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UK Cabinet split over visa bonds for Indians

PTI

12 September 2013: The divisions within Britain's Conservative-led coalition government have been exposed over the controversial plans to impose 3,000-pound visa bonds on visitors from countries like India.

UK business secretary Vince Cable, from the Liberal Democrat Party, warned of the negative impact the yet-to-be-finalised scheme would have on relations with India.

"The reaction to it from our friends in India and elsewhere, where we are trying to build up relations, was one of outrage," Mr. Cable told the *BBC* in London on Wednesday. "In government, I and Nick [Clegg — Lib Dem leader and UK Deputy Prime Minister] are arguing for the much more sensible and flexible approach to the bond," he added.

The senior minister plans to urge his Tory colleague in the Cabinet, home secretary Theresa May, to reconsider the plans which had emerged back in June under which visitors from certain high-risk countries including India, Pakistan, Sri Lanka, Bangladesh, Ghana and Nigeria will be required to deposit 3,000 pounds for a six-month visa, to be forfeited if they overstay in the UK.

Indian ministerial circles had raised strong objections and sought full details on the application of the scheme, which is to be piloted from November.

The scheme had initially been mooted by Mr. Clegg but Mr. Cable clarified that his party leader had a very different idea in mind. "What Nick Clegg actually proposed was that if somebody in the subcontinent, for example, is turned down for a visa, they could as an alternative come up with a bond. Had that proposal been accepted I think most people would not have seen a problem with it," Mr. Cable said.

"It would actually have made it easier for people to come who have good reason to do so. But the way some of our colleagues in the coalition interpreted it was in a much more negative way, of saying that everyone who comes here should pay this very large bond," he explained.

Asked if he wanted Ms. May to change the plans, he said, "I think so. We are going to have to do this in a much more sensible way."

His comments come days after Sarah Teather, a former Lib-Dem minister, announced that she was quitting Parliament in despair at Clegg's leadership of the party.

She said she was unhappy with the party's policies, particularly on immigration bonds, which she believes will harm the most vulnerable members of society.

Cable said he had "sympathy" with Ms. Teather's concerns about immigration, but added that she had "overreacted" by announcing that she would quit Parliament.

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UK watchdog restricts drugs from India's Wockhardt

AFP

Mumbai, 22 October 2013: Britain's health regulator has restricted exports from a factory of Indian pharmaceutical firm Wockhardt, the company said Tuesday, the third such plant to face restrictions.

Britain's Medicines and Healthcare Products Regulatory Agency (MHRA) has cancelled Wockhardt's "good manufacturing practices" certificate for a factory in Kadaiya (Daman) in western India for noncompliance with its manufacturing standards.

The factory will however be allowed to test, make and supply to Britain certain drugs critical to public health, the statement to the stock exchanges said Tuesday.

The fresh blow comes days after the MHRA recalled five drugs made by Wockhardt from a plant in Chikalthana in Maharashtra state.

In recent months both the US and UK watchdogs issued import alerts on drugs made at another Wockhardt manufacturing unit in Waluj, Maharashtra in western India, citing quality concerns.

The firm's shares fell 4.29 percent to 458.2 rupees after Tuesday's setback, and Wockhardt said the impact of the fresh export curbs "will only be known once it receives further communication from MHRA".

It said it did not make any products for the United States market from the Kadaiya plant.

India's government has defended its lucrative generic drug industry, which accounts for nearly \$15 billion in annual exports, as safe and tightly regulated.

India's pharma giant Ranbaxy, after facing a lengthy legal battle in the United States, was hit by a new setback last month.

The US Food and Drug Administration (FDA) banned imports from Ranbaxy's "ultra modern" Mohali plant in northern India in September, whose renovation was supposed to mark a turning point for the Indian generics giant after years of run-ins with US regulators.

Now three of Ranbaxy's plants have been hit by an import ban to the United States, its largest market.

