

**Consulate General of India
Toronto**

No. Tor/Com/201/1/2012

February 22, 2013

Report for December 1, 2012 to December 31, 2012

1. Trends in Bilateral Trade:

(USD million, from January 1, 2012 to December 31, 2012)

(i) Bilateral Trade

(in US \$ Million)

	Export	Import	Total	Growth % of Export	Growth % of Import
Canada's Trade with India	2,345	2,863	5,208	-11.3%	11.8%
Canada's Total Global Trade	454,901	462,265	917,166	0.5%	2.4%

(ii) Top 10 items of Export to India

S. No	Commodity	Period	Percentage Growth (%)	% Share in total Export
1.	07 - Edible Vegetables and Certain Roots and Tubers	Jan-Dec 2012	-20.7%	21.63%
2.	88 - Aircrafts and Spacecrafts	"	28.9%	12.05%
3.	48 - Paper, Paperboard and Articles Made From These Materials	"	-39.6%	7.67%
4.	71 - Pearls, Precious Stones or Metals, Coins and Jewellery	"	-20.6%	7.34%
5.	27- Mineral Fuels, Mineral Oils, Bituminous Substances and Mineral Waxes	"	115.8%	6.89%
6.	31 - Fertilizers	"	-59.1%	6.48%
7.	47 - Pulp of Wood and The Like; Waste and Scrap of Paper or Paperboard	"	53.3%	6.34%
8.	84 - Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	"	-16.9%	5.78%
9.	72 - Iron and Steel	"	92.1%	4.28%
10.	26 -Ores, Slag and Ash	"	7.8%	3.77%

(iii) Top 10 items of Export to the World

S. No	Commodity	Period	Percentage Growth (%)	% Share in total Export
1.	27- Mineral Fuels, Mineral Oils, Bituminous Substances and Mineral Waxes	Jan-Dec 2012	-0.1%	25.47%
2.	87-Motor Vehicles, Trailers, Bicycles, Motorcycles and Other Similar Vehicles	"	16%	13.47%
3.	84 -Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	"	4.2%	7.21%
4.	71-Pearls, Precious Stones or Metals, Coins & Jewellery	"	-14.1%	5.04%
5.	85 -Electrical or Electronic Machinery and Equipment	"	-2.4%	3.30%
6.	39-Plastics & Articles Thereof	"	-1.9%	2.65%
7.	88 -Aircrafts & Spacecrafts	"	5.4%	2.27%
8.	44-Wood and Articles of Wood (Incl. Wood Charcoal)	"	9.1%	2.20%
9.	26 - Ores, Slag and Ash	"	-2.6%	1.93%
10.	76 -Aluminum and Articles	"	-13.8%	1.89%

(iv) Top 10 items of Import from India**(in US \$ Million)**

S. No	Commodity	Period	Percentage Growth (%)	% Share in total Import
1.	29-Organic Chemicals (Including Vitamins, Alkaloids and Antibiotics)	Jan-Dec 2012	25.4%	12.82%
2.	73-Articles of Iron or Steel	"	38.4%	8.94%
3.	71-Pearls, Precious Stones or Metals, Coins and Jewellery	"	-1.3%	7.55%
4.	84 -Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	"	17.6%	5.95%
5.	62-Woven Clothing and Articles of Apparel	"	-2.4%	5.54%
6.	30-Pharmaceutical Products	"	35.1%	5.38%
7.	63-Other Made-Up Textile Articles and Worn Clothing	"	26.0%	4.27%
8.	27-Mineral Fuels, Mineral Oils, Bituminous Substances and Mineral Waxes	"	21.8%	3.96%
9.	61-Knitted or Crocheted Clothing & Articles of Apparel	"	-25.6%	3.93%
10.	85 - Electrical or Electronic Machinery and Equipment	"	-24.8%	3.32%

(v) Top 10 items of Import from the World**(in US \$ Million)**

S. No	Commodity	Period	Percentage Growth (%)	% Share in total Import
1.	87-Motor Vehicles, Trailers, Bicycles, Motorcycles and Other Similar Vehicles	Jan-Dec 2012	10%	18.28%
2.	84-Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	“	4.8%	17.42%
3.	27-Mineral Fuels, Mineral Oils, Bituminous Substances and Mineral Waxes	“	-4.2%	13.30%
4.	85-Electrical or Electronic Machinery and Equipment	“	-0.2%	11.72%
5.	71-Pearls, Precious Stones or Metals, Coins and Jewellery	“	-12.9%	3.98%
6.	39-Plastics and Articles Thereof	“	3.6%	3.89%
7.	90-Optical, Medical , Photographic, Scientific and Technical Instrumentation	“	6.7%	3.48%
8.	30-Pharmaceutical Products	“	-1.8%	3.17%
9.	73-Articles of Iron or Steel	“	10.1%	3.15%
10.	94 - Furniture, and Stuffed Furnishings; Lamps and Illuminated Signs; Prefabricated Buildings	“	9.8%	2.33%

