

**M'sia, India may ink free-trade deal by year end**  
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Malaysia and India are on target to sign a free-trade agreement by year end, Malaysia's trade ministry said as officials readied for a third round of talks.

"Malaysia and India are on track towards formalising a bilateral trade liberalisation pact under the Malaysia-India Comprehensive Economic Cooperation Agreement," the Ministry of International Trade and Industry said in a statement today.

It said negotiators were working towards meeting the year-end deadline set by Prime Minister Najib Razak and his Indian counterpart Manmohan Singh when they met in India in mid-January.

The third round of trade negotiations will resume on March 29-31 in Kuala Lumpur after a delay of two years. The last round of talks was held in New Delhi in April, 2008.

"We have just got into substantive negotiations. After two years we are resuming the negotiations. We will go through all the issues," a senior Malaysian trade official told AFP.

Pact will boost trade

Kuala Lumpur and New Delhi want the negotiations completed ahead of the Indian prime minister's visit to Malaysia, expected around late October, the official added.

The trade pact was expected to further boost trade and investment between the two countries. Last year, India was Malaysia's twelfth largest trading partner.

Trade between the two countries peaked in 2008 at US\$10.52 billion but fell to US\$7.06 billion in 2009 on the back of the global economic downturn.

Malaysia has said that a pact - which will cover trade in goods and services, investment and economic cooperation - could boost its exports to India by US\$12 billion, by 2012.

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