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Trade deficit widens despite BoP surplus

Direction of Foreign Trade*					
Nine Months					
					(Rs. in millions)
	2009/10R	2010/11R	2011/12P	Percent Change	
				2010/11	2011/12
TOTAL EXPORTS	**45390.3**	**47660.7**	**55242.2**	**5**	**15.9**
To India	29416.1	31631.5	37437.4	7.5	18.4
To Other Countries	15974.2	16029.2	17804.8	0.3	11.1
TOTAL IMPORTS	**280257.2**	**287968**	**339844**	**2.8**	**18**
From India	156276.6	194444.8	219829.1	24.4	13.1
From Other Countries	123980.6	93523.2	120014.9	-24.6	28.3
TOTAL TRADE DEFICIT	**-234866.9**	**-240307.3**	**-284601.8**	**2.3**	**18.4**
With India	-126860.5	-162813.3	-182391.7	28.3	12
With Other Countries	-108006.4	-77494	-102210.1	-28.3	31.9
TOTAL FOREIGN TRADE	**325647.5**	**335628.7**	**395086.2**	**3.1**	**17.7**
With India	185692.7	226076.3	257266.5	21.7	13.8
With Other Countries	139954.8	109552.4	137819.7	-21.7	25.8

Source :NRB ** Based on customs' data* *R= Revised,* *P=Provisional*

During the first 9 months from mid July to mid April of FY 2011-12, despite the massive surplus in balance of payments (BoP) account, Nepal's trade deficit has further deepened in the first three quarters of the current fiscal year.

During the period, total merchandise imports went up 18 percent to Rs. 339.84 billion, with imports from India posting a hike of 13.1 percent while imports from other countries witnessing a rise of 28.3 percent.

According to NRB statistics, major items of imports in billions Nepalese Rupees from India during 9 months review period were petroleum products, MS Billets, vehicles and spare parts, medicine, other machinery and parts, Cold rolled Sheet in Coil, M.S. Wires, Rods, Coils, Bars, Electrical Equipment, Coal, Chemical Fertilizer, Hot rolled Sheet in Coil, Thread, Agri. Equip.& Parts, Chemicals, Readymade Garments, Rice, Cement, Vegetables, Textiles, Paper, Cosmetics, Tobacco, Tyre, Tubes & Flapes, Dry Cell Battery, Glass Sheet and G. Wares.

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The overall BOP registered its highest ever surplus of Rs. 91.37 billion during the nine months of the FY 2011/12 compared to a deficit of Rs. 14.94 billion in the corresponding period of the previous year. The current account registered a surplus of Rs. 41.94 billion compared to a deficit of Rs. 15.20 billion in the corresponding period of the previous year.

The substantial rise in the growth of remittances and foreign grants accompanied with the improvement in the service account were the responsible factors for the substantial surplus in the current account. In USD terms, the overall BOP recorded a surplus of USD 1.16 billion during the nine months of the review period in comparison to a deficit of USD 203.5 million in the corresponding period of the previous year. Similarly, the current account registered a surplus of USD 524.3 million during the nine months of the review period compared to a deficit of USD 208.9 million in the corresponding period of the previous year.

Similarly, goods such as Gold, Crude Soyabean Oil, Telecommunication Equip. Parts, Other Machinery & Parts, Electrical Goods, Computer and Parts, Polythene Granules, Crude Palm Oil, Silver, Transport Equip. & Parts, Chemical Fertilizer, Video Television & Parts, Medical Equip.& Tools, Medicine, Edible Oil, Copper Wire Rod, Scrapes & Sheets, Threads, Writing & Printing Paper, Petroleum Products among others, were imported in figures above billions Nepalese Rupees from other countries.

On exports, merchandise exports rose 15.9 percent to Rs 55.24 billion during the period, with exports to India reporting a hike of 18.4 percent, while exports to other countries recording a growth of 11.1 percent.

Data shows exports to India mainly consisted having export figures above one billion Nepalese Rupees were Textiles, Jute, Goods, Zinc sheet, Polyster Yarn, Cardamom, Thread, Juice, G.I. pipe, Shoes and Sandals, Wire, among others, while exports to other countries with such export figure comprised of woolen carpets, readymade garments, pashmina, and Pulses, among others.

Trade Deficit

Total trade deficit during the nine-month period went up by 18.4 percent to Rs 284.6 billion, as imports radically surpassed exports. The country's trade deficit had increased by 2.3 per cent to Rs 240.08 billion in the corresponding period of the previous year, according to the macroeconomic report published by Nepal Rastra Bank (NRB).