(vi) Top 5 competitors of India's top 5 exports

1.	29 -Organic Chemicals (Including Vitamins, Alkaloids and Antibiotics)	United States, China, Ireland, Switzerland, Germany
2.	73-Articles of Iron or Steel	United States, China, Japan, Mexico, Taiwan,
3.	71-Pearls, Precious Stones or Metals, Coins and Jewellery	United States, Peru, Argentina, United Kingdom (U.K.), Mexico
4.	84 -Nuclear Reactors, Boilers, Machinery and Mechanical Appliances	United States, China, Mexico, Japan, Germany
5.	62 - Woven Clothing and Articles of Apparel	China, Bangladesh, United States, Mexico, Vietnam,

(vii) Significant Trends

S. No	Details of significant trends	Analysis
	NA	NA

2. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc.

British Columbia Finance Minister Michael de Jong, who was on a visit to Punjab recently said the opening of a new trade and investment office in Chandigarh will strengthen economic ties between India and Canada. "Trade and Investment office (at Chandigarh) will boost the business prospects (between India and Canada)," Jong said. A new trade and investment office was opened at the Canadian Consul-General in Chandigarh on December 7th. Jong said there is a huge potential for mutual trade in sectors of energy, coal, technology, education, wood products, digital media ability, etc. "Trade must go both ways and both the countries have to go a long way in this regard," he said.

Michael De Jong, Finance Minister of British Columbia, said he is eyeing a 10-fold jump in trade with India over the next few years. Mr. De Jong is betting on companies from India exploring opportunities in sectors such as coal and natural gas while businesses from the Canadian province seeking opportunities in areas such as life sciences, aerospace and agri-food processing. "We did \$300 million of trade last year, (but) I see a potential for \$3 billion. India has more to offer Canada than shrimp, which I believe registers as one of the top exports. We can do way better. For us, we are blessed with abundant natural resources and we understand that in India there is an insatiable appetite for coal, natural gas and fertilizers. These are areas where both sides can work together," he said.

The Consulate General (CG) of Canada in Chandigarh has received requests from the provinces of Manitoba, Alberta and Saskatchewan seeking increased trade ties between them and the state of Punjab in the fields of food processing and agro-industry. CG officials said that the provinces in the country have expertise in handling food grain storage and processing and are proposing technology sharing agreements with the government of Punjab. Officials handling the trade and investment work at the CG office here said that Canada is looking at setting up a food park jointly with the state of Punjab. They added that closer ties between Canada and Punjab will help the state to pursue a crop diversification program and look beyond paddy-wheat growing cycle. Consul General, Scot Slessor, said that the Consulate in Chandigarh is looking at increased trade ties as part of the plan of the two countries to move up from the current 5-6 billion (Canadian dollar) trade between India and Canada.

3. Market Access

a. Alerts on SPS/ TBT notifications, import procedures, export restrictions put in place; change in trade policy:

S. No	Notification no. and date	Details	Effective from
	None		

b. Alerts on Trade Defence Measures taken by respective country: (Special Safeguard, antidumping, CVD or Anti-subsidy)

S. No	Notification no. and date	Details of products/ sectors affected	Effective from
	None		

c. Feedback from major Indian industries/ other commercial concerns set up in Canada and Indian trade visitors to Canada

S. No	Name of business house	Activity sector	Trade barrier issues if any	General feedback
	N.A.	N.A.	N.A.	N.A.

d. Feedback on major trade fairs / BSM including Indian participation (whether or not supported by MAI funds):

S. No	Particulars of Trade Fair, dates etc.	Number of participants from India	List of large participants	Feedback received
	N.A.	N.A.	N.A.	N.A.

e. Feedback from local commercial visitors to trade fairs in India, including under BSM. Number of Business Visas issued:

S. No	Particulars of Trade Fair, dates etc.	No. of participants	List of large participants	No. of Business Visas issued	Feedback received
1.	India Telecom 2012 December 13-15, 2012 Pragati Maidan, New Delhi	16	N.A.	Total 329	None

4. Investment:

a. Opportunities for investments / assets on offer / major company divestment:

S. No	Particulars of the asset/ company	Contact details
	Canadian oil sands owned by ConocoPhillips worth up to \$5 billion	N.A.

