participating in all the Indian expeditions to Antarctica.



Watching the vast Indian skies, the Indian Air Force

Air Force

Though the Indian Air Force, like the other services, suffers from resource constraints, it has made tremendous technological advancements in recent years, which have helped in indigenisation of a vast range of equipment and sophisticated technology. This has also enabled the IAF to upgrade and integrate state-of-the-art weapons and avionics in the existing fleet.

Progress has been made in developing Light Combat Aircraft, air defence radars, pilotless target aircraft and air-to-ground weapons. Overhaul facilities for the MiG 29 and Mirage-2000 are also being set up. The process to acquire Advanced Jet Trainers is well under way. The Air Force fleet will be strengthened with the induction of Russian Su-30 aircraft.

The electronic warfare capability, crucial in modern day wars, and precision guided munitions capabilities of the IAF are also being upgraded and soon the entire IAF fleet will be equipped with global positioning system sets.

Defence Research and Development

A network of 51 laboratories function under the Defence Research and Development Organisation (DRDO), which was set up to achieve technological self-reliance in defence systems and weapons, including aircraft and missile systems.

The Light Combat Aircraft (LCA) developed by DRDO is a multi role air superiority fighter designed for combat. It will soon be inducted into the Air Force.

An Integrated Guided Missiles Development Programme (IGMDP) has been undertaken to develop state-of-the-art missiles to counter threat from adversaries.

The long-range supersonic anti-ship cruise missile system *Brahmos*, successfully flight tested, is being developed jointly with Russia. This missile system with a 300 km range is capable of being launched from land, sea, subsea and air.

The Agni I surface-to-surface ballistic missile with a range of 800 km uses solid fuel as propellant, consists of single stage rocket and carries a one tonne warhead. Agni II has the capability of being configured with any type of warhead. It has mobile launch capability, state-of-the-art control and guidance and re-entry technology. The limited series production of Agni II has started. DRDO has also taken up development of the 3000-km range Agni III.

Indian Ocean

Over the past two decades, the Indian Ocean has become an arena of great power rivalry, confrontation and tension. The littoral and hinterland States of the Indian Ocean have expressed their unified and determined opposition to outside military presence and called for its elimination in the United Nations Declaration on the Indian Ocean as a Zone of Peace. India hopes that the great powers and major maritime users will join the efforts of the littoral States of the Indian Ocean in achieving this objective.

INDIA
A DYNAMIC DEMOCRACY



Economy Industry & Trade

**GLOBALISATION OF TRADE &
COMMUNICATION REVOLUTION**





A New Era

Though agriculture has been the main preoccupation of the bulk of the Indian population, the founding fathers saw India becoming a prosperous and a modern State with a sound industrial base. Programmes were formulated to build adequate infrastructure for rapid industrialisation.

Since independence, India has achieved a good measure of self-sufficiency in manufacturing a variety of basic and capital goods. The output of the major industries includes aircraft, ships, cars, locomotives, heavy electrical machinery, construction equipment, power generation and transmission equipment, chemicals, precision instruments, communication equipment and



Infosys a software giant and one among the fortune 500 companies

computers. Early planners in free India had to keep in mind two aims: all-round development and generation of large-scale job opportunities. Economic development strategies were evolved with an eye on these twin objectives.

Economic Restructuring

The Process of liberalisation was initiated by the late Prime Minister Rajiv Gandhi and it gathered steam in subsequent years, irrespective of the government in power. The present Prime Minister Dr. Manmohan Singh is widely hailed as the chief architect of India's economic reforms. The new

Congress-led coalition Government has reiterated very clearly that there is no going back on economic reforms. But these reforms will be carried out with " a human face". It implies that the reforms must stimulate growth, investment and employment. India has become an attractive destination for foreign investment. The process of economic reforms is well on course. Duties have been lowered, repatriation of profit made liberal and levels of foreign equity raised considerably. While several multinational companies have entered India, many Indian companies have also gained international recognition. Forbes magazine has been listing Indian companies among the world's most successful companies outside the US.



Software Professionals at work

In the field of computer software, India is among the major exporting nations with an overflow of scientists in the field. A clear acknowledgement of Indian talent is the fact that 100 out of 500 Fortune companies have set up R & D centres in India.

India is a member of the World Trade Organisation (WTO) and hopes that developing nations will not suffer on account of any protectionism. India and other developing countries have repeatedly stressed that the WTO needs to improve the transparency of its functioning to instill confidence in developing countries, necessary for the rule-based multilateral trading system to work satisfactorily.

Foreign trade has been crucial to India's economic growth. The country's total external trade in 2002-03 crossed \$111 billion and between April and November 2003 it was 16 percent higher than the



Shopping Malls, Plazas and multiple entertainment complexes

Stock Exchange

According to the World Federation of Exchanges, India's National Stock Exchange (NSE) with 172 million transactions in 2001 was the third largest exchange in the world, after NASDAQ and NYSE. In the same year the Bombay Stock Exchange (BSE) with 133 million transactions was ranked sixth. Stock exchange activities in the country are monitored by the Securities and Exchange Board of India (SEBI).

Infrastructure

In view of its crucial importance for the development of the country, special attention is given to the infrastructure sector in India. As a result, the infrastructure sector has been registering a healthy rate of growth in recent years.

Power

The installed capacity of power generation in the country at the end of March 2003 was 107,972.8 MW, most of which was thermal power with hydro (including wind) and nuclear generation together contributing about 30 percent. The policy of inviting private sector has been well received. The Government has set an objective of providing 'Power for All by 2012' and has launched 'Mission 2012 - Power for All' in this direction.

corresponding period in 2002. In 2002-03, exports also crossed the milestone of \$50 billion to register \$51.7 billion. In dollar terms, India was able to more than double its exports of merchandise in the last 10 years. This was achieved at a time when most economies were struggling to revive. At \$112 billion India's foreign exchange reserves exceeded the forex reserves of the US, France, Russia and Germany. Remittances from expatriates and software earnings have been rising continuously.

Consumer Boom

In the wake of liberalisation, many international business houses, attracted by the sheer volume of over 250 million buyers have flooded the Indian market.

The landscape in many urban commercial centres has come to be dominated by big shopping malls, plazas and multiple entertainment complexes, displaying the latest in consumer and fashion goods, not to speak of global fast food chains.



Gardha Gas Project, Bharuch, Gujarat

Coal

Coal is the most important source of energy in India and the country has ample fossil fuel reserves. The country's industrial heritage was built upon indigenous coal. Commercial energy consumption in India has grown several-fold in the last five decades. The current per capita primary energy consumption in India is below that of developed countries. Driven by the rising population, expanding economy and a quest for improved quality of life, energy usage in India is expected to rise to around 450 kgoe/year in 2010. Considering the limited reserve potentiality of petroleum & natural gas, eco-conservation, restriction on hydel project and geo-political perception of nuclear power, coal will continue to occupy centre-stage of India's energy scenario. Hard coal reserves of over 206 billion tonnes, of which about a third are proven, are spread over 27 major coalfields, mainly in eastern and south central parts of the country. The lignite reserves stand at a level around 26 billion tonnes, of which 90 per cent occur in the southern State of Tamil Nadu.



An offshore installation of the Oil and Natural Gas Commission



The Indian Railways is the second largest network in the world

Petroleum and Natural Gas

The country's economic liberalisation programme has brought some fundamental changes and restructuring of the Indian oil and gas industry. Recent initiatives by the Government allow private oil companies, both foreign and Indian, to explore new oil and natural gas reserves, develop proven reserves, and establish petroleum refineries and pipelines. The entire Indian petroleum sector has been opened to the private sector, domestic and foreign, for investments through joint ventures and strategic alliances.

The Administered Pricing Mechanism (APM) has been dismantled from April 1, 2002 and oil companies have been allowed the freedom to set retail prices in transport fuels. An estimated investment of US\$ 100-150 billion is needed over the next 10 to 15 years to meet the projected demand. Additional refining capacity of 110 million tonnes per annum will be required by the year 2010 for domestic consumption. Extensive oil and gas distribution infrastructure such as cross-country pipelines, port terminals, tankages and strategic reserves build-up will have to be developed to meet the projected requirements.

The refining sector has been opened to the joint and private sector. Total planned refining capacity by the year 2006 is expected to be about 170 MMTPA.

Railways

The over 150-year-old Indian Railways are the largest rail network in Asia and the world's second largest under one management. In 24 hours, the Indian Railways network covers a distance four times the distance between the earth and the moon. Crisscrossing the country's vast geographical spread, Indian Railways are a multi-gauge, multi-traction system covering over 100,000 track kilometres with 63,140 of route-kilometres. Its rolling stock fleet includes about 8000 locomotives, 39,000 coaches and about 300,000 freight wagons. Its work force is 1.47 million and it runs some 15,000 trains everyday, including 9,000 passenger trains. Freight traffic on Indian Railways has registered an impressive growth in the last four decades. Increase in the last few years have been particularly striking. From 73.2 million tonnes in 1950-51, the revenue freight traffic reached 492.5 million tonnes in 2001-02. This has been despite the ever-increasing pressure of passenger traffic, which was 493.5 billion passengers in 2001-2 against 66.52 billion in 1950-51. Over the years,



State-of-the-art Delhi Metro Rail



Indian Railways have built up an elaborate and well-established manual information system to help them monitor their moving assets.

Delhi Metro

The Delhi Metro (suburban) rail project, a new landmark of the metropolis, promises to radically change the public transport system in the national capital. It is a combination of surface, underground and elevated corridors, being built to international specification of safety and construction. Delhi is choked with cars and people, and of the 11.7 million daily transit trips, 99 percent are road-based, making it necessary for the city to have a Metro system. Two sections of the Metro are already in operation, touching eastern and northern parts of the city. It is now proposed to extend the Metro not only to the rest of the city but also to its extended suburbs. In fact, the Delhi Metro has already attracted wide attention, nationally as well internationally. Apart from many large Indian cities, a number of foreign countries, as far apart as Sri Lanka, Colombia and Indonesia, have evinced keen interest in replicating the Delhi Metro system.



Roads

With over 3.3 million kilometres of roads, India has the second largest road network in the world. But industrialisation demands more and better roads which will result in enormous savings, estimated to be between Rs 200 and 300 billion (\$5.7-8.6 billion) per annum. Improvement of the road network will also enable commercial vehicles to run 500-600 km per day, which is the average distance covered by them in the developed world, as opposed to the 200-300 km per day average in

India currently. Under execution at present is the world's largest infra-structure project, the Rs 540 billion/\$12.6 billion National Highways Development Project which promises to achieve a major turnaround in the road sector by the end of 2007. NHDP comprises the 5846 km long golden quadrilateral (GQ) connecting four major cities of Delhi, Mumbai, Chennai and Kolkata and the 7300 km long north-south, east-west corridors connecting Srinagar in north to Kanyakumari in South and Silchar in east to Porbandar in West respectively.



Shipping

The natural advantage of a vast coastline requires India to use sea transport for the bulk cargo transport. Following the policy of liberalisation, the Indian shipping industry, major ports, as also national highways and water transport have been thrown open to the private sector. Most of the categories of ships viz. crude tanker, product tanker, bulk carriers etc. have been brought under the Open General Licence (OGL) to facilitate acquisition at

competitive price. Automatic approval is also available for acquisition by ship-owning companies for the categories which are not covered under OGL i.e. barges, tugs and boats etc. Shipping companies have been allowed to retain sale proceeds of their ships abroad and utilise them for fresh acquisition. Time Charter of ships by Indian Shipping Companies has been provided as also automatic approval for foreign direct investment of up to 74% in shipping.

