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Deepening India-Africa Ties



INSIDE

Towards Greater
Value-Creation in the
Farm Sector

Business Confidence
Declines

Need for a Holistic
Land Acquisition Law

Quality to Build
Brand India

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We welcome your feedback and suggestions. Do write to us at communique@cii.in

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JOURNAL OF THE CONFEDERATION OF INDIAN INDUSTRY

congratulations

France Honours Rahul Bajaj and Baba N. Kalyani

FRANCE CONFERRED its 'Chevalier de la Légion d'Honneur' decoration on Mr Rahul Bajaj, Past President, CII, and Chairman, Bajaj Auto Ltd., and Mr Baba N Kalyani, Chairman, Bharat Forge Pvt. Ltd. at a ceremony in New Delhi on 12 May. The Award was conferred by Mr Jérôme Bonnafont, the Ambassador of France to India.



Rahul Bajaj, Past President, CII, and Chairman, Bajaj Auto Ltd (left); and **Baba N Kalyani**, Chairman, Bharat Forge Pvt. Ltd, with **Jérôme Bonnafont**, Ambassador of France to India

The Award of Knight of the National Order of the Legion of Honour

(Chevalier de la Légion d'Honneur) recognizes the contribution of Mr Bajaj and Mr Kalyani to the development of Indo-French cooperation in the field of business.

The 'Légion d'Honneur' is the highest distinction that can be conferred by the French Republic on a French citizen as well as on a foreigner. It was instituted in 1802 by Napoléon Bonaparte.

Previous recipients of this honour from the industry sector in India include Mr Arun Nanda, Executive Director, Mahindra & Mahindra Ltd, and Mr E Sreedharan, MD, Delhi Metro Rail Corporation.

AIMA Award for Tarun Das



Tarun Das, Former Chief Mentor, CII, receiving the AIMA Award from **P Chidambaram**, Union Minister for Home Affairs. Also seen: **Sanjiv Goenka**, Past President, CII, and Vice Chairman, RPG Enterprises Ltd, and **Gautam Thapar**, President, AIMA, and Chairman & CEO, The Avantha Group

MR TARUN DAS, Former Chief Mentor, Confederation of Indian Industry, was awarded 'Outstanding Institution Builder of the Year' at the 2nd edition of the All India Management Association (AIMA) Managing India Awards. Giving away the awards in New Delhi, on 20 April, Mr P Chidambaram, Union Minister for Home Affairs, said the Awards and the exceptional winners are an acknowledgement of the fact that so much good work is taking place today in India.

Accepting the Award, Mr Das said that institutions can make a difference to industry.

Mr Gautam Thapar, President, AIMA, and Chairman & CEO, The Avantha Group, explained that the Awards celebrate exemplary achievers.



EXCITING ECONOMIC OPPORTUNITIES in the dynamic and resource-rich African continent came to the attention of the world as India embarked on an ambitious programme of cooperation through the Second Africa-India Forum Summit. As Prime Minister Dr Manmohan Singh traveled to Addis Ababa, Ethiopia, on 24-25 May, to set a new trajectory of partnership between the historic close friends, CII leveraged this occasion to recharge its already intense interaction in the African continent.

The First Africa-India Summit, held in April 2008, reiterated that the two sides share a unique friendship based on historical bonds and a common struggle against colonialism and poverty. Building on the progress made since then, the Second Summit was the largest such gathering between India and the continent ever. As many as 15 Heads of Government and State attended from the 53-member African Union, and the two sides issued the joint Addis Ababa Declaration.

Africa has been experiencing strong rates of GDP growth over the last decade at an average of over 5 per cent before the global economic crisis. Even during the worst part of the economic crisis, growth remained positive, and has since recovered. This has improved incomes, made a dent on poverty and created a new self-sustaining growth momentum.

The African continent enjoys rich natural resources. As a result, most economic cooperation with the continent has historically been directed towards the exploitation and export of commodities. Whatever FDI is received by the continent is mostly oriented towards mining, forestry, or other natural resources. In this regard, the Indian model of engagement has been vastly different, and



'There is a new economic growth story emerging from Africa. Africa possesses all the prerequisites to become a major growth pole of the world... The India-Africa partnership is unique and owes its origin to history and our common struggle against colonialism, apartheid, poverty, disease, illiteracy and hunger... India will work with Africa to realize its vast potential.'

Dr Manmohan Singh
Prime Minister of India

has been based on sustainable partnership for mutual benefit. Targeted at human resource development and capacity-building, India's economic cooperation with Africa has taken on the form of engagement in education and skill development, healthcare, IT, pharmaceuticals and infrastructure, while maintaining traditional interests in natural and energy resources.

India's trade with Africa is growing faster than its trade with the rest of the world. From April-March 2000-01 to 2008-09, exports to Africa went up from \$1.8 billion to \$11.4 billion, while imports from Africa soared from a bare \$1.6 billion in 2000-01 to \$21 billion in 2009-10. Total trade has gone up to \$46 billion and could expand

to \$150 billion in the next ten years. Africa now enjoys a share of 5.8% in India's exports and 7% in India's imports. Similarly, Indian private investments into Africa are estimated at a cumulative \$33 billion.

Despite this rapid progress in bilateral trade and investment, India lags behind in exploring the vast potential of the African continent. The major hurdles to increased economic links are cited as infrastructural bottlenecks, human resource constraints, and poor investment climate. However, Indian investment could help alleviate some of these hurdles and align with Africa's growth spurt. Some of the key areas of interest for India companies are hydro-carbons, pharmaceuticals, healthcare, agro-processing and land utilization, iron and steel, FMCG and consumer durables, transport, etc.

The Government of India announced a number of new initiatives for the future relationship during the Africa-India Summit. In his speech to the Summit, Dr Manmohan Singh outlined the following actions from India:

- \$5 billion over the next three years under lines of credit for development, and an additional \$700 million to establish new institutions and training programmes in Africa
- \$300 million for the new Ethio-Djibouti railway line under the programme of regional integration through infrastructure
- Taking the Pan-African E-Network Project to the next level by establishing an India-Africa Virtual University, with 10,000 new scholarships for African students
- 22,000 scholarships for the next three years under programmes such as Indian Technical and Economic Cooperation (ITEC)
- Establishment of new institutions at the pan-African level such as the India-Africa Food Processing Cluster, India-Africa Integrated Textile Cluster, India-Africa Center for Medium Range Weather Forecasting, India-Africa University for Life and Earth Sciences, and India-Africa Institute of Agriculture and Rural Development

Other commitments include increasing air connectivity, working with regional economic communities on different issues, and supporting development such as rural technology parks, Information Technology, entrepreneurship development, etc. An India Africa Business Council was also proposed by the Prime Minister.

CII and Africa

CII has strongly engaged with Africa for many years, and the interaction has intensified since 2000. Investment in Africa by private sector companies is growing and



is being facilitated with strategic alliances and joint ventures as well as open markets, business interaction, investor-friendly policies, access to global and regional markets, and relative stability. By promoting continuous dialogue, changing perceptions, articulating needs, helping move from just trade to resource allocation, strengthening training and capacity building and facilitating technology transfer, CII has proactively built a long-term sustainable partnerships of mutual benefit in Africa.

The annual CII EXIM Bank Conclave on India Africa Project Partnership was initiated in 2005 with the support of the Ministry of External Affairs and the Ministry of Commerce and Industry. The Conclave has successfully been able to build a bridge between Indian and African business leaders as well senior government officials, and has emerged as one of the largest congregations of senior ministers, policy makers and business leaders from across sectors from Africa and India.

The CII Conclave works towards promoting partnerships between governments, institutions and enterprises. Before the 1st Africa-India Forum Summit, the 5th CII Conclave on India Africa Project Partnership provided the much required business inputs to the Government of India to formalize the agenda that would help in rationalizing a policy framework for creating deeper partnerships with the continent. The 7th CII Conclave on India Africa Project Partnership was held from 27-29 March 2011 and laid down the focus areas of business cooperation for the 2nd Summit.

Since 2005, CII has organized 13 Regional Conclaves in Zambia, Ethiopia, Ghana, Mozambique, South Africa, Cote d'Ivoire, Uganda, Senegal, Tanzania, Namibia, and Nigeria. In some of these countries, two regional conclaves have been organized.

The essence of the CII Conclave has been to encourage Indian exporters to access the African countries and increase their presence in the region. Remarkable results have been achieved: 1288 projects worth US\$ 75.3 billion have been discussed in the seven past editions which have also contributed towards over 400% growth in bilateral trade in the last 6 years.

The increasing participation of the African nations in the CII-led Conclaves and the growing relevance of the platform have given inputs to policy dialogues of the Government of India, EXIM Bank and industry. CII membership has greatly benefited from the platform. Moreover, as an institution, CII has shown its continuing commitment to the India-Africa economic and strategic relationship.

ON THE OCCASION of the 2nd Africa-India Forum Summit in Addis Ababa, Ethiopia, CII organized the **'The India Show'** in association with the Embassy of India in Ethiopia, supported by the Union Ministry of Commerce & Industry, the Department of Commerce, and the Government of India, to augment bilateral trade and investment, and promote Indian technology and services in Africa. The Show, which effectively promoted 'Brand India' in Africa, through an exhibition, conference and cultural event, was held to:

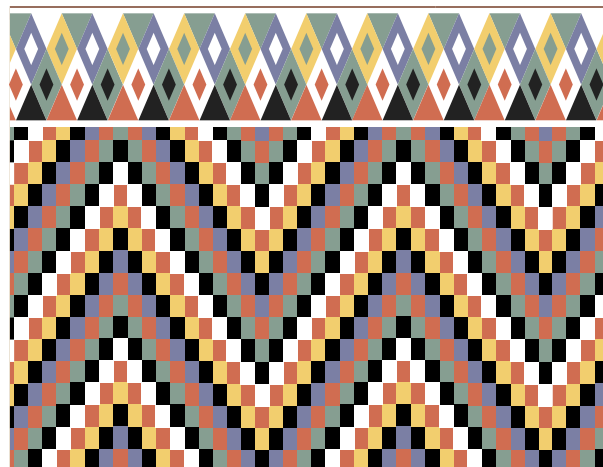
- Promote Indian technology and services
- Provide a platform for Indian companies to showcase their strengths and capabilities
- Promote Indian industry and increase Indian investments in Africa
- Augment bilateral trade



Chandrajit Banerjee, Director General, CII; **Adi Godrej**, President - Designate, CII, and Chairman, Godrej Group; **Erastus J O Mwencha**, Deputy Chairperson, African Union Commission; **Anand Sharma**, Union Minister of Commerce & Industries, India; **Mekonen Manyazwal**, Minister of Industry, Ethiopia; **Abdurahman Sheik Mohamed**, Minister of Trade, Ethiopia, and **Bhagwant Bishnoi**, Indian Ambassador to Ethiopia, at the inauguration of the Trade Exhibition at the India Show in Ethiopia

The trade exhibition at the India Show, titled 'Promoting Affordable & Sustainable Technologies,' from 20-22 May in Addis Ababa, showcased the products and services of more than 80 Indian companies, spanning sectors such as power, manufacturing, infrastructure, finance, IT, automotives, agriculture, irrigation, healthcare, mining, and others. The Show presented the proficiency of Indian industry in Africa to build a new level of economic partnership with the rapidly growing African economy.

Mr Anand Sharma, Union Minister of Commerce and Industry, India, inaugurated the Show on 20 May, and also delivered the inaugural address at the concomitant business conference with the theme 'India-Africa: Enhancing Partnerships, Shared Vision.' He



also released a special publication titled 'India-Africa Business Guide.'

The economic partnership between India and Africa has taken a giant leap forward since the 1st Africa-India Forum Summit in 2008, with bilateral trade between India and Africa crossing the \$46 billion mark last year, said Mr Sharma, in his inaugural address. Stating that India and Africa were well on the way to achieving the bilateral trade target of \$70 billion by 2015, the Minister reiterated that India will continue its effort to expand trade with the African countries through a special focus, including 'Duty Free Tariff Preference Scheme' for certain countries in Africa to enable easier imports from them.

Mr Sharma highlighted that India has also become one of the leading investors in African countries, with Indian investments in Africa in Joint Ventures and wholly owned subsidiaries touching the \$33 billion mark, across diverse sectors.

India is an important partner of Africa in supporting development endeavors and building up our economies, declared Mr Abdurahman Sheik Mohamed, Minister of Trade, Ethiopia. He pointed out that in recent years, the total trade exchange has increased by an average of 21% per annum. Ethiopia's imports from India have increased by about 22%. Diversifying and increasing trade between the two countries and leveling the trade balance can be addressed in two ways: by increasing the existing export products and through diversification of exportable products which may need aggressive

marketing strategies, and also by holding specialised exhibitions, he suggested. Mr Mekonen Manyazwal, Minister of Industry, Ethiopia, also addressed the inaugural session.

Mr Erastus Mwencha, Deputy Chairperson, African Union Commission, said that by "institutionalizing the Africa-India Forum Summit and adopting the framework of cooperation, the Heads of State and Government of Africa and India have demonstrated their strong commitment to deepen and reinvigorate the historical relationship between their two regions for mutual benefit." He said that the challenge of expanding the flows of trade and investments between India and Africa is a collective one and governments on both sides must establish a conducive environment for growth.

Earlier, Mr Adi Godrej, President-Designate, CII, and Chairman, Godrej Group, said that over the last decade the world has been watching, with great interest, the steady progress of the India Africa partnership. "For the developing world, our enduring partnership has served as an iconic example of South-South Cooperation, whereas, for the developed world, our partnership represents the emerging patterns in the global economic architecture" he said.



Sunil Bharti Mittal, Past President, CII, and Chairman & Group CEO, Bharti Airtel Ltd; **Sanjay Kirloskar**, CMD, Kirloskar Brothers Ltd; and **Atul Punj**, Chairman, Punj Lloyd Ltd, at The India Show



Anand Sharma with Trade Ministers from Africa African nations at The India Show

Mr Godrej pointed out that Africa's share of India's exports has increased from just over 4% in 2000-2001 to close to 6% in 2009-10. But what is even more phenomenal is the rising importance of Africa as a source of India's imports. Africa's share in India's import basket, he said, had more than doubled from 3% in 2001-1 to 7% in 2001-10.

Mr Syamal Gupta, Chairman, CII Africa Committee, and Special Advisor, Tata International Ltd, delivered the vote of thanks, while Mr Chandrajit Banerjee, Director General, CII, made the welcome remarks.

Partners in Progress - Friends Forever

The business conference 'India-Africa: Partners in Progress-Friends Forever' underlined the importance of the growing business interaction between India and African countries by focusing on key sectors that have emerged as priority areas for the African economies.

With eminent speakers from India and Africa as

panelists, core sectors such as Agriculture, Infrastructure and Manufacturing were the focus of the sessions.

Agriculture in Africa: The session on 'Unlocking the value in Agribusiness' discussed how companies and cooperatives were using new technology and innovative business models to change the landscape of agriculture in Africa and create value for both farmers and consumers.

African Infrastructure Development: Prospects for Collaboration: The session discussed the current prospects of infrastructure development in Africa and the potential opportunities for infrastructure developers, owners and investors. The panelist also explored options for increasing the energy independence of the continent.



Hailemariam Desalegn, Deputy Prime Minister and Foreign Minister, Ethiopia; S M Krishna, Union Minister of External Affairs, India, and Bhagwant Singh Bishnoi, at The India Show

S.M. Krishna, at the exhibition on 'History of Indigo Textiles in Africa and India' at The India Show

The First Lady of Ethiopia at the 'Handcrafting Hope' exhibition at The India Show



Syamal Gupta, Chairman, CII Africa Committee, and Special Advisor, Tata International Ltd; Abdurahman Sheik Mohamed; Erastus J.O. Mwencha; Anand Sharma; Mekonen Manyazwal; Adi Godrej, and Bhagwant Bishnoi

Manufacturing Technologies-India Enterprise for Development Partnership:

Africa is starting to recognize the importance and the impact of new manufacturing technologies on its economic development and human welfare. India's emergence as a manufacturing and technology powerhouse, with a robust MSME sector, and Africa's requirement for technology and the need for creation of MSMEs, provides a win-win situation for both sides. The session focussed on some of the technologies, including Triple A technologies, that India can offer, development of skills in this sector, and the delivery mechanisms involved in making them impactful for Africa.

Ministerial Meetings

A meeting with Trade Ministers from African nations such as South Africa, Swaziland, Equatorial Guinea, Senegal, Namibia and Ethiopia, formed part of the Business Conclave held on 21 May.

Mr Anand Sharma and Indian CEOs met with African Trade Ministers and CEOs to deliberate on ways to step up mutual trade and investment. The Ministers exchanged views on the ongoing multilateral trade negotiations in the Doha Round, and discussed how to safeguard the interests of the developing nations in multilateral cooperation. Views

on the global economic situation and ways to enhance trade and investment relations between India and Africa were also exchanged.

CII Mission to Africa

A 15-member high-level CII CEOs Delegation, led by Mr Adi Godrej, President-Designate, CII, and Chairman, Godrej Group, accompanied Mr Anand Sharma, Union Minister of Commerce & Industry, to Ethiopia, on 19-22 May.