During the review period, trade deficit with India increased by 12 per cent which had gone up by 28.3 percent in the corresponding period of the previous year. Likewise, trade deficit with other countries increased by 31.9 per cent in contrast to a drop by 28.3 per cent in the corresponding period of the previous year.

Balance of Payments Situation

Remittance and Transfers

Under transfers, while pension receipts declined by 2.4 percent to Rs. 21.11 billion, workers' remittances increased by 36.5 percent to Rs. 248.18 billion compared to a growth of 10.3 percent in the corresponding period of the previous year. On a monthly basis, the remittance inflows increased by 2.8 percent in March/April compared to the value of the previous month of this fiscal year. In USD terms, remittance inflow increased by 25.1 percent to USD 3.14 billion in the review period compared to a growth of 12.8 percent during the corresponding period of the previous year.

Net Service Account

Net service account witnessed a surplus of Rs. 12.48 billion during the review period in contrast to a deficit of Rs. 8.24 billion in the corresponding period of the previous year. Under services, tourism income rose by 28.9 percent in the first nine months of the FY 2011/12 in contrast to a decline by 17.7 percent in the corresponding period of the previous year. The net transfer account registered a growth of 33.1 percent to Rs. 294.50 billion in the review period compared to that of a year ago.

FDI

Likewise, under the financial account, foreign direct investment of Rs. 6.84 billion was recorded during the review period compared to such investment of Rs. 5.60 billion in the same period a year ago.

Nepali, Korean builders sign MoU for intn'l management contract

Nepali construction companies now can take up international contracts as management contractors. Regarding this, a memorandum of understanding (MoU) signed between the Federation of Contractors' Associations of Nepal (FCAN) and International Construction Association of Korea (ICAK) has opened this avenue for Nepali contractors.

FCAN President Jayaram Lamichhane said "This MoU means Nepali builders will now be able to work with Korean firms in international construction markets as management contractors in an institutional way. Nepali companies taking the responsibility of management will be able to go wherever Koreans take their investment and technology."

ICAK is an organisation of Korean contractors participating in overseas construction and development activities. The FCAN-ICAK MoU, according to Lamichhane, will also help attract Korean investment in Nepal's infrastructure development sector. The MoU was signed by FCAN President Lamichhane and ICAK President Choi Jae Duck during an FCAN delegation's recent visit to South Korea. Nepali contractors say this deal is a significant development as Korean contractors are second big player in the global construction business after Chinese.

The five-point MoU include promoting the participation of FCAN and ICAK member contractors in engineering, construction and infrastructure developments projects, exchanging information about companies that are eligible to carry out projects in joint venture and exchanging information about infrastructure development projects in both countries for possible investment. So far, only a handful of Nepali contractors have been able to work in the international construction business with their individual approach.

Lamichhane said the agreement has also opened door for bringing in new technologies being practiced by Koreans in construction and physical infrastructure development. "Korean contractors are very much interested bringing investment and modern technology for the proposed Kathmandu-Hetauda Tunnel Road, upon FCAN's request," he said. FCAN has also invited a team of Korean contractors to Nepal for readying a work plan regarding the agreement.

The pact with ICAK will play an important role for attracting investment in infrastructure during the Nepal Investment Year 2012-13, according to FCAN. Besides, hundreds of Nepali engineers, sub-overseers and other work force would be able to find work in various countries.

'US can be a market for Nepali CTC tea'

The team of US of Tea Association of America (TAA), that tasted the Cut-Tear-Curl (CTC) tea of Jhapa on Friday praised the quality of local CTC tea, saying it was of world class taste.

"I am surprised to know that tea of such high quality is produced in Nepal," said Peter Goggi, executive vice president of TAA. "The taste is really of world class and it can definitely fetch good prices if exported to the US." While praising the taste, Goggi also suggested the farmers to further improve the quality, as there was enough scope to do that in order to get better price.

The team of 10 businessmen returned after examining CTC and orthodox tea of Jhapa and Ilam. The businessmen showed keen interest on CTC tea produced by Gorkha Tea Estate of Fikkal, Green and Speciality Tea of Pashupatinagar and organic tea produced by Himalayan Shangrila Tea of Sakhejung.