At the end of March 2003, 140 shipping companies were in operation in India, with the Shipping Corporation of India being the biggest in the country claiming a 42 percent share of the total

Indian tonnage. The country has 12 major ports, 184 other ports, nine shipyards and a coastline of 7517 km.

Aviation

Following the opening up of air cargo services to private operators in 1990, several private international airlines have begun to operate cargo flights. The result is an improvement in the availability of timely cargo services at competitive rates, decline in cargo rates and increase in the volumes handled by as much as 15 to 20 per cent a year. A similar 'open skies' policy was introduced for passenger traffic in 1994, which

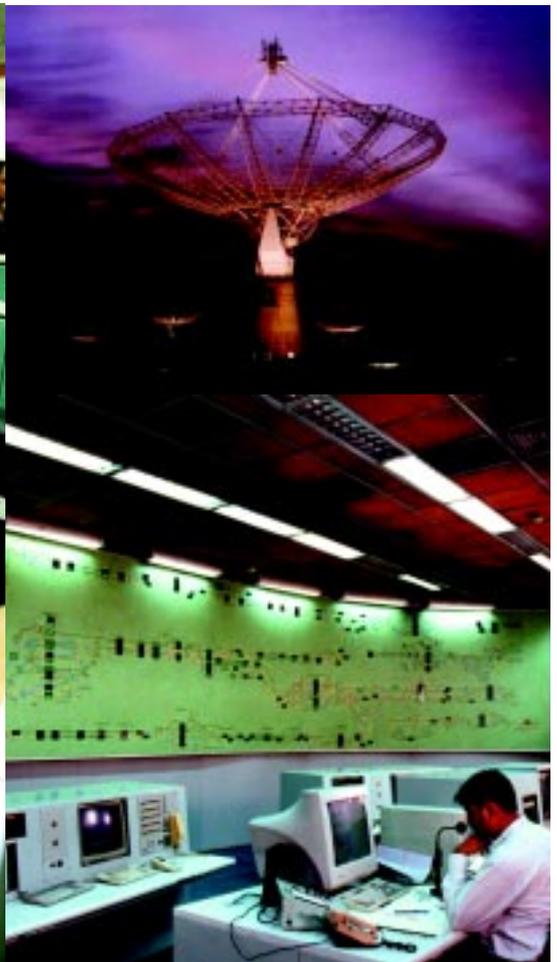
ended the monopoly of public sector domestic and international carriers. Currently, Indian Airlines and its subsidiary, Alliance Airways, and two scheduled and 40 non-scheduled operators serve the domestic passenger market. The private operators' market share of domestic passenger traffic has risen to over 52 per cent. Overall capacity has risen significantly, and consumer choice and competition has led to enhanced service quality. The entry of private airlines has also accelerated the growth of passenger air traffic. The Government has taken several measures to support the development of adequate airport infrastructure, like the opening of airport construction to the private sector.

Pipelines

Pipelines occupy key position in the petroleum sector logistics. Both Public Sector Undertakings and the private sector players in India are trying to ensure a hold over this safe and cheap mode of transportation. Initially each of these players had



Indian Petro Chemicals Limited, Baroda



plans of laying their own pipelines but the government wanted a systematic and integrated distribution network. Consequently, 'Petronet India Ltd' came into existence with public sector oil and gas companies jointly holding 50 percent stake in the company and five financial institutions holding the rest. A 1,700-km pipeline is already in existence. Besides, India has nearly 7,000 km of pipelines mainly for the transportation of crude oil and its products.

Telecommunications

Sweeping changes over the past decade have contributed to the rapid growth of the Indian telecommunication system which had begun in 1851 with a telegraph line between Kolkata (then Calcutta) and Diamond Harbour. Among these changes are the adoption of advanced switching and transmission technologies; permitting private entry into equipment manufacture; liberalisation of equipment imports and the lowering of import tariffs. And in the last five years, the reforms have accelerated, aiming at a total transformation of the market. India with 100 million basic and mobile phones has the fifth largest telecom network in the world. Yet, given the low telephone penetration rate – only 1.5 per 100 of population,

which is 1/10th of the global average—India offers vast scope for growth. The country has one of the fastest-growing telecommunications systems in the world, with system size (total connections) growing at an average of over 20 per cent a year. The cellular customer base has been growing at the rate of about two million per month.

Steel

The economic reforms initiated by the Government since 1991 have added new dimensions to industrial growth in general and steel industry in particular. Licensing requirement for capacity creation has been abolished, except for certain locational restrictions. Steel industry has been removed from the list of industries reserved for the public sector. Automatic approval of foreign equity investment up to 74 per cent is now available. Price and distribution controls have been removed to make the steel industry efficient and competitive. Restrictions on external trade, both in import and export, have also been removed. Import duty rates have been reduced drastically.

Certain other policy measures such as reduction in import duty of capital goods, convertibility of rupee on trade account, permission to mobilise

resources from overseas financial markets and rationalisation of existing tax structure for a period of time have also benefited the Indian Steel Industry.

Today, India is the eighth largest steel producing country in the world. The annual growth rate of crude steel production jumped to eight percent in 2002-03 from 3.7 percent in 2001-02. The production of finished steel increased to 32.99 million tonnes in 2002-03 from 29.27 million tonnes in 2000-01.



Engineering and machine tools

The Indian machine and machine tool manufacturers and exporters with their pursuance of a systematic approach to quality control and product standardization coupled with a long history of engineering excellence have hence carved a niche market position for themselves in the international arena.

More than 2500 firms from the engineering sector have acquired ISO 9000 accreditation in areas of casting and forging, automobile parts, machine tools, electrical machinery, primary iron and steel products, industrial machinery, IC engines, pumps, textile machinery, etc. The Indian machine tool industry manufactures almost the complete range of metal-cutting and metal-forming machine tools.

There has been a perceptible change in the image of the 'Made in India' brand in overseas markets – particularly true for Indian-built machine tools.

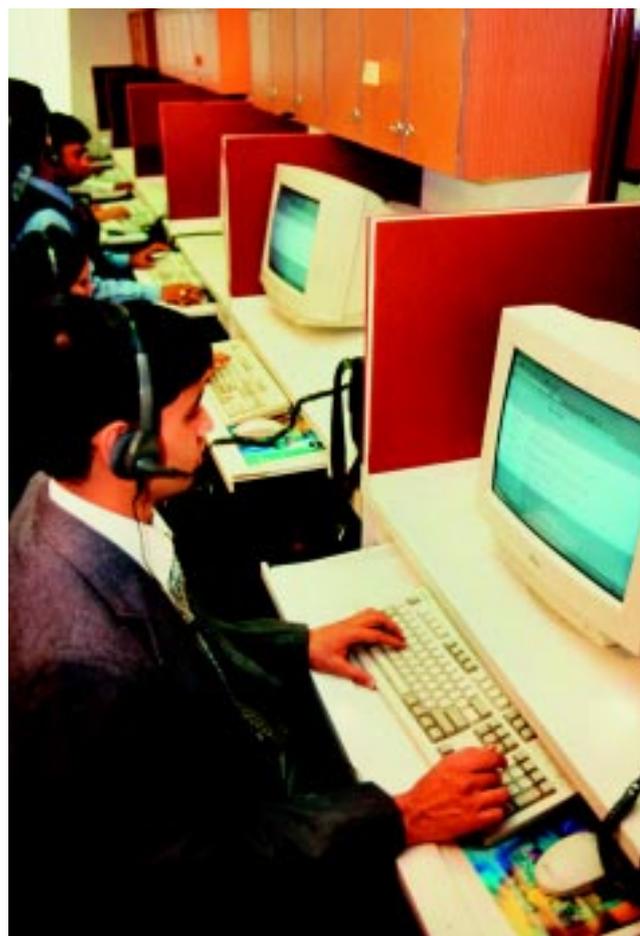
Enhanced features, competitive price and marketing focus have increased demand for Indian-made machine tools in overseas markets. Indian-made machine tools are currently exported to over 50 countries, including United States, Italy, Brazil, Germany, and the Middle East.

Software

Most countries today are beginning to understand the value addition that information technology is bringing to economies - introducing both efficiency and benefits. Businesses around the globe have been investing heavily in the IT software infrastructure.

India is rapidly emerging as a leader in the field of IT. According to a Mckinsey Report, 7 percent of India's GDP will come from IT services and back office work by 2008 when it will become a \$57 billion annual export industry, employing 4 million Indians. The IT revolution has become the new mantra in the Indian economic landscape. Software Engineering, Web-based Services, E-commerce Solutions and Business Process Outsourcing (BPO) have emerged as the new jewels of the Indian economy.

The Indian IT industry has emerged as one of the fastest growing sectors in the Indian economy with a growth rate of over 26 percent





during 2002-03 and a turnover of \$12.7 billion and exports of \$10 billion. In terms of GDP share, the IT industry figures have risen to 2.4 percent in 2002-03 from 0.59 percent in 1994-95.

The Indian IT software and services industry has provided employment to 6,00,000 IT professionals by March 2003. Many global giants outsource their mission critical software requirements to India. GE Capital saves up to \$340 million a year by performing some 700 tasks in India. India is seen by many as an Ideas Superpower.

The Internet market is also growing steadily in terms of subscribers, which was estimated at 4 million in December 2003. This represents a substantial increase over the 1.1 million figure in March 2001.

Pharmaceuticals

With its inherent strength in technology, R&D facilities, institutional infrastructure and skilled manpower, the \$6 billion Indian pharmaceutical industry has grown to rank fifth in the world in terms of volume, behind USA, Japan, Europe and China. Its growth rate in the last five years has been more than 20 percent, twice the world rate. By 2010, the Indian pharma industry is likely to grow to \$75 billion. Exports in 2002-03 stood at \$ 2.5 billion with the US accounting for \$ 450 million.

As an incentive for the pharma sector, the Government has offered exemptions from import licences to foreign pharmaceutical units setting up units in special economic zones. It is 40 percent

cheaper to set up a plant in India than any developed country and the cost of bulk drug production is 60 to 70 percent cheaper. The Indian pharma industry has the largest number of plants approved by the FDA outside the USA.

Automotives

Good logistic management, high productivity and skills, have brought to India an increasing number of global automobile manufacturers to establish and expand their presence in the country. Suzuki and Hyundai have made India their global small car export hub. India's own Tata Motors is exporting cars to Rover (UK) as City Rover. General Motors, Ford, Daimler, Chrysler, Hyundai, Fiat, Toyota, and Caterpillar are some of the companies that are outsourcing from India.

India exports \$2 billion worth of cars, trucks, SUVs, two wheelers and auto components. Auto component exports in 2003 stood at \$800 million and by 2006 it may touch \$2.6 billion. Indian component manufacturers have won global recognition and awards.

Textiles

The textile industry occupies a vital place in Indian economy and contributes substantially to employment generation and export earnings. It represents about 14 percent of the national industrial production and 25 percent of the total export earnings. It provides employment to about 35 million persons. India is the second largest producer of silk, largest producer of jute, one of the



Courtesy: IBEF

largest production bases for cotton/denims and never-tried-before blends of linen. India is the world's largest exporter of cotton yarn, claiming a 25 percent global share.

The Indian Textile industry has one of the highest growth rates in Indian industries and contributes around 5% to the GDP. It is also the largest foreign exchange earner. In 2002- 2003, textile exports grossed Rs. 513.55 billion / \$11.4 billion, representing a growth of 11.14% in a year.

Recent developments in the European markets on

eco-friendly textiles have sent the Indian Industry into a flurry of activity to adapt itself to market requirements.

Globalisation, abolition of quotas, establishment of WTO and its \$6 billion modernisation programme will provide further impetus to the industry.