The members of the delegation included Mr Sunil Bharti Mittal, Past President, CII, and Chairman & Group Executive Officer, Bharti Enterprises; Mr N Kumar, Past President, CII, and Vice Chairman, The Sanmar Group; Mr Syamal Gupta, Chairman, CII Africa Committee, and Special Advisor, Tata International; Mr Sanjay C Kirloskar, CMD, Kirloskar Brothers; Mr Atul Punj, Chairman, Punj Lloyd; Ms Alka Tyagi, Chairperson-cum-CMD, Hindustan Diamond Company; Mr Deepak Indernarayan Premnarayan, Executive Chairman, ICS Group; Mr Y Harish Chandra Prasad, Chairman, Malaxmi Infra Ventures (India); Mr P Rajendran, COO, NIIT; Capt. Kuldeep Singh Solanki (Retd), CEO, Sainik Potash; Mr K K M Kutty, Chairman, South West Group; Mr S Kuppuswamy, Advisor, Group Finance and Special Projects, Shapoorji Pallonji & Co, Mr P S Jayaraman, Chairman, TCI Sanmar Chemicals SAE, and Mr Chandrajit Banerjee, Director General, CII.

Preceding this meeting, a session with Senior Ministers of Ethiopia was organised for the CII Business Delegation on 19 May. The session included presentations on the General Investment Climate in Ethiopia by the Ethiopian Investment Agency; with separate presentations on investment in Agriculture, Industry, Mining, and Tourism and Hospitality, by the respective sectoral ministries. The 'Private Sector view on Investment Climate in Ethiopia' was also shared.

Ato Hailemariam Desalegn, Deputy Prime Minister and Foreign Minister of Ethiopia, opened the session, which was addressed by Ato Abi Wolde Meskel, Director General, Ethiopian Investment Agency, Ato Tefera Deribew, Minister of Agriculture; Ato Mekonnen Manyazewal, Minister of Industry; W/ro Sinkinesh Ejigu, Minister of Mining; Ato Amin, Minister of Tourism, and Ato Haile Asegide, CEO, MIDROC Derba. Mr Sunil Bharti Mittal, Past President, CII, and Co-Leader of the CII Delegation, proposed the vote of thanks.

A select group of CEOs called on Mr Meles Zenawi, Prime Minister of Ethiopia on 21 May. The delegation

was led by Mr Anand Sharma while Mr Adi Godrej led the CII delegation.

An interaction with Senior Editors from India and Africa concluded the business mission to Addis Ababa. Mr Anand Sharma joined Mr Adi Godrej, Mr Sunil Bharti Mittal and Mr Chandrajit Banerjee for the media briefing on 22 May, on the business relationship between India and Africa.

Rhythm of Life

The event also offered a taste of Indian and African culture through colourful fusion dance performances by artistes from India and Africa. The 'Rhythm of Life' evening, organized by the Indian Council for Cultural Relations (ICCR), celebrated the creative instinct of mankind and the diversity as well as the oneness of the human race. Four classical dance styles of India: Kathak from the North, Bharatnatyam from the South, Chhau from the East and Manipuri from North East India, together with their drums, created a rhythmic confluence with the eight dance styles of different parts of Africa and their instruments in a mesmerizing joint performance.



Projecting Brand India

The India Brand Equity Foundation (IBEF), a Trust established by India's Ministry of Commerce in partnership



with CII, promotes and creates international awareness of the 'Made in India' label in markets overseas and facilitates the dissemination of knowledge of Indian products and services.

Tasked with the projection of the nation brand at both The India Show and the 2nd Africa-India Forum Summit held in Addis Ababa, the IBEF provided the context for the venues of the Show and the Summit through creatives that combined colours and designs drawn from the cultures of India and Africa.

Billboards at strategic locations resonated messages of India-Africa friendship. Whilst various panels and hoardings showcased the strengths of Indian industry across sectors and its partnerships with Africa at the Millennium Centre, the venue of the trade exhibition; messages of India-Africa business partnerships and projects laced the African Union Commission, the venue of the India-Africa Trade Ministers Meeting and the 2nd Africa-India Forum Summit. A special lounge created by IBEF for dignitaries participating in the India-Africa Trade Ministers Meeting and the 2nd Africa-India Forum Summit, inspired by designs and patterns from India and Africa, provided exclusive networking space to the participants.



Anand Sharma with Tjekero Tweya, Deputy Minister for Trade and Industry, Namibia, at the lounge created by IBEF for visiting dignitaries at the African Union Commission, Addis Ababa

Business Confidence Declines

Growing economic and political uncertainties across the globe, as well as rising raw material costs and infrastructure shortages in India, have kept business sentiments weak, thus pulling the overall Business Confidence Index down, finds the CII Survey

Concern over Decelerating Growth

India's GDP growth dipped to 7.8% in the fourth quarter (January to March) as against 8.2%, on a Quarter-on-Quarter (QoQ) basis, mainly due to poor performance of the manufacturing sector. The economic data released by the government reflects the concerns expressed by members in CII's Business Confidence Index, which highlights that a sharp rise in raw material costs and interest rates has started to impact industry negatively and is likely to lead to a slowdown in investments.

"The slowdown in capital formation and decelerating industrial growth are key concerns," said Mr. B Muthuraman, President, CII. Stressing the need to remove some of the bottlenecks that have stalled industrial growth in the fourth quarter, CII has recommended that 100 mega-projects of national significance be identified and fast-tracked in order to overcome the sluggishness in the investment environment. Reforms also need to be pursued in the areas of land and labour so that large-scale manufacturing projects can be implemented. Improvements in transport infrastructure and availability of power at reasonable rates are critical for ensuring the competitiveness of Indian products. Finally, moving forward on tax reforms such as GST would go a long way in improving business sentiment, according to CII.

THE CII BUSINESS CONFIDENCE INDEX (CII-BCI) for the first quarter of 2011-12 (April-June) stood at 62.5, a fall of 4.2 points as compared to the BCI for Q4 of 2010-11, when it was 66.7. The Index, after having shown a gradual increase post crisis, has fallen to the lowest level since October-March 2009-10, when the index was 66.1.

The respondents in the Survey are asked to provide a view on the performance of their company, their sector and the economy based on their perceptions. The CII-BCI is then constructed as a weighted average of the Current Situation Index (CSI) and the Expectation Index (EI). The CSI compares the current business conditions in relation to the previous quarter. The CSI fell by 0.1 points to 62.6 for Q4 of 2010-11 as compared to Q3. The EI, on the other hand, reflects the expectations of the respondents in the coming quarter, in comparison to the current quarter. The EI for April-June 2011 fell by 6.3 points to 62.4 from the level in the previous survey.

The overall fall in the BCI is attributed to the fall in the Expectation Index. Rising commodity prices, especially

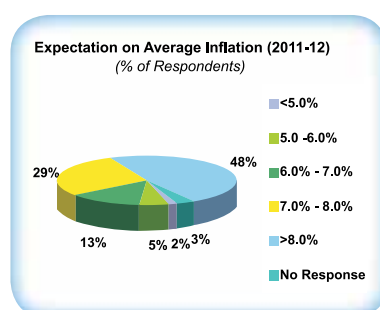
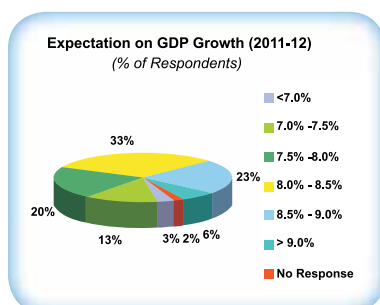
oil prices, and monetary tightening due to stubbornly high inflation, have resulted in companies facing a severe rise in input costs. Growing economic and political uncertainties in the global market as well as rising raw material costs and infrastructural shortages have kept sentiments weak, thus pulling the overall Business Confidence Index down.

Index	H2 2009-10	H1 2010-11	Q3* 2010-11	Q4 2010-11	Q1 2011-12
Business Confidence Index	66.1	67.6	66.2	66.7	62.5
Current Situation Index	59.3	64.8	64	62.7	62.6
Overall Economy	56.4	65.1	65	59.9	61.1
Own Activity Sector	57.5	64.4	63.2	63	61.8
Own Company	61.6	64.9	64.3	63.4	63.7
Expectation Index	69.5	69.1	67.3	68.7	62.4
Overall Economy	67.4	69.9	66	65.6	61.1
Own Activity Sector	68	67.7	66.3	68.8	61.1
Own Company	71.1	69.7	68.4	69.7	63.7

* The survey is conducted quarterly since the 74th Business Outlook Survey

Growth and Inflation

The CII survey, which is based on a large sample size of 300 companies, revealed that a majority (33%) of the respondents expect the GDP growth rate to be in the range of 8-8.5%; while an optimistic 29%, expect it to be higher.



On inflation, 48% of the respondents expect average inflation for 2011-12 to be above 8% regardless of various measures undertaken by the

RBI to tackle inflation. Despite RBI's target of bringing inflation to 6% by March 2012, only a small portion of the respondents (5%) believe that inflation will be in the range of 5.0-6.0% in 2011-12.

Business Prospects

Despite rising interest costs, the survey revealed that 61.3% of the respondents have not changed their investment plans. Also, most of them witnessed an increase in pre-tax profits in January-March 2011 and continue to expect pre-tax profits to increase in the first quarter of 2011-12, despite rising raw material and higher interest costs.

Capacity Expansion

	Small	Medium	Large
Manufacturing	No change	Increase	Increase
Services	Increase	Increase/No Change	No Change

Also, the survey showed that a majority of the respondents foresee an increase in company's spending on capacity expansion during April-June 2011 in comparison to the previous quarter. The sectoral break up is also consistent with the overall trend, whereby a majority of respondents in the manufacturing and services sectors expect an increase in capacity expansion. Within the manufacturing sector, a majority of the medium and large firms expect an increase in company's spending on capacity expansion,

while in the services sector, small enterprises expect an increase in company's spending on capacity expansion in Q1 of 2011-12.

Status of Infrastructure

The survey also recorded the perceptions of firms regarding the status of infrastructure in the region they are operating in. To understand the current condition of physical infrastructure prevalent in the country, respondents were asked to categorize the relevant infrastructure as good, satisfactory or inadequate.

The study revealed that a majority of the respondents felt that telecom, internet/broadband and postal/courier facilities were good in the country, while warehouse/storage and air transportation facilities were categorised as satisfactory.

Disturbingly, most respondents felt that roads, railway transportation, port shipping facilities, power/electricity and irrigation facilities in the country are inadequate. A majority (57%) of the respondents categorized power and electricity facilities as inadequate. Amongst these respondents, the bulk belonged to small enterprises followed by medium and large firms. As many as 47% of the respondents were of the view that railway facilities in India are not adequate, while 46%, 43.7% and 42.0% of them felt that roads, port/shipping and irrigation facilities, respectively, are inadequate.

	Good	Satisfactory	Inadequate
Manufacturing	Telecom, Internet/Broadband facilities	Postal/Courier Services, Warehouse/Storage, Air Transportation	Road, Railway, Port/shipping, Power/Electricity, Irrigation
Services	Telecom, Internet/Broadband facilities, Postal/Courier Services	Warehouse/Storage, Railway, Air Transportation	Road, Port/Shipping, Power/Electricity, Irrigation

Business Concerns

The 76th Business Outlook Survey reveals that high raw material cost is the major concern of a majority of respondents, followed by infrastructural and institutional shortages and high interest rates. Another key concern is the growing global economic and political instability. The recent political instability in the Middle East and North Africa, rising international commodity prices, high inflation in the emerging economies and sluggish growth in the advanced economies has accentuated concerns regarding the

Mining Mission to Australia

CII WAS PART of the Government – Industry Joint Delegation to Australia, coinciding with the 7th Meeting of the India – Australia Joint Working Group on Energy and Minerals, from 18 - 22 May. The 22 member delegation, led by Mr S Vijay Kumar, Secretary, Mines, with senior officials from the Government of India, and Indian public and private sector firms, visited Sydney, Adelaide and Perth.

Industry participation, including private sector companies, public sector companies and industry associations, was included in the JWG meeting in Australia for the first time.

The delegation had productive meetings with Mr Michael David Rann, Premier of South Australia, Mr Tom Koutsantonis, Minister for Mineral Resources Development, Industry and Trade, Small Business and Correctional Services, Primary Industries and Resources, South Australia, Mr Keith Yates, Chair, South Australia Resources Industry Development Board, and Mr Sam Walsh AO, Executive Director and Chief Executive – Iron Ore and Australia, Rio Tinto.



Sharad Gaonkar, Dy Director General, Geological Survey of India; **R K Sharma**, Director General, FIMI; **K K Saberwal**, Director, Hindustan Copper Ltd; **Denis Smedley**, Counsellor, Resources, Energy & Tourism, Australian High Commission; **M D Rann**, Premier of South Australia; **S Vijay Kumar**, Secretary, Mines, India; **R Sathish**, Director, CII; **Sujatha Singh**, Indian High Commissioner to Australia; **G Srinivas**, Jt Secretary, Mines, India, and **Anil Sharma**, Head of Chancery, High Commission of India

Ms Sujatha Singh, Indian High Commissioner to Australia, was present at some of the key meetings and interacted with the Indian delegation.

India received a warm welcome in Australia, indicating that the time is ripe for Indian companies to develop closer business ties by joining hands with credible local partners in Australia, and, at the same time, engaging more with Australian companies in India.

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'Implement Draft Policy on 20% procurement from MSMEs'

CII has urged the government to simplify procedures for MSMEs and expeditiously implement the draft policy for reservation of 20% for this sector in government procurement. CII MSME Council Chairman Ramesh Datla shared the highlights of the CII recommendations in a recent interview in the *Business Standard*. Edited excerpts from the interview...



What was the trigger for meeting MSME Ministry officials?

The trigger was to ask the Ministry to expeditiously implement the draft government policy for the mandatory purchase of 20 per cent from SMEs. The government released a draft policy last year and the policy has now been circulated to the ministries. Our issue is how fast it can be implemented. Right now, there is no reservation. The policy will come through the Cabinet Committee on Economic Affairs. This is an important aspect that the industry requires.

What else do you want the Ministry to do for MSMEs?

Last year, the government came out with the National Manufacturing Competitiveness Programme for the MSME sector. There were different schemes under the programme for basic software, low-cost automation, promoting clusters, direct patenting, market development and entrepreneurship training. The policy came out last year. But it has not gathered pace. Since it is to be implemented by the state governments, we want the MSME Ministry to take up the matter with state governments to implement the scheme expeditiously.

Did you discuss the issue of labour laws as well?

A task force constituted by Prime Minister Manmohan Singh last year recommended that labour laws be made applicable wherever more than 50 people are employed. This recommendation is yet to be put into effect. We want speedy implementation

of this recommendation as well.

What is the problem with procedures in the MSME sector?

Today, small industry has to go through lots of procedures from the registration point of view. If I have to register a small unit, I have to register it with the District Industries Centre, then the Sales Tax Department if it is slightly bigger, then with the Central Excise Department, etc. We are saying, 'Give us single-window registration — one form, single paper work'. In this competitive environment, multiple registration causes lots of delays.

Banks have been raising interest rates due to the RBI's tight monetary policy. How is this hampering the working of MSMEs?

Banks raising interest rates is a huge issue. Historically, finance has always been a key issue with MSMEs. Now, there is a concessional rate scheme for micro enterprises for loans below Rs 10 lakh. The concession is 2-3 per cent compared to the normal rates of interest. Small enterprises are currently getting loans at 15-17 per cent. What happens is that competitiveness is completely lost. We want banks to come out with a concessional scheme for small industry on the lines of micro enterprises. (A micro enterprise is one where investment in plant and machinery is below Rs 25 lakh; a small enterprise is one where investment in plant and machinery is Rs 25 lakh to Rs 5 crore.)

This interview was published in the Business Standard on 7 June 2011. Ramesh Datla, MD, ELICO Ltd, can be reached at Chairman.CIIMSMEcouncil@cii.in

Meeting with ADB Delegation

AN ASIAN DEVELOPMENT BANK (ADB) delegation visited CII in New Delhi on 3 May to exchange information and explore opportunities to jointly work in the areas of skill development, strengthening of vocational and technical training, and improving the design and delivery of education programmes to prepare India's work force to meet the challenges of an increasingly globalized/ knowledge-based economy.

Pointing out that Skill Development is a priority on the CII agenda, Mr Gurpal Singh, Deputy Director General, CII, said that CII is working across the country to align MSME manpower needs with the skilling initiatives underway, to improve the employability of the working population, which includes school drop-outs, semi-skilled and unskilled workers. Efforts are on to create a new wave of entrepreneurship in the country that will result in further employment generation, he added.

The ADB delegation was informed that CII has launched its own Skills Development Initiative, which is aligned



Session with ADB Delegation in New Delhi

to the National Skills Development Agenda to skill 500 million people by 2022. CII has set up its first skills centre at Chhindwara in Madhya Pradesh, to train people in bar bending, grinding, pipe fitting, welding, etc.

Mr Sungsup Ra, Director, Human and Social Development Division, SAHS, ADB, expressed interest in jointly working with CII. The ADB delegation included specialists from the social sector, education, and private sector development.

Technology Development for MSMEs

UPGRADATION AND MODERNISATION of technology for MSMEs would receive a much needed impetus with the government's initiative to create a Rs 2,500 crore corpus for the Technology Development Fund. At present, only the textiles sector is availing benefits under the Technology Upgradation Fund Scheme (TUFS) wherein eligible units get 5 per cent subsidy on loans for upgrading technology, from the government.

