

Rs. 100 per copy

CII COMMUNIQUÉ

Journal of the Confederation of Indian Industry

Volume 18, No. 12
December 2009



Promoting Competitiveness through Centres of Excellence

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

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Printed at Lustra Print Process. B- 249 Naraina Industrial Area, Phase 1, New Delhi - 110 028 Registration No. 34541/79

CII Report on Corporate Governance Released



Salman Khurshid, Minister of State (Independent Charge) for Corporate Affairs and Minority Affairs, releasing the Report of CII Task Force on Corporate Governance. Also seen (L-R) Hari S Bhartia, Vice President, CII; R Bandyopadhyay, Secretary, Ministry of Corporate Affairs, Rahul Bajaj, Past President, CII, Naresh Chandra, Chairman, CII Task Force on Corporate Governance and Chandrajit Banerjee, Director General, CII

At the beginning of the year, following the developments in the Corporate Governance domain in India and abroad, CII had requested Mr Naresh Chandra to lead a Task Force on Corporate Governance and suggest voluntary measures that Indian Industry could adopt as a demonstration of high standards of Corporate Governance in India.

The report of the Task Force was finalized after extensive deliberations within the Task Force and industry leaders. The report was released by Mr. Salman Khurshid, Union Minister of State (Independent Charge) for Corporate Affairs and Minority Affairs, on 30 November in New Delhi in the presence of senior members of CII and Mr Naresh Chandra, Chairman of the CII Task Force on Corporate Governance.

Releasing the report, Mr Khurshid said, "The Ministry of Corporate Affairs will consider suggestions of the report and incorporate these in the Ministry's Corporate Governance Code." The Code, proposed to be released by the Ministry would be "voluntary and aspirational."

The report articulates voluntary principles that can improve corporate governance in spirit and in practice. The recommendations give guidance on the appointment of Independent Directors, structure of compensation to Directors, constitution of Audit and Nomination Committees, liability of Non-Executive Directors, role of the Board in related party transactions, Auditor-Company Relationship, liability of Auditors, mechanism for whistle blowing, risk management framework, etc.

The recommendations of the CII Task Force are available for viewing on the CII website at http://www.cii.in/documents/CG_REPORT_IN.pdf.

The Ministry of Corporate Affairs has also put up the report on its website for public comments.



Key Highlights

The CII Report on Corporate Governance enumerates a set of voluntary recommendations with an objective to establish higher standards of probity and corporate governance in the country. It enunciates additional principles that can improve corporate governance in spirit and in practice.

The recommendations outlined in this report are aimed at listed companies and wholly owned subsidiaries of listed companies.

Board of Directors

1. Appointment of Directors – Recommended by Nomination Committee

An active, well-informed and independent Board is necessary to ensure highest standards of corporate governance. Getting the right people is crucial; as is the process of seeking, vetting and appointing such people. The report thus recommends constitution of a Nomination Committee comprising a majority of independent directors, including its chairman, to search for, evaluate, shortlist and recommend appropriate independent directors, NEDs as well as executive directors.

2. Issue of Formal Letter of Appointment to NEDs and Independent Directors

The Letter of Appointment should specify the expectation of the Board from the appointed director; the fiduciary duties that come with such an appointment; the liabilities that accompany such a fiduciary position, including whether the concerned director is covered by any Directors and Officers (D&O) insurance; and the remuneration, including sitting fees and stock options.

The letter should be disclosed to shareholders at the time of the ratification of director's appointment or re-appointment to the Board.

3. Fixed Contractual Remuneration for Non-Executive Directors

The law should have the option of giving a fixed contractual remuneration to NEDs and independent directors, which is not linked to the net profit or lack of it. Companies should have a choice between paying a commission on profits or paying fixed contractual remuneration.

Whether it is from net profits or as a fixed contractual payment, the structure of remuneration to NEDs and independent directors needs to be transparent, well specified and made available to shareholders in the annual report of the company.

4. Structure of Compensation to NEDs

The Task Force recommends that listed companies use

the following template in structuring their remuneration to NEDs and independent directors

- Fixed Component: This should be relatively low, so as to align NEDs and independent directors to a greater share of variable pay. Typically, these are not more than 30% of the total cash remuneration package.
- Variable Component: Based on attendance of Board and Committee meetings (at least 70% of all meetings should be an eligibility pre-condition)
- Additional payment for being the chairman of the Board, especially if he/she is a non-executive chairman
- Additional payment for being the chairman of the Audit Committee
- Additional payment for being the chairman of other committees of the Board
- Additional payment for being a member of Board committees: Audit, Shareholder Grievance, Remuneration, Nomination, etc.

Any such structure of remuneration which is adopted by the Board should be disclosed to the shareholders in the annual report of the company.

5. Remuneration Committee of the Board

- The Remuneration Committee should comprise at least three members, a majority of whom should be independent directors.
- It should have responsibility for setting the remuneration for all executive directors and the executive chairman, including any compensation payments, such as retiral benefits or stock options. It should also recommend and monitor the level and structure of pay for senior management, i.e. one level below the Board.
- The Remuneration Committee should make available its terms of reference, its role, the authority delegated to it by the Board, and what it has done for the year under review to the shareholders in a separate section of the chapter on corporate governance in the annual report.

6. Audit Committee Constitution

Listed companies should have at least a three-member Audit Committee comprising entirely of non-executive directors with independent directors constituting the majority.

7. Separation of Offices of Chairman & CEO

The Task Force recognise the ground realities of India. Keeping these in mind, it has recommended, wherever

possible, to separate the office of the Chairman from that of the CEO.

8. Board Meetings through Tele-conferencing

If a director cannot be physically present but wants to participate in the proceedings of the board and its committees, then a minuted and signed proceeding of a tele-conference or video conference should constitute proof of his or her participation. Accordingly, this should be treated as presence in the meeting(s). However, minutes of all such meetings or the decisions taken thereat, recorded as circular resolutions, should be signed and confirmed by the director/s who has/have attended the meeting through video conferencing.

9. Executive Sessions of Independent Directors

While the independent directors are kept updated of all business-related issues and new initiatives by the management, it is imperative that these directors have executive sessions (as their internal discussion and debating process to evolve a consensus among independent directors).

To empower independent directors to serve as a more effective check on management, they could meet at regularly scheduled executive sessions without the management, and before the Board or Committee meetings, to discuss the agenda.

The Task Force also recommends separate executive sessions of the Audit Committee with both internal and external Auditors as well as the Management.

10. Role of the Board and Shareholders in Related Party Transactions

The Audit Committee, being an independent committee, should pre-approve all related party transactions which are not in the ordinary course of business or not on 'arms length basis' or any amendment of such related party transactions. All other related party transactions should be placed before the Committee for its reference.

11. Auditors' Revenues from the Audit Client

No more than 10% of the revenues of an audit firm singly or taken together with its subsidiaries, associates or affiliated entities, should come from a single corporate client or group with whom there is also an audit engagement.

12. Certificate of Independence

Every company must obtain a certificate from the auditor certifying the firm's independence and arm's length relationship with the client company. The Certificate of Independence should certify that the firm, together with its consulting and specialised services affiliates, subsidiaries and associated companies or network or group entities

have not / has not undertaken any prohibited non-audit assignments for the company and are independent vis-à-vis the client company, by reason of revenues earned and the independence test are observed.

13. Audit Partner Rotation

The partners handling the audit assignment of a listed company should be rotated after every six years. The partners and at least 50% of the audit engagement team responsible for the audit should be rotated every six years, but this should be staggered so that on any given day there isn't a change in both the partner and the engagement manager.

A cooling off period of three years should elapse before a partner can resume the same audit assignment.

14. Auditor's Liability

The firm, as a statutory auditor or internal auditor, has to confidentially disclose its net worth to the listed company appointing it. Each member of the audit firm is liable to an unlimited extent unless they have formed a limited liability partnership firm or company for professional services as permitted to be incorporated by the relevant professional disciplinary body (ICAI). Even in the case of a limited liability firm undertaking audit in the future, under the new law, the individual auditor responsible for dereliction of duty shall have unlimited liability and the firm and its partners shall have liability limited to the extent of their paid-in capital and free or undistributed reserves.

