

Permanent Indian trade centres in Latin American nations mooted

They will initially display a few products such as light engineering goods

Special Correspondent

CHENNAI: To showcase the business potential of Indian firms to prospective buyers in the Latin American countries, the Commerce Ministry has mooted setting up of permanent trade centres in four cities, said Suchismita Palai, Director, Ministry of Commerce and Industry on Tuesday.

Delivering the special address at a seminar on 'India and Latin America: augmenting synergies in the post-crisis world,' organised by the Confederation of Indian Industry (CII), she said these trade centres would come up in Sao Paulo, Buenos Aires, Port of Spain and Santiago.

"As of now, it is in preliminary stage. We are holding discussions with the Embassies, High Commissioners and Ambassadors of these countries to set up product-specific trade centres that would function throughout the year. Funds have been allocated," she said.

According to her, these trade centres would initially display a few products such as light engineering goods, leather, textiles, gems and jewellery.

Land and products for Port of Spain centre has already been identified.



ENHANCING TIES: Vinod Surana, partner & CEO, Surana & Surana (right), receiving the first copy of a CII report on Latin America from R. Viswanathan, Ambassador of India to Argentina, Uruguay and Paraguay, at a seminar in Chennai on Tuesday. — PHOTO: R. RAGU

Besides, the Ministry of Commerce and Industry is in the process of setting up help desks with translation services in five Indian cities — Chennai, Mumbai, New Delhi, Kolkata and Bangalore — and to open a dedicated portal for Latin American market.

R. Viswanathan, Ambassador of India to Argentina, Uruguay and Paraguay, said

by setting up off-shore units in these countries,

Indian IT majors have removed the misconception about language and distance that hampered the trade ties.

Noting that India's trade with Latin America was on a new paradigm of high growth, he said "it could go up to \$30 billion by 2012, given the positive change in the market

and the favourable mindset of Latin Americans towards India. The Preferential Trade Agreement with Mercosur and Chile would boost the trade in coming years."

He released a brief study on Indo-Latin America and Caribbean Economic Relations, jointly prepared by CII and Surana and Surana International Attorneys.

T.C. Venkat Subramanian, Chairman and Managing Director, Export-Import Bank of India, said that though trade between two countries was increasing, it was much below the true potential.

Balance of trade was in the favour of Latin America and it was good for India. Micro, Small and Medium Enterprises should make use of the opportunity to enter these markets.

Laxminarayan Venkataraman, Delivery Head, Emerging Markets — India (Offshore), Tata Consultancy Services, said they entered Latin America to broaden their services for global customers. Out of the 6,500 workers, Indians accounted for less than 1 per cent and this region accounted for 4.7 per cent of TCS revenue.

C. Rathnakumar, Managing Director, Confident Engineering, narrated his success story.

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India, Latin America trade in growth mode



R Viswanathan seen addressing the CII meet in the city on Tuesday

ENS Economic Bureau
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INDIA'S trade with Latin America can go up to \$30 billion by 2012 thanks to a new paradigm of high growth in the business relations between the two countries, said R Viswanathan, Ambassador of India to Argentina, Uruguay and Paraguay. In 2008, India's trade with Latin America had reached \$16 billion from \$2 billion in 2000, he added.

In his key-note address on 'Doing business with Latin America' at the CII seminar 'India and Latin America - Augmenting synergies in the post-crisis world' held in the city on Tuesday, he said that the global crisis had triggered a fundamental change in the mindset of Latin American business towards India.

"The crisis has tightened the availability of local financial resources and credit. Latin Americans are no longer able to afford the luxury of the best that money could buy. The new mantra is affordable products. Price is the main concern. This has made them look for less expensive import sources such as India," he added.

"These days, there are hardly any

business delegations from Europe, US and Japan to Latin America. But the Indian delegations keep coming every month. They are happy with \$9 billion Indian investment in IT, pharma and chemicals in the region, which contribute to employment, exports and industry of Latin America. Indian IT companies employ 10,000 Latin Americans in the region," he remarked.

In the past, Latin America had faced problems like four-digit inflation, external debt and currency rate fluctuation. Now things are different. There is so much of economic and political stability, all because of the leftists governments and an agenda for inclusive growth, he noted.

J N Amroliya, Chairman, Task Force on International Business Promotion and Networking, CII SR, Laxminarayana Venkataraman, Delivery Head, Emerging Markets - India (Offshore), Tata Consultancy Services, C Rathnakumar, Managing Director, Confident Engineering India Private Limited, T C Venkat Subramanian, Chairman and Managing Director, Export-Import Bank of India and Suchismita Palai, Director, Department of Commerce, Government of India, spoke.