Jhapa and Ilam are known for producing high quality tea, but CTC tea processing factories are located in Jhapa only. There are 24 processing factories in Jhapa and they produce more than 10 million kg of CTC tea. Of that, 6.5 million kg are consumed within the country. "Eight percent of the remaining tea is exported to India and rest to the third world countries," said Chandi Parajuli, proprietor of Danfe Tea Estate.

Parajuli added that as the American team highly loved the tea and has asked for the sample, tea farmers are hopeful that the market of CTC tea can be expanded in US as well and they will get better price for green leaves once Nepali tea finds market in US and. Currently farmers are getting Rs 60 per kg for green leaves

Meanwhile, a team of tea producers left for the US with samples of tea early this week. During the visit, the team will exhibit their samples in various places of the US.

Currently, Germany is the major importer of Nepali tea. Nepali tea is also exported to England, Japan, Austria and some other countries.

Indian tea exports to Chinese market increasing steadily

The aroma of Indian tea has wafted into the birthplace of the beverage across the Great Wall of China, where the GeNext is beginning to savour it as a preferred alternative to the home-grown variety.

Though China remains the world's largest producer of the beverage, it produces green leaf tea while the younger generation in the country is tasting new flavours of globalisation and turning towards the black tea grown in India.

"Young Chinese people find in black tea a lifestyle quotient, as they associate it more with the British or American way of life. It's more of a psychological thing that is driving this shift from green tea to black tea," said Ajay Kichlu, a veteran tea taster and director of Chamong Tee. The Kolkata-based company, which has started exporting black tea to China, expects to ship half-a-million kg of the beverage this year.

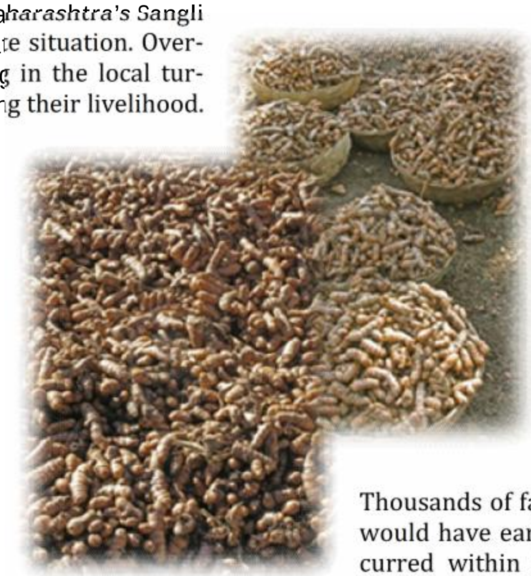
India is the leading producer of black tea, with an annual output of 985 million kg, while China's annual production of green leaf tea is much higher at 1,500 million kg.

Exporters expect to sell up to 10 million kg of black tea this year in China, where the demand is estimated to rise rapidly to 100 million kg by 2015. China's current share of the 200-million-kg black tea exported annually from India may be minuscule, but it signifies the opening up of a vast new market.

"Though the Chinese are used to drinking green tea, we have seen that they ask for black tea instead of other beverages when they venture out to fast-food joints," said G Boriah, director (tea development) at the Tea Board. "We have heard that mainly tea from North India is being exported to China. The younger generation there prefers a stronger cup," Boriah added.

Facebook is helping farmers in India

Last month, the turmeric farmers of Maharashtra's Sangli district found themselves in a desperate situation. Oversupply had resulted in prices crashing in the local turmeric market, Asia's biggest, threatening their livelihood. And with several thousands growing the commodity across Maharashtra, Andhra Pradesh and Tamil Nadu, any meaningful strategy to halt the price crash meant involving a sizeable number of farmers.



That's when local farmer Atul Salunkhe, 31, had a brainwave. How about using Facebook to contact other turmeric growers across the country? Salunkhe had opened a Facebook account three months back to trace his college friends. Now he decided to use it for more pressing reasons.

"I knew some farmers in Andhra Pradesh with Facebook accounts. I immediately asked them what should be done about prices. They suggested that we should reduce supply for a few days. I conveyed this view to everyone in the village," said Salunkhe, who uses his smartphone to access Facebook. Farmers depend on market sales for regular income and don't find it easy to give it up even temporarily. His neighbours in Atpadi village sought time and thought it over for a day.

Eliminating middlemen

Then farmers of Atpadi village asked Salunkhe to send out a message that no one should participate in the local auctions. In a matter of minutes, Salunkhe conveyed this to 35 farmers on social media from Sangli district alone. The news went viral after that, said Salunkhe.