15. Appointment of Auditors

The Audit Committee of the board of directors shall be the first point of reference regarding the appointment of auditors. The Committee should have regard to the entire profile of the audit firm, its responsible audit partner, his or her previous experience of handling audit for similar sized companies and the firm and the audit partner's assurance that the audit clerks and / or understudy chartered accountants or paralegals appointed for discharge of the task for the listed company shall have done a minimum number of years of study of Accounting Principles and have minimum prior experience as audit clerks.

To discharge its duty, the Audit Committee shall:

- discuss the annual work programme and the depth and detailing of the audit plan to be undertaken by the auditor, with the auditor;
- examine and review the documentation and the certificate for proof of independence of the audit firm, and
- recommend to the board, with reasons, either the appointment/re-appointment or removal of the statutory auditor, along with the annual audit remuneration.

16. Qualifications in Auditor's Report

ICAI should appoint a committee to standardise the language of disclaimers or qualifications permissible to audit firms. Anything beyond the scope of such permitted language should require the auditor to provide sufficient explanation.

17. Institution of Mechanism for Whistle Blowing

The Task Force recommends institution of a mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the company's code of conduct or ethics policy. It should also provide for adequate safeguards against victimization of employees who avail of the mechanism, and also allows direct access to the Chairperson of the audit committee in exceptional cases.

18. Risk Management

The Board, its audit committee and its executive management must collectively identify the risks impacting the company's business and document their process of risk identification, risk minimisation, risk optimization as a part of a risk management policy or strategy. The Board should also affirm that it has put in place critical risk management framework across the company, which is overseen once every six months by the Board.

19. Harmonization of Corporate Governance Standards

The Task Force suggests that the Government and the SEBI as a market regulator must concur in the corporate governance standards deemed desirable for listed companies to ensure good corporate governance.

20. Audit Oversight Mechanism

In the interest of investors, the general public and the auditors, the Task Force recommends that the Government intervenes to strengthen the ICAI Quality Review Board and facilitate its functioning of ensuring the quality of the audit process through an oversight mechanism on the lines of the Public Company Accounting Oversight Board (PCAOB) in the United States.

21. Effective & Credible Enforcement

The Task Force recommends that instances of investigations of serious corporate fraud must be coordinated and jointly investigated. Joint investigations / interrogation by regulators, for example, the SFIO and the CBI, should be conducted in tandem. On the lines of the recommendations of the Naresh Chandra Committee Report on Corporate Audit and Governance, a Task Force should be constituted for each case under a designated team leader and in the interest of adequate control and efficiency, a Committee each, headed by the Cabinet

Secretary should directly oversee the appointments to, and functioning of this office, and coordinate the work of concerned department and agencies. Civil recovery for acts of misfeasance, malfeasance, nonfeasance and recovery from the wrongdoers and criminal offences and penalties and punishments should be adjudicated appropriately, without conflicting reports and opinions, and disposed off between 6 to 12 months.

22. Cancellation of Fraudulent Securities

A provision of confiscation and cancellation of securities of a person who perpetrates a securities fraud on the company or security holders ought to be prescribed for the protection of capital markets.

23. Liability of Directors & Employees

Personal penalties should be imposed on directors and employees who seek unjust enrichment and commit offence with such intentions. Such punishments should be commensurate with the wrongful act and be imposed in addition to disgorgement of wrongful gains. Further, non-executive directors cannot be made to undergo the ordeal of a trial for offence of non-compliance with a statutory provision unless it can be established prima facie that they were liable for the failure on part of the company.

24. Shareholder Activism

Long term institutional investors, pension funds or infrastructure funds can help to develop a vibrant state of shareholder activism in the country. The oversight by such investors of corporate conduct can be facilitated through internal participation of their nominees as directors or external proceedings for preventing mis-management. Such institutional investors should establish model codes for proper exercise of their votes in the interest of the company and its minority shareholders, at general meetings, analyze and review corporate actions intended in their investee companies proactively and assume responsible roles in monitoring corporate governance and promoting good management of companies in which they invest.

25. Media as a Stakeholder

Capacity building in the area of corporate governance has assumed critical importance in India, given the renewed emphasis on the subject in the light of the recent events. Media has an important part to play in raising general awareness and understanding of corporate governance and potentially as a watch dog in the area of corporate governance.

The Task Force recommends that media, especially in the financial analytics and reporting business, should invest more in analytical, financial and legal rigour and enhance their capacity for analytical and investigative reporting.

Corporate Sector & Inclusive Growth

The Indian Corporate Sector, which has been growing at a rapid pace in the current decade, has been making significant contribution to the economic development of the country. At the same time, India Inc. is also developing sensitivity to community and social concerns which are a part of the broader national agenda of inclusive and sustainable growth. The Ministry of Corporate Affairs has been constantly trying to reposition itself as not only the regulator but also the developer and facilitator of the Indian Corporate sector.



While the Ministry is aiming at developing a consensus on what constitutes responsible and good Corporate Governance, there is also a need to provide positive reinforcement to the contribution of the corporate sector in

the economic and social development of the country. The Ministry has therefore decided to celebrate 14 - 21 December 2009 as '**India Corporate Week**'. CII is organizing a series of activities and events, which are in the domain of Corporate Governance across the country, in celebration of this Corporate Week.

As a culmination of this week's activities, a special session with Dr (Mrs) Pratibha Devisingh Patil, President of India, and Mr Salman Khurshid, Minister of State (Independent Charge) for Corporate Affairs and Minority Affairs, is being organised on 21 December in New Delhi. Deliberations during the session would focus on Corporate Governance, Corporate Social Responsibility, issues of SMEs, etc.

Implementing IFRS

The CII IFRS Summit 2009, held on 25 November in New Delhi, discussed the key challenges to transition from the Indian Generally Accepted Accounting Principles (GAAP) to the International Financial Reporting Standards (IFRS), and how to facilitate a successful transition. In keeping with the need of the hour, the theme for the Summit was, '**Towards Enabling a Smooth and Successful Transition**'.

Mr. R Bandyopadhyay, Secretary, Ministry of Corporate Affairs, who was the Chief Guest, in his inaugural address said that Indian IFRS will be converged with the existing Indian GAAP. He said that, by doing so, the Ministry of Corporate Affairs would be responsibly helping the growth of the corporate sector, and assured that "adoption would be in the interest of the corporate sector." Mr. Bandyopadhyay stressed that the government would collaborate with Industry to achieve the goal of implementation of IFRS. He also emphasized that the road map for convergence of the Indian GAAP and the International Financial Reporting Standards has been laid and shall be applicable from 1, 2011.

Mr. Bandyopadhyay invited views and recommendations from industry and industry bodies on various issues like legislative issues in the Companies Act; changes in regulations prescribed by SEBI, IRDA, RBI; capacity building of professionals; and preparing SMEs for IFRS implementation.

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Competition for the Aam Aadmi

Competition is universally acknowledged as the best means of ensuring that consumers as well as the 'aam adami' i.e. the common man, have access to the broadest range of services at the most competitive prices. In a competitive market, producers have the maximum incentive to innovate, reduce their costs and meet consumer demand. Competition promotes allocative and productive efficiency. It benefits the economy through higher levels of efficiency, productivity and greater innovation, and



Salman Khurshid, Minister for Corporate Affairs & Minority Affairs, India, lighting the lamp
Also seen (L-R): Neelie Kroes, Commissioner for Competition, European Commission; Dhanendra Kumar, Chairperson, Competition Commission of India; Pranab Mukherjee, Minister for Finance, India; Justice Dr Arijit Pasayat, Chairman, Competition Appellate Tribunal and Chandrajit Banerjee, Director General, CII

thereby increases the competitiveness of the national economy. This ensures optimum utilization of available resources and enhances consumer welfare. But all this requires healthy market conditions. Governments across the globe are increasingly trying to remove market imperfections through appropriate regulations to promote competition.

To deliberate on the importance of integrating competition with public policy for the benefit of the common man, CII jointly with the Competition Commission of India, organized a National Conference on '**Competition, Public Policy and Common Man**' on 16 November in New Delhi. The Conference also saw representation from the competition authorities of other jurisdictions such as the European Competition Commission; Italian Competition Authority; Australian Competition and Consumer Commission; Federal Trade Commission, USA, along with the US Department of Justice, and the Office of Fair Trading, UK.