Mr Ramesh Datla, Chairman, CII National MSME Council, feels the fund is very much in line with the recommendations of the PMOs Task Report on MSMEs. The Prime Minister's Task Force on MSMEs, set up under the chairmanship of the Principal Secretary, Mr T.K.A Nair, has also suggested a few measures for the Indian MSME sector to become technology efficient. These include the need to refine the current FDI policy to bring in capacity, capability and technology development. The Task Force also agreed upon the need to develop a symbiotic relationship between MSME clusters and technical institutions by linking each cluster with an institution. Mr Datla said the Fund would help with technical and design related problems of the MSMEs, to meet the challenges of the present environment, and to undertake technology upgradation, acquisition, adaptation, and innovation, to move up the value chain.

CII has been working with the Ministry of MSME for the

Credit Linked Capital Subsidy Scheme for Technology Upgradation and Modernisation. Taking this initiative to the next level, CII is now working towards the establishment of a vast network of Intellectual Property Facilitation Cells (IPFCs), across the country. CII's key technology interventions include:

- Collaborative bilateral industrial R&D projects: Five such projects, involving India with Canada and Israel, have been supported by the Department of Science & Technology, and 6 more are in the pipeline.
- IPRs: CII has enabled over 225 IP filings, conducted 200 IPR information and counselling sessions, and 16 GIs.
- Technopreneurship and assessing technology commercialisation funds
- Adoption of Design for Innovation through Sensitization programmes, design adoption workshops and recognition of achievers at national/ international forums
- Ranking MSMEs through Industrial Innovation Indexing: A pilot project among 3 industry sectors, for guiding them through innovation-driven businesses, is underway.

Also, CII is also facilitating the IT enablement of MSMEs by facilitating Cloud Computing as a tool for enhancing productivity and competitiveness. ■

ICAR – CII Industry Meet Towards Greater Value-creation in the Farm Sector

THE SOLUTION TO the existing issues in Indian Agriculture lies in the public and private sector focusing together on research and extension by pooling resources and working collaboratively, said Mr Sharad Pawar, Union Minister of Agriculture & Food Processing Industries. To take agriculture to the next level, it is essential to understand the stakeholders, their constraints, needs, demands and priorities, and involve them in the decision-making process, he said, addressing the **Indian Council of Agricultural Research (ICAR) – CII Industry Meet** on 23 May in New Delhi. The Meet was organized to ‘Analyze the gaps in R&D and Extension and make it more demand driven.’

Mr Pawar felt that it is not sustainable for 18% of GDP to support 55% of the population. The dialogue initiated should not be limited just to this meeting, he said, urging ICAR and industry to work together. He also wanted industry to get involved in programmes for skill development in the rural areas to ensure the availability of skilled manpower for technology development.

There is a need to take advantage of the knowledge and expertise of ICAR, and the marketing skills of the private sector, to develop innovative research and disseminate it efficiently to the end users, said Mr Harish



Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture, and Vice Chairman & MD, Bharti Enterprises; **Dr Harish Rawat**, Union Minister of State, Agriculture & Food Processing Industries; and **Sharad Pawar**, Union Minister of Agriculture & Food Processing Industries

Rawat, Union Minister of State, Agriculture & Food Processing Industries. This would harness collaborative synergies for value creation, value protection, value sharing and value recovery, he said.

Mr Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture, and Vice Chairman & MD, Bharti Enterprises, said that a lot of innovative

research is being done at various levels by the public as well as the private sector, but the real issue lies in synergizing this work and carrying it to the end user. He proposed a 5 point agenda for giving a boost to R&D and extension:

1. Public Private Partnership
2. Increased funding in R&D and Extension
3. Energizing Krishi Vikas Kendras in the PPP mode
4. Average weighted deduction of 200% for R&D and Extension
5. Central body to bring in global best practices to India.

Marketing and processing are the hallmark of the evergreen revolution that we all talk about, observed Dr S Ayyappan, Secretary, Agriculture Research and Education, and Director General, ICAR. The focus needs to shift from primary agriculture to secondary agriculture to make it demand-driven and more remunerative, he said.



Dr S Mauria, Asst Director General, ICAR; **Chaman Kumar**, Additional Secretary, Agriculture; **Ashok Sinha**, Secretary, Food Processing Industries; **Dr Harish Rawat**; **Sharad Pawar**; **Dr S Ayyappan**, Director General, ICAR; **Rakesh Bharti Mittal**, **Gokul Patnaik**, Chairman, CII Task Force on Agri Marketing; and **Rajiv Mehrishi**, Secretary, ICAR

Mr Ashok Sinha, Secretary, Food Processing Industries, felt that post harvest and processing technologies play a critical role in enabling agriculture business to attain the requisite innovation. He said a similar meet would soon be organized for the food processing sector.

Mr Rajiv Mehrishi, Additional Secretary DARE, and Secretary, ICAR, hoped the deliberations would result in new partnerships to mobilize the available expertise and resources to ensure that the outcome of R&D is not only commercially but also socially beneficial.

Over 350 stakeholders representing the central and state government, scientists, industry, farmers, state agriculture universities, etc. participated in the meet, which also showcased innovative technologies developed by ICAR and industry.



Sharad Pawar, Dr Harish Rawat and Salil Singhal, Co-Chairman, CII Agriculture Council, visiting the Industry Pavilion at the ICAR-Industry Meet

Creating a Roadmap for Agriculture Development

CII AND THE US Grains Council organized a brainstorming session on **Creating a Roadmap for Agriculture Development** in Mumbai on 10 May. The discussion was held to specifically identify issues being faced by the stakeholders in procurement of grains, storage etc.

Some of the key issues in Indian Agriculture that were discussed and identified were

- Usage of technology
- Availability of quality inputs at the right time and place
- Appropriate market information to farmers
- Infrastructure and storage facilities
- Institutional credit facility to farmers
- Usage of available waste and fallow land
- Availability and cost of labour

Based on the discussions, CII and the US Grains Council have prepared a short term and a long term actionable agenda, with points such as

- Ensure food security
- Develop trade



Amit Sachdev, India Representative, US Grains Council; Joe O'Brien, Regional Director (Middle East & Sub-Continent), US Grains Council; Sekhar Natarajan, Chairman, Monsanto Holdings P Ltd, and Rebecca Bratter, Director (Trade Development), US Grains Council

- Build awareness about biotechnology
- Develop a proper grading system
- Ensure a price discovery mechanism
- Transparent trade policy

Ms Rebecca Bratter, Director of Trade Development, US Grains Council, pointed out that today a country does not have to be self sufficient to be food secure - opening up of markets is a very viable option. Increasing trade also increases the value of the commodity at the farm gate, thus ensuring a better price to the farmer, she said.

Mr Sekhar Natarajan, Chairman, Monsanto Holdings P Ltd, said that CII is working closely with the US Grains Council to develop India's export potential. He said that India has great potential to export a variety of agriculture commodities, while being a net importer of many agriculture items; thus, developing trade is much more relevant in the Indian context.

Indo – Israel Cooperation in Agriculture



Mukesh Khullar, Jt Secretary, Agriculture; **Rakesh Bharti Mittal**; **Orit Noked**, Minister of Agriculture, Israel; **Yitzhak Ben David**, Deputy Director General, Ministry of Agriculture, Israel; and **Mark Sofer**, Ambassador of Israel to India

INDIA IS A HUGE market and offers great potential in agriculture. The strengths of Israel in the areas of Research and Development, irrigation technology, dairy, and biotechnology are great opportunities for the two countries to collaborate and learn from each other, said Ms Orit Noked, Minister of Agriculture, Israel, at a CII session on **Indo-Israel Cooperation in Agriculture & Food Processing** in New Delhi on 2 May.

Agriculture in Israel is highly developed, despite the fact that the geography of the country is not naturally conducive to agriculture. This in itself is a great learning example for India, said Mr Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture, and Vice Chairman & MD, Bharti Enterprises.

Mr Mukesh Khullar, Joint Secretary, Agriculture, noted that bilateral relations between both countries in the realm of agriculture have strengthened significantly in recent years, with a convergence of interests on a range of issues. The governments on both sides are facilitating the process, he added.

Mr Mark Sofer, Ambassador of Israel to India, said that investment in India is not really an issue. What is needed is appropriate technology and its proper extension to the farmers. Israeli and Indian companies are coming forward to cooperate in this area, he said. He outlined the key areas for cooperation between the two countries as:

- Management of water resources through efficient irrigation technology
- Agro technology and post harvest know-how to minimize wastage
- Dairy development through breed improvement

CII proposes to establish an Indo Israel CEO's forum and an Indo Israel Centre of Excellence in Agriculture and Water Management. Both governments are also in talks for creating a fund dedicated to agriculture cooperation with \$25 million each.

CII will organize a high level delegation of CEOs in the agriculture sector to Israel to further the dialogue of Indo-Israel cooperation in agriculture. ■

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Workshop on Assessment for SMB's

21-23 July, Bangalore
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27-29 July, Bangalore
12th Annual Conclave for Executive Secretary's

26-27 July, Gurgoan
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For further details, please contact:
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Need for a Holistic Land Acquisition Law

A holistic land acquisition and rehabilitation policy that meets the expectations of all stakeholders could greatly add to economic development

THE VEXATIOUS ISSUE of land acquisition has gained centrestage among policy-makers, land-owners, industry, and other stakeholders. Each viewpoint appears valid, but converging diverse imperatives is a challenging task. Since the land acquisition process is critical for industrial and economic development, it needs to be resolved speedily through a holistic land acquisition law that can meet all requirements.

Currently, the Land Acquisition Act of 1894 governs the process of land acquisition by central and state governments for public purpose, which is defined broadly to include procurement of land by the government for onward sale to industry. The Land Acquisition (Amendment) Bill 2009 was passed by the Lok Sabha, but lapsed as Parliament went in for elections. That bill narrowed the scope of 'public purpose' considerably to apply only to the strategic and infrastructure projects of the central and state governments, and eliminated all acquisition for companies. The exception was when companies had already acquired 70 per cent of the land for a project, in which case government could step in to acquire the remaining 30 per cent.

From the industry viewpoint, the major lacuna in this Bill was that government would no longer intercede in land acquisition for onward transfer to companies. This totally precluded government involvement in the acquisition of land for industrial estates by government for onward sale to small and medium companies, large manufacturing projects, manufacturing clusters offering employment opportunities, and other critical industry projects.

At a time when private investment in infrastructure and manufacturing is being encouraged, this position would have severely curtailed planned projects by the private sector. In fact, it amounted to abdication of the government's responsibility in economic development. According to CII, the provisions in the proposed Land Acquisition (Amendment) Bill would make it extremely

difficult for industry to set up new projects and restrain economic development and employment creation.

Another issue for private industry is that land is deeply fragmented, with the major proportion of ownership being less than 2 hectares. Further, land ownership records are missing or inaccurate. For companies to identify individual owners and negotiate with each of them is challenging and time-consuming.

For land-owners and others dependant on the land, the Land Acquisition Bill was accompanied by the National Rehabilitation and Resettlement Policy 2007 which was to be enshrined in law through the Rehabilitation and Resettlement Bill 2009. This also was passed by the Lok Sabha, before it was dissolved, and the Bill lapsed. The R & R Bill, applicable to 'involuntary displacement' for land acquisition by government where 400 families would be affected by a project (200 in the case of hilly and tribal areas) included:

- detailed guidelines on social impact assessment
- time-bound consultations and dialogue with land owners as well as others dependent on the land
- preparation of a detailed R&R plan and its circulation with full payment of compensation and R&R progress to be made before actual displacement, a process that could extend into several years
- multi-layered administrative infrastructure for monitoring and regulation
- a compensation package that included housing to affected families, holistic peripheral social and physical infrastructure development, large-scale skill development, employment, and annuities, apart from payment at 160% of market rates for the land. Net profits of the 'requiring body' were to be earmarked for R&R, although no percentage was demarcated.

CII has suggested a three-pronged strategy for the land acquisition issue. Primarily, CII has strongly recommended

that government should continue to acquire land for private companies and that economic development, including industry, should be part of the definition of 'public purpose'. Government must facilitate the growth of industry to meet the objectives of inclusive growth and livelihood creation.

First, CII has recommended that **land records be digitized**. This would bring greater certainty and uniformity to the current inadequate state of land records. With the help of e-governance initiatives, digital data could ensure transparency and efficiency as well as identify land use potential.

Secondly, CII suggests **zoning of land** for clear identification, and mapping and segregation of land for various uses such as agriculture, industry, urban development, etc. This should be done over a long-term horizon. Also the process should be ex-ante, that is, it should be carried out in advance of any transfer of land, in order to be transparent.

Third, CII recommends the establishment of dedicated institutions for acquiring fallow and unproductive land for industrial purposes. Such **Land Bank Corporations** could acquire large tracts of non-cultivable land in a scientific and transparent manner and develop them as Land Banks. As and when required, these Land Banks



'Industries flourish in clusters and hence naturally need a facilitating agency to identify, acquire and provide requisite land with adequate support infrastructure. In this context, Land Bank Corporations can act as a catalyst in industrial growth by not only identifying and acquiring the land but also taking care of the rehabilitation and resettlement of the affected households. For this, the cost of acquisition as well as rehabilitation should be met entirely by the industry'.

Chandrajit Banerjee,
Director General, CII

could be transferred for industrial or infrastructure uses to government or other bodies. Although this was a normal practice earlier to develop industrial estates which were then parceled out to industry of different sizes, it is not happening now, leaving companies to go through archaic land records to piece together bits of land for their use.

The Land Bank Corporations should also undertake all resettlement and rehabilitation of affected persons with the cost being ultimately passed on to the final purchaser. The responsibility of annuities and other requirements in R&R should be borne by the Land Bank Corporations. Finally, the deal between the private party and the Land Bank Corporation should not be subject to later litigation by third parties.

As universally acknowledged, land used for industry is more productive than agricultural land, and people employed in industry have higher incomes and productivity than those employed in farming. Hence, the imperatives of inclusive growth imply a sensible approach to land use and land development. A holistic land acquisition and rehabilitation policy that meets the expectations of all stakeholders could greatly add to economic development.

Haryana Policy on Land Aquisition

The Haryana government has recently brought out a policy on land acquisition which has been universally acclaimed as fair, transparent and equitable for all parties, including land-owners, persons dependent on land such as sharecroppers, and final purchasers of land. The salient points of the Haryana policy include:

- Division of state land into five zonal brackets with different minimum floor rates for each bracket
- Doubling of minimum floor rate
- An incentive for 'no litigation' equivalent to 20 per cent of the rate
- Annuity for 33 years with annual revision
- Projects have been categorized under those by Haryana Urban Development Authority (HUDA), Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) and Haryana State Agriculture Marketing Board (HSAMB) as well as those acquired in smaller tracts. R&R provisions are different in these two cases. In the first case, the land-owner will be entitled to allotment of plots or booths. In the second case, a government job of Class C or D could be provided to eligible persons.
- Landless people such as village carpenters, etc will receive special focus on skill creation and development through initiatives such as free training in ITI or polytechnics. Allottees of industrial plots would be asked to give such oustees preference in employment.
- Investment advisory services will be provided
- HUDA, HSIIDC and HSAMB will set aside 2% of the compensation amount for social and community infrastructure facilities; 1% will be demarcated for the skill development of the oustees.

THE REAL ESTATE INDUSTRY

in India is expected to boom and contribute strongly to the growing economy, but it is caught in a web of issues and problems that need to be urgently addressed. CII organized the ‘Real Estate & Housing Investment Conclave’ on 12 May in Mumbai to discuss how the industry can stimulate growth and generate employment.

Mr. S K Singh, Joint Secretary, Housing and Urban Poverty Alleviation, said the central government is working on a system where one need not come to the Ministry to seek clearances and approvals. All that approval seekers need to do is notify their intentions, plans, location etc. and put it in the public domain for everyone to see, informing the different government departments that the approval is needed from. It will be their duty to check out the claims within a stipulated period. Mr. Singh was responding to one of the major concerns of the Real Estate industry, that of seeking over 50 clearances from different agencies right from municipal to state to central government, that often take up to 3 years, thus delaying a project. The central government is pushing for single window clearance for Real Estate projects, he said.

Referring to initiatives from the government, Mr Singh said that the Government of India was dedicated to the growth of the Real Estate sector that is a large contributor in the nation’s GDP. “No economy can develop unless this sector gets enough impetus from the state and central government. Often, good initiatives of the central government are not implemented since the implementation is left to the states. However, we do put in sops and initiatives to inspire the states to implement guidelines. In the central government, we are trying to make all schemes reform-driven,” he said.

Mr Singh shared that the Ministry of Housing and Urban Poverty Alleviation has finalized a model Real Estate Regulatory Bill which has been sent to the Law Ministry for its views and comments. The Bill thereafter will be put up for cabinet approval and finally for parliamentary clearance. He said the intention of the Bill was not to regulate pricing but to take care of the concerns of the consumer.

Responding to the industry demand that the Real Estate



S.K Singh, Jt Secretary, Housing & Urban Poverty Alleviation; and Firdose Vandrevala, Chairman, CII National Committee on Real Estate & Housing, and CMD, Hirco Developments Pvt. Ltd.

and Housing sector be accorded industry status and integrated township development be given infrastructure development status, he said the Ministry is fully in agreement on this point, and is taking up the issue with the Ministry of Finance.