Planning for Development

The Planning Commission, headed by the Prime Minister, draws up five-year plans under the guidance of the National Development Council to ensure growth, self-reliance, modernisation and social justice. Its role has been redefined in the eighth plan document: from a centralised planning system, India is moving towards indicative planning which will outline the priorities and encourage a higher growth rate. The Tenth Five-Year Plan has envisaged a growth rate of 8 per cent.

Traditional Industry

Indian handicrafts have withstood competition from machines over the years. The skills are passed on from one generation to the next. The handicraft and handloom sector is a major source of rural employment and earns substantial foreign exchange. Traditional textiles are as popular abroad as they are within the country. The major export items include hand-knotted carpets, art metal ware, hand-printed textiles and leather, wood and cane wares.

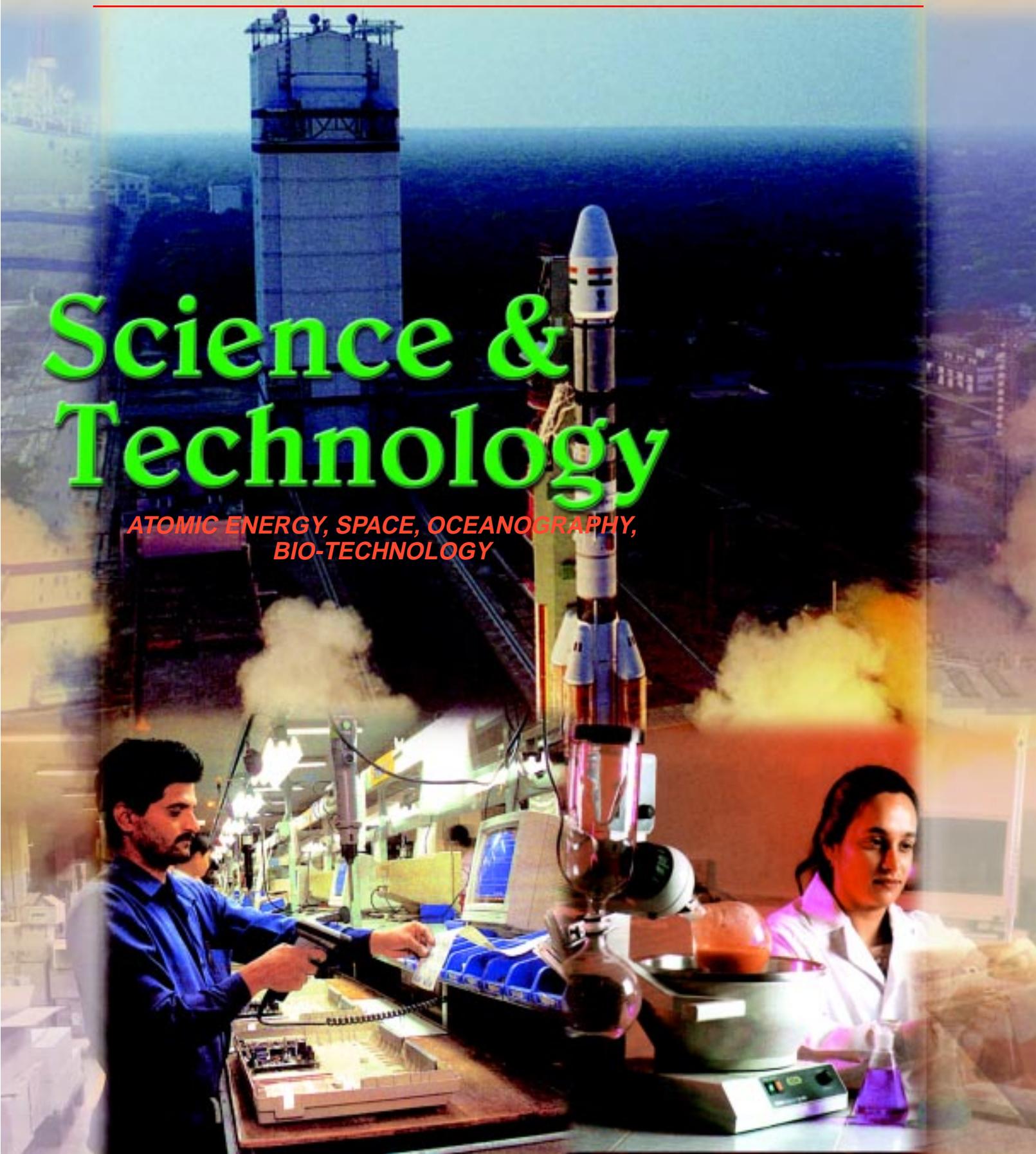


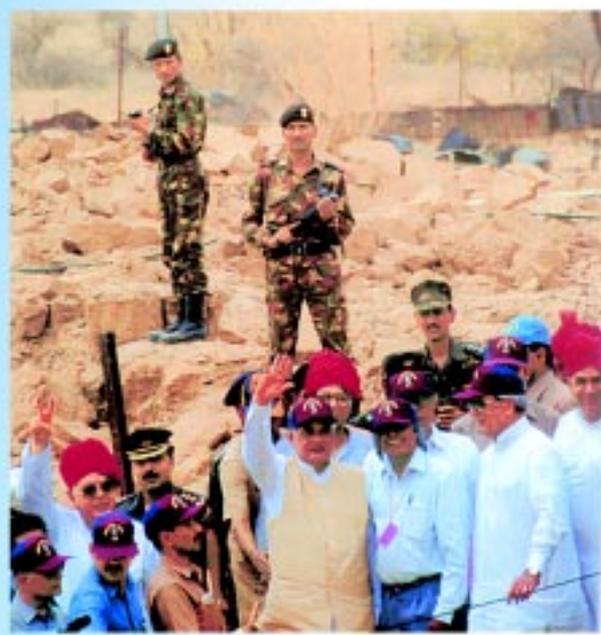
Traditional brassworker

INDIA
A DYNAMIC DEMOCRACY

Science & Technology

*ATOMIC ENERGY, SPACE, OCEANOGRAPHY,
BIO-TECHNOLOGY*



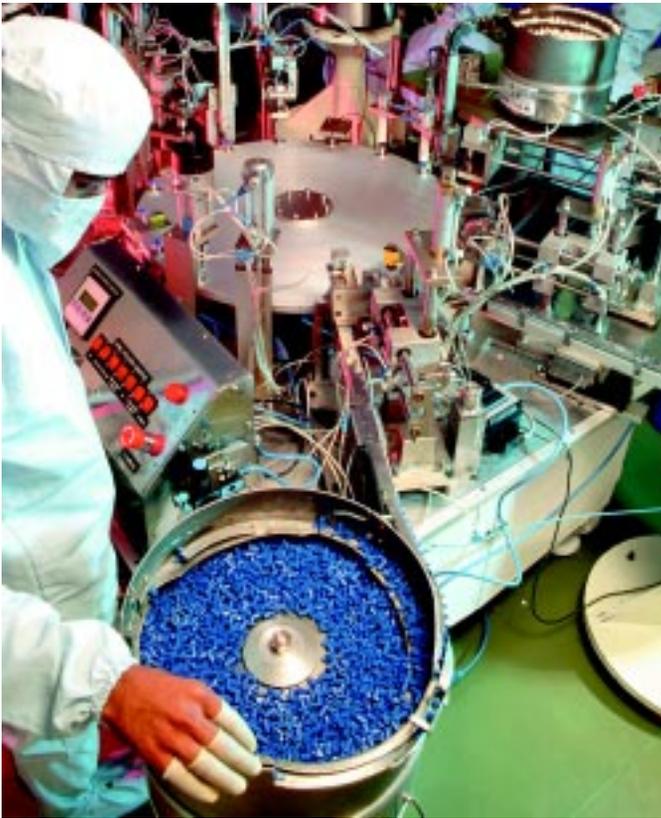


A New Frontier

The tradition of Science and Technology (S&T) in India is over 5000 years old. A renaissance was witnessed in the first half of the 20th century. Today India is recognised as a globally competitive powerhouse in science and technology. More than 100 MNCs have set up R&D centres in India with a total investment of \$1 billion. GE has its biggest technology centre outside the US in Bangalore.

The S&T infrastructure has grown up from about Rs. 10 million (\$223,000) at the time of independence in 1947 to over Rs. 30 billion (\$66 million). Significant achievements have been made in the areas of nuclear and space science, electronics and defence. The government is committed to making S&T an integral part of the socio-economic development of the country.

India has the third largest scientific and technical manpower in the world; 162 universities award 4,000 doctorates and 35,000 post-graduate degrees and the Council of Scientific and Industrial Research runs 38 research laboratories and 50 outreach centres



which have made significant achievements. In the field of missile launch technology, India is among the five top nations of the world.

Council of Scientific and Industrial Research (CSIR)

The Council of Scientific and Industrial Research is a multi-disciplinary setup comprising thirty eight laboratories and about fifty outreach centers spread throughout the country carrying out fundamental and applied R&D in practically all

areas of science & technology ranging from genomics to special glasses, aeronautics to oceanography research, polymers to proteins.

CSIR's expertise and experience is embodied in about 5000 active scientists and technologists, recognized nationally and internationally, who are supported by over 10,000 scientific and technical personnel, working in an impressive infrastructure built up over the years with a present day cost of over US\$ 1 billion.

Over the years CSIR has developed over 3,000 technologies and licensed 1,500 of them to about 6,000 clients. The annual industrial production based on CSIR techniques and technologies is estimated at around \$1.5 billion.

In 2002, CSIR won 145 US patents and topped the Patent Cooperation Treaty listing of the top 50 entities in the developing world. Annually, CSIR files around 650 patents abroad and ranks amongst the top three entities from all developing countries in PCT patent applications. It has bilateral S&T collaborations with 30 foreign S&T Agencies.

Atomic Energy

The primary objective of India's nuclear energy programme is the development and use of nuclear technology for peaceful purposes such as power generation, application in agriculture, medicine, industry, research and other areas. The Department of Atomic Energy (DAE) has achieved capability in designing, constructing and operating pressurised heavy water reactor.





Nuclear Power Reactor block - Dhruva

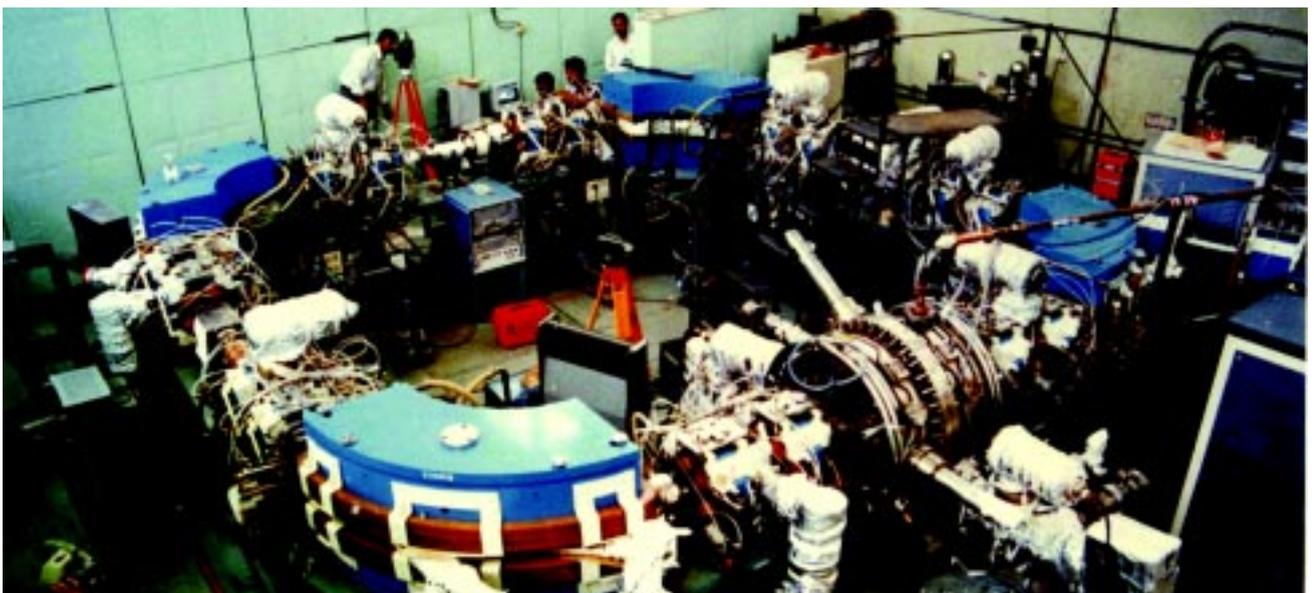
India has limited uranium but abundant thorium reserves. The Indian atomic energy programme envisages building of pressurised heavy water reactors, fast breeder reactors and thorium based reactors on commercial scale, and also includes technology development relating to operation and maintenance of reactors, waste management, safety and environment monitoring.

