

JOURNAL OF COMMERCE & TRADE

www.jctindia.org



ISSN 0973-4503
RNI UPENG 2006/ 17831

Vol. IX No. 1 April, 2014

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*International Journal listed in Cabell's Directory, Ulrich's Directory,
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Journal of Commerce and Trade (JCT) is an International Double Blind Reviewed, indexed and referred bi-annual publication of the Society for Advanced Management Studies. It was started in October, 2005. It is a **Print Journal** and is published in the months of April (May) and October (November) every year.

The Journal is registered by RNI bearing No. Delhi UPENG 2006/17831 and is also recognized by ISSN (Paris) 0973-45032. It is an International Journal intended for Professors, Scholars, Teachers, Academicians, Professionals and Students.

The Journal welcomes new, bonafide and genuine researches in the field of Commerce, Economics, Law, Management and Trade. Articles, Case studies, Discussions, Book Reviews and Biographies of the legends in above fields are given place in the JCT. It, also, throws the light on the contemporary issues of global interests in commerce and management.

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All the articles are published only after the proper approval of the Editorial Board and the Blind Review Committee. The submitted articles are published in the consultation with the Editors and Editorial Board's decision. The acceptance and rejection will be informed by email. The submitted papers should be as per Submission Guidelines and should be in scholarly style.

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All the submitted manuscripts are scanned via **Anti-Plagiarism Software** and **Google Search**.

Journal of Commerce and Trade is a Print Journal. You can also see, explore and print previous issues simply by login on our Home Page. JCT can be subscribed at National and International levels.

Publication Statement

Place of Publication : Meerut
Periodicity : Bi-Annual (Six monthly)
Language : English
Printer's Name : Arihant Electric Press, Meerut
Publisher : Dr. Himanshu Agarwal
Chief Editor : Dr. Himanshu Agarwal
Editor : Dr. S. K. Agarwal
Nationality : Indian
Address : 25, Murari Puram, Garh Road, Meerut, UP, India.

I, Dr. S. K. Agarwal, hereby declare that the particulars given above are correct to the best of my knowledge.

Dr. S. K. Agarwal
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Date of Publication : 15 May 2014 No. of Copies : 1000

Circulation Manager : **Mukesh Agarwal** Meerut, UP, India (09412357717)
Financial Advisor : **Chanderdeep Gupta (CA)**, Phool Bagh Colony, Meerut, UP, India (09412201822)
Legal Advisor : **Dr. Sanjeev Kumar Gupta**, Meerut, UP, India (9412804741)
Layout, Design & Type Setting : **Vibgyor**, Meerut, UP, India (0121-40305531)

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Issue: Vol. IX No. 1

Date of Publication: 15.05.2014

No. of Copies: 1000

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E *Journal of Commerce and Trade* **ditor Speaks**

Vol. IX No. 1 : April, 2014

Narendra Modi took oath as the Prime Minister of India on 26th May 2014. The political upheavals have taken charge drastically.

The growing role of economics in diplomacy is de rigueur all over the world and under the Narendra Modi government, India has also joined the trend. Countries practice economic diplomacy by providing economic incentives to promote strategic interests. On the other hand, powerful countries such as the U.S. and groupings such as NATO or the EU impose economic and financial sanctions to constrain those activities of other countries deemed to be negatively impacting their own strategic interests.

Growth promotion is the objective of governments everywhere. The new Modi government, like most other governments has raising the rate of growth as its primary objective. It has also identified imperatives such as employment generation, filling the infrastructure gap, and restraining inflation which erodes the living standards of the poor. How the government plans to attain these objectives will become clearer in the next few days, have presented its first budget on 10 July.

By inviting SAARC leaders and the president of Mauritius to the prime ministerial swearing in ceremony, the government revealed a focus on the neighbourhood. A substantial percentage has traditionally been allocated to Bhutan to secure its strategic interests in a country whose only other neighbour is China. But India has also invested in the development of the hydroelectric potential of Bhutan, presenting itself as the buyer of all power surplus to the needs of Bhutan. To acknowledge the close friendship between the two countries Modi made his first visit abroad to Bhutan.

By drawing offers of a billion euro credit line from France, furthering interest in a Mumbai-Bangalore industrial corridor as well as signing defence deals worth nearly \$640 million with the UK and attracting high-technology from the U.S., the Modi government showed a masterful grasp of economic diplomacy. This is critically important to us for expanding our strategic space in an Asia increasingly dominated by an expansionist China, earning acceptance of our nuclear programme, securing energy supplies in an unstable Middle East, and fulfilling our investment needs, especially in infrastructure.

By receiving the Russian deputy prime minister Dmitry Rogozin within weeks of his assumption of office, Modi showed that an old friend and valued supplier of defence equipment would also be a strong partner in our quest for energy security. Equally, by receiving the foreign minister of China as his first foreign visitor, Modi has signalled an awareness of the rise of China and the complexity of the bilateral relationship. Unfortunately, Modi's planned July visit to Japan which would have provided an Eastern balance to the exchange with the US-EU and a regional balance to the interaction with China has had to be postponed. But when he does go, Modi will find that as Japan responds to our need for investment and technology, India needs to show sensitivity to Tokyo's greater (than ours) anxieties about Chinese aggression.

So far, the Modi government has deftly combined politico-strategic concerns with economic advantage. It needs to show that it can shape the agenda in multilateral gatherings such as BRICS next week and forthcoming meetings of the WTO and climate change talks after the novelty phase of the force of Modi's personality and the BJP dominance of parliament has been overtaken by other global events. A good place to start will be to reach out to Germany, the most important country in Europe, and be more active in our contiguous regions of troubled West Asia and economically vibrant ASEAN.

With these burning changes, the April 2014 (Vol. IX No. 1) issue of JCT is in your hands. I wish the drivers of the Indian Economy a safe journey at the bumpy roads ahead.

Dr. Himanshu Agarwal
Chief Editor