Every village of Sangli district, which has 25,000 turmeric farmers, heard of the boycott call. "For the next few days, each afternoon we chatted online to finalise details of the boycott," he said.

On the morning of January 22, the Sangli auction yard stood empty. Thousands of farmers had stayed away. A protest that would have earlier taken months to organise now occurred within 10 days. When the farmers resumed selling their produce at the auction, the prices doubled from Rs 4 per kg to Rs 8 per kg. The boycott had served its purpose.

"Facebook farmers played a crucial role in stopping the auction and solving the problem," says Raghunath Ramachandra Patil, president, Shetkari Sangathana, a political party with farmer members. The small protest at Sangli may not be a patch on the social media-led 'Arab Spring', but it does point to the growing importance of social networking websites in the Indian countryside.

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See, how Facebook …………….

From sharing critical information in real time to eliminating middlemen to opening up marketing opportunities for companies looking to tap rural consumers, social media is becoming a powerful tool of communication across India's 600,000 villages. Technology experts say the community has always been central to rural India and therefore its acceptance of social media tools is not surprising.

"Earlier, a village sarpanch would sit under a tree and discuss certain issues with villagers before taking a final call. Facebook and Twitter are an extension of this concept." Farmer bodies are quick to point out the advantages of social media. Farmers involved in tea, dairy, horticulture and floriculture are increasingly using social networking sites, adds K Prabhakar Reddy of the Consortium of Indian Farmers Association.

Ncell investing Rs 2.25b on four data centers

Nell has unveiled plan to invest around €20 million (Rs 2.25 billion) to set up four new data centers. The private mobile operator has said the set up was part of its disaster preparedness management project and that the total cost of the project would be much higher.

The data centers will work as a complete backup system with redundant data communications connections. Two of the centers are expected to come into operation by the end of this year.

Ncell CEO Pasi Koistinen said the company was establishing two identical data centers in Matatirtha of Kathmandu and Biratnagar. The data centers will be 200 km apart. He said the identical data centers will also be established in Hetauda and Pokhara.

Tomas Bhose, land and building manager of Ncell, said the data centers would function as back up site, redundant site and mirror site for the operator. The centers provide data recovery services in case the operator lost data. Similarly, it can function as a redundant site by providing alternative network in case the network switch is down. It also supports remote data mirroring.

According to Ncell officials, the cost of land and building for data centers at Kathmandu and Biratnagar is estimated at €15 million. Similarly, the operator is investing €5 million for land and building at Pokhara and Hetauda centers. Ncell currently has data centers in Pokhara and Jawalakhel. It plans to shut down both the centers after the data are transferred to the new centers. Officials of Ncell claimed that the new locations were safer geographically and that they will be energy-efficient.

Besides, the company is also bringing cell on wheels (COW) into operation by the end of this year. COW is a mobile cell site consisting Base Transceiver Station (BTS) on a vehicle. Koisitinen said Ncell is bringing into operation five such vehicles that will work as backup system for the operator in case of natural disasters. "Each COW will have the capacity of 100 calls per second," he added.

Feasibility study begins on Greater Ring Road connecting 8 districts

The government is planning a bigger Ring Road connecting eight districts outside the Kathmandu Valley. The Department of Road (DoR) is currently carrying out a feasibility study for the ring road that will connect Sindhupalchwok, Nuwakot, Dhading, Makawanpur, Kabhrepalanchwok, Sindhuli, Ramechhap and Dholakha districts.

MEH Consultant, the project's consultant in joint venture with three other firms, will be identifying a minimum three alignments for the ring road based on technical, economic and environmental feasibility and recommend a best one. The proposed ring road, which will be tentatively around 375 km long, passes through over four dozen village development committees (VDC) in the eight districts, as per the preliminary estimate.

However, Tulsi Prasad Sitaula, secretary at the Ministry of Physical Planning, Works and Transport Management, said that the exact length, the number of VDCs to be covered and tentative cost would be known only after the completion of the feasibility study."We will conduct detailed project report in the next fiscal year based on the alignment recommended by the feasibility study," added Sitaula. The proposed ring road—the longest one in the country—and will also help develop Kathmandu valley in a greater way in future, according to the department officials.