Mr. Firdose Vandrevala, Chairman, CII National Committee on Real Estate & Housing, and CMD, Hirco Developments Private Ltd., said, “CII believes that housing is an important catalyst in the growth of the economy. But the government needs a paradigm shift in its outlook towards the sector. The government needs to provide industry status to the sector, accord infrastructure development status to real estate townships to enable rapid growth, streamline approval processes by cutting the complexity and delays in the current process, enhance private-public-partnerships

in affordable housing to meet the shortfall of 27 million houses in the country and expand financial avenues for the real estate and housing sector, so that the sector can attract investment, stimulate growth and generate employment.”

Mr. Anshuman Magazine, CMD, CB Richard Ellis, pointed out that despite the high growth in the sector, it was still quite small compared to other countries, and that there is a huge housing shortage. He emphasized on three major issues that can make a big impact on the Real Estate and Housing sector:

1. Land and Capital Reform:

There is enough land in India, but the prohibitive cost of land makes house ownership impossible. Whereas in most developed countries, the cost of construction is 90% of the total cost, in India that is the percentage cost for land. Also FSI needs to be increased while providing infrastructural support to those places where land is acquired.

2. Funding: Notwithstanding the importance of FDI,

CII Recommendations for the Real Estate & Housing Sector

- Industry status to the sector
- Infrastructure development status to real estate townships to enable rapid growth
- Streamlined approval processes
- Private-Public-Partnerships in affordable housing
- Expand financial avenues for the real estate and housing sector

India itself has a lot of money which is not reaching the Real Estate and Housing sector because there is no facility provided to do that. Concepts like real Estate Mutual Funds and REIT funds could be considered.

3. Support of State Governments:

Real Estate being a state subject, a good scheme, policy or reform by the central government has no impact unless the state takes initiatives. State governments need a big push to do this.

Despite being the fourth largest economy in the world, India needs to push the Real Estate and Housing sector to keep fuelling this growth to truly become a global economic superpower. However, unless it meets the challenges of excessive and fragmented regulation,

excessive taxation, providing industry status, unclear and frequently changing regulations, absence of a common, clear governmental vision, bundling of various Real Estate asset classes into a single sector, highly restricted capital flow and absence of small investors to the sector, it will be unable to fulfill its true potential and contribution into the growth of the nation. ■

Session on Luxury Retail

SELECT MEMBERS of the CII Task Force on Luxury and Lifestyle met Mr Jyotiraditya Scindia, Union Minister of State, Commerce & Industry, in New Delhi on 1 June to discuss how to make India a source of Luxury Goods, and, as well, take the Indian crafts industry to the next level, and place it on the global map. The discussions were led by Mr Sanjay Kapoor, Chairman of the CII Task Force, and MD, Genesis Luxury Fashion Pvt. Ltd.

Mr Scindia urged the members to actively engage with skilled Indian artisans and craftsmen at the grass roots level and promote India's exquisite arts internationally through entrepreneurship, consistency,



Sanjay Kapoor, Chairman, CII Task Force on Luxury & Lifestyle, and MD, Genesis Luxury Fashion Pvt. Ltd.,
Jyotiraditya Scindia, Union Minister of State, Commerce & Industry, and **Vikram Madhok**, MD, Abercrombie & Kent India Pvt Ltd.

marketing and technology.

The upcoming CII Luxury Goods Forum in October 2011 is one such platform, which this year will focus on the superb crafts of India.

The growth of the Luxury industry has immense potential to promote backward linkages for the manufacturing sector, largely SMEs, and rejuvenate the dying crafts of India. A case in point is the Louis Vuitton tie-up with Indian company, Hidesign, and its setting up of

a manufacturing unit outside of Europe, in Puducherry, next to Hidesign. CII aims to facilitate and encourage more such tie-ups and maintain a continuous dialogue with the Ministry and industry members. ■

CII-Avantha Centre for Competitiveness for SMEs



CII-AVANTHA
Centre for Competitiveness
for SMEs

Activity Based Costing (ABC)



Activity Based Costing training programme in Gurgaon

In order to help industry to cope with increased global competition through effective Cost Management, a one-day workshop on Activity Based Costing for MSMEs was held on 25 May in Gurgaon. The workshop apprised the participants about Activity Based Costing (ABC) as a powerful tool for measuring performance, which is used to identify, describe, and assign costs to opportunities to improve business process effectiveness and efficiency by determining the 'true' cost of a product or service.

SME Mission to Japan

A SME delegation visited the SME Expo Sougouten 2011 in Osaka, Japan, from 25-27 May. The SME Expo is held under the aegis of SMRJ Japan with whom CII has an

association. Apart from learning about best practices, it also enables member companies to present themselves on an international platform and explore new business opportunities.

The mission promoted business matching, market cultivation and business collaboration among companies by exhibiting new products, services and technologies developed and manufactured by SMEs in India and Japan.

Good Manufacturing Practices

The CII-Avantha Centre for Excellence, Chandigarh, in association with the CII Jammu & Kashmir State Office, organized a workshop on 'Good Manufacturing Practices' in Jammu on 12 May. The workshop focused on 5S, 3M and Kaizen, which are processes and methods of Japanese origin in manufacturing excellence.

Godrej Interio Cluster

Pursuing its successful Cluster Approach for enhancing the Competitiveness of SMEs, the Centre launched yet another cluster of Godrej Interio suppliers in Mumbai on 19 May. The OEM vendor cluster comprises ten SME supplier companies of Godrej Interio. These companies shall undergo intensive hand holding with the Centre's counselors to introduce Quality systems in their respective shop floors, to develop manufacturing excellence to add value to their association with Godrej, their prime customer. ■



SME Mission Members in Sougouten, Japan

CII Sohrabji Godrej Green Business Centre



Ulhas V Parlikar, Director – AFR Business, ACC Ltd; **G Jayaraman**, Chairman, Green Cementech 2011, & Executive President, Birla Corporation Ltd, **Dr K U Mistry**, Chairman, Gujarat Pollution Control Board, **N A Viswanathan**, Secretary General, Cement Manufacturers Association, and **K N Rao**, Co-Chairman, Green Cementech 2011, and Director, Energy & Environment, ACC Ltd



N S Venkata Murugan, Convenor, Environment & Energy Panel, CII AP, and **K Karthikeyan**, Jt Environment Engineer, Tamil Nadu Pollution Control Board

Green Cementech 2011

The CII-Sohrabji Godrej Green Business Centre, in partnership with the Cement Manufacturers Association, organized the 7th edition of Green Cementech 2011 on 5 - 6 May in Hyderabad. The conference was held to facilitate the Indian cement industry to reach world-class standards on energy and environment, by adopting the most energy efficient manufacturing processes for the sustainable development of this fast-growing industrial sector.

An 'Energy Efficiency Guidebook for Electrical Engineers' was released at the inaugural session.

Programme for Chemical Industry

A two-day training programme on GHG Inventorisation

& Energy Management in the Chemical Industry was held on 19 - 20 May in Chennai.

The two-day workshop provided a macro level approach on GHG Inventorisation, and showed the participants how to carry out GHG Inventorisation in the chemical industry. It also discussed energy conservation in different equipment, the latest techniques and advancements in energy management, and energy saving ideas, with actual case studies.

Green Buildings

In an interactive session on 27 May, delegates from Oak Ridge National Laboratory (ORNL) and the CII-Indian Green Building Council (IGBC) explored possible opportunities and areas of R & D for the green building sector.

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Quality to Build Brand India

**INSTITUTE
of QUALITY**
(Sponsored by ABB Limited)

DR APJ ABDUL KALAM, former President of India, underlined the importance of creativity and quality as the driving force for economic growth that should be based on integrity and ethics.

Delivering a lecture on '**Vision 2020: Leading the Change India Needs: New Imperatives for Quality**' to mark the 10th Anniversary Day celebrations of the CII Institute of Quality in Bengaluru on 1 June, Dr Kalam said quality should not be seen in isolation for product or service excellence. Integrity and ethics should form the basis for driving sustained growth and better profitability, he said. And for this, the consciousness of quality should start right from the family to the society.

Noting that "profit with integrity leads to sustained growth," Dr Kalam said, "the nation needs branding for its products and services." While it was imperative that Indian products met all the performance and quality parameters promised by the manufacturer, Dr Kalam said it was his experience that around 60% of the efforts need to be devoted to design, 20% to development and 20% to testing by a team of dedicated personnel, to create a successful brand encompassing all walks of life.

Enunciating the philosophy of 'righteousness' as the cornerstone for national development, Dr Kalam said that 'righteousness' was for all, whether Prime Minister, Cabinet Minister, or industrialist. "We need creative leadership and concern about quality to derive a brand for Indian products all over the world," he said.



N Kumar, Past President, CII, Chairman, CII Institute of Quality, and Vice Chairman, The Sanmar Group; **Tarun Das**, President, Aspen Institute, and Former Chief Mentor, CII, and **Dr A P J Abdul Kalam**, Former President of India

Making a strong case for inclusive growth through sustainable quality processes, Dr Kalam recalled how a village in Bihar had adopted quality processes in farming and doubled production. With proper inputs, particularly quality seeds and fertilisers, the farmers had increased cotton production from about 260 kg to 450 kg per acre. "The farming community should have access to quality seeds, fertilisers and pesticides, and not subsidies. If the six lakh villages in the country get such inputs, it would

transform the nation itself," he said. He suggested that CII-IQ could consider certifying quality seeds to avoid reduced output and related losses.

Education, Dr Kalam said, would form the base for all this. He recalled his meeting with the Prime Minister of Finland, a country known for its high competitiveness



Dr Kalam releasing the booklet 'Self Assessment for Business Excellence' with (L-R) **N Kumar**, **Tarun Das**, and **K N Shenoy**, Past President, CII, and Former Chairman, CII Institute of Quality



N Ramanathan, Adviser – TQM, SRF Ltd; **Dr Ajay Gambhir**, Jt Secretary, Indian Medical Association; **Chitranjan Dar**, Divisional Chief Executive, ITC Ltd – Foods Division; **Dr Girdhar Gyani**, Secretary General, Quality Council of India; **V Kovaichelvan**, Sr VP-HR, TVS Motor Co Ltd; **Prasanth S**, Associate Director, Special Advisory Services, KPMG India, and **Bijou Kurien**, President & Chief Executive, Reliance Lifestyle Holdings Ltd.

ranking. The Finnish head espoused Education, life-long learning and women empowered with education as the reason for her country to top the competitiveness index. Dr Kalam, while exhorting policy makers to give importance to education and appreciating the efforts of CII-IQ in developing processes for qualitative changes in the education system, pointed out that “real quality in education is fundamental to the quality of the human resource of the nation as a whole which is responsible for delivering products and services to the community.”

Commenting on the improvement of Primary Health Centres, he suggested that CII-IQ could undertake, with the help of pharma companies, doctors and para-medical personnel, the important task of ensuring that spurious drugs did not infiltrate the market. Dr Kalam also urged CII-IQ to consider designing and implementing a mechanism to bring total quality consciousness into various infrastructural segments together with a feedback system to continuously improve the quality of service.

The former President of India released a workbook titled ‘Self Assessment for Business Excellence’ to mark the occasion. This publication will enable organizations to self-assess their standing across different facets of their business to plan for improvements on their journey towards excellence. CII-IQ has, at the national level, been propagating the adoption of the EFQM based Business Excellence Framework. This holistic tool will be crucial for enhancing the competitiveness of Indian Industry.

Earlier, Dr Kalam planted a sapling in the Institute premises to mark the 10th Anniversary. He also interacted with students whom he called ‘my constituency’ and

said they would form the massive base for the India growth engine.

Mr Tarun Das, President, Aspen Institute, and Former Chief Mentor, CII, in his special address, said that quality should go beyond the uni-dimensional to multi-dimensional approach, covering the entire gamut of social and business structure for driving efficiency and excellence. He recalled the initiatives taken by CII since 1986 in establishing the roots of the quality movement in India. Describing Dr Kalam as his role model who had driven home the “importance of developing indigenous technology,” Mr Das said his vision for the youth had spun off the hugely successful Young Indian programme of CII, which had 12,000 volunteers today.

Mr Das noted several positive factors benefiting the country: India’s stable democracy with the second highest growth rate, its evolving mixed economy, its Election Commission, skilling 500 million people and its entrepreneurship talent. Observing that shortages result in corruption, he asked CII-IQ to determine a strategy for setting up a dependable process and system to eliminate inadequacies in various programmes.

Mr N Kumar, Past President, CII, Chairman, CII Institute of Quality, and Vice Chairman, The Sanmar Group, recalled how Dr Kalam had become a ‘brand’ with his thought leadership in promoting quality in public life. He also recognized the outstanding leadership of Mr K N Shenoy, Past President, CII, and Former Chairman, CII Institute of Quality, in making the Institute an eminent partner in the quality movement with industry and government. “The DNA of quality has inculcated itself in industry, where it has made a vast difference, but needs to extend to the social,

governance, innovation and creativity spheres as well,” he noted.

Mr Shenoy, in his concluding remarks, traced the emergence of the Institute as a key reference point for creating awareness on the importance of quality at the national level. He also spoke of the new paradigms and imperatives to guide CII-IQ’s future activities and its unfinished agenda to transform itself into an Academy of Excellence of international repute.

Later, in a panel discussion on ‘Building the Agenda: Quality. Next,’ the speakers recounted the importance of quality in different sectors of business, essentially



Dr Kalam planting a sapling at the CII-IQ premises in Bengaluru

in the food and agriculture sector. The panelists included Mr Chitranjan Dar, Divisional Chief Executive, ITC Ltd – Foods Division, Dr Ajay Gambhir, Jt Secretary, Indian Medical Association, Mr Prasanth S, Associate Director, Special Advisory Services, KPMG India, Mr V Kovaichelvan, Senior VP-HR, TVS Motor Co Ltd, Mr Bijou Kurien, President & Chief Executive, Reliance Lifestyle Holdings Ltd, and Dr Girdhar Gyani, Secretary General, Quality Council of India, while Mr N Ramanathan, Advisor, TQM, SRF Ltd, moderated the discussions.

Workshops on Food Safety in the North East

CONTINUING ITS close association and joint working relationship with the Union Ministry of Food Processing Industries, the CII Institute of Quality, along with the North East State and Zonal Offices of CII, conducted a series of five workshops on ‘Food Safety in Food Supply Chain for the States of North Eastern India’ from 26 April to 10 May. Over a thousand participants attended the two-day workshops in Silchar, Guwahati, Jorhat and Dibrugarh in Assam, and at Agartala in Tripura. The objective was to create awareness on Food Safety amongst the consumers and stakeholders of the Food Industry with a larger goal of preventing food-borne illnesses. Besides helping transform India into a ‘safe food destination,’ the workshops were aimed at facilitating the Indian Food Industry realise its potential of becoming a global food supplier.

Each workshop received excellent suggestions, feedback and requests for more such initiatives from the enthusiastic participants. The media coverage the events received testified to their significance and relevance for the stakeholders of the Food Sector. The workshops, conducted by the internal resources



of CII-IQ with logistics support from the CII State offices at Guwahati and Agartala, de-mystified the jargon of international food safety systems through simple day to day examples, covering Food Safety Hazards, Basics of Food Safety, Good Hygienic Practices, Good Manufacturing (GHP and GMP), Hazard Analysis and Critical

Control Points (HACCP) and how these have been translated into the Food Safety and Standards Act 2006 and its draft regulations.

Based on the feedback received from the members and participants, CII-IQ plans to hold the next series of awareness campaigns in other 2 tier cities and towns of India through government-supported programmes. ■



Participants at the Workshop in Agartala

CII-Suresh Neotia Centre of Excellence for Leadership



Financial Control & Management



Financial Control and Management has attained a cross functional role and involves a variety of personnel like Unit heads, SBU heads and Senior Management in the areas of Project, Procurement, Production, Maintenance and Materials.

The workshop on 5 May discussed the analysis of financial statements, working capital management, budgeting and budgetary control, cost analysis/variance analysis, capital budgeting and investment decisions, project management and risk management.

The Wu Ch'i Method

Today, business is like warfare: dynamic, fast-paced, and requiring effective and efficient use of scarce resources. Wu Chi, Wu Qu'i or Sun Wu, better known as Sun Tzu, was an ancient Chinese military general, strategist and philosopher. 'The Art of War,' his classic book on military strategy, which expresses his experience gained from years of battles, has become a source of inspiration for corporate executives.

The workshop on 6 May had topics like the 36 Strategies to Wage & Win Wars, Implementation Models in Sun Tzu, and Specific Strategies for Advantageous & Disadvantageous Situations. It also discussed tactics such as turning disadvantage to advantage, using information optimally, deception stratagem, character-based leadership and how to assess specific strengths and weaknesses (in business situations).

Production Process Optimization Excellence

Failure Modes and Effects Analysis (FMEA) is a



methodology for analyzing potential reliability problems early in the product cycle where it is easier to take actions to overcome these issues, thereby enhancing Reliability through Quality Optimization Procedures. FMEA helps companies produce safe and reliable products that please the consumers as well. At the same time, FMEA also captures historical information for use in future product improvement. The workshop on FMEA, was held on 10 May.