The average capacity factor of atomic power stations run by the Nuclear Power Corporation of India Ltd (NPCIL) has touched a new high of 89%. At the end of December 2002, the total

generation of nuclear power plants stood at 185,640 million units.

The Indian nuclear programme includes research and development in the field of Fast Breeder Reactor (FBR). Most of the components of the reactor were manufactured in India. FBTR is the first fast reactor of its kind in the world that uses plutonium uranium mixed carbide fuel, designed developed and fabricated in India.

The third stage of the Indian Nuclear Power Programme, for use of thorium for power generation, has already begun. Bhabha Atomic



Synchrotron Radiation Source Indus-1 set up at Centre for Advanced Technology, Indore



Research Centre (BARC) has been developing advanced Heavy Water Reactor (AHWR), which will use both thorium-uranium-233 and thorium-plutonium mixed oxide as fuel.

Space

India is one of the only six nations in the world capable of launching satellites. An Indian mission to the Moon is planned for the year 2008. The Indian Space Research Organisation (ISRO), under the Department of Space, is responsible for research, development and operationalisation of space systems in the area of satellite communications, remote sensing for resource survey, environmental monitoring, meteorological services etc. The Indian space programme also helps 500 small, medium and large industries receiving know-how and technology transfer. India has effectively developed space technology, applied it successfully, and is now offering a variety of space services globally.

The data obtained from Indian satellites helps a vast spectrum of Indians, from fishermen to farmers to flower sellers. Satellite imagery has helped 100,000 villages in the country with locating drinking water sources.

In 2002-03, a highlight of the space programme was the seventh launch of Polar Satellite Launch Vehicle (PSLV) from Satish Dhawan Space Centre on September 12, 2002, which placed the 1,060 kg METSAT (later renamed KALPANA-1 in memory of the Indian-born American astronaut, Kalpana Chawla) in a Geosynchronous Transfer Orbit (GTO). About a dozen Indian satellites are already in orbit, providing a variety of services.

Oceanography

The Department of Ocean Development formulates and implements programmes in ocean science and technology with long term scientific, technological, economic and geopolitical benefits. It also formulates and coordinates scientific and technological projects for exploration and exploitation of marine living and non-living resources; and protection, preservation and conservation of its environment.

While the Department of Ocean Development is directing its efforts towards the development and use of the ocean science and technology for national development, its programmes cover a wide spectrum of activities, including Polar (Antarctic) Science and Antarctic Expeditions that are launched regularly to carry out research in thrust areas of polar science.



Survey and exploration of resources on the sea bed

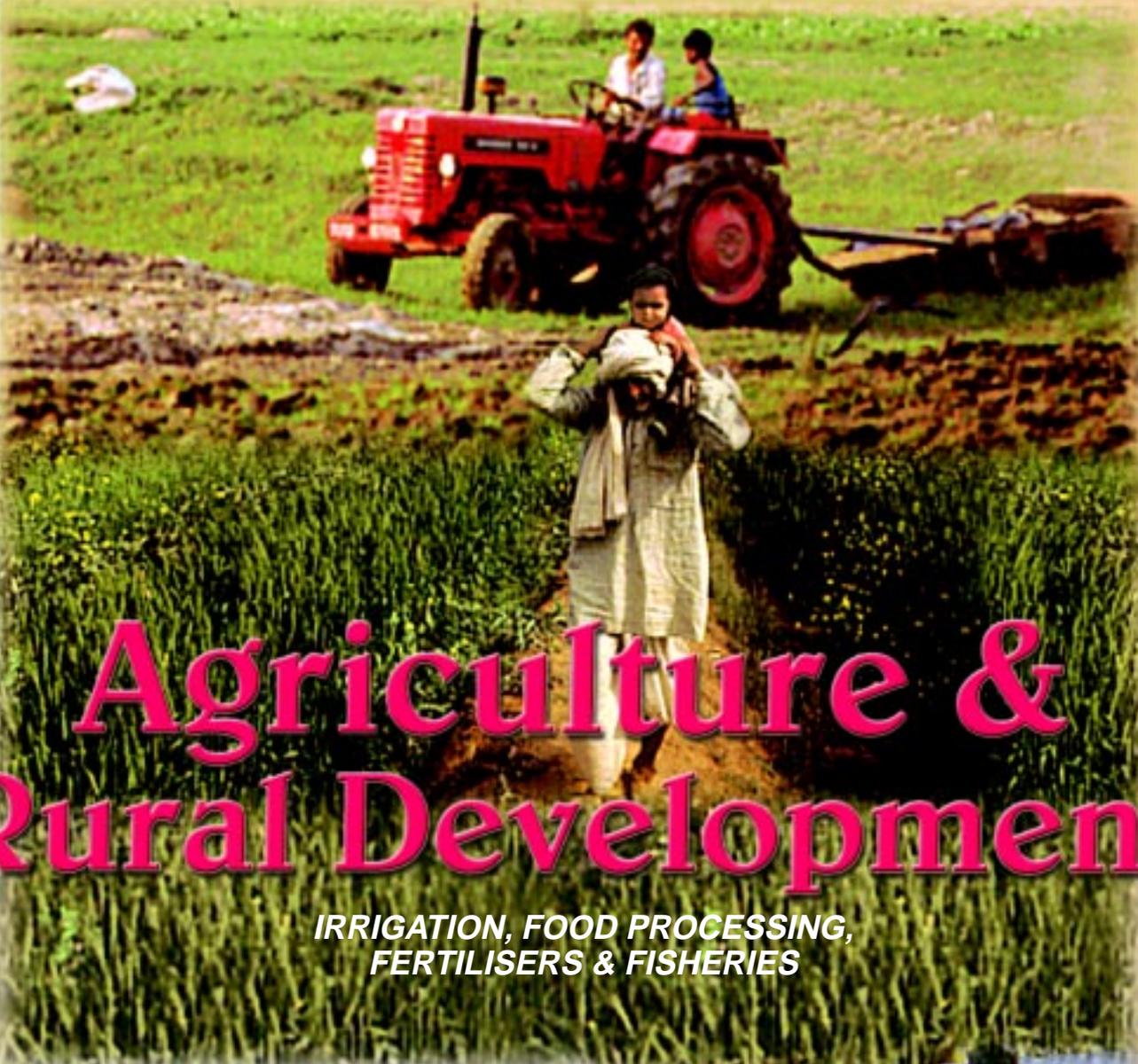
Biotechnology

The development of modern biology and biotechnology in India, through several R&D projects, demonstrations and creation of infrastructural facilities, has made a visible impact and made significant achievements in the growth and application of biotechnology in the broad areas of agriculture, health care, animal sciences, environment, and industry.

It is now culminating into products and processes. More than 5000 research publications, 4000 post-doctoral students, several technologies transferred to industries and patents filed including US patents, can be considered as a modest beginning. The Department of Biotechnology has been interacting with more than 5,000 scientists per year in order to utilise the existing expertise of the universities and other national laboratories.



INDIA
A DYNAMIC DEMOCRACY



Agriculture & Rural Development

*IRRIGATION, FOOD PROCESSING,
FERTILISERS & FISHERIES*





A Saga of Success

From a nation dependent on food imports to feed its population, India today is not only self-sufficient in grain production, but also has a substantial reserve. The progress made in agriculture has been one of the biggest success stories of free India. Agriculture and allied activities constitute the single largest contributor to the Gross Domestic Product and provide the means of livelihood to about two-thirds of the work force in the country.

This increase in agricultural production has been brought about by bringing additional area under cultivation, extension of irrigation facilities, the use of improved high yielding variety of seeds, better techniques evolved through agricultural research, water management, and plant protection through judicious use of fertilisers, pesticides and cropping practices.



Agricultural production has increased with the use of high yielding variety of seeds



High yielding wheat in Punjab

Crops

India is a major producer and consumer of a wide range of agricultural, horticultural and fish and other products. Agriculture sector provides about 25 per cent of GDP, 64 per cent employment, and accounts for 18 per cent of India's exports.

The post liberalisation era has seen some large-scale changes including relaxation of government regulations of companies in the processed food industry. It has also brought introduction of corporate farming in some states, bringing large-scale benefits to small farmers.

Net cropped area is around 142 million hectares, which is approximately 45 per cent of the total geographical area of 329 million hectares. India produces approximately 200 million tonnes of food grains every year.

India ranks first in the world in production of milk, tea and sugarcane. It is the second largest producer of fruits, vegetables, rice, wheat and groundnut and is among the top five producers of coffee, spices, cereals and oilseeds.

The National Agriculture Policy seeks to tap the growth potential of Indian agriculture and attain a growth rate in excess of 4 per cent per annum in the agriculture sector.



India has made remarkable progress in harnessing its water resources for irrigation and power generation

Irrigation

52

India's success in agriculture production would not have fructified without commensurate developments in irrigation. The ultimate irrigation potential has been assessed at 139.89 million hectares of which 68 percent has been harnessed so far. Of the 142.6 million hectares of net cultivated area, 57 million hectares (40 percent) only is irrigated. The rest (60 percent, or 85.6 million hectares) is rainfed. Since irrigation is out of reach of a very large area in the country, focus is now shifting to watershed management and rainwater harvesting.

Fertilizers

Optimum fertilizer application plays a key role in improving the productivity of various crops. It is a critical component of the strategy for self-sufficiency in foodgrains to feed a rapidly growing population. Concerted efforts in this direction have resulted in a substantial increase in agricultural production and productivity, from a modest level of 52 million tonnes in 1951-52, to 182.57 million tonnes in 2002-03. Because of poor monsoon in some areas, this was less than the previous year's production. But the increased fertilizer consumption has assured a more or less sustained improvement in food grain production in the country.





