

MARKETS IN MOTION

developments that matter in financial markets

Festival of Fireworks



May the Festival of Lights this year usher in peace, prosperity and happiness for all.

FTKMC

FT KNOWLEDGE MANAGEMENT COMPANY LIMITED

MARKETS

- Equities
- Commodities
- Currencies
- Debt
- Banking
- Insurance
- Financial Services

PRACTICE

- Executive Education
- Certification
- Consultancy
- Research
- Advisory Services

FORUMS

- The Strategy Dialogue
- Financial Markets Forum
- FINET
- Commodities Camp

REPORTS

- Financial Markets Review
- Market Briefings

SPL PROGRAMMES

- Markets in Motion
- Global Financial Markets Practice
- Winter School

NATIONAL SIMULATION LAB

www.catchthefuture.in
www.ftkmc.com

Forthcoming Programme

POSTGRADUATE DIPLOMA IN FINANCIAL MARKETS PRACTICE

Offered jointly by
IGNOU & FTKMC

For details, contact:

Ms Sarika Deorukhkar
 Tel: +91 22 6731 8808
 Email: sarika.deorukhkar@ftkmc.com

Published by
**FT Knowledge Management
 Company Limited**

Exchange Square, 1st Floor, Suren Road,
 Chakala, Andheri (East)
 Mumbai - 400093, India.

Diwali, the Festival of Lights, is the most important festival in India. Most Indian business communities begin their financial year accounting on the first day of Diwali, looking forward to continued prosperity. Diwali is also a festival of fireworks.

Fireworks celebration

Fireworks celebration originated in China some 2,000 years ago. The legend has it that fireworks were discovered by accident by a Chinese cook who happened to mix charcoal, sulphur and saltpetre in a field kitchen (all commonly found in the kitchen in those days). The mixture burned and when compressed in an enclosure (a bamboo tube), the mixture exploded. Chinese New Year is celebrated with firecrackers to usher in the new year free of all evil spirits. The English were also fascinated with fireworks. Fireworks became very popular in Great Britain during the reign of Queen Elizabeth I. The American fireworks industry began to influence Chinese manufacturers following normalization of relations with the Chinese Government in the early 1970s.

India and Fireworks Industry

The Indian fireworks industry had humble origins in the early part of 19th century. 'Bhakthapur' or Bengal Lights (the small mudpot), emanating bright yellow lights, became the first-ever firework manufactured in India. The first fireworks factory in India was set up in Calcutta. Subsequently, the focus of the fireworks industry shifted from Calcutta to Sivakasi (Tamil Nadu). Sivakasi is a small town spanning 7.57 square kilometers, with a population of 65,593 (in 1991) and accounts for about 95 percent of the fireworks manufactured in India. The fireworks industry in India provides

direct employment to half a million and indirect jobs to another 300,000. It helps a host of ancillary SME units such as printing, cutting, packaging, paper tube making, chemical manufacturing, etc. The fireworks industry in India has an annual turnover of about Rs 200 billion with bulk of the sales taking place during Diwali.

China and Fireworks Industry

China is the world's leading producer, exporter, and consumer of fireworks. According to International Fireworks Association statistics, China's fireworks production accounts for about 90 percent of the world trade volume. China exports about \$250 million worth of fireworks a year to dozens of countries. About 95 percent of the consumer fireworks sold in the US is produced in China.

There is a huge export potential available for fireworks in India. The industry is poised for phenomenal growth. Apart from the consumer market, there is an untapped market for Display Fireworks during various ceremonies, corporate events, marriage functions and New Year celebrations as well as religious festivals.

Though fireworks are common in several festivals and events, countries are increasingly putting restrictions due to accidents and other environmental issues arising out of extensive use of consumer fireworks.

Note: This Newsletter dated November 8, 2010 is issued in advance on account of Diwali and there will be no Newsletter on November 8, 2010. MIM wishes its readers a Happy and Prosperous Diwali.



KNOWLEDGE for MARKETS
 A Financial Technologies Group Initiative

GROWING FOOTPRINTS IN GLOBAL MARKETS



Wish You A Happy Diwali

www.ftkmc.com

knowledgeformarkets@ftkmc.com

- **Singapore:** Consultancy and Training in Currency and Commodity Futures
- **Maldives:** Directors Programme on Corporate Governance
- **Dubai:** Exploring Investor Education
- **Malaysia:** Global Financial Markets Exposure Programme
- **Thailand:** Exploring Education in Currency Futures
- **Kenya:** Training in Commodities and Currency Futures
- **Mauritius:** South Asian Capital Markets Conference
- **Botswana:** Training and Certification in Multi-Asset Classes in pan-African markets
- **Mumbai:** Knowledge for Markets, Headquarters of FTKMC
- **China:** Special Programmes for Tianjin Financial Markets
- **Vietnam:** Presentations on Commodity Markets
- **Uganda:** Forthcoming Project on Alternative Market Instruments for Food Grains
- **Tanzania:** Forthcoming Project on Alternative Market Instruments for Food Grains
- **Nepal:** Special Assistance for Brokers' Certification
- **Bangladesh:** Special Programme for Regulatory Authorities
- **Ethiopia:** Expertise in Commodity Markets
- **Afghanistan:** Executive Development Programme on Finance and Accounting
- **Pakistan:** Developing Framework for Options Markets for Individual Securities
- **Hong Kong:** Global Financial Markets Exposure Programme
- **Korea:** Global Financial Markets Exposure Programme