b. Information on Tender Notices of Interest to Indian project exporters (USD 15 million & above) None

Information on tender notices of value less than USD 15 million can be accessed from www.merx.com

c. Information regarding upcoming major investments in India from Canada:

S. No	Particulars of the asset/ company	Sector of investment	Quantum of investment
1.	Montreal-headquartered Velan Inc., a manufacturer of industrial valves, announced that its wholly-owned subsidiary, Velan Valves India Pvt. Ltd. (VVI), located in Coimbatore, Tamil Nadu, India, has opened a new manufacturing plant.	Manufacturing	US\$ 10 million

2.	Vancouver-based GLG Life Tech Corporation has signed a distribution agreement with KP Manish Global Ingredients Pvt. Ltd. of India for the distribution and marketing of GLG's stevia extract products.	Pharma, food and beverage sectors	N.A.
3.	Clearford Industries Inc. of Ottawa announced the Delhi Jal Board in India has approved Clearford's small bore sewer (SBS) collection system for use in the village of Bijwasan near Indira Gandhi International Airport in New Delhi.	Renewable energy	C\$ 1.5 million

5. Details of activities carried out of Trade Promotion budget:

BE for 2012-13	RE for 2012-13	Amount utilized	Details of activity
Rs. 2,00,000	-	Nil	N.A.

6. Action taken on the previous JWG's, Joint Commissions, sub-commissions etc. (issues that Mission had to follow up with host government):

S. No	Details of JWG/ JEC	Action Point	Action Taken
	N.A.	N.A.	N.A.

7. Trade Queries for Imports / Exports

S. No	Enquiry originator	Product	Nature Import / Export	Action taken
1.	Abha Spintex Pvt. Ltd. Mumbai, Maharashtra	Readymade garments	Export	Lists of importers of apparel sent
2.	Amit Products Jamnagar, Gujarat	Precision brass turned components and various types of industrial products	Export	Lists of importers of products requested sent
3.	Heetu Chemicals & Alkalies Vadodara, Gujarat	Pigments, chemicals & various intermediates	Export	Lists of importers of chemicals sent
4.	Best Foods Limited New Delhi	Basmati rice	Export	Lists of importers of rice and grocery stores sent
5.	Golden Arc International Agra	Marble handicrafts	Export	Lists of importers of handicrafts sent
6.	Keva Industries Ludhiana	Wellness and healthcare products	Export	Lists of importers of products requested sent
7.	Kreasions Kolkatta	Fashion garments and accessories	Export	Lists of importers of apparel sent

8.	Snow Falcon International Coimbatore	Food grains, rice, wheat, cereals, nuts, pulses, spices,	Export	Lists of importers of products requested sent
9.	R.P. Basmati Ltd. Karnal	Rice	Export	Lists of importers of rice and grocery stores sent
10.	Ara India New Delhi	Home furnishing	Export	Lists of importers of products requested sent
11.	Daks International Surat, Gujarat	Scarves and stoles.	Export	Lists of importers of products requested sent
12.	KHV Fashions Gwalior, Madhya Pradesh	Fashion jewellery including necklace sets and earring and pendent sets.	Export	Lists of importers of products requested sent

8. Any other issue of importance

Mrs. Neelkamal Darbari, Joint Secretary, Department of Chemicals & Petrochemicals, accompanied by Mr. S. Ilangovan, Chief Manager (Technical), Central Institute of Plastics Engineering and Technology (CIPET), and Mr. Manoj Mehta, Deputy Director, Federation of Indian Chambers of Commerce and Industry (FICCI), visited Toronto during December 9-15, 2012. The main purpose of the visit was to review the research work undertaken by the CoE-GREET (Centre of Excellence -Green Transportation Network) PhD scholars at University of Toronto. CIPET and University of Toronto, both, are in the process of implementing the joint research and innovation agenda under the CoE-GREET programme. CIPET has signed an MOU with UOT for transferring knowledge-based skills in the areas of Bioplastics and Biodegradable composites.

The delegation had meetings with Ms. Wendy Tilford, Deputy Minister, Ontario Ministry of Economic Development and Innovation, Deans of Faculty of Engineering and Chemistry, Prof Mohini Sain, Dean and Professor, Faculty of Forestry, and Director, Centre for Biocomposites & Biomaterials Processing, University of Toronto, President of Canadian Plastic Industry Association, President of Ontario BioAuto Council and had interaction with PhD scholars from CIPET. Visits to Windsor Ford Power Train Research Centre, Magna NRC (National Research Council) facility, Woodbridge Foam factory and Greencore Composites facility were also undertaken. The delegation availed this opportunity to discuss the potential partnerships in areas of new technologies and potential areas of cooperation and investment opportunities in chemical sector in India. The 2nd International Exhibition on Plastics and Petrochemicals-Poly India 2013-was also promoted in various interactions and invitation was extended to stakeholders for participation in this exhibition.