In May, Ranbaxy had pleaded guilty to US charges of selling adulterated antibiotic, epilepsy and other drugs, and agreed to a record \$500-million fine.

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UK scraps visa bond scheme

Business Standard

New Delhi, 4 November 2013: India's diplomatic efforts showed success on Sunday night, as the government of Britain announced its decision to drop its controversial visa bond scheme. It was to take effect as an experiment from this month.

In a major relief to Indians aspiring to either work or visit there, the government decided to "not to proceed" with the scheme, which entailed paying a personal cash bond of £3,000 (Rs 2.8 lakh) before entering that country.

The project, announced as an experiment, was aimed at addressing concerns on misuse of visas, checking those who overstayed or stayed on. For this, the UK government had categorised some countries as high risk, such as India, Bangladesh, Sri Lanka, Pakistan, Nigeria and Ghana.

UK High Commissioner to India James Bevan said on Monday: "The UK wants the brightest and the best to help create jobs and growth that will enable Britain to compete in the global race. So, for example, if you are an overseas businessperson seeking to invest and trade with world class businesses, one of the thousands of legitimate students keen to study at our first-class universities or a tourist visiting our world class attractions, be in no doubt Britain is open for business."

The decision was announced almost a week before British Prime Minister David Cameron's visit to India on November 14.

The scheme was announced in June.

Syed Akbaruddin, spokesperson and joint secretary, ministry of external affairs, told Business Standard, "We had articulated our views at the official and political level. They had indicated that these would be taken into account when they take a final decision."

The British government was "compelled" to scrap the scheme under pressure from our government, said a senior official, who refused to be identified.

"It was Cameron's Diwali gift to us," he added.

Marcus Winsley, director (press and communications), British high commission, said: "The decision took into account all factors. Our visa application system in India is the largest in the world."

He added the bond programme was only discussed as one of the probable ideas to check misuse of British visas and to tackle immigration abuse.

Each year, the high commission in India gets around 400,000 visa applications. In 2012, about 88 per cent were approved. Of these, 56,000 were business visa applications; 97 per cent were approved.

Naina Lal Kidwai, president of the Federation of Indian Chambers of Commerce and Industry, said: "The news is a relief to Indian companies which have been actively eyeing the UK market to invest and do business with. Despite being one of the largest investors in the UK, Indian citizens would have been clubbed in the high-risk category along with other African and Asian countries."

Apart from business chambers, the Commerce and Industry Minister, Anand Sharma, had protested against the move during meetings with his British counterparts. Indian industry had called it “discriminatory and unfortunate”.

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India, UK have 'resilient' trade ties

Business Line (The Hindu)

New Delhi/Kolkata, 14 November 2013: Prime Minister Manmohan Singh and British Prime Minister David Cameron, on Thursday, expressed satisfaction that trade ties between the two countries had been resilient despite the continuing global economic slowdown and difficulties in the Euro Zone.

Investments

At a meeting here on Thursday, the two leaders felt that investments on both sides had also progressed satisfactorily, official sources said. Cameron arrived in Delhi late on Wednesday night and left for Kolkata. He is headed to Colombo to attend the Commonwealth Heads of Governments meet.

Trade Pact

The two Prime Ministers discussed the Bangalore-Mumbai Economic Corridor (BMEC) and were happy at the progress that had been made, sources said. The terms of reference for the feasibility study of BMEC have been finalised as also the request for proposals. The importance of the India-EU Broad Based Trade and Investment Agreement (BTIA) also came up in the discussions, sources indicated.

Later in the day, at IIM Calcutta, Cameron said Britain was looking for more business, trade and investment opportunities. "We are looking at stronger educational links with some institutions, such as IIM-C," he said in an interaction with students in Kolkata. However, he added that India needed to open up more and called for a steady opening up process.

Cameron also met West Bengal Chief Minister Mamata Banerjee and discussed infrastructure and business opportunities for British firms. A group of businessmen are said to have accompanied the British Prime Minister at this meeting.

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