Inaugurating the conference, Mr Pranab Mukherjee, Finance Minister of India, stressed on the need for enhancing competition for the benefit of the common man. He said that competition helps everyone through its multifarious benefits, including increase in productivity,

efficient allocation of resources, improvement in quality of goods and services, reduction in costs etc. The Finance Minister said competition could effectively check rise in prices of agricultural commodities. He blamed imperfections in the agriculture market for the present spate in food grains prices and pointed out that "while farmers do not get (remunerative) prices, consumers end up paying more than what should be paid if agriculture markets are competitive and efficient."

Terming the procurement of goods and services as a "key economic activity of the Government", the Finance Minister asked the Competition Commission to ensure an effective procurement policy to increase the cost effectiveness of public spending in infrastructure and social sectors.

Mr Salman Khurshid, Minister of State (Independent Charge) for Corporate Affairs and Minority Affairs, reaffirmed the Government's commitment to develop a stable, efficient and transparent competition regime. He said that the control in the initial phases of the development in the Indian economy was a far-sighted approach to create a robust platform for competition policy. Mr Khurshid observed that the economy was

growing at a robust pace and the country was now prepared for a full fledged competition authority to fulfill the needs of the millions of people in the country.

Ms Neelie Kroes, Commissioner for Competition, European Commission, said that a competition regime's long term survival depended on the common man. It was vital to communicate the benefits of competition and the need for enforcement policy. Pointing out that any reform produces a range of reactions, all of them not necessarily positive, she said that maximization of transparency with regard to how and why a decision was made becomes critical to undermine the opposition.

Dr M Veerappa Moily, Minister of Law and Justice, addressing the Valedictory Session, cautioned companies against indulging in anti competitive practices.

Earlier, Mr K M Chandrashekhar, Cabinet Secretary, spoke about the benefits of the competition policy with reference to the government's procurement system. He urged the Competition Commission to help procurement agencies in policy decisions with regard to reduction in cost of procurement, increased transparency, enhanced sales revenue and speedy processing.

The conference was also addressed by Members of Planning Commission: Mr Arun Maira, Mr B K Chaturvedi and Prof Abhijit Sen; Mr Pratyush Sinha, Central Vigilance Commissioner; Mr R Bandyopadhyay, Secretary, Ministry of Corporate Affairs; Dr Pramod Deo, Chairperson, Central Electricity Regulatory Commission, Dr J J Irani, Past President, CII, and Director, Tata Sons, Mr S Sivakumar, Chief Executive, Agri Business Division, ITC India, and a number of international speakers.

Building Effective Boards

The expectations of the stakeholders from the Boards are growing. To be effective, the Boards are expected to grapple with issues in strategy, have the ability to ask the right questions, understand the risk confronting companies, manage the relationship between management, and the stakeholders, and avoid micro managing.



C B Bhavé, Chairman, SEBI, and Pratip Kar, Member, Board of Governors, NISM

This requires the Board as a whole to have the requisite functional experience and depth of knowledge and understanding to make sure that the companies stay on track.

To deal with these and other such issues, CII, jointly with National Institute of Securities Markets (NISM), organised a series of short, intensive and interactive programmes for directors, the 'Directors' Colloquium, at off-site locations near Delhi and Mumbai.

This initiative is the second in the series of capacity building programmes undertaken in the area of corporate governance in India with the support of the Global Corporate Governance Forum. The first initiative

was on enhancing the reporting skills of the media.

The Series was initiated in Mumbai on 13-14 November and followed in Delhi on 27-28 November. The sessions focused on **Corporate Governance and Strategy; Governance and Risk Management; Roles, Responsibilities and Liabilities of**

Directors; Evaluating the performance of Boards, Audit Committee Charter, and Financial Stewardship and Accountability.

The Key speakers at the Directors' Colloquium so far have included Mr Ravi Narain, Managing Director & Chief Executive Officer, National Stock Exchange Ltd, Mr Pratip Kar, Member, Board of Governors, NISM, Mr Y H Malegam, Chairman, Emeritus, S B Billimoria & Co, Mr P R Ramesh, National Director – Audit & Enterprise Risk Services, and Mr Inder Mohan Singh, Amarchand Mangaldas.

The third session of the Directors Colloquium is proposed to be held in Kolkata on in December. ■

CII Business Mission to USA

Coinciding with the State visit of the Prime Minister of India, Dr. Manmohan Singh, to Washington DC, a CII Business Mission visited USA from 18-23 November to explore buying, investment and collaboration opportunities



The Prime Minister of India, Dr Manmohan Singh, visited the United States of America from 23-25 November. This was the first State visit hosted by the Obama Administration and highly symbolic of the priority that the US Government attaches to furthering the India-US relationship.

Key deliverables resulting from the interaction of Prime Minister Singh and President Obama were:

Advancing Global Security & Countering Terrorism

- Expansion of the US-India Counterterrorism Cooperation Initiative
- Support for an early start of negotiations on a multilateral, non-discriminatory and internationally verifiable Fissile Material Cut-off Treaty

Green Partnerships

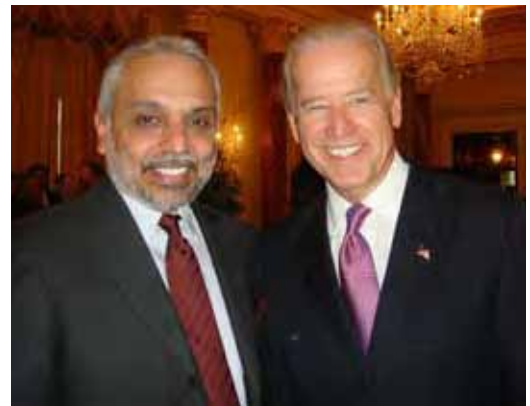
- Launch of a 'Green Partnership'
- Launch of an Indo-US Clean Energy Research and Deployment Initiative
- Support for an Indian EPA

Economic Trade and Agriculture

- Meeting of the United States – India CEO Forum
- Launch of a new Agriculture Dialogue
- Renewed bilateral cooperation in the field of intellectual property

Education and Development

- Expansion of the bi-national Fulbright-Nehru Scholarship Programme
- Obama-Singh 21st Century Knowledge Initiative
- Formation of the Women's Empowerment Dialogue (WED)



Joe Biden, Vice President, USA, with Hari Bhartia, Vice President, CII and Co-Chairman & MD, Jubilant Organosys



Naushad Forbes, Director, Forbes Marshall & Leader, CII Business Mission to USA



Sam Pitroda, Advisor to the Prime Minister of India on Public Information Infrastructure & Innovation

Health Cooperation

- Creation of a seventh Regional Global Disease Detection Centre in India
- Launch of the US India Health Dialogue
- Cooperation on Urban Health

A 30 member delegation visited USA from 18-23 November, coinciding with the State visit of the Prime Minister of India, Dr. Manmohan Singh to Washington DC. The 30 member delegation, led by Dr. Naushad Forbes, Chairman, CII Western Region, and Director, Forbes Marshall and Mr. Chandrajit Banerjee, Director General, CII, visited Houston, Detroit, Chicago and Washington DC. CII also met with key US government officials, including Vice President Joe Biden.

The Indian delegates interacted with local US businesses across these cities and explored various business partnerships in key sectors. Mission members returned from the CII Business Mission with a greater understanding of evolving opportunities in the US market and also a strong assurance of the support that US businesses are willing to extend to Indo-US joint business initiatives.

Houston

In Houston, CII partnered with the Greater Houston Partnership (GHP), the Indo-American Chamber of Commerce (IACC) and the Foreign Commercial Service (FCS) office of the US Department of Commerce. The delegates met and networked with local companies and businesspersons in the greater Houston area, especially in the sectors of Information Technology, energy (oil and gas and renewable energy) and aviation.