Sales Excellence through NLP



Neuro-Linguistic Programming (NLP), which is extensively use in sales, marketing, customer service and other management practices in the United States and Europe, is now spreading in Asia as well. NLP is an approach to psychotherapy and organizational change based on the exploration of how one thinks, communicates and changes - so that one can model, replicate and improve performance. It is used to increase sales, create strong partnerships with customers, vendors and suppliers, communicate inter and cross-culturally with ease and clarity, improve results in negotiations and create world class customer service.

The workshop, held on 11 May, offered intensive exposure to sales strategy, with a toolkit based approach including techniques like NLP in hard and soft selling, use of tools 'Matching' and 'Mirroring' to connect to the customer and 'Metaprogrammes' for customer satisfaction.

Management IQ Tools

Most business organizations, functioning on a flat organizational structure, require managers to be generalists rather than specialists, with strong cross-functional knowledge, and big picture focus. The Management IQ process equips managers with a roadmap of hard skills for the transition from business specialists to business generalists.

The workshop, on 31 May, focused on Strategic Planning Process, Competitive Strategies, Design of Performance Measurement, Using a Decision Tree, Phases of Practical Decisions, etc. ■



Knowledge & Innovation Initiatives



Global Technology Partnership Forum

The Global Technology Partnership Forum was organised on the occasion of National Technology Day on 11-12 May in New Delhi, by CII and the Global Innovation & Technology Alliance (GITA), in partnership with the Department of Science & Technology (DST), and with the support of the Ministry of New & Renewable Energy (MNRE), and the Ministry of Environment & Forests (MoEF). With a special focus on the India-EU Cleantech Forum, the Forum explored strategies to drive growth and execute business and research initiative on clean technology.

India and the European Union (EU) have agreed to double the level of funding from Euro 5 million to Euro 10 million from each side for collaborative research projects. The European Business and Technology Centre (EBTC) partnered CII and GITA for the event. A high-powered delegation from EU Member States, led by Ms. Georgette Lalis, Director, European Commission Directorate-General for Energy, participated in the Forum.

Mr. Pawan Kumar Bansal, Union Minister for Science & Technology, Earth Sciences and Parliamentary Affairs, who was the Chief Guest, stated that technology partnerships, especially in waste management, water treatment and renewable energy between India and the EU, are set to go up, with EU's vast expertise in these areas and India's proven need.

Launching the web portal of the Technology Export Development Organisation (TEDO), a joint initiative of CII and the Department of Scientific and Industrial Research (DSIR), Mr Bansal said the website would enable SMEs to prepare themselves for the export market, especially the EU. "The market norms in EU are stringent. I believe that once our industry is ready for the EU market; it will



Pawan Kumar Bansal, Union Minister for Science & Technology, Earth Sciences and Parliamentary Affairs, inaugurating the Technology Exposition of the Global Technology Partnership Forum. Also seen: **Dhruv M Sawhney**, Past President, CII, Chairman, CII Water Council, and CMD, Triveni Engineering & Industries Ltd; **Danièle Smadja**, Ambassador and Head, Delegation of the European Union to India, and **Poul V Jensen**, Director, European Business and Technology Centre

be equipped to export to any market," he said.

Ms Danièle Smadja, Ambassador and Head of the EU delegation to India, said achieving global development goals through limited means was a big challenge. Asserting that by 2020, clean technology will be a market worth many trillions of dollars, she outlined the Europe 2020 Vision which is a broad strategy to push the EU to become frugal in resource consumption, smart and sustainable. She appreciated that similar efforts were being made by India through its Decade of Innovation initiative.

Dr. T Ramasami Secretary, DST, expressed India's resolve to co-operate with the EU in clean technology and its utilisation. Stressing the need for unit price reduction for technology to be able to penetrate, he called for suitable adaptation to Indian needs for joint ventures to succeed.

Earlier, Mr Dhruv M Sawhney, Past President, CII, Chairman, CII Water Council, and CMD, Triveni Engineering & Industries Ltd, said climate change and its related problems were affecting all sectors of

the economy by impacting food prices and fuelling inflation.

Ms. Georgette Lalis, Director, Directorate-General for Energy, European Commission, said that Europe is trying to lead by example in the area of clean technology, and the EU is committed to complete decarbonisation of the energy sector by 2050.

In his keynote address at the session on 'Power: Renewable Energy,' Dr. Farooq Abdullah, Union Minister for New & Renewable Energy, urged the EU and India to work together to develop untapped clean energy markets in their domains. India wants to play an effective role in the international community for renewable energy development, he said.

Interactive sessions discussed the spectrum of available technology in India and in the EU member states to address societal challenges mainly in the areas of renewable energy, municipal and industrial waste management, and water treatment for industrial and municipal water use.

The Forum also witnessed one-to-one meetings between EU delegates and their Indian counterparts. These meetings concluded with the signing of as many as 38 Expressions of Interest (EoIs) to explore partnerships for collaborative product or process development.

The two day forum was an ideal learning platform for technological collaborations in the present context, when businesses in both Europe and India are striving to improve their performances and exploit new opportunities in order to stay ahead of the game.

Andhra Pradesh Technology Development Centre (APTDC)

GI Registration for Venkatagiri Sarees

The CII-Andhra Pradesh Technology Development Centre (APTDC), in collaboration with the Department of Handloom and Textiles, Andhra Pradesh, has facilitated the registration of Geographical Indication (GI) for the famous Venkatagiri sarees of Andhra Pradesh. Anand & Anand, a leading law firm from Delhi, provided legal support for the activity.

The GI application for Venkatagiri sarees was filed in the



Dr. Farooq Abdullah, Minister for New & Renewable Energy, GoI; **Pedro Domingues** Director, EFACEC; **K Subramanya**, CEO, Tata BP Solar India Ltd.; **Deepak Puri**, Co-Chairman, CII National Committee on Renewable Energy, and Chairman, Moser Baer India Ltd.; **Georgette Lalis**, Director, Directorate-General for Energy, European Commission, and **Rajneesh Mehra**, CEO & Jt MD, A2Z Infrastructure Ltd

GI registry on 13 November 2009. The certificate was issued on 11 May 2011 by the GI Registry, Chennai, which is under the Department of Industry Policy & Promotion, Government of India. The Venkatagiri saree is now a registered Geographical Indication of India.

About the Sarees: Venkatagiri in Nellore district of Andhra Pradesh is known for its excellent cotton sarees with gold borders and elaborate 'pallavs' with gold dots, leaves, parrots or neat geometrical designs. Simple and elegant, these sarees are woven with locally made jalas and are among the best examples of the jacquard weave.



In-house IPR Cell for NIEL

As an ongoing initiative of the CII – National Committee of IP Owners for capacity building on IPR, CII-APTDC has been working with National Engineering Industries Ltd, Jaipur, on the project of 'Building Best Practices of IP Management and setting up an In-house IP Cell.'



NEIL & CII Team in Jaipur

The main objective of the project was to develop IP awareness across the organization and leverage IP as a competitive tool for the organization. It also helped NEI Ltd strengthen its IP portfolio, and most importantly, identify various processes and products for IP protection, and chalk out a strategy for effective IP management for business competitiveness.

CII-APTDC completed this project with its in-house IPR expertise and external IP experts. The project had four IP training programmes, two basic IPR awareness programmes, an IP Audit, and IP policy work.

Interaction on Waste Management



Interaction on Municipal Solid Waste Management

A delegation of Waste-to-Energy experts from Hitachi Zosen Inova AG, Hitachi Zosen Corporation, Japan, and Ramboll, Switzerland, visited CII-APTDC for a discussion on the status and prospects of Waste-to-Energy in India.

Presentations were made by APTDC, Hitachi and Ramboll. Hitachi presented their LoCal 580, a mass burn boiler designed specifically for the Indian market. The companies have expressed their desire to work closely with CII-APTDC in this field.

Filing of Patent for Swedish Company

CII – APTDC has assisted in the filing of a patent application in India for HYPRO AB, a Sweden-based forestry equipment manufacturing company for their ‘Pulp Wood and Debarking Machine.’ The Swedish company plans to enter the Indian market shortly and introduce their wood debarking machines through their Indian import agents. These machines are expected to help the people involved in growing eucalyptus trees in forest tracts available for social forestry plantations. Post de-limbing and debarking, these eucalyptus trees would be procured by the pulp making industry.

Technology Upgradation for Foundry Cluster

The CII APTDC has proposed establishing a Common Facility Centre (CFC) for Co2 Sand Reclamation in Patancheru Mandal of Medak District in Andhra Pradesh, under the Micro & Small Enterprises Cluster Development Programme (MSE-CDP) for the holistic development of foundry clusters.

The decision was taken based on the recommendations made by UNIDO under the UPTECH programme, and the Defence Research & Development Organisation (DRDO), Hyderabad, for sand reclamation process. The proposed CFC, along with Co2 sand reclamation, will also have facilities like testing laboratory, sand reclamation plant, R & D centre, tool room, library, and training centre.

Although the technology for sand reclamation has been adopted and standardized in some units, APTDC’s one to one discussions with industry entrepreneurs suggested that a CFC would enable the industry to run feasibly



in terms of economical and environmental aspects. APTDC will facilitate the technology needs of the foundry industry through this CFC, and will execute the project.

The long-term vision of the project is to meet the ever-increasing requirements of the state and as well as the country. The R&D centre of this facility would engage itself in the innovation of new technologies, methodologies and procedures to benefit the foundry industry. With the Tata Group launching three new aerospace manufacturing facilities at Adibatla village in Rangareddy District, there is wide scope and good opportunity for the Cluster to develop components for these projects. The CFC will help in reducing the lead time to develop the components.

Design

Meeting with Czech Glass and Porcelain Designers

Czech companies, emerging stronger after the economic restructuring of the past couple of decades, are actively looking at investments outside their country.

Companies interested in making Foreign Direct Investment (FDI) in India, and in technology transfer, should actively engage with

the National Small Industries Corporation (NSIC) and industry organizations like CII, suggested Mr Virbhadra Singh, Union Minister for Micro, Small and Medium Enterprises (MSME), in New Delhi on 9 May. He was speaking at a business-to-business (B2B) meeting and seminar on the Czech glass and porcelain design industry organised by CII in partnership with the Embassy of the Czech Republic, Czech Trade Promotion Agency, National Centre for Design and Product Development, and the National Institute of Design, (NID), Ahmedabad.

Mr Milan Štěch, President of the Senate of Parliament of Czech Republic, who led the official delegation, accompanied by a business delegation of 16 top Czech glass and porcelain designers, said that Czech manufacturers were keen to make products that could be sold in India at Indian price points. Creating a product itself was not enough, the ability to sell it was equally important, he said.

Inviting Indian entrepreneurs to set up units in the Czech Republic, he said many Indian companies, such as Infosys, CK Birla Group, Hinduja Group, Ashok Leyland Motors and Tata Tea are putting money in the country due to its friendly investment environment. Likewise, Škoda Auto India, a fully owned subsidiary of Škoda Auto (Volkswagen Group), is one of the major automobile manufacturers in India, with a huge share of bilateral trade.

Mr. Uday Kumar Varma, Secretary, MSME, called for setting up a permanent mechanism of dialogue between the two countries. Though a bilateral trade agreement was signed last year, there is no bilateral trade council between the two countries, he noted.



Gurbal Singh, Deputy Director General, CII; **Virbhadra Singh**, Union Minister of Micro, Small and Medium Enterprises; **Milan Štěch**, President of the Senate of the Czech Republic, and **Miloslav Stašek**, Ambassador, Embassy of the Czech Republic

With glass and ceramics coming under the MSME category, Mr Singh stressed the importance of this sector to the Indian economy. It contributes nearly 8 per cent to the GDP, with 45 per cent share of the entire manufacturing output, and has a 46 per cent share in exports. It employs more than 6 crore people, and creates employment at one-fifth the cost of large industries.

Mr Milan Hovorka, Czech Deputy Minister of Trade, said trade between the two countries had increased 10 times in the past decade. At \$1.3 billion now, it is expected to touch \$2 billion soon.

Mr Miloslav Stasek, Ambassador of the Czech Republic to India, said that glass design, porcelain, jewellery, fashion and textiles were possible areas of collaboration between the two countries. In future, the focus would be on industrial design, he added.

Mr Pradyumna Vyas, Member-Secretary, India Design Council, and Director, NID, who is also a member of the CII National Committee on Design, said the MSME Ministry has launched a mega scheme of design clinics for MSMEs to create awareness about the fact that investing 5 per cent in design can give them a leverage of 70 per cent.

India's role in Czech foreign trade has always been significant. During the last 50 years, about 100 industrial projects have been set up in India with the participation of Czech companies, such as HEC Ranchi, BHEL Hyderabad, HMT Pinjore, and Ennore Power Plant, to name a few. The Czech investment and business development agency, CzechInvest, is planning to open a branch in India this year to strengthen cooperation.



Development Initiatives

Affirmative Action

The SRF Story

The Indian economy is indeed making waves across the globe. But the country can keep its competitive edge only if it fosters social equality in the institutions that drive economic prosperity.

The CII Code of Conduct on Affirmative Action relates to non-discrimination, assistance, and transparency with respect to members of the Scheduled Caste and Scheduled Tribe communities as employees, applicants or vendors. It encourages member companies to lay special focus on the employment and employability of Scheduled Caste and Scheduled Tribe communities, to enable them to compete on merit and efficiency. Inclusiveness, while promoting competitiveness, is the key.

SRF, one of the first few companies to adopt the CII Code, has taken some concrete steps to address these concerns. The focus has been on improving employment opportunities, and more importantly, the employability of these traditionally disadvantaged sections of society. The company is also focused on vendor and entrepreneurship development amongst SC/ST members, as also on capacity building by providing quality education.

Any initiative of this nature requires to be led from the top. In SRF, the Chairman personally got involved to sensitize the top leadership; and a core committee of senior executives was constituted to work out the detailed action plan. Concurrently, the company organized a series of programmes and interventions to sensitise the business leadership teams and the HR work group. SRF also made necessary changes in its HR policies and practices including generating a proper MIS to capture

data on SC/ST representation in employment and other initiatives in this regard.

Some of the key initiatives undertaken are:

Employability

SRF conducted a number of soft skills training and personality development courses to enable the SC/ST candidates to face the competitive world. These include:

Soft Skills & Personality Development Course: SRF sponsored a three month Soft Skills personality development programme for 40 students of various courses at the Punjab University campus, in conjunction with the CII Northern Region in Chandigarh. Another 45 students from other ITIs and vocational institutions received soft skills training in communication and interpersonal skills.

Trade Apprenticeship Programme: The

company has set a target to hire 25% of trade apprentices from SC/ST communities in its manufacturing locations.

Tailoring/Vocational Course : SRF has initiated a tailoring course for adolescent village girls near its factories in Bhiwadi, in partnership with an NGO. In seven batches, a total of 167 girls, mainly from the SC/ST community, have been trained so far. Of these, 17 have been employed in garment factories and earn Rs. 2500 to 3000 per month.

Livelihood Promotion

SRF is implementing an integrated project on livelihood



Training programme for SC/ST youth in Chandigarh

promotion through Natural Resource Management (NRH) in 34 villages near its factory in Bhiwadi. Under the project, undulated waste lands of the poor SC and other economically weaker families have been leveled and made cultivable. A total of 704 hectares of waste land has been reclaimed, benefiting about 3780 economically weaker families, mostly from the SC communities. Besides, SRF has trained the villagers on improved agricultural practices and market linkages for better rates for their produce.

Education

SRF has embarked on various initiatives in the areas of primary, secondary and higher education. Some of the initiatives are:

Scholarship Scheme to SC / ST Students: In 2008, the company finalized a scheme to provide financial assistance to meritorious and needy SC / ST students in the form of scholarships to help them continue their studies at the school level and to encourage them to go for higher education. A total of 87 students have benefited from this scheme.

Adoption of Government Primary School: SRF Chemical Business has adopted a government primary school at

Ban-Ban village, adjacent to the plant, for improvement in primary education. This village is dominated by SC and OBC families. At present, 134 students (64 boys, 70 girls) are being supported under this educational intervention.

Entrepreneurship Development

Besides promoting livelihood options through its NRM project, SRF's thrust has also been to develop entrepreneurship without compromising on quality, productivity and cost standards for members of the SC/ST community.

Employment

SRF has started giving preference to SC/ST candidates subject to their meeting the evaluation criteria. This is reviewed at the highest level by the President, HR. There has been significant improvement in the intake of SC/ST persons amongst the regular workforce as well as contract and temporary employees. The representation of SC/ST candidates in the company's workforce has increased from 8% in April 2010 to 9.21% in December 2010. SRF's recruitment advertisements now mention that preference is given to SC/ST candidates subject to their fulfilling the merit criteria. ■



Confederation of Indian Industry
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JMAC
JMI Consultants Inc.

Lean Manufacturing Certificate Training Workshop

11th – 17th September 2011: JAPAN

CII along with JMAC- Japan is organising the Lean Manufacturing Certificate Training Workshop in Japan at Management Innovation Centre-Gifu (MIC is a consulting company under Toyota Group)

Workshop Features:

- Classes conducted by Consultants from MIC with more than 40 years of experience in Toyota who made Lean (TPS) successful in their shop floors
- Learn & Experience the true essence of Lean (TPS DNA)
- How they manage their resources optimally
- Visit shop floors of World class companies

Plant Visits:

- **TOYOTA Motor Corporation**
- **Toyota Museum**
- **Gifu Auto Body Co. Ltd.**

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Chapter Round-up

Chennai



Dental Camp in Chennai

On 31 May, Yi Chennai organised a free Dental Camp to commemorate ‘World No Tobacco Day’ at Katramballam, Keevalur, Puduped and Samanderambed. The camp was supported by a team of 20 experienced doctors and nurses, and offered the villagers free dental check-ups for problems related to tobacco chewing, smoking, etc. Those requiring treatment were taken to a nearby hospital for free treatment. The Camp was supported by CII Member, Schwing Stettar India Pvt Ltd.