"We are hopeful that the feasibility study will be completed by mid-July," said Prabhat Kumar Jha, chief of Planning Monitoring and Evaluation Unit of the department. He also lamented that the study work had been severely affected by the recent strikes. Meanwhile, the department is undergoing final preparation to select consultant for detailed feasibility study of two tunnel roads linking—Nagdhunga-Naubise and Tokha-Gurje of Nuwakot. Recently; the department has issued request for proposal for the study to six firms showing interest to this effect. Jha said that they would sign agreement with a consultant within current fiscal year so as to speed up study and detailed project report work in next fiscal year.

NTA to crack down on uncertified mobile sets

The Nepal Telecommunications Authority (NTA) has decided to strictly implement type approval certification (TAC) for the import and sale of mobile handsets. The telecom regulator is cracking down on handset manufacturers and their local authorized dealers as they have been disregarding the rules.

New brands and models of handsets are launched in the local market almost daily, however, barely 160 models from various brands have obtained TAC to be eligible to be imported and sold. TAC is issued to cell phones meeting a minimum set of the regulatory, technical and safety requirements fixed by the NTA. The government made TAC mandatory from June 1, 2008 under the Telecommunications Act 1997. However, manufactures, importers, authorised distributors and traders have been disregarding it.

The NTA said TAC would make local authorized distributors and dealers responsible for faulty handsets and liable to pay compensation for any harm, injury or loss caused by their use.

"Customers who have suffered harm, injury or loss should be properly compensated by the authorized local representative if it is due to a malfunction in a type-approved device," states the working procedure issued by the NTA. The manufacturer's representative has been directed to discontinue the import and sale and replace all the sets already on the market in case of defects in the equipment resulting in unacceptable performance.

"Only those having an International Mobile Equipment Identity (IMEI) number are allowed to be imported and sold," said Kailash Prasad Neupane, spokesperson of the NTA. He added that the NTA had also written to the Ministry of Finance and the Customs Department to direct customs offices to allow entry of only type-approved handsets.

According to the NTA, this will help curb illegal imports of handsets, increase revenue collection and discourage imports of substandard sets having no IMEI, a unique number given to each mobile phone. The regulator also intends to inspect the market for illegal handsets.

As provisions, NTA charges Rs 1,000 or US$ 15 per model to issue TAC. Initially, the certification is issued for a period of six months, and if there are no complaints about the product, the regulator clears it for sales for a period of five years. The NTA has been awarding TAC based on lab reports or declarations of conformity provided by the manufacturer. In the near future, the authority is planning to issue TAC by using special software to make the process easier and save time.

Over billions $ lost every year due to software piracy U.S. has lowest piracy rate , says BSA

Despite increases in anti-piracy efforts, software companies continue to cite huge monetary losses that they attribute to piracy. The question for some who doubt the claimed losses resulting from piracy is whether the people pirating software would actually buy the software if they didn't get it illegally.

A new report has been issued that claims the global loss to software piracy is over $50 billion.

The report claims that in 2009, 43% of the software on computers around the world was pirated, up from 41% the previous year. Of the $50.4 billion in losses attributed to piracy globally, $16.5 million of that number is said to be in the Asia-Pacific region alone. The average piracy rate in the Asia-Pacific area is 59%. Yahoo News reports that the 59% number means that 900 million computers in the area run pirated software.

The Business Software Alliance's Jeffrey Hardee said, "This study makes clear that while efforts to bring down piracy levels in the Asia-Pacific are enjoying some success, dollar losses at over 16.5 billion (dollars) remain the highest in the world. This is unacceptable and there is still much to be done to engage governments, businesses and consumers on the risks and impact of software piracy."

The world's top pirate country is Georgia in the former Soviet Union where 95% of all software is claimed to be illegal.

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Over billions $ lost every year …….

Behind Georgia are Zimbabwe, Bangladesh, Moldova, Armenia, and Yemen. The country with the lowest piracy rate is the U.S. at 20% followed by Luxembourg, New Zealand, and Australia.

Asia continues to be the largest source of software piracy according to the report despite increasing crackdowns by governments in the area. In January 2009, China sentenced 11 in a case that involved millions of copies of pirated software.

The BSA held a briefing in Singapore recently, and expressed concern over the rise in piracy in the region, which went up 12% from 2010. Meanwhile, the worldwide losses to piracy accounted for US$ 63.4 billion, or an 8% increase from US$ 19 billion in 2010.

Why Piracy is growing?