Chicago

In Chicago, the delegation explored opportunities for collaborative initiatives in innovation, clean energy and manufacturing. CII co-partnered the Chicago Council on Global Affairs (CCGA) for a morning conference which included a special address by Mr. Sam Pitroda, Advisor to the Prime Minister of India on Public Information Infrastructure & Innovation, and Dr. Raghuram Rajan, Chair, Advisory Committee to the Planning Commission, Government of India. CII also

Photo captions – MoU Signing:

1. Dave Ryan, Executive VP, Americas Region, Tata Communications, and Mike Rieger, VP, Tyco Telecommunications
2. Hari Bhartia, Vice President, CII and Co-Chairman & MD, Jubilant Organosys; Sri Mosur, CEO & President, Jubilant Global Drug Discovery & Development; Jack Secrist, CEO and President, SRI, and David Winwood, CEO, UAB Research Foundation
3. Kris Gopalakrishnan, CEO, Infosys Technologies and Rajan Anandan, MD, Microsoft India
4. Rothin Bhattacharya, CEO, HCL Security, and Harish Krishnan, Director, Global Policy & Govt Affairs
5. Chandrajit Banerjee, Director General, CII, and Santosh Mukherjee, Chief Architect & President, San Lab, Santech International
6. Preetha Reddy, Director, Cadila Pharmaceuticals, and Rahul Singhvi, President & CEO, Novavax Inc
7. Preetha Reddy, MD, Apollo Hospitals and Ken Giacin, Chairman, StemCyte Inc
8. Walter Isaacson, President, The Aspen Institute and Kiran Pasricha, Executive Director and CEO, Aspen Institute India





CII Business Mission in Washington DC

partnered with the Executives Club of Chicago for their global leaders luncheon, where the delegation interacted with local businesses. The delegates visited the IIT Institute of Design in Chicago, where they were briefed on the Institute's ongoing projects on focused innovation and cutting edge technologies.

Detroit

The delegation's visit to Detroit focused on the fact that during this economic downturn, there is huge opportunity for diversification from and within the auto sector. They changed the perception of Detroit from a sole automotive centre to that of a hub of manufacturing excellence and innovation. The Mission members considered new opportunities in healthcare and energy efficiency, as highlighted by local businesses and companies. CII worked in close partnership with the Detroit Regional Chamber of Commerce and the Michigan Economic Development Corporation to host the delegation in the city.

The delegation's visit concluded with a lunch meeting with the Prime Minister of India, organised by the US Chamber of Commerce and the US-India Business Council (USIBC).

CII MoU Signing Ceremony

In Washington DC, the delegation participated in a MoU signing ceremony organised by CII on 23 November, which exemplified growing partnerships and collaborations between US and Indian companies. A total of eight MoUs were signed across a wide range of sectors, including Pharmaceuticals

and Drug Development, Healthcare, Telecom and Information Communication & Technology, Nano-Electronics, Research and Development, Leadership Training as well as Homeland Security. The growing list of sectors is highly reflective of the widening Indo-US partnership and the scope for future collaboration.

The MoUs signed at the ceremony included:

- Tata Communications – Tyco Electronics
- Jubilant Organosys – University of Alabama at Birmingham – Southern Research Institute
- Infosys Technologies – Microsoft Corporation
- HCL Security – Cisco
- CII – Santech Communication
- Cadila Pharmaceuticals – Novavax
- Aspen Institute India – Aspen Institute USA
- Apollo Hospitals – StemCyte

CII Delegation

The delegation represented major sectors of the Indian economy, ranging from energy, automotive, manufacturing, and engineering, IT and IT services, to education, research and technology. Companies including Lakshmanan Isola, Haldia Petrochemicals, Forbes Marshall, Ennore Coke, Gmmco, Matrix Metals, Surin Automotive, Indian Structural Engineering Company, Mahindra Automotive, ITC Infotech, Bluestar Enterprises, Infosys Technologies, Mahindra Satyam, Mindtree, GVK BioSciences, and Everonn Education comprised the CII delegation. Additionally, members of the India Business Forum, including Infotech Enterprises, Mahindra & Mahindra, Mindtree, HCL and Zensar Technologies were also part of the Mission.

CII Advertisements in the New York Times

As a mark of the friendship between India and USA, and to reinforce its commitment towards enhancing bilateral economic relations, CII released double-spread advertisements in the New York Times on two consecutive days, 23 and 24 November, during the Prime Minister's visit to USA.

INDIA & USA
A growing partnership

The top advertisement features a grid of four photographs showing Indian and US officials in various settings, including a meeting and a group photo. The headline reads "INDIA & USA A growing partnership". Below the photos is a block of text in small print, followed by the CII logo and the text "Confederation of Indian Industry".

A FRIENDSHIP
we believe in

The bottom advertisement features a large photograph of Barack Obama and Manmohan Singh shaking hands. The headline reads "A FRIENDSHIP we believe in". Below the photo is a block of text in small print, followed by the CII logo and the text "Confederation of Indian Industry".

CII at the Commonwealth Business Forum

A high level CII delegation, led by Mr Rahul Bajaj, Past President, CII, and Chairman, Bajaj Auto Ltd, participated in the Commonwealth Business Forum organised by the Commonwealth Business Council, just preceding the Heads of Governments' Meeting held in November end in Trinidad and Tobago. The Indian Government was represented by Mr S M Krishna, Minister for External Affairs.

Addressing business leaders at the Commonwealth Business Forum on 26 November at Port of Spain, Mr Krishna, speaking on 'Trading for a more equitable and sustainable future,' said that International trade is the key to long-term sustainable global economic growth. The benefits of trade must accrue to all partners in the game, albeit in varying degrees, he said, noting that the challenge today is to ensure equitable distribution of these fruits.

The Minister said that the past quarter century had witnessed an unprecedented level of activity on trade liberalization and efforts need to be made to ensure inclusive outcomes.

He said the WTO Ministerial in New Delhi in September 2009 had succeeded in reviving the momentum for the Doha round of negotiations with a unanimous affirmation to conclude the talks in 2010. He outlined the following



S M Krishna, Minister for External Affairs, India, with Chandrajit Banerjee, Director General, CII



concerns regarding the talks:

- Easy access to trade finance at reasonable rates is an important lubricant for trade; increase in the cost of trade finance impacts emerging and poorer economies more than the developed ones. Appropriate monetary and risk mitigating policies are needed to tackle these challenges
- The assistance provided to developing countries, particularly the LDCs, for strengthening their trade-related capabilities – 'aid-for-trade', should help these countries build supply-side capacity and trade related infrastructure in order to implement and benefit from WTO agreements
- Protectionism is a major barrier. Trade barriers diminish growth and create instability, including the new protectionist measures adopted in the name of protecting jobs or introducing environmental standards.
- Equitable access to natural resources is seriously hampered by unsuitable patterns of production and



CII members with Yoweri Museveni, President of Uganda

consumption in the developed world. Developed countries must shoulder the responsibility for preventing and reversing environmental degradation. It is equally important to provide developing countries access to environmentally sound technologies on preferential terms and to support capacity building for introducing these technologies. Environmental protectionism cannot be isolated from the general issue of development.

The Commonwealth currently generates an annual intra-Commonwealth trade turnover of about US\$ 225 billion, of which India's share alone accounts for about US\$ 80 billion. In order to sustain growth, developing countries have to overcome a set of challenges such as capacity-building, skills development and climate change. India's national action plan on climate change accords overriding priority to maintaining growth rates for raising standards of living while also yielding co-benefits for climate change. Developing countries, including India, can benefit from technology transfer in this area from developed Commonwealth countries.

The Minister wanted the Commonwealth governments and business to work together to ensure positive outcomes of international inter governmental mechanisms on the pressing issues of the day including climate change, food and energy security and pandemics.

Speaking about trading and a more equitable and sustainable future, Mr Rahul Bajaj said that the future of the world is in the developing countries and it is time that they came out of the shadows of the developed

nations. The emphasis was clearly on "not forgetting the developmental dimensions of the Doha Round, its multilateral character and the need for policy space for developing countries."

Mr Bajaj also addressed a session on "New Global Financial Structure: Instruments of Growth".

Mr Chandrajit Banerjee, Director General, CII, speaking on 'Business Growth and Development' said that business is the key to development, and it is business that will build the future of India. Creation of infrastructure is critical, and should include soft infrastructure including education and skills development. He further said that the voluntary adoption of social development that the private sector in India has adopted needs to be replicated elsewhere.

Mr Farhad Forbes, Chairman, CII Family Business Network India Chapter and Director, Forbes Marshall Pvt Ltd, moderated the session on 'Energy Efficiency: Utilisation, Production and Service Delivery'; while Mr Syamal Gupta, Special Advisor, Tata Group, moderated the session on 'Addressing Climate Change: Renewable and Alternative Energy.' He also spoke at the session on 'Millennium Development Goals, Business Call for Action.' Mr Hemant Kanoria, Chairman and Managing Director, SREI Infrastructure Finance Ltd, addressed a session on 'Public Private Partnerships: Accelerating Infrastructure Development.'