Sunset at a fishing village on the Kerala coast



A panoramic view of Oil Refinery

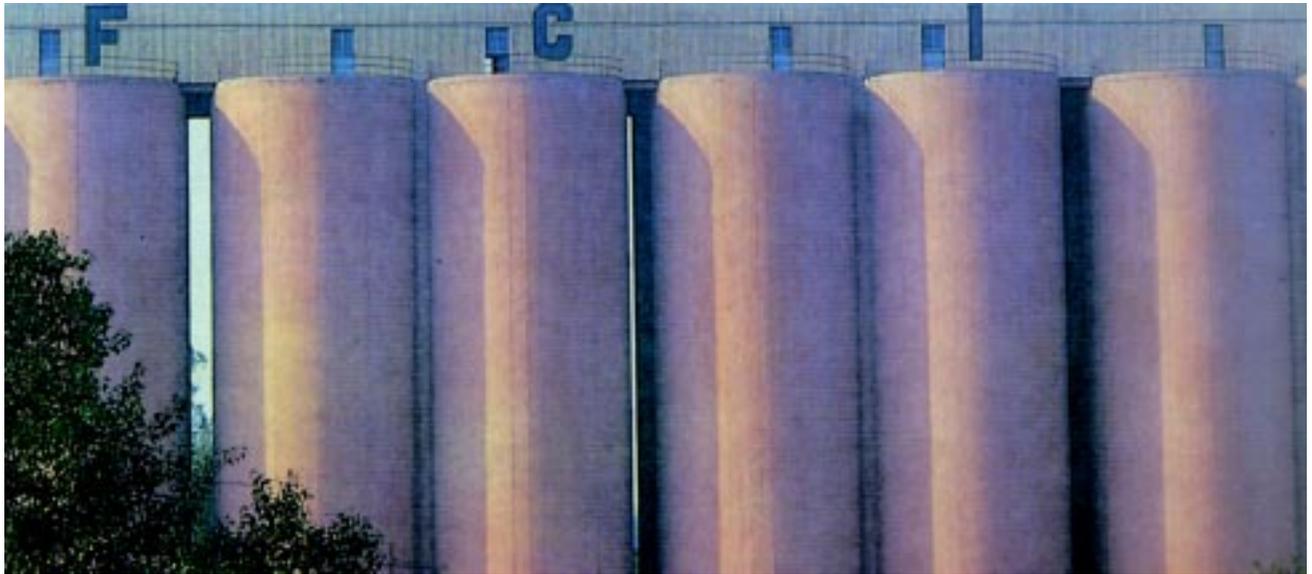
Fisheries

Fisheries plays an important role in socio-economic development of the country, generating employment and income and stimulating growth of new subsidiary industries. It is also a source of cheap and nutritious source of food and an important foreign exchange earner.

The introduction of mechanised boats and Deep Sea fishing vessels has strategically shifted Indian fishing from traditional to modern methods, with yields reaching six million tonnes, slightly more than half of which from inland sources, including aquaculture. The export earning is about \$ 1.4 billion.

Food Processing

India is the world's second largest producer of food next to China, and has the potential of being the biggest with the food and agricultural sector contributing around a quarter of India's GDP. The total food production in India is likely to double in the next ten years and there is an opportunity for large investments in food and food processing technologies, skills and equipment, especially in areas of canning, dairy and food processing, specialty processing, packaging, frozen food/ refrigeration and thermo processing. Fruits and vegetables, fisheries, milk and milk products,



The Food Corporation of India ensures safe and scientific storage of foodgrains

meat and poultry, packaged / convenience foods, alcoholic beverages and soft drinks and grains are important sub-sectors of the food processing industry. Health food and health food supplements is another rapidly rising segment of this industry which is gaining vast popularity amongst the health conscious.

The Food Processing industry in India has been accorded high priority by the Government of India. According to a recent study, the turnover of the total food market is approximately Rs. 2500 billion/\$ 55.5 billion out of which value-added food products comprise Rs. 800 billion/\$ 17.7 billion.

Oilseeds

India is one of the largest producers of oilseeds in the world. The oilseeds area and output is concentrated in the central and southern parts of India. The nine major oilseeds cultivated in India are groundnut, mustard / rapeseed, sesame, safflower, linseed, niger seed, castorseed, soyabean and sunflower. Coconut is the most important source of edible oil amongst plantation crops, while in non-conventional oils, rice bran oil and cottonseed oil are the most important. Groundnut, soyabean and mustard together contribute about 85 percent of the country's oilseeds production.

Agricultural Research

From food deficit to food surplus with Green Revolution. This dramatic transformation of India would have been impossible without the contribution of hardworking farmers—and agriculture scientists. The apex body for

education, research and extension education in the field of agriculture, the Indian Council of Agricultural Research (ICAR), played a key role in the rapid transfer of farm technology from the laboratory to the land. India is now poised to launch Green Revolution II with an allocation of Rs. 500 billion/\$11.11 billion.

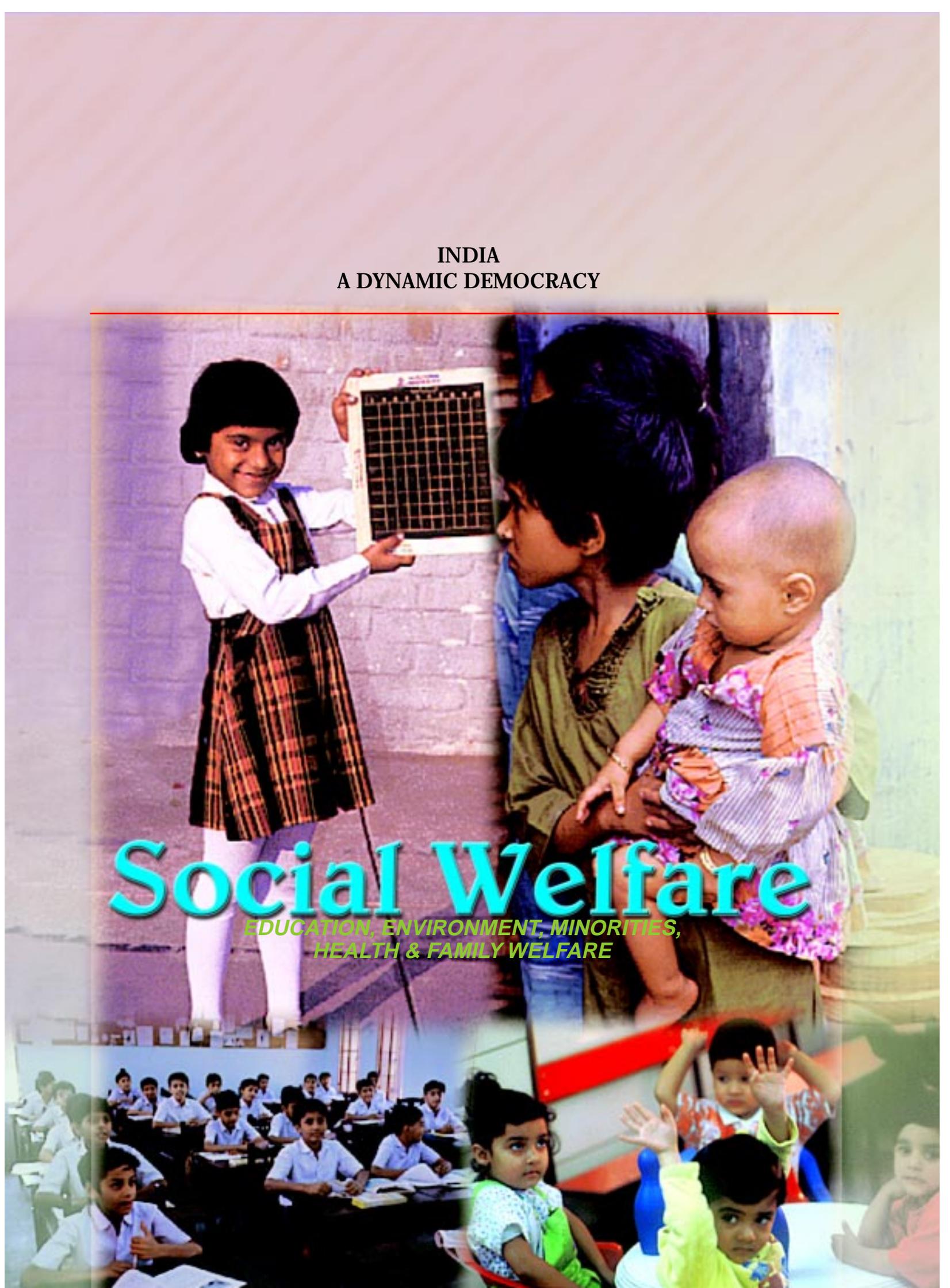
The ICAR discharges its responsibilities through 43 research institutes, four national research bureaus, 20 national research centres, nine project directorates, 70 all-India co-ordinated research projects, and 109 Krishi Vigyan Kendras (farm science centres). The ICAR also gives guidance to the 26 Agricultural Universities and four National Research Institutes.

Drinking water

The government has adopted a strategy to provide drinking water to all rural habitation within five years. An investment of Rs 400 billion (about \$ 9 billion) has been made in the water supply sector so far. Despite this, in June 2003 the number of rural habitations not covered by drinking water provision was 12,299 and another 99,477 were partially covered. But 99 percent of rural habitations in the country have access to drinking water facility.



INDIA
A DYNAMIC DEMOCRACY



Social Welfare

EDUCATION, ENVIRONMENT, MINORITIES,
HEALTH & FAMILY WELFARE



The Panchayati Raj

Democracy thrives in India today largely because it has always existed in some form at the micro level even during the long feudal era. The village council, Panchayat, consisting of village elders played a key role in this long survival of grassroots democracy. The Panchayati Raj (rule) now enjoys constitutional status with built-in mechanism for regular elections and minimum representation of women and members of the scheduled castes and scheduled tribes. There are over three million elected local representatives, making this the widest democratic base in the world.

The Panchayati Raj helps in purposeful understanding of the masses and articulation of their responses. The Panchayati Raj is perhaps the best means of spreading democracy at the grassroots. Mahatma Gandhi called the Panchayats 'village republics'; these village republics contribute to making India a shining example of democracy in the world.

Upliftment of the Rural Poor

Though the country has made tremendous strides in many fields, 27 percent of the rural poor live in poverty, often without basic facilities. With this in mind, the government has been increasing the

allocation for rural development, which stood at approx. \$ 3.1 billion. The percentage of rural poor, which was 56.44 in 1973-74, has been coming down over the years, but the actual number of the rural poor is still large—about 193 million.

The emphasis in some of the recent poverty alleviation programmes for the rural poor is on self-help, gainful employment, food security and strengthening of rural infrastructure.

Environment, Ecology and Forestry

In today's world, development has to harmonise with environment. To ensure that, the government encourages use of pollution abatement techniques, especially in the critically polluted areas. Environmental considerations weigh heavily in clearing certain projects. For this purpose, laws have been framed, fiscal incentives given, agreements signed, educational programmes introduced and information disseminated through publicity.

India has taken major steps to control vehicular pollution in cities. In Delhi, all public transport vehicles are required by law to use CNG. Under the Kyoto Protocol, the government is committed to strengthening efforts to tackle global warming. At the World Summit on Sustainable Development held in Johannesburg in September 2002, India articulated its and other developing countries concerns with regard to the principles of international cooperation for protection of



Braving the monsoon to go to school in rural India

environment through sustainable development. Specific targets to provide access to safe drinking water and sanitation, clean energy, reversal of the present trend of loss in bio-diversity etc. have been outlined.