On 24 May, a series of Roundtables on Healthcare were launched to understand what organisations like Yi need to do to engage young doctors in Healthcare.

Coimbatore



Vasundhara Raje, Leader of the Opposition, Rajasthan Legislative Assembly, with Yi members in Coimbatore

Yi Coimbatore organised an evening with Ms Vasundhara Raje, Leader of the Opposition, Rajasthan Legislative Assembly, on 27 May. Ms Raje, in an informal interaction, spoke about different aspects of Rajasthan.

Indore



Environment Awareness project in Indore

The 2nd edition of the ‘Plant a Life, Be a Root’ project was initiated on 25 May. In the first activity of the project, Yi Indore, along with LG Academy, prepared 10,000 seed balls.

Mumbai



Organ Donation Awareness session in Mumbai

An Awareness Drive on Organ Donation was held on 26 May to encourage people to contribute to a noble cause by donating their eyes/ skin/ organs after death. Speakers from the Zonal Transplant Coordination Centre shared the importance of Organ Donation. The session concluded with a pledge by Yi members to donate their organs.

India and the world



Asia

China

'India and China: Dialogue and Cooperation'

CII, in cooperation with Aspen Institute India and the China Reform Forum, organized a conference on 'India and China: Dialogue and Cooperation' on 22 May in Beijing. The conference discussed bilateral economic relations, political, diplomatic and security factors, regional security, and anti-terrorism, as well as strengthening cooperation in bilateral and multilateral institutions. The Indian team was led by Ambassador Naresh Chandra, Chairman, National Security Advisory Board, and Former Ambassador to the US, while the Chinese team was led by Mr Li Junru, Vice Chairman, China Reform Forum.

The meeting called for the two countries to take a long term-view of their relationship and continue to build the level of trust. The Indian delegation also met with officials of the National People's Congress as well as the Central Party School during their visit to Beijing. The next edition of the Conference is scheduled to be held in India in the latter part of 2011.

Tata Steel

Tata Steel Ltd plans to increase its investment in China by 5% in 2012, as it seeks to maintain market share, according to media reports. The company currently has two rolling mills in Wuxi in Jiangsu province, and Xiaman in Fujian province.

Infosys Campus in Shanghai

Infosys has laid the foundation stone for its new campus in Shanghai, to be developed over three years. Spread

over 15 acres, with an overall seating capacity for 8,000 employees, the campus will have facilities for software development, labs, data centres, training facilities, food courts, auditorium, gym and other recreational facilities. It will be Infosys' largest overseas software development centre. Infosys has invested in development centres in Shanghai, Hangzhou, Beijing, a sales office in Hong Kong and a global education centre in Jiaying. Infosys China employs over 3,300 people in China and has already invested \$23 million in capital.

China Loan to RCom

Reliance Communications has finalized a \$1.33 billion loan from the China Development Bank (CDB), the first and largest ever syndicated loan for refinancing spectrum fees. RCom has also signed an additional agreement for \$600 million with CDB for financing imports/domestic expenditure of telecom equipment from Chinese vendors. In 2010, Reliance Power signed a pact with Chinese lenders to secure \$12 billion to fund the purchase of \$10 billion worth of equipment and related services from Shanghai Electric for various power projects.

Beiqi Foton Motor MoU with Maharashtra

China's leading truck manufacturer, Beiqi Foton Motor, signed an MoU with the Maharashtra Government to manufacture trucks in India. Beiqi Foton Motor plans to invest at least \$380 million in this facility, the company's first outside Mainland China, to be located in Western Maharashtra. Foton is currently exploring options to sell light, medium and heavy trucks in India. The company also plans to build a sales office in Mumbai with an investment



Participants at the conference on 'India and China: Dialogue and Cooperation' in Beijing

of Rs 100 million.

Currency Swap Deal with Mongolia

The People's Bank of China signed a 5 billion currency swap agreement with the Central Bank of the People's Republic of Mongolia for a period of three years.

Bank Lending Tightened

The People's Bank of China has once again raised the required reserve ratio to restrict borrowing to businesses to tame inflation. This is the 5th reserve requirement increase this year.

Investing in Public Health

China has increased per capita spending on public health services for Chinese mainlanders from 15 yuan to 25 yuan in 2011. The total financial investment of all levels of governments will cross 30 billion yuan.

900 million+ Cell Phone Users

China's cell phone users grew by 41.39 million in the first four months of 2011 to 900.39 million, covering nearly two-thirds of the nation's population.

Investment in Transportation Sector

China plans to spend \$954 billion to upgrade its transportation infrastructure during its 12th Five-Year Plan period (2011-2015).

Crude Steel Demand to Swell

The China Iron and Steel Association has predicted that China's annual demand for crude steel would rise to 670 to 750 million tons in 2015, 11.8% to 25.1% higher than the 2010 level.

Severe Drought

A severe drought has affected 35 million people and caused an economic loss of about \$2.3 billion in the middle and lower reaches of the Yangtze River.

External Financial Assets

China's external financial assets expanded 19 % from a year earlier, to \$4.126 trillion by the end of 2010, boosted by its increased foreign exchange reserves and overseas investments.

Japan

Monetary Base Leaps

The monetary base in Japan shot up 23.9% in April from a year earlier, rising for the 32nd consecutive month from a 16.9% annual increase logged the previous month. The average daily balance of the monetary base stood at \$1.51 trillion.

Return to Recession

Japan's economy plunged back into recession in January-March, contracting sharply on the impact of the nation's biggest recorded earthquake that was soon followed by a tsunami and a nuclear crisis. The economy shrank by a much worse-than-expected 3.7% year on year, marking the second consecutive quarter of contraction.

Consumer Confidence Dives

Japanese consumer confidence fell at the fastest pace on record in April from the previous month after the triple disaster cast a shadow on the economy. Consumer sentiments worsened to a two-year low of 33.1 in April from 38.6 in March.

Stimulating the Economy

Economic reports from the government and the Bank of Japan underscored the rapid deterioration of the economy in the aftermath of the 11 March catastrophe. A Trade and Industry Ministry report states that the industrial and mining production index for March sank a record 15.3% from the previous month. Overall production activities fell 31.9% in the devastated areas and 13.5% in other areas.

Prices Rise

Japan's consumer prices in April rose for the first time in more than two years due to a rise in energy and tobacco prices. The core consumer price index, which excludes fresh food, climbed 0.6% in April, marking the first year-on-year increase since December 2008.

Trade Deficit

Japan fell into a trade deficit in April as exports tumbled at their fastest pace in 18 months on supply chain disruptions after the triple disaster. Exports fell 12.5% compared to a year earlier. Japan logged a deficit of \$5.6 billion, reversing a year-before surplus of 729.2 billion yen, with shipments of cars diving 67% and those of electronics dropping by 9%.

Monthly Wages Edge Upwards

The average monthly gross pay in fiscal year 2010 edged up by 0.6% from a year earlier to 317,307 yen, the first rise in four years, as overtime pay grew, particularly in the manufacturing sector.

Republic of Korea

Korea-EU FTA

The Korean National Assembly's Foreign Affairs, Trade and Unification Committee passed the Korea-EU FTA

on 4 May. Korea expects that exports of cars, car parts and colour TVs would increase when the FTA goes into effect, creating 253,000 new jobs.

Korean Help for the Maldives

The National Emergency Management Agency of Korea, has, for the second time, dispatched experts to the Maldives to help solve problems of water resources and coastal erosion.

Korean LCD Panels

Global market research and consulting firm DisplaySearch announced that more than 173 million TFT-LCD panels were sold during the first quarter of this year and sales were largely dominated by Korean-manufactured units. LG Display recorded a 26.3% market share by selling more than 45 million units and Samsung Electronics sold nearly 42 million panels, bringing the Korean share of the global market to 49.9%.

Europe

France

CII Mission to France



Chandrajit Banerjee, Director General, CII; **N Kumar**, Past President, CII, and Vice Chairman, The Sanmar Group; **Anand Sharma**, Union Minister of Commerce and Industry, India; **Pierre Simon**, Chairman, Greater Paris Investment Agency; **Ranjan Mathai**, Ambassador of India in France, and **Chiara Corazza**, MD, Greater Paris Investment Agency

A CII Business Delegation visited France on 24-25 May. The 12 member delegation, led Mr N Kumar, Past President, CII, and Vice Chairman, The Sanmar Group, focused on cross border investment and strengthening bilateral investment in Infrastructure, Engineering, Chemicals, IT & ITes, Energy, Real Estate, R&D, Innovation, Education, Defence and Green Technologies.

On this occasion, the Greater Paris Investment Agency, in partnership with CII, organized a seminar 'Greater Paris is on the move: New Partnership and Investment Opportunity' on 24 May in Paris. Mr Anand Sharma, Union Minister of Commerce and Industry, India, in his keynote address at the Summit, called for greater cooperation between India and France in sectors such as Agro-processing, Infrastructure, Supply Chain, Life sciences, Health and Pharma.

On 25 May, the CII delegation met with CEOs of French Industry and discussed the 'India-France: Investment Agenda.' The meeting was organized by MEDEF International, CII's MoU partner in France.

Germany

Huge Potential for Indo-German Business Ties

Tremendous potential for cooperation exists between India and Germany, especially in the areas of Infrastructure, Environment and Dual Education. This was the underlying theme of the deliberations that took place between Indian and German CEOs on 31 May in New Delhi, when a 23 member CEOs delegation accompanied Chancellor Merkel on her two-day visit to India.

CII, along with the Indo-German Chamber of Commerce, and other industry associations, organised a CEO's Roundtable

on 'Germany and India 2011-12, Infinite Opportunities' on the occasion.

In his welcome remarks, Mr. B Muthuraman, President, CII, and Vice Chairman, Tata Steel Ltd, and Chairman, Tata International Ltd, said more and more Indian companies are acquiring high-quality German technology to meet their growing needs., Germany is also a preferred investment destination for Indian companies, especially in automobiles, pharmaceuticals, and electrical equipment, he said, listing increased technology exchange and co-operation in consultancy and advisory services as potential areas for deepening bilateral economic engagement between the two countries.

Prof. Hans-Peter Keitel, President, Federation of German Industries (BDI), who moderated the session, said Germany can help India in satisfying its infrastructure needs. He also called for increased technology and research partnerships between Indian and German companies in climate change and energy efficiency. On dual education, too, there exists huge potential for mid-sized companies in Germany to

invest in vocational training in India, he noted.

Speaking on the potential for cooperation in the infrastructure sector, the CEOs were unanimous in their view that there is huge scope for learning for India, from the

cities in Germany. Mr. A M Naik, CMD, L&T Ltd felt that building, upgrading and managing city infrastructure is one of the biggest challenges for the country, and offers good opportunity for German companies.

Dr. Surinder Kapur, Chairman, Sona Koyo Steering Systems Ltd, said the target of 25% of GDP for the manufacturing sector in India can only be achieved by focusing on skill development. The poor quality of education in India is posing a challenge for Indian companies in expanding globally, and also in improving efficiency, he said, urging German companies to help in skill development in India. Mr. Arun Bharat Ram, Past President, CII, and Chairman



Dr Ing. Hans-Peter Keitel, President, Federation of German Industries (BDI), **B Muthuraman**, President, CII, and Vice Chairman, Tata Steel Ltd, and Chairman, Tata International Ltd; **A M Naik**, CMD, L&T Ltd. and **Deepak S Parekh**, Chairman, HDFC Ltd

SRF Ltd, suggested that Germany could send qualified trainers to India to train Indian trainers.

On environment and sustainable development, the CEOs felt that Indian and German companies can collaborate for technology development. German companies can invest in India in the wind energy sector, which will also help them to earn carbon credits, it was suggested. CII is already doing a project with Germany for environment sustainability in Indian companies. The focus is on capacity building with Indian companies by creating a network of experts who can work on issues such as climate change and stakeholder engagement. The project also enables Indian business to network with

North America



Timothy Roemer,
US Ambassador
to India

Interaction with US Ambassador

Mr. Timothy Roemer, US Ambassador to India, met senior industry members from Gujarat during his visit to Ahmedabad on 10 May. Amb Roemer suggested forging business alliances in Defence, IT, Space, Homeland Security, Logistics and Climate

Change, and urged companies, especially MSMEs, to consider technology transfers and tie-ups. He named Education, Electronics, Life-sciences, and Infrastructure and Energy as important sectors for the US to share expertise.

Trade with Canada

Representatives from CII met with Mr. Don Stephenson, Assistant Deputy Minister for Trade Policy and Negotiations, Canada, and Mr. Eric Robinson, Deputy Director Trade Negotiations 1 Division, Canada, on 4 May in New Delhi. Also present was Mr. Mario Ste-Marie, Minister Counselor, Canadian High Commission. Calling for greater urgency in taking the India-Canada CEPA into force, participants in the interaction urged SMEs



Mario Ste-Marie, Minister Counselor, Canadian High Commission; **Don Stephenson**, Asst Deputy Minister for Trade Policy & Negotiations, Canada, and **Eric Robinson**, Deputy Director, Trade Negotiations 1 Division, Canada

from both countries need to get involved and hold regular dialogue and interactions, to take trade forward. The CEPA negotiations will include origin, services, environment, government procurement, IPR, and competitive policy (both procedure and mechanism).

The discussions spanned environmental and labour standards, offset policy and cooperation on shale gas technology. Both sides called for regular interactions to understand the Canadian and Indian perspectives on these issues.

Business Opportunities in Toronto

CII Andhra Pradesh, in association with Invest Toronto, Fasken Martineau and PwC Canada, organized a



Shaun Wedick, Consul, and Sr Trade Commissioner, Canada; **Mahesh Desai**, Convenor, CII EXIM Panel, Andhra Pradesh, and MD & CEO, Meera & Ceiko Pumps P Ltd; **Renato Discenza**, President & CEO, Fasken Martineau; **Hans Bathija**, MD, Bathijatan, and **Aaron Rosland**, Sr Economic Officer, Counsellor Commercial, Ontario

seminar on 'Business Opportunities in Toronto' on 3 May in Hyderabad, during the visit of a high profile business delegation from Toronto. The seminar provided an overview of the business investment opportunities available in Toronto for Indian companies. Later, around 50 CEOs of Indian companies held one on one meetings with the members of the visiting delegation. The seminar was addressed by Mr. Shaun Wedick, Consul and Senior Trade Commissioner, Canada, and others.

In a similar interaction on 5 May in Bangalore, Mr. Wedick said Toronto presents a great opportunity for Indian companies looking to expand into North America and establish a global footprint. Mr. Ajay Ramasubramaniam, International Marketing Centre, Consulate General of Canada, pointed out that reputed Indian companies such as ICICI, State Bank of India, Infosys, Wipro and Polaris made their foray into North America via Toronto. Mr. Ajay Chadha, Canadian Private Equity Leader, PwC, suggested that Indian companies could leverage the unique market opportunities, competitive cost advantages, stable business markets, and unmatched quality of life in Toronto to gain access to the North American economy.

Mr L Krishnan, Vice Chairman, CII Karnataka, outlined the interests of companies in Karnataka in sectors like IT and ITES, Biotechnology, Pharmaceuticals, Auto and Auto Components, Oil & Gas and Financial Services.

Cloud Summit

Mr. Steven A. Ballmer, CEO, Microsoft, introduced India to the Microsoft Cloud concept in a passionate presentation to a huge gathering in New Delhi on 26 May. At the inaugural session of 'Cloud Summit: Enabling Inclusive Innovation,' jointly organized by CII and Microsoft, Mr Ballmer also announced the launch of the Office 365 Cloud service in June and underlined the importance of the Indian market to Microsoft.



Steven Ballmer, CEO, Microsoft

Mr. Vinayak Chatterjee, Chairman, CII National Task Force on Regulatory Framework in Infrastructure, said CII is

deeply engaged with various stakeholders to ensure that India and Indian industry makes the most of the opportunities that cloud computing has to offer. CII is finalizing its report on Cloud Computing which would be soon presented to the Government and relevant regulators, he said.

INDIA-US News

LLPs and Foreign Investments: The Government of India has partially opened limited liability partnerships to foreign investments.

Overseas Investment Norms Eased: In a move that will give Indian companies more flexibility in managing international joint ventures and wholly-owned subsidiaries, the Reserve Bank of India has now allowed Indian companies to restructure balance sheets of their overseas JVs and wholly-owned subsidiaries.

FDI Cap: India's Information and Broadcasting Ministry proposes to increase the Foreign Direct Investment (FDI) limit across media platforms - in direct-to home, internet protocol TV (IPTV), multi-system operators and FM radio.

World Bank Prediction: India, along with five other emerging economies, will account for more than half of all global growth by 2025, the World Bank predicts. The bank also showered praise on Tata's Nano car as an example of the importance of R&D.

Anti-graft Law: As India ratified the UN Convention Against Corruption six years after signing it, US-based Indians said the move will bring the private sector to the forefront of public debate and reform, and hoped the government will take effective actions that can stand up to global scrutiny.