In Port of Spain, the CII delegation members also met Mr Yoweri Museveni, President of Uganda, to discuss business with Uganda. ■



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Taking the Doha Agenda Forward

The two things that the Ministers assembled at Geneva for the 9th Ministerial Conference of the WTO between 30 November and 2 December could agree on were that the WTO has played a significant role in keeping protectionism at bay following the economic meltdown, and that the Doha Development round needs to be wrapped soon, preferably by 2010.

This ministerial was not a negotiating conference, but was focused on the broader theme of discussing the way forward for WTO's institutional future. However, it did provide a space for bilateral discussions to enable the ministers to take the Doha agenda forward.

The good news for Indian industry is that there seems to be a growing consensus among most member countries that overloading the Doha agenda with a host of new issues and demands would be counterproductive. This is in line with industry concerns on issues such as remanufactured goods and the mandatory participation of large emerging economies like China, India, and Brazil in sectoral negotiations. However, differences remain on many areas such as environmental goods, flexibilities in context of the NAMA formula based tariff cuts, and the specifics of safeguard mechanisms available for agricultural products.

For emerging country stakeholders, including industry, Doha was meant to be a development round that would provide enabling market access for their products and services. This promised expansion of opportunities for economic actors from the developing world would have



created new jobs and led to development. Naturally, Indian industry has remained an interested stakeholder and actor in these negotiations, working closely with the government to ensure the development-based outcomes of the Doha round. It was precisely this development dimension that Mr Anand Sharma, Minister for Commerce and Industry highlighted, when

he emphatically stated that the development objectives of the Doha round cannot be sacrificed at the altar of mercantilist demands by some member countries for market access above and beyond the original Doha agenda.

Post-ministerial, the work of day by day consensus building on different areas of the Doha agenda will continue as senior negotiators engage each other. The date for the next ministerial has not yet been announced, which means that the negotiators will not under undue pressure as they try to arrive at a consensus. However, the important work of the Doha development round will happen in these negotiations, and industry needs to remain engaged and thoroughly focused to safeguard their interests.

One of the key areas that Indian industry needs to watch carefully, and stay fully engaged with government on, is non-tariff barriers. As product-specific standards are discussed, different industry sectors will need to develop their understanding of these proposals.

CII remains committed to this process and will continue to work closely with government. It is hoped that the Doha Development round would be completed in 2010, and would truly be a 'development' round. ■





CII Centres of Excellence

Developing Competitiveness

With more than 140 technical experts offering over a thousand training programmes collectively, the CII Centres of Excellence are gaining international recognition, even as they become the national points of reference in their respective spheres of work

“More than lobbying for concessions, CII strove to be an instrument of change” writes Mr Tarun Das, former Chief Mentor, in his article on “Engineering a Confederation” (Business Standard, 9 November 2009).

The CII Centres of Excellence vividly demonstrate how the Confederation initiated and continues to pursue ‘Competitiveness Development’ in Indian Industry.

The CII Total Quality Management Division was born in 1986, when liberalization was still on the cards. This was seen as a strategy to make our exports competitive, but when the single market of Europe became a reality in 1992, India already had a few companies who were certified to ISO 9001. Having begun on an improvement initiative, it became easier to make many more companies hungry for new and better goals. And Quality became a movement ...

Over the last twenty years, the Quality movement has evolved into the **CII Institute of Quality**, sponsored by ABB, and led by Mr. K N Shenoy, Past President, CII. Located in Bangalore, the Institute is today a landmark for Quality on India’s landscape. The fact that India

today has almost 20 Deming Prize companies, 2 Japan Quality Medals, 5 CII Exim award winners and more than 150 TPM excellence awards is a great achievement for Indian industry. This is only a beginning, as the team strives for higher and bigger targets.

The second key agenda started with the Rio conference on sustainable development in 1992. Environment, energy efficiency and sustainable development were then either unknown or completely new words in the lexicon of Indian industry. Then, the Chairman of India’s most respected business group, Mr. Ratan Tata, committed offline that CII should start the Environment Management Division and his group would underwrite the costs for three years. Experts were recruited, technical staff appointed and trained. Stemming from this pioneering initiative, CII today operates two major institutions: the **CII Sohrabji Godrej Green Business Centre** in Hyderabad, and the **CII – ITC Centre for Sustainable Development** in Delhi, to meet a demand that is overwhelming. Mr. Jamshyd N Godrej, Past President, CII, has given leadership to the ‘Green movement over the last decade and more. The Centre for Sustainable Development is

led by Mr. Yogi Deveshwar, Past President, CII, and Chairman ITC.

Today, there are more than 150 green buildings in India and more than 100 companies working on the triple bottomline concepts promoted by these Centres. Indian Industry has made a choice to pursue the agenda of sustainable growth with enthusiasm and vigour, bolstered by the training and counseling services offered by these Centres through their dedicated in-house expertise as well as collaborations with the world's leading institutions.

The Centre for Sustainable Development provides services ranging from Corporate Sustainability Management, Environment Management, Occupational Health and Safety, Sustainability Assurance, Social Accountability, Sustainability Reporting etc. It also works in the area of policy and advocacy on Environment aspects and is building an industry and a national view on Climate Change.

The CII Green Business Centre, housed in a platinum rated green building, is committed to the cause of Green Buildings, Water and Energy Management, Environment Management, Renewable Energy and Total Cost Management, through training, consultancy and advocacy.

In 1998, Mr. Jamshyd N Godrej made an additional commitment to set up a Centre dedicated to Manufacturing Excellence. The **CII – Naoroji Godrej Centre of Excellence** in Mumbai offers practical, need-focussed programmes to the manufacturing industry. It also conducts two international programmes: an M.Sc degree with the Warwick Manufacturing Group, UK, which enables the Indian manufacturing industry to build capability in its senior to middle level management; and the Visionary Leaders for Manufacturing Programme which aims to transform Indian manufacturing by bringing in leadership skills at all levels. More than 30 companies are participating in this initiative, conducted by faculty from Japan. The Visionary SME programme supplements the VLFM programme with a focus on SME entrepreneurs.

With realization of the huge contribution to the transaction costs in India coming from logistics and supply chain, the **CII Institute of Logistics and Supply Chain Management** was established in Chennai in 2004 under the chairmanship of Mr. N Kumar, Past President, CII and Chairman, CII National Logistic Council. This centre conducts management development programmes and also offers training and consulting in this domain.

In tandem, the **CII-LM Thapar Centre for Competitiveness for SMEs** sponsored by the Thapar Group (now Avantha) came up in Chandigarh in the same year, to service SMEs as a one stop shop. The key product of this Centre, led by Mr Gautam Thapar, Chairman & CEO, Avantha Group, is the 'Cluster approach' which is a delivery vehicle for reaching out to SMEs in a cost competitive way. The Centre today supports more than 150 clusters impacting more than 1200 SMEs and its offerings to SMEs span Manufacturing Excellence, Energy, TCM, HR and Corrosion Prevention.

The **CII Suresh Neotia Centre for Excellence on Leadership** is being inaugurated as we go into print on 21 December. Another green building, this landmark, next to Salt Lake City Centre, will help develop leaders in Industry and Government. Membership in the Eastern Region would benefit greatly from this Centre that has come up with the support and leadership extended by Mr. Harshavardhan Neotia, Chairman, Ambuja Realty Development Ltd.

The CII Centres of Excellence are seeds of growth. They have a mandate to serve CII's membership and go beyond, to become 'thought leaders' in their areas of excellence. As Sustainability, Inclusion, Competitiveness and Quality increasingly become the mantras for business, the Centres are at the forefront of a resurgent India, becoming trend setters for industry, ever - evolving 'next practices' en route to excellence.



CII Institute of Logistics, Chennai
Enabling India to be a global leader in SCM & Logistics



Ashwani Kumar, Union Minister of State for Industry, India, N Kumar, Chairman, CII National Council on Logistics & Past President, CII and Dr Francis Rome, Director – Business Development, Flanders Institute of Logistics

The CII Institute of Logistics has the vision to enable India to be a global leader (Top 10) in SCM & Logistics by providing knowledge and information on Logistics and Supply Chains to Indian companies for enhancing their efficiency to achieve global competitiveness.

The Institute is working on a Mission to create a platform

for Industry to gain more insights into the emerging trends, industry specific problems of national importance and global best practices in logistics and supply chain management. It facilitates industry to cut transaction costs, increase efficiency, and enhance profitability.