Breakthrough in Education

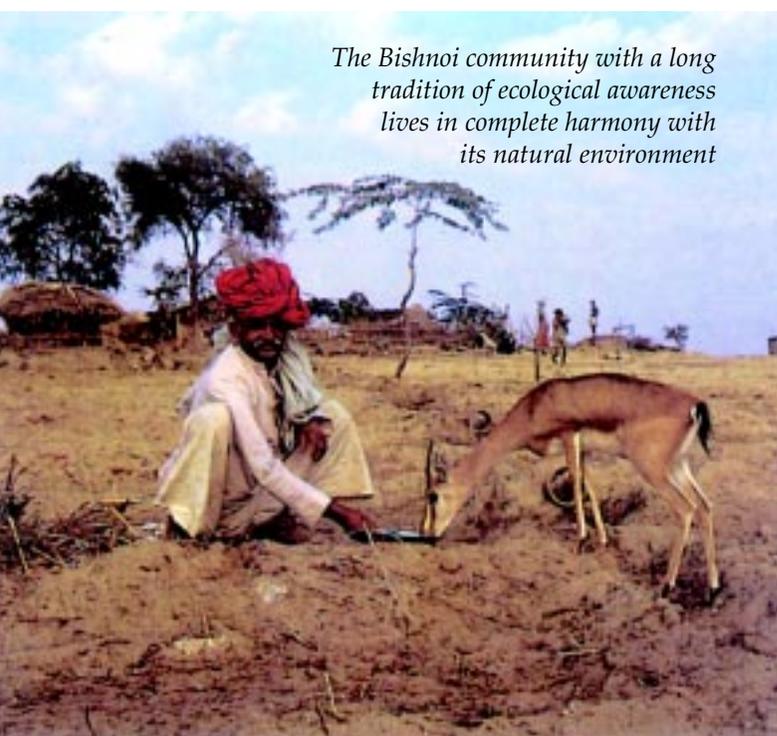
Being a signatory to the Delhi Declaration and a Framework for Action which calls for Education for All (children), India has pledged to spend 6% of the GNP on education. Parliament has approved a legislation that makes free and compulsory education for all children in the 6-14 years age group.

Literacy rates have improved considerably over the years; from about 18 percent in 1951 the literacy rate today is over 75 percent for males and 55 percent for females. Despite this discrepancy, the female literacy rate has shown a higher growth in the last decade—about 15 percent against 12 percent for males.

It is estimated that about 80 percent of the children in the 6-14 years age group, who number close to 200 million, attend schools and their drop out rates have also been falling.

A Total Literacy Campaign is operational in many areas of the country. About five million volunteers are engaged in teaching the alphabets to about 50 million people in the 9-45 age group. It is estimated that 15 million of them have become functionally literate.

The Bishnoi community with a long tradition of ecological awareness lives in complete harmony with its natural environment





Orans (sacred common lands) help see the desert dwellers through times of drought

The Elementary Education System in India is the second largest in the World with 149.4 millions children of 6-14 years enrolled and 2.9 million teachers.

Women

Throughout Indian history, from the time of Sita, consort of Lord Rama, there have been women who occupied a special place in society. Laxmibai, Razia Sultan and Meerabai are names that now belong to history. From contemporary times, women who have left their imprint include Mrs. Vijayalaxmi Pandit, the first woman president of the United Nations, Mrs. Indira Gandhi, India's first woman Prime Minister and Mother Teresa, an Indian missionary who won the Nobel Peace Prize for spreading the message of love and care of the neglected.

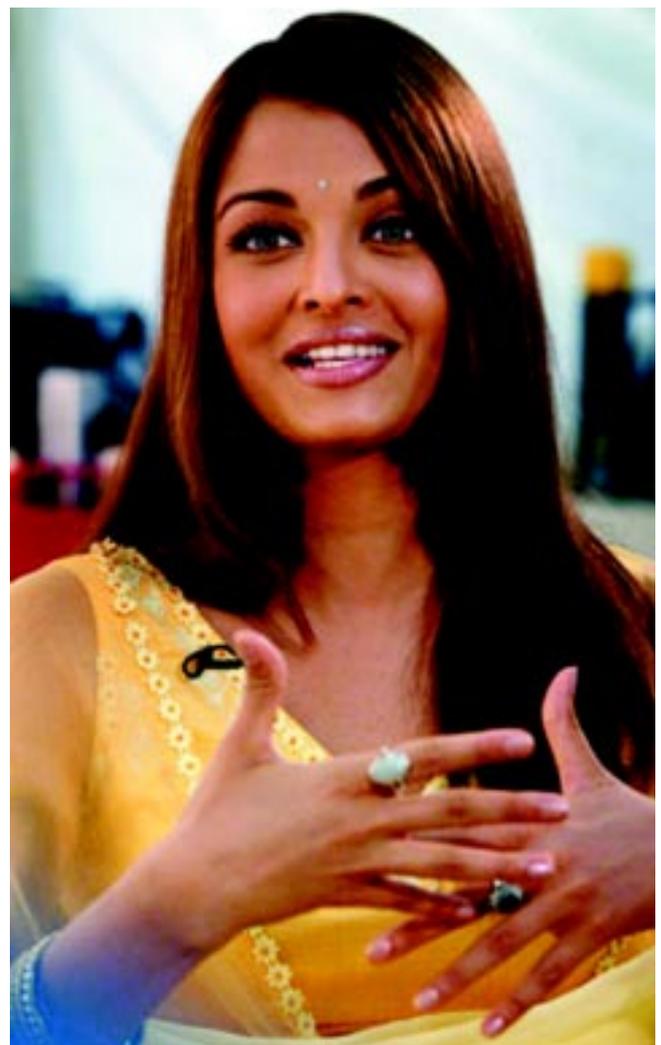
India has set high standards for female representation in the policy and decision making process. One third of the seats in local bodies—village panchayats, municipalities, city corporations and district bodies — are reserved for women. Many innovative programmes have been launched for generating employment, improving income and creating awareness among women. The ultimate goal is to make women economically independent and self-reliant. The year 2001 was observed as Women's Empowerment Year to create large scale awareness about women's rights and issues.

In the world of sports and glamour Indian women have begun to leave a mark. K. Malleswari and Kunjarani Devi are the two top-most weightlifters in the world. In 1994 two Indians, Sushmita Sen and Aishwarya Rai, bagged the Miss Universe

and Miss World titles respectively, a unique double for any country. The 1997, 1999 and 2000 Miss World crown was bagged by Indians, Diana Hayden, Yukta Mookhey and Priyanka Chopra. Miss Universe crown in 2000 was won by Lara Dutta.

Indian women have left a mark among achievers in the social field also. Rashida Bee and Champa Devi Shukla of Bhopal won the 2004 Goldman Prize for Environment, the first Indians to be so honoured.

The award, considered to be the equivalent of the Nobel Prize for Environment, was in recognition of the work for survivors of the Bhopal gas tragedy of 1984. The two gutsy middle-aged women overcame sickness and defied social norms to fight for the rights of



Aishwarya Rai— Beauty Queen and Actress

their fellow victims of the tragedy which had taken a toll of 20,000 lives.

Ela Bhat, a Magsaysay Award winner, took the struggle for justice and recognition of self-employed women to national and international areas. She started south Asia's first labour and trade union for women workers in the informal sector.

Kiran Bedi, also a Magsaysay Award winner, is India's first Indian Police Service (IPS) woman officer. A former tennis champion, she has worked tirelessly for reforming prisoners and drug addicts, besides improving prison environment.



The midday meal scheme provides basic nutrition to children

Welfare

As a welfare State, India is committed to the welfare and development of its people, particularly the vulnerable sections like the scheduled castes (SCs), scheduled tribes (STs), other backward classes (OBCs), minorities and the handicapped. There are specific articles in the Constitution which outline this commitment. The strategy adopted for this aims at minimising inequalities in income, status and opportunities. Taken together, the majority of the population of the country consists of SCs, STs, OBCs and minorities.

SCs, STs, Backward Classes and others

Almost a quarter of India's population consists of the scheduled castes (SCs) and Scheduled Tribes (STs) who had remained neglected for centuries. The approach for their development has been enunciated by the Constitution. The government has taken several steps for their welfare. The representation of the SCs and STs in Parliament and all State Assemblies is assured.

Provisions have been made in the constitution for reservation in appointments or posts for SCs, STs and OBCs. The government has implemented schemes for their educational development and rendering financial assistance to support economic activities.

In addition to Constitutional provisions for their welfare, there is a National Commission for SCs and STs which while investigating and monitoring a matter relating to the safeguards for the SCs and STs enjoy the powers of a civil court. The Central



A tribal girl from Bastar

as well as State governments consult this commission on all policy matters relating to the SCs and STs.

Laws have been suitably amended to penalise anyone who tries to prevent the rights available to a person upon the abolition of 'untouchability' in the country. Almost every state in the country has specified courts that try cases of atrocities against SCs and STs.

Minorities

At the national level, five communities have been notified as minorities—Muslims, Sikhs, Christians, Buddhists and Zoroastrians, who together constitute less than 18 percent of the country's population. The Constitution guarantees them their right to conserve their religion, language and culture. Next to Indonesia, India has the world's second largest Muslim population.

The minorities have received a new deal with the establishment of the National Minorities Development Corporation which has initiated schemes for micro financing of women belonging to the minority communities in various skills and trade and also introduced schemes to offer concessional loans for education and pursuing professional courses.

It also needs to be stressed that there is no bar against practising any religion in India.

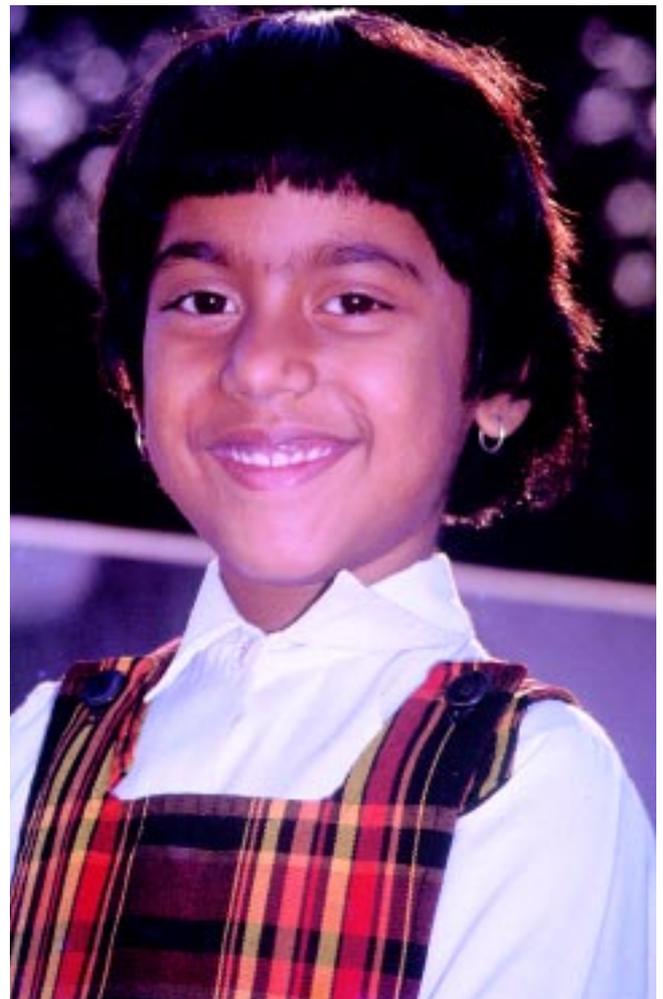
Children and Drug Abuse

India has adopted a National Policy on Children and was the first country to adopt a legislation in line with a UN Declaration on the Right of the Child. The Integrated Child Development Services aims at the holistic development of children in the 0-6 years age group—as also pregnant and lactating mothers from disadvantaged sections.

There are over 450 day care centres, old-age homes and mobile medicare units. Over 60 units also function for the welfare of the street children.

A Central Adoption Resource Agency has been set up to act as the clearing house of information on children available for adoption. The government recognises 56 Indian agencies for giving children to foreigners for adoption and another 280 foreign agencies have been enlisted for sponsoring applications of foreigners who seek guardianship of Indian children.