Cyber Security: The US and India are closely cooperating on a range of issues related to cyber security, according to the State Department Co-coordinator for Cyber Issues.

US-India Homeland Security Dialogue: India's Home Minister, P Chidambaram, and US Secretary of Homeland Security, Janet Napolitano, jointly launched the US-India

Homeland Security Dialogue - a new component of the India-US Strategic Dialogue.

Solar Energy: The United States has expressed interest in exploring solar energy options in Punjab. Representatives of American firms visited Punjab to learn about the commercial aspects and the opportunities available.

US - India Green-tech Fund: The US-India Joint Clean Energy Research and Development Center is offering \$100 million in public and private-sector funding for green-tech research, for joint projects between US and Indian research groups involving biofuels, solar energy, or building efficiency.

India-US Trade: Trade between India and the US is expected to grow to \$100 billion within two to three years while Indian companies are strengthening their presence in the US across various sectors, a senior Indo-American Chamber of Commerce official said.

Indian Factory in Kentucky: Mr Steve Beshear, Governor of Kentucky, inked a deal with a New Delhi company to build a \$150 million factory in Elizabethtown that could employ up to 250 people within 3 years. The Kentucky Economic Development Finance Authority has tentatively approved state tax incentives for Uflex Ltd, which manufactures flexible packaging material.

C-17 Globemaster Aircraft: The Indian Air Force's much-awaited order for 10 American C-17 Globemaster heavy-lift transport aircraft has been cleared. The aircraft are expected to cost roughly \$4 billion.

Visa Process Reform: The US Travel Association has proposed a reform of US visa policies to make America more open and welcoming to visitors, particularly from emerging economies like India, China and Brazil.

India-US Corporate Watch

Accenture in India: Consulting and technology giant Accenture houses around a third of its employees in India. Mr Pierre Nanterme, CEO, Accenture, described India as the heart of Accenture and said the company's employee base in India would be 70,000 by August 2011, the highest in any country. The US is second at around 30,000.

Viacom18 Media: Viacom18 Media Pvt. Ltd. will distribute Paramount Picture Corp's films in India, Bangladesh and Sri Lanka. Viacom18 Media is an equally owned joint venture between US-based Viacom Inc. and India's Network18 Group.

Equifax Microfinance Bureau: Equifax Credit Information Services Private Ltd (ECIS) is launching a microfinance

credit bureau in India. ECIS is a joint venture between Equifax and six Indian financial institutions: Bank of Baroda, Bank of India, Kotak Mahindra Prime Ltd, ReligareFinvest, Sundaram Finance Ltd and Union Bank of India.

Morgan Stanley, Isolux Corsan JV: Morgan Stanley Infrastructure Partners, a \$4-billion infrastructure fund, will invest \$200 million in a joint venture with Isolux Corsán Concesiones in India. Isolux is an infrastructure subsidiary of Grupo Isolux Corsán, specialising in large projects across construction, engineering and concessions.

Tata Chem Stake in US Firm: India's Tata Chemicals said its unit Valley Holdings Inc. has acquired about 16.7 million shares of EPM Mining Ventures Inc., a privately held developer of potash prospects in the US.

Lighting Science in India: US-based LED manufacturer Lighting Science Group, a global leader in its business, plans to enter the Indian market by September with an eye to grab 20% share of the market over three years. The company is in advanced talks with domestic LED manufacturers to float an Indian joint venture.

Crompton Greaves buys QEI: Indian electrical appliances and capital goods maker Crompton Greaves has acquired US-based QEI Inc for about \$30 million.

IIT Bombay-Applied Materials Lab: Applied Materials, the supplier of manufacturing solutions for the semiconductor, display and solar industries, and IIT Bombay, announced the launch of a state-of-the-art 'Applied Materials Chemistry Laboratory for Energy and Nanoelectronics' (CLEAN) at the IIT Bombay campus.

Ford Investment: Ford Motor Company will invest \$72 million to expand its diesel engine production capacity in Chennai by over 30% within a year.

Tech Mahindra BPO: Tech Mahindra Ltd, India's No. 5 software firm, plans to set up back-office operations in North America and Europe and could do this through acquisitions.

J&J Acquisition: Johnson & Johnson (J&J) will acquire over-the-counter Russian brands of Mumbai-based JB Chemicals & Pharmaceuticals for about \$260 million.

Cigna Corporation Plans JV: American health insurance major Cigna Corporation is planning a joint venture with an Indian company in the next three months to foray into the country's fast-growing health insurance sector.

IBF Members in the News

Infosys Overseas Hire Plan: Infosys Technologies Ltd., India's second-largest software exporter, plans to step up hiring in the US, China and other overseas markets to check rising employee turnover and boost profit. Infosys plans to hire 1,500



workers in the US, its biggest market.

Azim Premji's Overseas Investment: In his first-ever investment overseas, Wipro's billionaire Chairman, Azim Premji, has invested around \$15 million in Vinod Khosla's clean-tech fund in the US, the biggest such fund focused on returns from Silicon Valley's hottest start-ups.

SAARC

Afghanistan

Dr Manmohan Singh, Prime Minister of India, during his visit to Afghanistan on 12-13 May, announced a fresh package of US \$ 500 million to underline India's commitment to the efforts of the Government and people of Afghanistan to build a peaceful, prosperous and stable country.

The additional assistance includes a slew of commitments for various initiatives. Significantly, Dr Singh also announced support for the 2nd phase of CII's Skill Development Programme for providing vocational training to Afghan nationals.

Bangladesh

Coinciding with the Indo – Bangla Trade Fair organised by the India – Bangladesh Chamber of Commerce and Industry (IBCCI) from 5 -7 May in Dhaka, a 22 - member CII Business Delegation visited Bangladesh from 6 -10 May.

The Mission, led by Mr Syamal Gupta, Special Advisor, Tata International Ltd, apart from visiting the Fair, had meetings with leading chambers including the Federation of Bangladesh Chambers of Commerce & Industry; the Metropolitan Chamber of Commerce & Industry; the India – Bangladesh Chamber of Commerce & Industry, and the Chittagong Metropolitan Chamber of Commerce & Industry.

CII and the Bangladesh Garment Manufacturers & Exporters Association (BGMEA) signed a MoU agreeing to work together to strengthen the textile and garment industries of the two countries. CII agreed to help in the areas of fashion designing and technology, and offered to support BGMEA in entering the Indian market by arranging displays of their high quality products, and organizing meetings with leading store chains and other interesting parties. BGMEA is the apex body for apparels

and garments, that constitute the largest export items from Bangladesh.

The CII business delegation also called on Mr Muhammad Faruk Khan, Commerce Minister of Bangladesh; Mr Tawfiq - e - Elahi Chaudhury, Adviser (Energy & Power) to the Prime Minister of Bangladesh, and Dr S A Samad, Executive Chairman, Board of Investment.

During the discussions with industry, Bangladesh invited Indian investment in a SEZ on 100 acres of land in Chattak, Sunomganj in North Bangladesh. The zone has road, rail, and river connectivity and the airport is 35

km away. Moreover, gas is readily available there. The Nitol Niloy group will lease the land on easy terms for 25 years and provide working capital to the project, while local investors will take care of the shed infrastructure. Indian companies were invited



Muhammad Faruk Khan, Commerce Minister of Bangladesh, (centre), with members of CII delegation in Dhaka

to take management and marketing responsibility for the project.

Key issues which came out in the discussions were delay in issue of business visas; non tariff and para – tariff barriers; infrastructure at the border; shortage of power; repatriation of funds, especially royalty costs and technical input cost; and harmonization of standards etc. The CII business delegation felt that if these issues were resolved, bilateral trade could be doubled by 2015.

Potential sectors for investment identified by the Board of Investment of Bangladesh are textiles (ready-made garments, yarn and fabric); leather and leather goods; frozen food; glass and ceramics; pharmaceuticals; steel; and services (ICT, infrastructure, hospitality and tourism, and healthcare).

CII will send a specific investment promotion delegation, and sectoral delegations, such as IT, to Bangladesh.

India REGIONAL R O U N D U P

East

Bihar

Linkages with USA

12 May, Patna



Interactive Session with **Blair Hall**, Minister Counselor, Economic, Environment, Science & Technology Affairs, US Embassy

An interactive session with Mr Blair Hall, Minister Counselor, Economic, Environment, Science and Technology Affairs, US Embassy, deliberated on possible areas of collaboration between US and Bihar for the overall development of the state.

Chhattisgarh

Ties with China

20 May, Raipur



Interactive Session with **Zhang Lizhong**, Consul General of China in Kolkata

Mr Zhang Lizhong, Consul General of China in Kolkata, during his three-day visit to Chhattisgarh, interacted with members of CII Chhattisgarh State Council to understand the economic and business environment of the state.

West Bengal

Engineering Design Services

26 May, Kolkata



Tamal Dasgupta, MD, Webel, and Chairman, ICTE Sub-committee, CII (ER); **R K Agrawal**, Dty Chairman, CII (ER); and **Anand Sen**, Chairman, CII Jharkhand State Council, and Vice President – TQM & Shared Services, Tata Steel Ltd

The Engineering Design Services industry over the last couple of years has moved from one-off project-based delivery to a partnership model. The rapid growth of the industry has created a plethora of new business and operational models, novel utilities, innovative frameworks, and immense knowledge base.

The first of its kind conference on Engineering Design Services had 'Future Growth Potential' as its central theme.

North East

Skill Development for the North East

31 May, New Delhi

The North Eastern region is fast emerging as a hub for new investments in existing, as well as new and emerging sectors, with all the eight North-Eastern states poised for unprecedented growth and development.

CII, in cooperation with the Ministry of Development of the North Eastern Region (DoNER), organized a Round Table Discussion on 'Skill Development for Development of North East.' The interaction among various stakeholders such as the government, industry,

domain specialists, organizations, etc, discussed how to leverage the inherent demographic advantage to avail of the many opportunities for entrepreneurial activity and employment now present in the region, while also ensuring that new programmes are not held up because of a dearth of skilled human resource.

The Round Table explored future skill gaps and potential, and assessed the infrastructure required, both hard and soft, while exploring how the private sector could partner with the central and state governments to address the gap. Some of high growth sectors identified in the

region include:

- Power- especially Hydel
- Roads / Construction
- Agriculture and food processing value chain
- Logistics and transport services

Industry members representing these sectors deliberated on the growth forecast of the region, available manpower, projected manpower requirement, facilities available and facility / facilitation required from the government for private sector participation and linkages in the states and the region.

Ms Jayati Chandra, Secretary, DoNER, called for providing skills to facilitate localized employment, thus avoiding the exodus towards the already crowded cities. She stressed on the importance of the quality of training institutes as also the training of trainers. Ms Chandra also called for the convergence of efforts and initiatives undertaken by different bodies towards training and skill development in the North East.

Mr Dilip Chenoy, CEO & Managing Director, National Skill Development Corporation (NSDC), emphasized the immediate need for addressing the skill gaps in the country. For the North East, he suggested that importance be given to local skills, craft and creative arts. He also described a pilot project on the rehabilitation of Manipuri youth, undertaken by NSDC.

Members from the Agriculture and Food Processing Industries sector shared their project model which stresses on PPP. Suggestions included skills enhancement, developing a model Agri Park, transforming local institutions and R&D centres into centres of excellence, knitting together of schemes, and undertaking a cluster/village approach.

Representatives of the Hydel Power sector highlighted the scope of building hydro capacity and actual power plants, and the requirement of skilled personnel at different levels for such projects.

The Logistics and Transport Services industry stressed the importance of this sector, particularly in the North East, and called for more institutes to train the youth for these services.

Representatives from the Construction sector shared their working models of training youths and also expressed interest in opening up institutes



Dilip Chenoy, CEO & MD, NSDC; **Jayashree Mukherjee**, Jt Secretary, DoNER; **Jayati Chandra**, Secretary, DoNER, and **Dr Sudhir Kapur**, Chairman, CII (NR) Skill Committee, and MD & CEO, Country Strategy Business Consultants Pvt Ltd

or partnering with the government for skilling in the region.

Members expressed the need for good planners, sub contractors and project managers, based locally. They stressed on the need for orienting local youth at the school level about career prospects in the region in different fields.

Government representatives from Assam and Manipur shared the initiatives undertaken by the Skills Generation Corporation and Skills Development Society.

Ms Chandra stressed on the convergence of efforts and initiatives undertaken by different bodies towards training and skill development in the North East.

Post the discussions, it was decided to form sector-specific working groups with representation from all the stakeholders to take the initiative forward.

Assam

Skill Development in the Construction Sector

19 May, Guwahati

CII, in association with the Directorate of Labour and Employment, Assam, organized a stakeholders' meet on Skill Development. The workshop was the third in a series of similar initiatives that CII is leading to create awareness on the imperatives of skill development for sectors which are on a high growth trajectory.

The massive transformation that has been taking place in the North East in recent years calls for a holistic approach to create a qualified workforce to



Amlan Baruah, Director, Labour & Employment, Assam (extreme left), interacting with stakeholders from the construction industry

meet the needs of industry, observed Mr. Amlan Baruah, Director, Labour and Employment, Assam. He described the Modular Employment Scheme (MES) as a very effective tool for skill upgradation for unskilled workers who have no formal education but learn by experience.

The Construction Sector provides direct and indirect employment to 33 million people and contributes 52 % of the gross fixed capital formation of the country. This sector generates the second largest economic activity, next only to agriculture, but is constrained by the unavailability of quality skilled people.

Mr P K Sharma, former Chairman, Assam Real Estate Development Authority pointed out that “in India, there are only 11% skilled workers, and the share of unskilled workers is 83%, whereas in advanced countries the figures are just the reverse!” Mr P C Moral, President, Architect’s Association of Assam, suggested that a registration process be initiated by the government to create a database for all construction workers who need skill upgradation in the workplace.

The workshop identified the present skill sets available vis-à-vis the future requirement to enable stakeholders to fill in the gaps and enhance competitiveness in the

Total Cost Management for Competitiveness

26 - 27 May, Guwahati

CII, in association with the CII – Avantha Centre for Competitiveness for SMEs, Chandigarh, organized a two day workshop on ‘Enhancing Competitiveness through Total Cost Management.’

Inaugurating the workshop, Mr Dipak Chakravarty, Chairman, CII Assam State Council, and MD, Numaligarh Refinery Ltd, said that organizations must make smart spending decisions based on a strategic vision and their internal capability to deliver value from their investment. In the current environment, there is no place for a simplistic cost-plus pricing structure, he said, noting that “effective cost management entails continuous optimization in the context of the complete business model of an organization.”

The workshop created awareness on the techniques for effective cost management and increased profitability to create in-house costing models. It was specially designed to address the needs of industry located in the North East, with a focus on tools like Activity Based Costing (ABC) and Activity Based Management (ABM) to control, reduce and minimize costs, and real life case studies from both manufacturing and service companies.

North

Interaction with President, CII

28 May, Chandigarh

Emphasizing the importance of Inclusive Growth under CII’s continuing theme of ‘Business for Livelihood,’ Mr B Muthuraman, President, CII, and Vice Chairman, Tata Steel Ltd, & Chairman, Tata International Ltd, stressed on Affirmative Action, Skill Development and Governance as the key focus areas of CII’s work in the year 2011-12. Setting a target of training 50,000 SC / ST youth this year, Mr Muthuraman, on his first visit to Chandigarh after taking over as President, CII, announced the creation of four new CII Skill Development Hubs and the setting up of 30 new district-level skill gurukuls, of which five would be in the Northern Region.

He also outlined a 5 pronged strategy for 10% growth focused on fast track implementation of 100 mega projects, targeting manufacturing growth at 12% and its share in GDP at 25%, creating a common market, improving investment climate and better mechanism for the allocation of natural resources. Clearly mentioning the focus of the Northern Region, he talked about enhancing the competitiveness of MSMEs through the CII Avantha Centre for Competitiveness, which is based out of Chandigarh.



Malvinder Singh, Deputy Chairman CII (NR), and Group Chairman, Fortis Healthcare Ltd; **B Muthuraman**, President, CII, and Vice Chairman, Tata Steel Ltd, & Chairman, Tata International Ltd; and **Chandrajit Banerjee**, Director General, CII

He also announced two new skill centres proposed at Bhiwadi in Rajasthan and Rewari in Haryana.

Haryana

Doing Business with Oman

12 May, Gurgaon

Indian industry members interacted with their counterparts from Oman representing the construction, food and confectionery, cosmetics, rubber and plastics sectors. The delegation from Oman, led by Sheikh Humaid



Faris Al Farsi, Acting Director General, Public Authority for Investment Promotion & Export Development, Oman; **Sheikh Humaid Bin Sultan Al-Maani**, Ambassador of Oman; and **Raj K Bhatia**, Chairman, CII Haryana, and MD, Bony Polymers Pvt Ltd

Bin Sultan Al-Maani, Ambassador of Oman to India, highlighted the benefits that Indian companies could derive from the Omani Centre for Investment Promotion and Export Development in terms of competitive incentives and a tax-free business environment.

Himachal Pradesh

Daily Work Management

31 May, Chandigarh



Workshop on Daily Work Management

The workshop explained the principles and practice of Daily Work Management through theory and a case study, to enable the participants to determine DWM for their own roles.