The Centre offers both short and long duration training programmes in Demand Forecasting; PPC; Lean; Vendor Management; Inventory; Warehousing; Logistics; Risk Management; IT & Technology, MH, Export & Import and Performance Analysis. The Centre's distance education programmes in Logistics are well recognised in industry circles.

In-company consultancy services are offered in Demand Forecasting; Vendor Management; Inventory; Warehousing; Logistics; Risk Management; IT & Technology, MH; Safety, Operations, material Handling, Out Sourcing, and Feasibility Studies.

The Centre organises annual events on Logistic Parks, Building Warehousing Competiveness, Auto SCM, Logistics Related themes, Coastal Shipping and Supply Chain Practices

With overseas collaborations with the Flanders Institute (Belgium) and Sheffield University (UK), the Centre has an international presence in Dubai and Afghanistan, and has foreign students from these countries.



CII-ITC Centre of Excellence for Sustainable Development, New Delhi
Creating a Conducive Climate for Indian Businesses to Pursue Sustainability Goals

A pioneering effort by CII and ITC Limited, the CII-ITC Centre of Excellence for Sustainable Development is the fountainhead of ideas and practices to promote Sustainability. It creates awareness, promotes thought leadership, and builds capacity to achieve sustainability across a broad spectrum of issues, thus contributing to India's agenda for inclusive growth and sustainable development.

The Centre offers Training and Consultancy on

- Corporate Sustainability Management: Leadership and Strategies, Sustainability Reporting and Stakeholder Engagement
- Management Systems: Advance EMS Auditors Course, Lead Auditors Training Course of Occupational Health & Safety Management Systems, Social Accountability 8000, Advisory Services, Distance Education Course on EHS Best Practices and Sensitizing Workshops



Jairam Ramesh, Minister of State for Environment & Forests (Independent Charge), presenting the Sustainability Prize to Kapil Mehan, Executive Director-Crop Nutrition & Agri Business, Tata Chemicals Ltd, as Y C Deveshwar, Past President, CII, Chairman, CII-ITC Centre of Excellence for Sustainable Development Advisory Council and Chairman, ITC Ltd. looks on

- Sustainability Assessment : Awareness Programmes, Assessors Training Programmes, Sustainability Audits, Sustainability Evaluation Projects

Internationally Accredited programmes offered by the Centre include Occupational Health & Safety (IRCA approved), Social Accountability (SAI approved), Environment (IEMA approved), Integration of Management Systems, Sustainability Reporting (GRI), Sustainability Performance Assessment, Corporate Strategies for Climate Change, Sustainability Strategy, and the IRCA approved Certified Sustainability Assurance Practitioner (CSAP) Course.

In-company consultancy is offered in Leadership and Strategy, Sustainability Reporting, Stakeholder Engagement and Implementation of Management Systems like ISO 14001, OHSAS 18001, and SA 8000.

The Centre has international collaborations with Global Reporting Initiative (GRI), SustainAbility, AccountAbility, InWent GmbH, Adelphi Consulting, The Cornell University, USA, World Business Council for Sustainable Development (WBCSD), The International Register of Certificated Auditors (IRCA), The Institute of Environmental Management and Assessment (IEMA) and Social Accountability International (SAI), Federal Ministry for Economic Cooperation and Development (BMZ), Cleantech AustralAsia and the Ceylon Chamber of Commerce, Sri Lanka.

The centre is present in Sri Lanka and Indonesia.

Its flagship events include the Asia Sustainability Summit, Business Leaders Programme: Strategies & Leadership for creating Sustainable Organisations, and events on Law & Sustainable Development.



CII Institute of Quality, Bangalore
Enhancing the Competitiveness of Indian Industry in key sectors of the Economy



K N Shenoy, Past President, CII and Chairman, CII-IQ, presenting a citation of Dr. V Krishnamurthy, Chairman, NMCC, during the Centre's Anniversary Day

The first Centre of Excellence established by CII, the CII Institute of Quality, operating out of Bangalore and Gurgaon, works to enhance the competitiveness of Indian Industry in all key sectors of the economy which impact the nation's growth. Sponsored by ABB, the Centre addresses the needs of the manufacturing sector, services industry, IT/software industry, food, education and governance. The vision is to provide education, training and counseling services in the area of Quality Management and Organizational Excellence.

The Centre offers a large range of training programmes in subjects such as Business Excellence, Manufacturing Excellence, Quality Management Systems, Quality Tools & Techniques, Total Quality Management, Total Productive Maintenance, Lean Management, Six Sigma, Food Safety & Quality, Laboratory & Measurement, Education Excellence, as well as General Management Development. In-Company Consultancy is offered in many of these domains.

The Centre has international collaborations with AOTS (Japan); Asian Network for Quality; Asian Productivity Organisation; British Standards Institute, UK; EFQM (Brussels); GEM Council; IRCA (U.K.); JIPM (Japan); JUSE (Japan). It has a presence in Bangladesh, Pakistan and Zambia.

The flagship events of the Institute include the Quality Summit, TPM National Conference, Education Summit, Food Safety and Quality Summit, Kaizen Conference, and the Six Sigma Conference.



CII – LM Thapar Centre for Competitiveness for SMEs, Chandigarh
Developing SME Competitiveness



Gautam Thapar, Chairman, CII-LM Thapar Centre for Competitiveness for SMEs, at an interaction

The CII – LM Thapar Centre for Competitiveness for SMEs was established to build SME competitiveness across sectors. Headquartered in Chandigarh, it also operates out of the CII offices in Noida, Gurgaon, Pune, Chennai and Kolkatta.

Training programmes are customized for SMEs on

- Manufacturing Excellence: 3M & 5S, Kaizens, SMED & Poka Yoke, Inventory Management, Flow Manufacturing, Autonomous Maintenance, Value Stream Mapping, Six Sigma Green Belt, Six Sigma Black Belt, Theory of Constraints
- Total Cost Management: Activity Based Costing, Finance for Non-Finance Executives, Strategic Cost Management, Direct & Indirect Taxes
- Energy Management: Best practices in Energy Management
- Human Resources: Communication & Presentation Skills, Daily Work Management, Leadership & Motivation
- Corrosion prevention: Corrosion management for various sectors

The Centre offers in-company consultancy by running Clusters for Competitiveness with tangible results. Besides Corrosion Audits and Energy audits, the Centre takes up assignments in TQM, HR, and TCM, and organises Manufacturing Excellence Missions within and outside the country.

The Centre has international collaborations with SMRJ, Japan, and UNIDO.

Flagship events include National Cluster Summit, ROTEQ, Power Q, Corrosion Summit, and a Seminar on New Product Development.



CII Naoroji Godrej Centre of Excellence, Mumbai

Building a Manufacturing Culture in Indian Industry



Prof. Shoji Shiba, Chief Advisor, VLFM Programme, J.N.Godrej, Past President, CII, and Chairman, VLFM Board and Chandrajit Banerjee, Director General, CII

This Centre of Excellence holds programmes which are largely focused on building Manufacturing Competitiveness. The VLFM facility, housed in this centre, is a state of art facility in open learning systems.

The Centre aims to become an international destination for Training and Development for building a Manufacturing Culture in Indian Industry.

Long duration Management Development Programmes offered include

- MSc in Engineering Business Management with Warwick Manufacturing Group, University of Warwick, UK. Faculty is drawn from Warwick Manufacturing Group, UK
- Visionary Leaders for Manufacturing Programme (VLFM) in cooperation with National Manufacturing Competitiveness Council (NMCC) & Japan International Cooperation Agency (JICA). The world renowned expert on Breakthrough Management, Prof Shoji Shiba, Japanese and Indian experts are the faculty for this programme
- Visionary SMEs Programme (VSME) in cooperation with National Manufacturing Competitiveness Council (NMCC) & Japan International Cooperation Agency (JICA)

Short-term Training Programmes

Creative Problem Solving, Developing People Potential, Finance, Taxation, Risk Management, IPR and related IT, Managing for Success, Marketing & Sales Management, Operations Management, Project Management & Supply Chain Management. In-house training programmes on these subjects is also offered.