There are 359 counselling centres for drug abuse prevention. They also propagate awareness. The government finances 250 NGOs which are engaged in drug abuse prevention activities. A tripartite agreement between the government, ILO and United Nations Drug Control Programme (UNDCP) has been signed to help full rehabilitation and recovery of drug addicts.



Government policy in many areas reflects a special concern for the girl child

Population

India has 2.4% of the world's land, but supports 16% of the global population. According to the latest census report (2001), India has a population of 1,027 million, about 150 million more than in the previous census (1991). The average exponential growth declined to 1.93 percent in 2001 compared to 2.14 percent in 1991. The infant mortality rate (IMR) came down to 70 (in 2000) from 146 in 1951. Life expectancy, which was 36.7 in 1951, increased to 64.6 in 2000 and in the same period the crude death rate came down to 8.7 per 1000 from 36.7. However, the task of removing poverty remains enormous.



Doctor working at primary health centre

Family

The aim of India's National Family Welfare Programme is to stabilise the population at a level 'consistent with the requirement of the national economy'.

The National Population Policy 2000, which has well-defined objectives, has set socio-demographic goals to achieve population stabilisation by 2010.

The Family Welfare Programme in India is recognised as a priority area. It seeks, among other things, to popularise contraception, reduce the infant and maternal morbidity and mortality to bring down the level of fertility and to provide need-based, high quality, reproductive and child health care.

Planned Parenthood

The National Family Welfare Programme was launched to promote responsible and planned parenthood through voluntary family planning methods. Couples have the choice of adopting temporary or preventive measures. Facilities for medical termination of pregnancies in certain circumstances are also available. During 2002-03, the total number of family planning acceptors in the country as a whole was 7.8 percent higher than in 2001-02. The use of contraceptives has increased and in 2002-03 emergency contraceptive pills were introduced for the first time in the family welfare programme.

Child and Mother Care

In view of the close relationship between high birth rate and high infant mortality, various child and mother health care programmes are being implemented. A Child Survival and Safe Motherhood Programme is in operation to take up universal immunisation and safe motherhood initiatives. NGOs are being given increasing support in an effort to involve the community for promoting spacing methods to stabilise population.



Creating awareness of the need for family planning



World class medical facilities and services provided are inexpensive and attracts patients from abroad

India has world class hospitals manned by some of the world's best physicians and surgeon. These hospitals have state of the art facilities but the treatment they offer is inexpensive, attracting many foreign patients.

Rural Health Services

The Government is paying increasing attention to integrated health, maternity and child care in rural areas. A National Health Policy has been approved. It seeks to raise health care expenditure to 6 percent of the GDP by 2010. An increasing number of community health workers and doctors are being sent to rural health centres. Primary health care is being provided to the rural population through a network of over 150,000 primary health centres and sub-centres by 586,000 trained midwives and 410,000 health guides.

Housing and Urban Development

Various policies and initiatives of the Government have put the country on the threshold of a major qualitative and quantitative change in the housing and urban development sector. A Housing and Habitat Policy has been formulated and 'Housing for All' is a priority for the government.

AIDS

With about four million victims, India has been hit severely by AIDS. A National Programme for the Prevention and Control of AIDS has been launched to bring down the current high rate of AIDS infection to zero by 2007. The threat of HIV transmission is being tackled through safe blood transfusion services, control of sexually transmitted diseases and information, education and counselling.

Medical Education

Medical research and education have received significant attention in the years following independence. While there were only 28 medical colleges in 1950, there are at present 106 medical colleges, 29 dental colleges and 11 other institutions providing medical education. Nearly 14,000 students graduate every year from medical colleges. Over 8,200 nurses qualify for service annually from 367 nursing institutions. Medical institutions in India also train a large number of students from other developing countries.

INDIA
A DYNAMIC DEMOCRACY



Art, Culture & Sports

*FINE ARTS, PERFORMING ARTS,
SPORTS AND FESTIVALS*





A Continuing Tradition

The cultural policy of the Government has three objectives - preserving the cultural heritage, inculcating art consciousness among the people and promoting high standards in the performing and creative arts. Eminent persons from the field of fine arts are nominated by the President to the Rajya Sabha, the Upper House of the Indian Parliament.

Lalit Kala Akademi

The Lalit Kala Akademi or the National Academy of Fine Arts promotes and propagates understanding of visual arts of India. Its activities include organising national and international exhibitions of contemporary arts. It also brings out monographs on the works of Indian artists in Hindi and English and books on contemporary, traditional, folk and tribal arts written by eminent writers and critics.

Painting

The tradition of painting in India goes back to antiquity, as is evident from the murals of Ajanta, Ellora and other frescoes, the Buddhist palm leaf manuscripts, the Jain texts and the Deccan, Mughal

and Kangra schools. A touch of modernity came with the Bengal renaissance while many contemporary painters have adopted the abstract and other modern styles. Some of the renowned contemporaries are M.F. Hussain, S.H.Raza, Bikash Bhattacharjee and Anjolie Ela Menon

Architecture and Sculpture

Religious motifs mainly inspired the trends in Indian architecture and sculpture. The temples, mosques, forts, palaces and other monuments testify to that. But after independence, modern architecture in buildings came to India in a big way with Chandigarh, designed by Corbusier, acting as a sort of beacon to the young aspirants in the field.

Sangeet Natak Akademi

The national academy of music, dance and drama (Sangeet Natak Akademi) has performed the role of sponsoring, research, dissemination, appreciation and patronage of the performing arts. It gives awards to outstanding performers and provides assistance for theatre production and teaching and offers scholarships to students. It also arranges exchange of troupes.



Manipuri Dancer



Fresco from the summer palace of Tipu Sultan

Dance

The Indian mythology, legends and classical literature provide the themes of the Indian dance, both of the classical and folk variety. The classical dance is based on rigid rules and dance discipline. Its forms include Bharat Natyam, Kathakali, Kuchipudi, Odissi, Kathak and Manipuri. Some of the well-known exponents of classical dance are Yamini Krishnamurthy, Shovna Narayan, Uma Sharma and Sonal Mansingh.

The National School of Drama

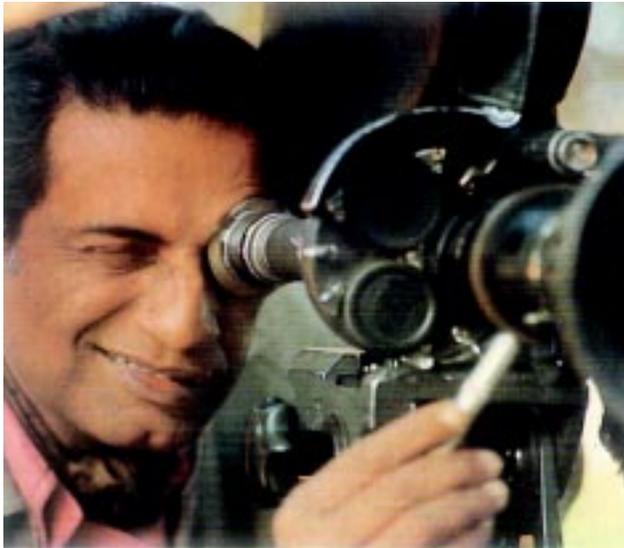
NSD has produced some outstanding theatre — and film—personalities of India. Its faculty has been served by some well-known names in the fields of direction, teaching and designing. It also has a Repertory Company of its own.

Theatre

The theatre in India is perhaps as old as its music and dance. But the classical theatre in the country survives only in some cities. The tradition of folk theatre, on the other hand, is alive in nearly all the linguistic regions of the country. Habib Tanvir, Girish Karnad, M.K. Raina, are among the outstanding theatre personalities. In addition, there are a large number of puppet show practitioners.

Films

The country leads the world in the output of feature films, with about 900 produced annually. They command an enormous domestic market and have become increasingly popular abroad. The major production centres are Mumbai, Chennai and Kolkata. Movies are the most popular medium of entertainment. Much of the



Satyajit Ray, doyen of Indian Cinema

commercial cinema revolves around social dramas and thrillers with many songs and dance sequences thrown in. From its beginning in the silent era of movies, the popular film industry of Mumbai (formerly Bombay), which is popularly known as Bollywood, has come a long way. In 2002, a Bollywood feature film, *Lagaan*, was nominated for an Oscar.

An art cinema which takes a serious look at the Indian society has also come to exist as parallel cinema. There has been widespread recognition of Indian artists and directors at film festivals in different parts of the world. India has been a regular participant in film festivals all over the world. Many Indian actors have won international acclaim; some have served on the jury of film festivals abroad. The late Satyajit Ray was awarded many prestigious international awards including the Oscar in 1992 for Lifetime Achievement in Cinema.

Documentary and short film makers have also played an important role in spreading knowledge and awareness among sections which are yet to get the benefits of modern education.

Music

The two main classical schools of music in India are called Hindustani, popular in the northern, eastern and western parts of the country, and Carnatic, which has its roots in south India. The classical music tradition has survived through the practice of Guru (teacher) passing on his

skills orally to the Shishya (disciple). This led to the existence of the system of Gharanas and Sampradayas in classical music.

Folk and tribal music has also thrived in India and, lately, it has been brought to the cities. Light music has also become very popular in urban centres.

Lata Mangeshkar, M.S. Subbulakshmi, Dr. M. Bala Murali Krishna; Ravi Shankar, Vilayat Khan, Bismillah Khan, Bhimsen Joshi, Jasraj, Amjad Ali Khan, Zakir Hussain; Jagjit Singh, Anoop Jalota; Dilip Kumar, Amitabh Bachchan, Nasiruddin Shah and E. Alkazi are among the well-known names in world of music, films and theatre.

India has a pulsating \$ 3.33 billion music industry which is growing at the rate of 20 percent per annum. Nearly 70 percent of this turnover comes from film music which has held complete sway over the popular music scene for decades. But in recent years 'Indi pop' is emerging as its rival though it accounts for less than 20 percent share. The rest is divided between classical, semi-classical, ghazal and devotional segments. One of the best known ghazal singers is Jagjit Singh while Shubha Mudgal is a unique case of a classical singer who also as a huge following for her light songs. Many of the 'Indi pop' stars like Daler Mehendi, Alisha Chinoy, are as popular today as film music singers of yester years like Mohammed Rafi, Mukesh, Talat Mehmood and Kishore Kumar.