The Ontario Ministry of Economic Development and Innovation led a telecom mission to India in December 2012. The purpose of the mission was to advance business alliance between Ontario and Indian companies in the telecommunication sector. The 16 member delegation visited Mumbai and New Delhi. Some of the companies exhibited at the India Telecom trade show in New Delhi from December 13-15.

India's state oil companies intend to press ahead with plans to buy stakes in Canada's oil sands and believe they will not run afoul of tougher Canadian rules on foreign ownership of the sector. A consortium of Oil and Natural Gas Corp, Oil India Ltd. and refiner Indian Oil Corp is among

three bidders shortlisted to buy stakes in Canadian oil sands owned by ConocoPhillips. The assets could be worth up to \$5 billion. Canada recently approved a \$15.1 billion bid by China's CNOOC for Nexen and a \$5.3 billion takeover of Progress Energy by Malaysia's Petronas, but shut the door on similar deals in the future. Prime Minister Stephen Harper said Canada would not deliver control of the country's oil sands-the world's third-largest reserves of crude-to another government. T.K. Ananth Kumar, Director of Finance at Oil India Ltd, one of the consortium partners, said the group would be discussing the development with bankers. India's state oil companies, tasked with scouting for oil and gas assets abroad to meet rising demand in the nearly \$2 trillion economy, have moved with uncharacteristic speed in recent months to secure interests overseas. State-run GAIL India is also considering buying liquefied natural gas (LNG) assets in Canada, Peru, and Trinidad put up for sale by Spain's Repsol. Source: Reuters

State-run Bharat Heavy Electricals Limited (BHEL) is open to collaboration with Canadian companies in the atomic space once the nuclear power generation climate is feasible in India, a top company official said. "We are now hoping to see that once the nuclear scenario is clear in the country, there can be talk of co-operations between us and the Canadian companies," BHEL Chairman and Managing Director B.P. Rao said. BHEL has had association with Canadian companies in the past. "Canada is a country where technology is there, joint work with them would be beneficial to the company as well as the country, in the past we have worked with the Canadians for the transmission systems, hydro power generation etc," Rao said. He also said that the company is setting up an ultra super critical technology project along with NTPC and IGCAR (Indira Gandhi Centre for Atomic Research). The project is fully funded by the government. Source: Economic Times

Aditya Birla Group company Hindalco will receive \$100 million in financing for its Mahan Aluminium Project in Madhya Pradesh from Export Development Canada. The agreement will support the supply of technology and capital equipment to the project by subsidiaries of Canada's Rio Tinto Plc, operating under the umbrella of Aluminum Metals Group of Rio Tinto Plc. The Mahan Aluminium Project consists of a 359-ktpa aluminum smelter and a 900-Mw captive thermal power plant. This is the largest financing deal approved by EDC in India this year. Earlier this year, it also announced it would provide up to \$50 million in financing to Reliance Industries to support the Indian company's engagement with Canadian exporters in the energy sector to meet its procurement needs. India's infrastructure sector, and Canada's aerospace and clean technology industries are EDC's three key corporate priorities for the ongoing 2011-15 five-year term. India is the only country to be designated a corporate priority by EDC, reflecting its potential and importance to Canada as a growing trading partner.

Source: Business Standard

The tightening of lending norms by Indian banks has fuelled the way for global financial institutions to shift focus to the non-banking finance business. The latest entrant who eyes a strong foothold in this segment is Canada's largest property and casualty insurer, Fairfax Financial Holdings. A \$32-billion financial institution based out of Toronto had opened an Indian office through its subsidiary, Fairbridge Capital, last year. The latter had hit the headlines after agreeing to buy Thomas Cook Group Plc's 77 per cent stake in its India operations for about \$150 million in May this year. Fairfax is already engaged in India's insurance space through ICICI Lombard General Insurance Co, the largest private sector general insurance company, a 74:26 venture between ICICI Bank and Fairfax. Rajeev Suneja, Partner, Financial Services, Ernst & Young, said: "In an NBFC, 100 per cent foreign direct investment is allowed. NBFCs can further invest in areas where external commercial borrowing is restricted, like real estate. Also, it is much easier to structure loans using a domestic entity. Source: Business Standard