CII Sohrabji Godrej Green Business Centre, Hyderabad

Providing Advisory Services for a Sustainable Tomorrow



Shyam Saran, Prime Minister's Special Envoy on Climate Change, Susan Burns, M D, Global Footprint Network, USA and Jamshyd N Godrej, Chairman, CII – Godrej GBC at the release of the 'India's Ecological Footprint- A Business Perspective Report'

The Green Business Centre is housed in a green building which received the prestigious LEED (Leadership in Energy and Environmental Design) platinum rating in 2003. The Centre, the first Platinum rated green building outside of USA and the third in the world, is a landmark in India, and specifically Indian Industry, as it nurtured the Green Building movement in this country.

The CII-Sohrabji Godrej Green Business Centre, popularly known as 'GBC,' is a unique and successful model of public-private partnership between the Government of Andhra Pradesh, the Pirojsha Godrej Foundation and CII, with technical support from USAID.

The Centre's portfolio of services, wherein training and consultancy is offered to industry, government and NGOs, covers

- Green Buildings
- Water Management (supported by the Water Institute it runs in Jaipur)
- Environmental Management
- Energy Management
- Environmental Management
- Total Cost Management

A core activity is the conduct of energy and water audits for industry and organisations. The Centre also works to create 'green' awareness amongst young citizens in schools and colleges.

More than 250 CEOs have signed up for GBC's 'Mission for Sustainability' where they are working on a structured roadmap for transforming their business to becoming

ecologically sustainable. GBC also mentors and provides technical assistance to eco-entrepreneurs.

The Centre has a global perspective through its international collaborations with Asia Pacific Partnership (APP), British High Commission, Green Building Council of Australia, Global Footprint Network, IVL, SIDA, SDC, UNDP, US GBC, USAID, WEF, WRI, World GBC, WWF.

It is present in Bangladesh, UAE, Africa, Lebanon, Nigeria, and Sri Lanka.

Flagship events include the Green Building Congress, National Award for Excellence in Energy Management, National Award for Excellence in Water Management, Green Power, Investor Forum, Green Business Summit, Energy Summit, and the Cost Congress.



CII-Suresh Neotia Centre of Excellence for Leadership, Kolkata

Facilitating All Aspects of Leadership Development

CII's newest Centre of Excellence, to be inaugurated in December 2009, has the vision of becoming a world class institute of knowledge and learning through the provision of training, information and counseling on all aspects of leadership development. The landmark 'Green' centre in Salt Lake City, Kolkata, has been set up with the support of Mr. Harshavardhan Neotia, Chairman, Ambuja Realty Development Ltd, to focus on building leadership. The Centre's mission will be to facilitate the development of leadership attributes, skills and appropriate business processes in industry and institutions, which would be the principal drivers for India to emerge as a global manufacturing hub.

The key objectives of the Centre are to provide education, training and consultancy to:

- Develop and enhance leadership
- Upgrade change management skills
- Enhance the quality and effectiveness of business processes for achieving business excellence in collaboration with other institutions and Centres of Excellence of CII
- Promote and facilitate entrepreneurship development in collaboration with government, academic institutions and financial institutions

The Centre would offer programmes in

- Executive Development: for experienced managers, and government officials to sharpen practical skills and deepen their conceptual understanding.
- HRD & Attitudinal Change: on the concepts of HRD, and to share experiences on success stories of turnaround and attitudinal change.
- Skills Development: in cooperation with institutes like the Indian Institutes of Technology, Central Staff Training & Research Institute and other technical training institutes and polytechnics, mainly in the area of advanced machine tools operation including CNC and introduction of automation and computerization. These programmes would be coordinated by the Centre, while the actual training would be outsourced and take place externally.
- Trade Union Leaders: a special set of experience-sharing programmes are planned for trade union leaders. These would be distinct from the programmes on attitudinal change.
- Special programmes tailor-made for government officials and managers of State Undertakings to deal with issues specific to them.
- Consultancy, counseling and services.
- Seminars and workshops.
- Assessment and diagnostics i.e. competency modeling including certification programmes
- Facilitation and help desk for prospective entrepreneurs
- Presentation of Awards



CII-Suresh Neotia Centre of Excellence for Leadership, Kolkata



The availability of finance, both equity and debt, has proved to be a big hurdle for the growth of Small and Medium Enterprises (SMEs) not just in India but all over the world. Theoretically, the reasons for low availability of credit for SMEs include higher fixed costs associated with loan appraisal, supervision, and collection and secondly, inability on the part of SMEs to provide collateral against their loans. Thus, from the lender's perspective, the cost implications associated with the possible bankruptcy of the borrower rise accordingly. Empirically, studies show that financing constraints appear to hit the smaller firms harder than large ones.

The development of the SME sector across the world has been an important part of various governments' policy agenda because of its significant contribution towards employment generation and industrial output. According to the Reserve Bank of India Report on Currency & Finance 2006-08, the contribution of SMEs has been as high as 40% of total value added in the Indian economy and 33% in the total exports generated. Acknowledging this, the Government of India has accorded high priority to this sector and has put in place various programmes to assist SMEs with finance.

Key Assistance Programmes

Priority Sector Lending Policy	<ul style="list-style-type: none"> Earmarked 40% of net bank credit of public and private sector banks for the priority sector, which includes SMEs. Earmarked 32% of net bank credit of foreign banks for priority sectors, of which 10% is allocated to SMEs.
Credit Guarantee Fund Scheme	<ul style="list-style-type: none"> Collateral-free credit facility to new and existing MSMEs for loans up to Rs 5 million per borrowing unit. Guarantee cover is up to 75% of the credit sanctioned.

The financial and economic crisis affected the SME sector the most, not just due to the credit crunch but also because of lack of demand, both within the country and outside. Quite apart from the fact that SMEs play a significant role in exports, they are also an important part of the production value chain. Not only SMEs in the export sector, but also those that produce inputs in other sectors were affected. In order to mitigate the impact of the crisis, the government has taken various counter cyclical measures which include a 4% cut in CENVAT, interest rate cuts by banks, interest subvention scheme of 2.0% for exports and reduction in lock-in period under the Credit Guarantee scheme from 24 to 18 months.

Overall credit off-take by SMEs in recent years has seen a disconcerting pattern, with their share of the credit to industry declining from 25.9 percent in March 1997 to 16.9 percent in March 2007. The analysis revealed that credit disbursement experienced a sharp decline during the period 1996-2007 (see table). The problem on the supply side has mainly been reluctance on the part of banks to lend to SMEs due to informational opacity and lack of credit history.

Share of SME Credit in Total Credit (Bank Group-wise) %

End March	SBI & its Associate Banks	Nationalised Banks	Foreign Banks	Private Banks
1996	10.5	12.6	2.4	9.8
1997	10.4	11.6	2.4	9.5
1998	9.7	10.4	2.0	9.7
1999	10.6	9.1	1.9	9.2
2000	10.0	8.6	1.6	7.6
2001	9.1	7.4	2.4	6.5
2002	7.1	6.3	1.5	4.1
2003	6.3	7.1	1.4	3.3
2004	5.6	6.3	1.1	2.4
2005	5.8	5.4	2.8	2.2
2006	5.5	4.8	1.4	1.8
2007	5.0	4.6	1.2	2.3

Source: Basic report on Currency and Finance, 2006-08, Volume II, RBI

Availability of Risk Capital

While equity financing forms an important source of financing in developed countries, in India, it has remained very low. Venture Capitalists (VCs) and private equity have been mainly focusing on larger deals in medium-to-large-sized companies due to the lack of exit route and longer investment time-frame. The sources of risk capital for SMEs are rather limited. These enterprises are generally unable to access the capital market by offering shares to the public for various reasons. As such, SMEs are at a great disadvantage as compared to the large public limited companies, which have benefited immensely from the capital market by raising capital from the public through Initial Public Offerings (IPOs) and rights issues.

In this context, the recent steps taken by the capital market regulator SEBI to develop norms for an SME Exchange or Platform are therefore welcome. Not only will the new easy guidelines help the SMEs with an easy access to finance and provide the important exit route to investors, but will also bring about transparency. The need to have a track record has been done away with in the new guidelines, making it possible for start-ups also to take the equity route. Further, offer documents prepared by merchant bankers need not be ratified by SEBI and the financial results are to be submitted half-yearly instead of quarterly.