J&K

CEO Connect Series

2 & 7 May, Srinagar



Dr Rahul Mirchandani, Yi National Chair, Next Practices, and Executive Director, Aries Agro, with students of the Business School, Kashmir University, in Srinagar

As part of the CEOs Connect programme with youth, young successful CEOs shared entrepreneurship skills, leadership qualities and opportunities for

Kashmiri youth in today's world.

Dr Rahul Mirchandani, Yi National Chair, Next Practices, and Executive Director, Aries Agro, interacted with 70 young MBA students at the Business School, Kashmir University.

In another session, Ms Bhairavi Jani, Executive Director, CII India@75, interacted with 150 students of the Government Degree College Bemina, and the Islamia College of Science and Commerce.

Good Manufacturing Practices

12 May, Jammu



Workshop on Good Manufacturing Practices

The workshop on Good Manufacturing Practices focussed on 5S, 3M and Kaizen, which are methods adopted by organizations globally for effective manufacturing.

Manufacturing Mission to Chennai

26 - 27 May, Chennai

The two-day mission visited four industries that have excelled in the automotive and engineering sector – Caterpillar India Ltd, Honeywell Electrical Devices & Systems India Ltd, Kone Elevators, and Delphi-TVS Diesel Systems Ltd. The 25 participants gained firsthand exposure to, and insights on, the technological strengths of these companies, and observed the various innovative and successful practices implemented at these workplaces.

Punjab

SAIF Zone

18 May, Jalandhar

20 May, Ludhiana



Sharad Aggarwal, Chairman, CII Jalandhar Zonal Council, and Partner, Forgings & Chemicals Industries; **Humaid Al Khatri**, Deputy Director, SAIF Zone, and **Kamna Raj Aggarwalla**, Chairperson, CII Punjab State Council, and Director – Marketing, GDPA Fasteners

Presenting the business opportunities that the Sharjah International Airport Free (SAIF) Zone offers, Mr Humaid

Al Khatri, Deputy Director, SAIF Zone, updated industry in Jalandhar and Ludhiana about the benefits of doing business from the Zone.

Rajasthan

Total Cost Management

4 May, Jaipur



Dr. Lachlan Straham, Deputy High Commissioner, Australian High Commission (centre) with CII members in Lucknow

between the two countries, said Dr. Straham.



Seminar on Total Cost Management in Jaipur

The seminar presented techniques for effective cost management and increased profitability, to create in-house costing models with Activity Based Costing (ABC) and Activity Based Management (ABM), and provided a holistic framework to control, reduce and minimize costs.

Uttar Pradesh

Innovative Financing for SMEs

20 May, Noida



Session on Finance for SMEs

Representatives from SIDBI, ICICI Bank, Axis Bank and Syndicate Bank presented the various innovative funding schemes and options now available for SMEs.

Interaction on Australia

3 May, Lucknow

The session with Dr. Lachlan Straham, Deputy High Commissioner, Australian High Commission, explored new business avenues through mutually beneficial partnerships between Australia and India. Australia is looking at creating a CEO Forum for the exchange of ideas and business opportunities

Uttarakhand

EHS Competition

4 May, Haridwar

Ten Environment, Health and Safety Management (EHS) teams from 7 organisations participated in the first NR Industry EHS Competition and gave presentations on the specific projects handled by them in their workplace. The top three positions were bagged by Mahindra & Mahindra FES, Rudrapur, Uttarakhand, Tata Motors, Pantnagar, Uttarakhand, and Marico Ltd., Pounta Sahib, Himachal Pradesh.

3rd Environment Summit

31 May, Dehradun



At the 3rd Environment Summit in Dehradun

Celebrating 75 years of the Jim Corbett Tiger Reserve, the 3rd Environment Summit 2011 discussed ways of integrating green cities and managing e-waste, tackling man-animal conflicts, importance of natural resources in business and trade, unplanned and unsustainable urban development, and waste beyond the handling capacity of nature. Underlining the need for balancing the seemingly divergent objectives of development and conservation, Dr S K Chandola, PCCF (Wildlife), Uttarakhand, said that convergence could be brought about through collective efforts and cooperation amongst all stakeholders, including industry and conservationists.

Dr A N Purohit, Former Vice Chancellor, HNB Garhwal University, suggested the constitution of a special group 'Foresight on Mountains' to work on balancing the needs of development and conservation.

South



Dr Rashid Al Leem, Director General, Sharjah Sea Ports, Customs and Hamriyah Free Zone Authority

Hamriyah Free Zone

4 May, Chennai

The seminar enabled Indian companies to explore business opportunities in Hamriyah Free Zone, UAE. Dr Rashid Al Leem, Director General, Sharjah Sea Ports, Customs, and Hamriyah Free Zone Authority, discussed the benefits for Indian SMEs in doing business in the Zone.

Workshop on Project Management

9 May, Chennai

The workshop was organized in co-ordination with the Tamil Nadu Skill Development Mission, to help senior employees of the Department of Employment & Training understand and identify the key success factors in managing large scale projects. Dr T Prabhakara Rao, Principal Secretary, Labour & Employment, Tamil Nadu, appreciated the Department's efforts to enhance its services.

Doing Business in Hong Kong

27 May, Chennai

The session was held to extend support, guidance and assistance to Indian businesses looking to expand their operations in the Hong Kong Special Administrative Region.

Karnataka

Conference on Mergers and Acquisitions

27 May, Bengaluru



Sailesh Rao, Partner – Transaction Advisory Services, Ernst & Young; **Abhishek Goenka**, Convenor, Policy & Advocacy Panel, CII Karnataka; **B S Arunkumar**, Executive Director – Corporate Finance, PricewaterhouseCoopers, and **Sujit Sircar**, CFO, iGate Global Solutions

The conference outlined how growth and value creation is possible through Mergers and Acquisitions. Some of India's largest companies and M&A leaders shared

their insights on conducting best-practice M&A strategy, transaction and execution.

Interactive Session on Disability

12 May, Bengaluru

An interactive session with Mr N Sivasailam, MD, Bangalore Metro Rail Corporation Ltd (BMRCL), focused on encouraging BMRCL to employ the disabled.



S Chandrasekhar, Chairman CII Karnataka, and **N Sivasailam**, MD, BMRCL

Bellandur Lake Initiative

9 May, Bengaluru



Sai Prakash, Convenor, CSR Panel, CII Karnataka; **Dr A Ravindra**, Advisor to the Chief Minister for Karnataka Urban Affairs, and Chairman, Centre for Sustainable Development; **S Chandrasekhar**, Chairman, CII Karnataka; and **Linsey Simpson**, MD, Thomson Reuters

Representatives from Industry and Government explored suitable solutions for restoration of the Bellandur Lake. Dr A Ravindra, Advisor to the Chief Minister for Karnataka Urban Affairs, and Chairman, Centre for Sustainable Development, presented an update on the situation of the lake and the Government's restoration project plan. CII suggested that the State Government design a special purpose vehicle for the implementation of the restoration project.

Kerala

CEOs' Retreat

14 - 15 May, Idukki



At the CEOs' retreat

The retreat was organized to strengthen the bonding and networking amongst CII Kerala State Council Members and office-bearers and their families.

Competency Mapping

19 May, Kochi

The workshop highlighted the criteria required for individuals to be successful in their roles, through a specific and objective assessment of their strengths, and targeted specific areas for professional development.

Doing Business with Canada

23 May, Kochi

Mr Nicolas Lepage, Consul and Senior Trade Commissioner, Consulate General of Canada, promoted the strengths and competitive advantages of Canada as an attractive investment destination.



Nicolas Lepage,
Consul and
Sr Trade
Commissioner,
Canada

Session with ESIC & EPF Officials

18 May, Puducherry



Session on ESIC and PF in Puducherry

The session explained the various benefits and schemes available for both employers and employees, in various sectors.

GST and its Impact

20- 21 May, Puducherry



N Rangasamy, Chief Minister of Puducherry; **Meenakshi Kumar,** Chairman, CII Puducherry, and **R. Chandramohan,** Chief Secretary, Puducherry

The two-day interactive session, organized in partnership with the Commercial Taxes Department, Puducherry, discussed the Constitution (115th Amendment) Bill, 2011, design of GST for India, etc. Mr N Rangasamy, Chief Minister of Puducherry, spoke of the challenges in resource mobilization.

Session on Australia

31 May, Puducherry

Mr David Holly, Consul General, Australian Consulate, and Mr Dick Moses, Australian Federal Police, described the economic and industrial scenario in Australia.

Chennai

Manufacturing Excellence Mission

20 May, Bengaluru

The mission to Taegutec India P Ltd and Titan Industries Ltd in Bengaluru provided an opportunity for companies to examine and learn from manufacturing excellence models and benchmark best manufacturing practices in their respective organizations.

Coimbatore

Best Practices Mission to Chennai

20 May, Chennai

The mission to Hyundai Motor India Ltd and Schwing Stetter India Pvt Ltd shared best practices in manufacturing and Supply Chain Management.

Lean Manufacturing for MSMEs

26 May, Coimbatore

The workshop updated MSME participants about the powerful concepts of Lean System Thinking and the use of its tools for business growth.

Erode

Cluster Approach for Healthcare Industry

14 May, Erode

The session enlightened members from the Healthcare industry on the cluster approach and its benefits.

Karur

Members' Meet

12 May, Karur

Mr N K Ranganath, Chairman, CII Tamil Nadu, spoke to members in Karur about TN Focus 2011-12, and discussed the work plan for the year.



N K Ranganath,
Chairman, CII
Tamil Nadu

5S & TPM

11 May, Karur

The session generated awareness about the role of 5S and TPM in bringing about Operational Excellence.

Madurai

Manufacturing Excellence Mission

24 May, Trichy



Mission members at BHEL, Trichy

The mission to Bharat Heavy Electricals Ltd (BHEL), Trichy, gave members an on-site understanding of Total Employment Involvement (TEI) and 5S implementation.

Mysore

Root Cause Analysis

27 May, Mysore

The session covered basic techniques and evaluation of the effectiveness of corrective actions taken under Root Cause Analysis.

Salem

Industrial Safety & Accident Prevention

20 May, Salem

The workshop created awareness among members on industrial safety techniques and accident prevention methods.

Thoothukudi

Energy Mission

25 May, Thoothukudi

The mission to DCW Ltd and Ind BarathPowergencom Ltd showcased the efficient use of power.

Sales & Customer Delight

18 May, Thoothukudi

The workshop presented sales promotion tools and techniques and tips on successful marketing.

Vishakhapatnam

Session on Energy Efficiency

5 May, Vishakhapatnam

The session created awareness on how to make optimal utilization of power, and shared successful energy savings practices. Mr. Ahmad Nadeem, CMD, Andhra Pradesh Eastern Power Distribution Company Ltd, shared the steps taken by the government to meet the growing energy needs of industry.

West

Interaction with CII President

11 May, Mumbai



B Muthuraman, President, CII, and Vice Chairman, Tata Steel Ltd, & Chairman, Tata International Ltd **Pradeep Bhargava**, Deputy Chairman, CII (WR) and MD, Cummins Generator Technologies India Ltd; **Chandrajit Banerjee**, Director General, CII, and **Praveen Toshniwal**, Chairman, CII (WR), and Chairman, Nivo Controls Pvt Ltd

Mr B Muthuraman, President, CII, and Vice Chairman, Tata Steel Ltd, & Chairman, Tata International Ltd, shared CII's plans for the year 2011-12 and his views on the current status and the future of Indian economy in the

coming years with members. He also presented the 10-point agenda as well as the 5 key strategies formulated by CII, which focus on the kind of reforms needed for the growth of the economy.

Mr Muthuraman emphasized that though CII's main function has been advocacy, it is now imperative to lay increasing focus on the social aspect on India and India's thinking. He said that this year, CII would work on three major fundamental issues, or "foundational issues" as he termed them: Affirmative Action, Skill Development and Governance.

Investment Opportunities in SAIF Zone

23 May, Ahmedabad

26-28 May, Mumbai

The seminar highlighted the array of benefits,

incentives and world-class infrastructure that the SAIF Zone (Sharjah Airport International Free Zone) provides to businesses in various sectors. Mr Humaid Al Khatri, Deputy Commercial Director, and other officials of the SAIF Zone participated in the seminar.

Gujarat

Technical Training

10 May, Surat

The training programme was held to upgrade the knowledge of end-users of machinery, helping them eliminate the issues faced in daily operations.

Directors Liability Insurance

11 May, Vadodara



Session on Companies Act

The session was organized in the backdrop of the upcoming new Companies Act which is touted to have strong provisions for both executive and independent directors. The discussion focused on the various risks and liabilities faced by executive and non executive directors of all types of companies and the need for increased understanding and mitigation of these risks.

Industry Institute Interaction

11 May, Bhavnagar



Industry-Institute interaction in Bhavnagar

The interaction was held to identify ways to bridge the gaps in the skill level required by industry and supplied by the institutes. The interaction also highlighted what benefits an institute can offer to industry and vice-versa.

Effective Customer Service Management

12 May, Vadodara



Workshop on Customer Service Management in Vadodara

The workshop explained how companies can maximize the value of customer interactions by ensuring attention to detail and demonstrating a positive, confident and professional approach.

Gems & Jewellery Leadership Forum

12 May, Surat

The CII Gems & Jewellery Leadership Forum is a knowledge sharing and networking platform for CEOs and decision-makers in the diamond, gems and jewellery sector to network on issues of concern. Prof Parimal Merchant, Director, Centre for Family Managed Business, S P Jain Institute of Management & Research, addressed the 7th edition of the Forum on 'Family Business'.

Urban Development

16 May, Ahmedabad

CII, in partnership with The EuroIndia Centre and the City of Leuven in Belgium is organizing the 5th EuroIndia City Summit at Leuven, Belgium on 13-14 October. The Summit will dwell upon 'Smart, Sustainable and Innovative Cities,' and facilitate networking and cooperation between cities, regions and industry in the areas of urban infrastructure, green technologies, etc.

CII Gujarat organised an interactive session with members and one to one meetings with Gujarat Government officials for Mr Girish Bhagat, Secretary, India, The EuroIndia Centre.

Public Lecture Series

21 May, Vadodara

CII's Public Lecture Series invites speakers of national and international repute to talk on issues of topical interest and provide an interactive forum for citizens of the region. The series was inaugurated by Dr Sam Pitroda, Adviser to the Prime Minister, and Chairman, Expert Committee, on the use of ICT in Railways and National Innovation Council.



Dr Sam Pitroda,
Adviser to the Prime Minister, and Chairman, Expert Committee on the use of ICT in Railways and National Innovation Council

Workshop on Product Development

27 May, Ahmedabad

The workshop provided a systematic approach to product development, working on every aspect of customer satisfaction, all possible tools and techniques, Design of Experiment (DoE) and Cost Management through Value Engineering methodologies. It presented a practical route adapted from firsthand experience.

Logistics and Supply Chain Excellence 2011

27 May, Vadodara

The 2nd edition of the conference related to implementing quality tools to enhance supply chain efficiency, integration of inbound and outbound logistics for generating enhanced synergies, and technology and automation in the field of Logistics. There was also a concurrent capacity building session on Lean Warehousing and Value Chain Analysis.

Funding for Technology Projects

27-28 May, Ahmedabad



CII – KAFC Interactive Session with Technology Development Board

The CII Knowledge Application Facilitation Centre (CII KAFC), Ahmedabad, jointly with the Technology Development Board (TDB), Government of India, organized an interaction on 'Funding for Technology Commercialization Projects' to update industry and researchers about TDB assistance.

Madhya Pradesh

Development of Gwalior Zone

15 May, Gwalior

An interaction with Mr Jyotiraditya M Scindia, Union Minister of State, Commerce & Industry, deliberated on how CII can partner the economic and social development of Gwalior Zone.



Khalid Rehman Qureshi, Vice Chairman, CII Gwalior Zonal Council, and Director, Noor Tech and Feb (P) Ltd; Sanjay Bindal, Chairman, CII Gwalior Zonal Council, and Plant Head, SRF Ltd; Jyotiraditya M Scindia, Union Minister of State, Commerce & Industry, and Dr R S Goswami, Vice Chairman, CII MP State Council, and CEO, Hind Pharma

Maharashtra

Banking Access for the Visually Challenged

6 May, Mumbai

As an initiative on Banking Access for the Visually Challenged with member banks, the CII WR Ability Forum organized a meeting of the participating banks with Mr Anand Sinha, Deputy Governor, Reserve Bank of India. The meeting updated Mr Sinha on the initiative and plans developed by the 5 participating banks to implement the RBI guidelines for making banking facilities accessible for the visually challenged.

CII submitted a report on 'CII Initiative on Banking Access for the Visually Challenged' to the Deputy Governor. A print copy of the E-Handbook: 'FAQ for Banking Access for the Visually Challenged' developed by the Ability Forum was also presented to him. The handbook answers questions and concerns regarding banking access for the visually challenged, and provides a resource list.

Assessment for Business Excellence

11-13 May, Pune

CII conducted a newly-designed course, based on training material and case study from the European Foundation for Quality Management (EFQM) and aligned to the EFQM Excellence Model 2010, to equip the participants with the necessary business management and assessment skills to measure the effectiveness of their initiatives towards excellence.

Tools, Techniques & Formats for TPM

30 - 31 May, Pune

The workshop offered a better understanding of the TPM tools in a simple manner, and explained the different pillars of TPM, and the likely benefits they offer. It also disseminated successful case studies on the implementation of TPM.