Piracy is growing faster in developing economies, particularly with businesses and individuals in these regions buying more personal computers, but less likely or willing to spend on software. Cheap, pirated versions are usually available either through online downloads or on optical media like CDs and DVDs.

The report highlighted software piracy losses in China, where 77% of all software in the country is illegally obtained. Chan said China had the “most troubling piracy problem,” where the “illegal software market was worth US$ 9 billion in 2011 versus a legal market of US$ 3 billion.”

Awareness + Enforcement

The BSA acknowledges that enforcement is not enough, given that some users pirate software simply out of ignorance. Chan has highlighted the need for “awareness and education,” and that legislation should not be a deterrent. He acknowledged that tougher laws might be good in theory, but may discourage trade. “If I make it so difficult for business owners to prove rightful ownership, it might discourage them. We have to look at balancing between stopping piracy and discouraging local businesses.”

Colombian gold passes for precious stones

All that glitters is gold under a new thermo-chemical process developed by Colombian engineers for color-tinting the precious metal to make it look like sapphires, rubies or emeralds.

The tinting can increase the value of gold by a factor of five, meaning the chemically-altered precious metal is likely to appear in jewelers’ display windows worldwide soon, University of Antioquia engineers say. “It does not involve pinting the gold or covering it with some material that disguises the traditional white, yellow or pink of the precious metal,” said Maria Eugenia Carmona, the principal researcher on the project.

“It involves subjecting it to an elaborate thermo-chemical process of 8 to 10 hours, after which not only does its color become red, blue or green, among others, but also its market price increases significantly,” she said.

Colombia extracted 51 tonnes of gold from its mines last year, representing a 4 percent increase over the previous year. Colombia’s gold exports were valued at US$2.8 billion last year, a 31.4 percent increase, according to official figures.

“We are sitting on a mine and it’s sad to see large companies take our gold as a raw material to other countries where it is processed to return here at a high price,” Carmona said. A better option, she suggested, is to give the gold added value that would allow Colombians to export a new product.

Well-known Bogota jeweler Eladio Rey said the thermo-chemical transformation produced an outcome that is “wonderful, so innovative.” “It is undoubtedly attractive to traders and buyers because of the diversity of colors and much better if a high quality for the metal can be guaranteed,” Rey said.

The University of Antioquia process involves mixing 24 karat gold with reactive metals in a four-to-one ratio. The mixture is then subjected to a thermal process in special ovens, which changes its color. After cooling, the material has the appearance of precious stones and can be coated with a protective resin and mounted in rings, brooches or pendants.

Rey says he likes the coloring process, not only because it allows gold to be combined with other gemstones, but also because it allows the product to be labeled “made in Colombia.”

A woman shows a bracelet made entirely out of gold at the University of Antioquia in Medellin, Colombia

Indian Army Women's Everest Expedition puts four female officers on the summit of Mount Everest

Four female officers and six male soldiers from the Indian Army stood on the summit of Mount Everest early on 25th May. The final push for the summit began around 7 p.m. 24 May 2012 from Camp 4 famously known as the South Col, with the first of the climbers arriving at their destination about nine hours later.

Team-leader, Nepal-Army-Chief, Indian-Ambassador-to-Nepal-and-Defence-Attaché, Indian-Embassy

"Sir, we've done it," were the first words from Captain Namrata Rathore to Colonel Ajay Kothiyal, the leader of the expedition from the summit. The other female officers who reached the summit were Major (Dr) N. Linyu, Capt. Deepika Rathore and Capt. Smitha. Maj Linyu was the first of the female climbers to be on top. The team was led by Major R. S. Jamwal (deputy leader,) of the team. Subedar Rajender Jalal, Havaldar Sherab Palden, Havaldar Praveen Thapa, Havaldar Chader Bahadur Thapa and L/H Sudhir Singh were amongst the other male members who successfully scaled the peak.

Indian Expedition Team approaching to Camp 3

Jalal, a veteran mountaineer who has already scaled five eight thousand meter peaks and also Mt Everest in 2003 became the first Indian to reach the summit of the world's highest mountain without oxygen. "Our first attempt on the summit was hampered by bad weather that included strong winds which prompted us to make a strategic decision to retreat." said the team leader Col Ajay Kothiyal.

He also praised the Sherpa guides who worked under difficult conditions and contributed to the success of the whole team.

"I am proud of our women and men who refused to give up," said Lt Gen Ramesh Halgali, AVSM, SM, Deputy Chief of the Army Staff.