Literature

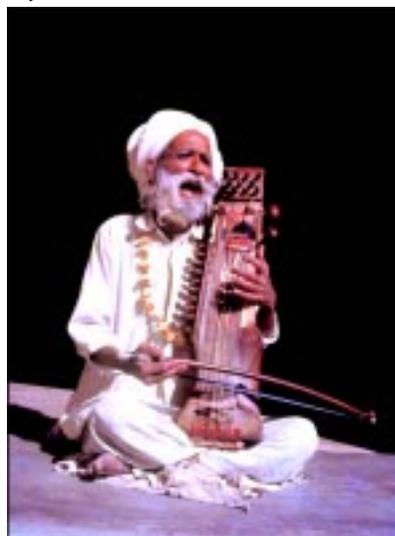
From the Vedas and Upanishads to Ramayan and Gita, India has produced great works of literature, philosophy and religion. The tradition has continued in contemporary India. Nearly every major Indian language has a rich tradition of literature. Rabindranath Tagore won the Nobel

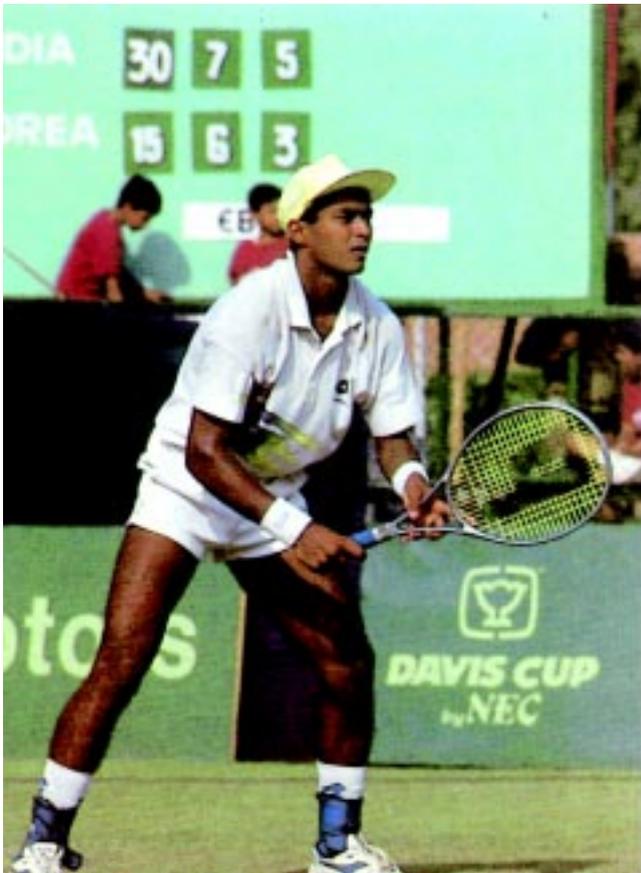
Prize for his Work 'Geetanjali'. Many Indians writing in English have gained international acclaim. Raja Rao, R.K. Narayan, Mulk Raj Anand, and in later years, Vikram Seth, Amitav Ghosh, Shashi Tharoor.... the list is long. The prestigious Booker Prize of 1997 went to Arundhati Roy for her maiden novel "The God of Small Things".

Sports

Having won the Olympic gold medal eight times, hockey has long been considered India's

A folk musician



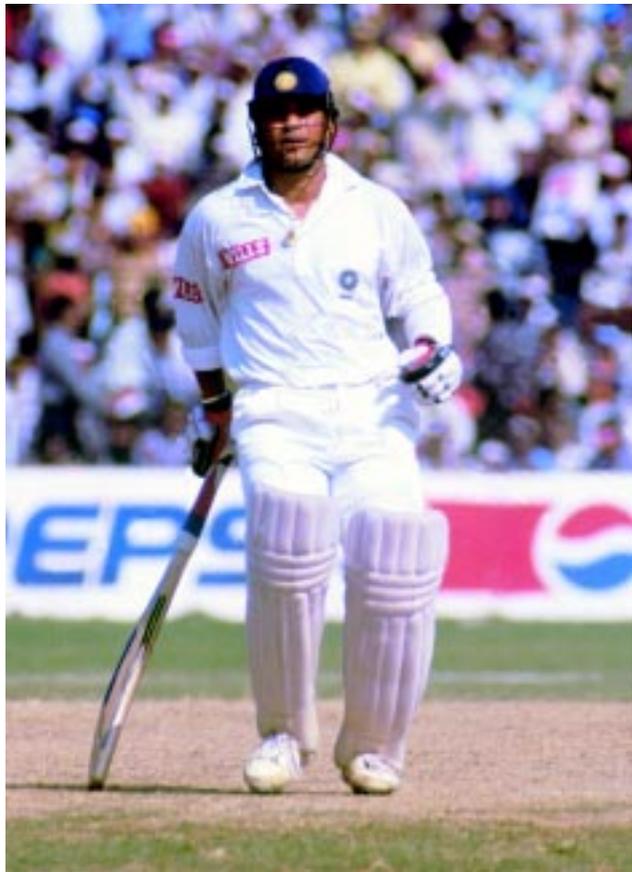


Leander Paes in a Davis Cup match against Korea

national sports. Football, volleyball, basketball, badminton and a host of indigenous games like kabaddi and kho-kho are also very popular. But after India won the (one day) World Cup in 1983 and performed well in many other international one-day cricket tournaments, including Asia Cup, cricket has obviously become the nation's prime passion. In 2004, the Indian cricket team toured Pakistan. It was a historic tour not only because it marked the resumption of Indo-Pak bilateral cricket ties after nearly 15 years, but also because of the tremendous goodwill it generated among the people of the two nations.

The greatest Indian cricket star at the moment is Sachin Tendulkar, arguably the world's best batsman who was the first to amass 13,000 runs in One Day Internationals (ODIs) when he was playing the second ODI in Pakistan during the 2004 tour. He is also closing in on the world record of 34 Test centuries which stands in the name of Sunil Gavaskar, one of the all-time great batsmen of the game.

Games like tennis, billiards and golf may not be as popular as some other games, but India has made a mark in these fields also. At individual level, Leander Paes has been a Wimbledon Junior Tennis champion and a bronze medal winner at the (1996) Olympic games. He and Mahesh Bhupathi have also been among the world's best doubles players. Geet Sethi has been a title holder of both the World

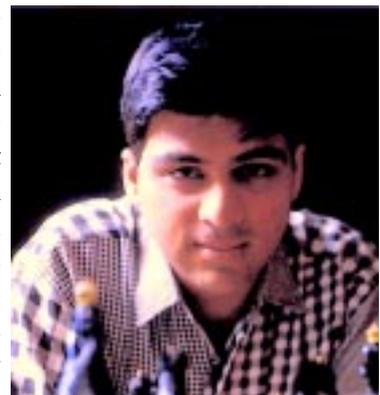


Sachin Tendulkar in action

Amateur and Professional Billiards championships. Vishwanathan Anand became an international chess grandmaster when he was 17 and has been a dominant player for well over a decade. Indian golf players Arjun Chatwal, Jyoti Randhawa and Jeev Milkha Singh are among the top Asian gold players with Chatwal qualifying for the prestigious PGA tournament in the US.

Anju George is the first Indian woman long jump athlete to win a bronze medal at a world meet. Indian women weightlifters like Kunjurani Devi and K. Malleswari have also brought laurels to the country. Anjali Pathak is among the world's top women shooters while among the men Abhinav Bindra is a new hope for India after Jaspal Rana.

Camel and elephant races are unique Indian sports. Equestrian sports and tent-pegging have also acquired an Indian flavour. But one indigenous sport that has become an international tourist attraction is the snake-boat race in the backwaters of Kerala during the Onam festival.



Vishwanathan Anand

Important Public Holidays and Religious Festivals

Pongal:

A three-day harvest festival and one of the most joyful events in the South. In Tamil Nadu, newly harvested rice is ceremonially cooked. In Karnataka, the festival is called 'Sankranti', and cows and bullocks are gaily decorated and fed on 'Pongal' (a sweet preparation of rice). In the evening, the cattle are led out in procession to the beat of drums and music.

Republic Day:

January 26 marks the anniversary of the commencement of the Constitution in 1950 and is India's National Day. The celebrations in New Delhi, a magnificent parade of the armed forces and civilians, is followed by an impressive cultural pageant and a colourful folk-dance festival.

Id-ul-Zuha:

Commemorates the sacrifice of Ibrahim (Abraham). Muslims offer prayers all around the country.

Muharram:

Commemorates the martyrdom of Imam Hussain, the grandson of the holy Prophet Mohammed, and is observed by the Shi'ite Muslims, who take out processions of colourfully decorated 'Tazias', which are paper and bamboo replicas of the martyr's tomb at Karbala in Iraq. The processions are specially impressive at Lucknow. In parts of the South, masked male dancers painted with tiger stripes lead the procession.

Holi:

The most boisterous of all Hindu festivals, observed all over the North. It heralds the end of winter. Men, women and children revel in throwing coloured powder and squirting coloured water on each other. Greetings and sweets are exchanged.

Mahavir Jayanti:

The anniversary of the birth of Vardhamana Mahavira, the twenty-fourth Tirthankara, more than 2,500 years ago. The festival attracts pilgrims from all parts of the country to the ancient Jam shrines at Girnar and Palitana in Gujarat.

Good Friday:

Services and recitals of religious music are held in hundreds of churches all over India.

Easter:

The Christian belief in the resurrection of Christ is celebrated with enthusiasm by the members of the community. Processions are taken out in some parts of the country.

Baisakhi:

The Hindu Solar New Year Day. People bathe in rivers and go to temples to offer puja (worship). Baisakhi is of special significance to the Sikhs. On this day in 1699, Guru Gobind Singh organised them into the 'Khalsa', brotherhood of man. In Punjab, farmers start harvesting on this day with great fanfare. Villagers perform the 'Bhangra folk-dance.

Buddha Purnima:

Marks the birth and enlightenment of Buddha.

Khرداد Sal:

The birth anniversary of the Prophet Zarathustra (Zoroaster), who was born at the beginning of the first millennium BC. It is one of the most important Parsee festivals.

Janmashtami:

The birth anniversary of Lord Krishna, the incarnation of Vishnu and the author of the Bhagavad Gita (Song Celestial), is observed all over. It is celebrated with special éclat at Mathura and Brindavan where Lord Krishna spent his childhood. Night-long prayers are offered and religious hymns are sung in temples. Scenes are enacted from Lord Krishna's early life.

Independence Day:

August 15 marks the anniversary of Independence in 1947 and is celebrated with due solemnity. The national flag is hoisted and the occasion marked as a day of dedication.

Onam:

Kerala's most popular festival, celebrated with great enthusiasm, it is primarily a harvest festival. The most exciting part of the festival is the snake-boat race held at several places in the palm-fringed lagoons.

Dussehra and Durga Puja:

Among the most popular of all festivals, it symbolises the triumph of good over evil. Every region observes this 10-day festival in a special way. In the North, 'Ram Lila' recitations and music recall the life of the legendary hero, Rama. Large fire cracker-stuffed effigies of Ravana, symbolising evil, explode to the cheers of thousands of spectators. In Kulu against the backdrop of snow-covered mountains, villagers dressed in their colourful best assemble to take out processions of local deities

accompanied by music on pipes and drums. In Karnataka, Dussehra is celebrated with magnificent pomp and pageantry. In Bengal and the East, it is called 'Durga Puja'. Images of Goddess Durga are worshipped for four days and, on the last day, taken out in a procession and immersed in a river or the sea.

Gandhi Jayanti :

October 2, the birth anniversary of Mahatma Gandhi, the Father of the Nation. Special prayers are offered at the Gandhi Samadhi at Rajghat, Delhi and celebrations are held all over the country.

Diwali:

The festival of lights is one of the most beautiful of Indian festivals. It comes 20 days after Dussehra and celebrates the return of Rama to Ayodhya after his 14-year exile. Countless flickering oil lamps and lights are lit in houses all over the country, making it a night of enchantment. Worship of Lakshmi, the goddess of wealth, and fireworks and festivities are an essential part of the occasion.

Guru Nanak Jayanti:

Also known as 'Gurupurab', it is the birth anniversary of Guru Nanak who founded the Sikh faith. It is celebrated widely with readings from the Granth Saheb (Holy Book)

Id-ul-Fitr:

Celebrates the end of Ramzan, the Muslim month of fasting. It is an occasion of feasting and rejoicing. The faithful gather in mosques to pray; friends and relatives meet to exchange greetings.

Christmas:

Celebrated by Christians and non-Christians alike with special enthusiasm. The bigger cities like Delhi, Mumbai and Kolkata wear a festive look as Christmas bazaars and festivities are organised.

Id-e-Milad:

Prophet's Birthday: The day is marked by prayers and discourses on the teachings of the Prophet.





सत्यमेव जयते

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