Govt plans trade centres in Latam

Chennai: The Indian Government is planning to set up four product-specific trade centres in Latin American countries like Sao Paulo, Port of Spain, Buenos Aires and Santiago to showcase the products manufactured by the Indian textile and auto sector, said Suchismita Palai, Director, Department of Commerce, Government of India. Speaking to reporters on the sidelines of the CII seminar on 'India and Latin America - Augmenting synergies in the post-crisis world' in the city on Tuesday, she said that help desks would be cre-

ated towards this effort in four metropolitan cities like Delhi, Kolkata, Mumbai and Chennai, besides Bangalore, to help the business community to identify all types of matters pertaining to trade and commerce with the help of the local embassies. "We are also keeping in touch with the Indian Ambassadors towards facilitating the early establishment of the trade centres in the Latin American countries," she noted. "A portal is also being created for the benefit of the trading community in this regard," she pointed out.

India to set up trade centres in LatAm

fe Bureau

Chennai, Sep 1: In order to capitalise on the lull in trade between the US and Latin American countries, the commerce ministry has proposed to open up four to five trade centres in a few LA countries on a permanent basis, to create awareness among investors and business people alike on Indian products, technologies, manufacturing and R&D capabilities, apart from promoting bilateral relations between Indian and LA corporates in a big way, said Suchismita Palai, director, department of commerce, commerce ministry.

A recent by CII, 'Augmenting synergies in the post-crisis world', released in Chennai on Tuesday, said India and Latin

American countries have the potential to treble their bilateral trade from the 2007-2008 level of \$12 billion to \$36 billion by 2012-2013, with a compounded annual growth rate of 25% at a relatively modest pace. The study also cited long distances and complicated sea routes, cultural and language difficulties and the frequent fluctuation of Latin American currencies as the primary reasons for low trade, compared to China which deals in trade worth over \$140 billion.

Suchismita Palai, at the sidelines of a seminar on 'Indo-LA synergies' on Tuesday, said, "We are currently working with Indian ambassadors to create trade centres in places such as Sao Paulo, Santiago, Buenos Aires and Port of Spain and in another

place in some other country. We have also asked the embassies to identify places to set up the trade centres to help Indian corporates showcase their products and R&D capabilities and increase their exports to LA countries."

The government is also planning to set up help desks across India like Bangalore and Hyderabad to provide valuable information on the LA countries, including data on population, potential areas for investments, exports opportunities, challenges apart from helping in promoting businesses between both the countries, she said. "These help desks would function like call centres to provide all kinds of information about LA," she added.

A separate portal would be soon created to provide end-to-

end details about each of the LA countries to benefit both importers and exporters from India. "The portal will be upgraded frequently on the developments taking place in the LA countries. The portal will also serve as a catalyst to business match making, she added.

Some of the sectors which can display their products and capabilities in these trade centres include light engineering, auto ancillaries, gems and jewellery and textiles. "There is a sense of urgency set in our department. The ministry has set an agenda to focus on LA countries. We have set an internal target to treble our trade with LA countries and we are working with various chambers, associations, trade bodies and stakeholders considered to do so," she said.

India to set up trade centres in Latin America

SANJAY VIJAYAKUMAR

Chennai

THE government is planning to set up trade centres in four Latin American countries in a bid to promote trade and bridge the gap with China, a top official said.

The government would set up trade centres in Sao Paulo, Buenos Aires, Port of Spain and Santiago, Suchismita Palai, director, department of commerce, said at the sidelines of seminar on business opportunities in Latin America organised by CII.

The trade centres would be used for conducting Indian trade expos in these regions. The ministry would also set up helpdesks in five major Indian cities. Palai said the helpdesks would come up in Chennai, Mumbai, Bangalore, Delhi and Kolkata, which would be outsourced to private players. India's exports to Latin America increased to \$7.5 billion in 2008 from \$1.2 billion in 2000. The government plans to raise exports to the region to \$15 billion by 2012.

"Our trade with Latin America is very small compared with China, which has reached \$140 billion in 2008. We have a lot of catching up to do and the ministry would come out with aggressive plans during the course of this fiscal to boost trade ties with Latin America," Palai added. The ministry would also launch an exclusive portal for Latin America, which would contain information on tariffs, tax structure, strength and weakness of the region.