"Our Expedition team have made the Indian army and the country proud by being determined to achieve their goal of reaching the summit of the world's highest mountain despite all the odds and inclement weather of the past few weeks," said Lt Gen SP Tanwar, AVSM, Director General of Military Training.

Team Interaction with the Chief-of-Nepal-Army Chhatra Man Singh Gurung

"The first attempt on the summit from 20 May 2012 onwards was hampered by bad weather that included strong winds which prompted us to make a strategic decision to postpone the summit." said the team leader Col Ajay Kothiyal.

The bad weather on the mountain including higher than usual temperatures and high winds prompted several expeditions on the mountain to close camp and abandon their expeditions earlier this month. The deaths of six climbers on 18 and 19 May 2012, one of the few climbing windows on Everest this season, and other earlier deaths have made this one of the deadliest climbing seasons.

Photo Feature of the female officers of Indian Army

The-Massive-Khumbu-Glacier-photo

Capt-Namrata-Rathore

Conference-at-Base-Camp-prior-to-move-

Capt-Poonam-Sangwan

Pooja-by-the-Lama-at-Base-Camp

Capt-Prachi-Gole

Capt-Deepika-Rathore

Capt-Smitha

Marketing : Maruti Suzuki racing ahead in top gear in Algeria

Maruti Suzuki's marketing head, Mayank Pareek, about Algeria as a car-export destination narrates a marketing lore about two shoe salesmen who are sent to a town to assess its market potential. One returns, saying, "No market, people don't wear shoes." The other sees it as an opportunity to make them wear shoes. "We faced a similar situation when we looked at Algeria and Africa for car exports," says Pareek. "People said customers there buy only big cars and others don't buy cars," he adds.

In 2011-12, Maruti shipped 17,247 cars to this North African country, making it the Indian company's largest export market, ahead of neighbouring Sri Lanka (15,359 cars) and Indonesia (10,551 cars). Although Maruti drove into Algeria - a market that, like India, has low levels of motorisation and a value-conscious buyer - in 2000, it stepped on the gas only three years ago. Since then, it has trebled annual sales. "This has opened the doors for us to target other African countries more aggressively," says Pareek.

In 2011-12, of the 1,27,000-odd cars that Maruti exported, about 23,000 went to Africa - almost double that from the year before. In the same period, Hyundai India sent 75,000 of its 2,40,000 car exports to Africa, a number that is boosted by its Korean parent using the Indian arm as an export hub for the i10 and i20 models. "The African and Latin American markets hold considerable potential over the longer term," says Kapil Arora, partner, auto practice, Ernst & Young. "That's the reason almost all automakers are aggressively tapping them," he adds.

Today, Maruti Suzuki sells the 800, Alto, Alto K10 and A-Star (as 'Celerio') in Algeria, using its Japanese parent's name, through its 37 dealerships. It has a 6% share in a market that saw 2,94,000 new cars being bought last year. According to Pareek, the Algerian market shows great similarity to India in demographic and psycho-graphic profile.

Maruti had been selling in small numbers. But as the imperative for alternatives to Europe increased, the company stepped up its efforts in Algeria. An integral part of those initial greater efforts, says Pareek, was to challenge the existing notion of how the car market was defined in Algeria. Buyers were mostly the well-heeled, who preferred big cars. So, there was a large market for big old cars and, therefore, a strong lobby. "We took a contrarian view and began targeting people who didn't own a car," says Pareek.

The company drew from its Indian experience. For example, it began with the hinterland and moved into the interiors; it introduced car financing through distributors, dealers and banks; it offered car exchange; and trained the sales staff of its dealers on how to source sales and to target small numbers.

This called for some reorientation of the sales staff. "Earlier, the sales team targeted only those who had already decided to buy, but we taught them to target people who hadn't yet decided," explains Pareek. "Those who have decided make up their mind on which car to buy and there's usually little probability of converting them," he says.

Today, Maruti has reached a point in Algeria where it feels confident to gradually have the Alto take over from the relatively cheaper 800 as its flagship model.

In 2011-12, other high-growth markets in Africa for Maruti included Angola, Nigeria and South Africa, but these were all on a smaller base. That same year, it added Ivory Coast, Madagascar, Uganda, Zambia and the West Africa region.

Toyota looks to growth in emerging markets

Toyota is now looking to emerging markets for growth, targeting 50 percent of its global vehicle sales in such countries by 2015, and rolling out eight compact models over the next few years. However, Toyota Motor Corp. Executive Vice President Yukitoshi Funo said last weekend the company won't even try to compete in supercheap models that are plentiful in developing nations.

He told reporters Asia is a "second motherland" for Toyota, where it will boost research and development as well as production of auto parts. Toyota Motor Corp. already sells more than 3 million vehicles a year in emerging markets, making up 45 percent of its global sales of 7.1 million vehicles.

Japan's top automaker is aiming to add another million vehicles in annual sales from emerging markets with eight models, starting with the Etios sedan that went on sale in India in 2010. On Friday last week, Toyota said it had reached a "milestone" of 100,000 cumulative sales of Etios cars, which are all made in India.
Toyota built its reputation with fuel-efficient small cars. And the demand for affordable compacts could prove a boon for Toyota. The compacts in the works will be smaller than the Corolla, and likely sell for about 1 million yen ($12,000). Toyota said it won't try to compete with models going for half that price. "To think cheap cars will sell in emerging markets is a big mistake," Funo said. "Cars are symbols of family pride. They're for driving to a picnic on a day off."

New growth is crucial for Toyota. Its brand suffered after massive recalls in the U.S., although sales are recovering.
However, Toyota faces intense competition from General Motors Co., Volkswagen AG and Hyundai Motor Co., as well as Japanese rival Nissan Motor Co., allied with Renault SA of France. They all have the same thing in mind — growing in emerging markets such as China, Indonesia, Brazil and India. Toyota hopes to raise the use of locally made parts in emerging markets to close to 100 percent in the next few years, it said. Using locally made parts is key to cutting costs.

Hewlett Packard to lay off 27,000 staff as net dives 31%

Tech giant Hewlett Packard will layoff about 27,000 employees over the next two years (i.e.) by the end of fiscal year 2014) as it aims to trim costs, which the firm says will save up to $3.5 billion annually by 2014, and kick start its growth again, as part of restructuring to boost declining profits and revenues.," the company said.

The move came as HP reported a 31% decline in net earnings to $1.6 billion and a 3% drop in revenue to $30.7 billion for second quarter ended April 30, 2012. Savings from the cost cuts will go towards increased investment in research and development, especially in printing and PCs.

HP employs about 300,000 people around the world, with an Irish workforce of about 4,500 people in its plants in Leixlip, Co Kildare, and Galway. It is not yet known how the cuts will affect the Irish operations, with the company saying plans would vary by country, based on local legal requirements and consultations.

However, a spokesman for the firm noted that chief executive Meg Whitman had said the plan was broad-based and would "touch all of HP". "While some of these actions are difficult because they involve the loss of jobs, they are necessary to improve execution and to fund the long term health of the company," she said.

A third of the cutbacks will be in the US, and the scale of the redundancies will be dictated by how many staff opt for an early retirement programme on offer. The cutbacks are expected to be implemented by the end of HP's fiscal year 2014.

The Hewlett-Packard logo outside the company's HP Enterprise Services unit in Plano, Texas.
Photograph: Mike Fuentes/Bloomberg

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Solar Powered Plane Cross Mediterranean on first intercontinental flight

The Swiss sun-powered aircraft Solar Impulse on Thursday last week took off for Morocco and landed safely in Madrid early Friday at the end of the first leg of its attempt at an intercontinental flight without using a drop of fuel.

The Swiss sun-powered aircraft Solar Impulse

Pilot Andre Borschberg successfully launched the plane from an airfield in Payerne in western Switzerland at around 8:30am (0630 GMT), bound for Rabat via Madrid, after a two-hour delay due to foggy conditions. Borschberg landed the plane in the Spanish capital in the early hours of Friday and emerged smiling from the cockpit.

If successful the 2,500-kilometre (1,550-mile) journey would be the longest to date for the craft after an inaugural flight to Paris and Brussels last year. The high-tech aircraft, which has the wingspan of a large airliner but weighs no more than a saloon car, is fitted with 12,000 solar cells feeding four electric engines.

The aircraft made history in July 2010 as the first manned plane to fly around the clock on the sun's energy. It holds the record for the longest flight by a manned solar-powered aeroplane after staying aloft for 26 hours, 10 minutes and 19 seconds above Switzerland, also setting a record for altitude by flying at 9,235 metres (30,298 feet). The trip is intended as a re-hearsal in the run-up to the plane's round-the-world flight planned for 2014.

Pilot Andre Borschberg

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