Key Features of the New Listing Norms

- Companies listed on the SME exchanges are exempted from the eligibility norms applicable for IPOs and FPOs as prescribed in the SEBI (Issue of Capital and Disclosure Requirements) Regulations.
- The minimum IPO application size and trading lot is Rs. 1 lakh
- An upper limit of Rs. 25 crore paid up capital is required for a company to be listed on the SME platform/exchange
- Minimum paid up capital of Rs.10 crore is required for listing on the main boards of NSE and BSE.
- No observations to be issued by SEBI on the offer documents filed by the Merchant Bankers (MBs).
- The MB to the issue will bear the responsibility for market making for a minimum period of three years.
- During this compulsory market making period, promoters/acquirers will be allowed to dilute their shareholding.
- SEBI regulations on Takeover will not be applicable to the acquisition of shares through Merchant Banker.

- Merchant Bankers will be required to ensure that the issue is 100% underwritten. However only 15% of the issue size will be mandated to be compulsorily underwritten by the Merchant Banker itself.
- Companies listed on the SME exchange/platform need to compulsorily migrate to an equity exchange/segment on exceeding the Rs 25 crore post issue paid up capital limit.
- Preparation and submission of financial results on a 'half yearly basis' instead of 'quarterly basis.'
- All the provisions of Clause 49 (corporate governance) need to be complied with.

Although the guidelines, on the face of it, look quite compelling, a critical analysis brings forth a few unsettled issues, the major one being ensuring enough liquidity in the market. While maintaining a minimum lot of Rs 1 lakh is necessary to bring in more informed investors, it also poses a serious threat to liquidity by keeping retail investors away. Even though the Alternative Investment Market (AIM) platform of the London Stock Exchange, based on a similar model, has been a runaway success, conditions within India do not suggest the same. The previous two attempts to set up a market for start up ventures were Over the Counter Exchange of India (OTCEI) and IndoNext, both of which failed to take off because of lack of liquidity.

Secondly, the need to adhere to Clause 49 (appointment of independent directors) could prove to be a big impediment for SMEs as they are mostly family owned or proprietor owned firms. Also there is a huge onus being laid upon merchant bankers, who are required to underwrite 100% of the issue and act as a market maker for a minimum of three years. This may not go very well with the bankers, especially given their low fee income, associated with small issues.

Further, once the companies cross the upper limit of Rs 25 crore, they will compulsorily need to migrate to the main board, which means significantly higher costs and compliance. Keeping this aside, the bigger issue is whether the reverse can be done i.e. Can companies listed on the main exchange move to the SME platform? Many companies would perhaps want to undergo that process because of the relatively relaxed regulations.

Clearly, although the new frameworks is a step in the right direction, it still remains to be seen how it spans out over time, whether SMEs and the capital market players are enthused equally by the new measures. ■

India Global Summit on MSMEs 2009

MSMEs Promote Inclusivity

Micro, Small and Medium Enterprises (MSMEs) provide the energy for the economy to grow, declared Mr Arun Maira, Member, Planning Commission, at the **India Global Summit on MSMEs** jointly organised by CII and the Union Ministry of MSMEs on 20 – 21 November in New Delhi.

“We look at the moon for light, but miss the fireflies,” he said, pointing out that the 26 million MSMEs in the country provide employment to 60 million people, and account for 30% of the manufacturing GDP and 40% of the total exports. To promote inclusivity, the focus should necessarily be on taking the MSME sector to a higher growth trajectory, he suggested.

In line with the theme of ‘Building the Next Generation MSMEs,’ the Summit drew participation from more than 30 countries in Africa, East Asia, Europe and Latin America. The key focus areas for the next generation MSMEs, that include Innovation, Incubation, Marketing, ICT Adaptation, Finance, and Micro Entrepreneurship were reflected at the MSME Mart by the projection and participation of organisations like the Procter & Gamble Innovation Centre, Korea, Business Incubating Centre, National Small Industries Corporation, Progression Infonet (P) Ltd, Standard Chartered Bank, Small Industries Development Bank of India, CRISIL and the Bharatiya Yuva Shakti Trust.

Coinciding with the Summit, a Buyer-Seller Meet featured more than 200 meetings between OEMs/large corporations / PSUs and MSMEs.

Mr Maira stated that some Indian MSMEs, such as garment manufacturing firms, are already integrated with the global production chain. Larger enterprises could learn from their experiences and consider setting up small teams to promote a spirit of ‘intrapreneurship.’ At the same time, small enterprises need to complement each other and collectively function as big entities, he said.

Mr Maira felt that instead of viewing capitalism as damaging to the interests of small enterprises, the objective should be to promote millions of entrepreneurs who are capitalists themselves. “We need to create



businesses that are by the people, for the people and of the people,” he said, noting that the key growth drivers for the sector would be:

- adoption of appropriate technologies
- promotion of owner-producers, and
- greater cooperation and collaboration among the MSMEs themselves.

MSMEs around the world are well poised to leverage the business opportunities stemming from the gradual recovery of the global economy, said Mr Dinesh Rai, Secretary, Ministry of MSMEs. These companies, having weathered difficult economic times, will emerge stronger if due financial

and technological support is extended to them, he said.

Mr Rai said the two growth stimulus packages and the series of fiscal and monetary measures introduced by the government have greatly alleviated the financial problems that Indian MSMEs faced due to the economic slowdown. The challenge now would be

for these enterprises to establish their global competitiveness, for which they will need to focus upon new technologies, R&D and market expansion globally, he added.

Underlining the need for creating a number of entrepreneurship development institutes across the country, Mr Rai said the Government will provide 50% subsidy for setting up such institutes in different parts of the country. In

the North-East region, subsidy to the order of 90% will be given for such initiatives, he said.

Earlier, Mr Salil Singhal, Chairman, CII National MSME Council, said the current Summit, sixth in the series, has drawn participation from 32 countries, as well as a number of Indian participants.

Mr Singhal shared that, at a recent meeting of the representatives of industry associations with Prime Minister Manmohan Singh, CII had highlighted the need for providing procurement incentives, enhanced depreciation on IT products, establishment of a SME exchange, simplification of labour laws and the creation of a uniform credit rating format and processes to facilitate credit availability for MSMEs. ■



Dinesh Rai, Secretary, Ministry of MSME, inaugurating the MSME Mart



Arun Maira, Member, Planning Commission

STEEL SUMMIT 2009

Advantage India – An Enabling Framework for Growth

The Steel Summit examined the impact of issues relating to fierce competitive pressures on performance, productivity, and customer satisfaction, while providing expert insights and practical strategies for the industry to grow



The steel sector is fundamental to growth in the manufacturing sector. For this sector to grow, there are many challenges in the areas of land, water, power, natural resources etc. Due to the significant increase in steel production and the hike in crude oil prices, substantive demand-push cost increases for iron ore, coal, and energy have affected all producers to varying degrees. In spite of significant improvements in labour productivity and costs, there is an estimated permanent increase in the industry's overall cost platform by over US\$ 200 per tonne over the last decade. With the continued increase in global steel production, particularly in China, availability of raw materials and development of scrap alternatives will command increased management attention.

Steel Summit 2009 had the theme of 'Enabling a Framework for Growth.' The summit, held on 4 November in New Delhi, supported by the Ministry of Steel, and partnered by ITW India Ltd, delivered a discussion on various short-term and long-term strategies to create a sustained demand for steel in the country and oversee their implementation.

The rural consumption of steel in India remains at around 2 kg per capita per annum, primarily because steel is perceived to be expensive. The Government has set a target for raising this consumption of steel to 4 kg per annum by 2019-20, implying a CAGR of 4.4%. The Government also proposes to promote usage of steel in bridges, crash barriers, flyovers and building construction.

There is vast scope to develop exports of automobile components, equipment for the construction industry and the oil and gas sector, which shall boost the demand for steel products in a

big way. The Indian auto and engineering goods sector has bright prospects to become an integral part of the global production system and multiply its current exports several fold in the coming years. There is need for collaborative research between the steel and the engineering industry for market development and benchmarking with global standards of quality and prices, to achieve this objective.

This year's Summit focused on the recent developments and challenges affecting the Indian and global steel industry. The main aim of Steel Summit 2009 was to define the concerted efforts required for achieving the goal of building and utilizing 200 million tonnes of steel capacity. Addressing various segments of the industry, conference speakers and panelists examined in detail the latest and future regional developments and also devised solutions.

Mr. B Muthuraman, Chairman, CII National Committee on Steel, and Vice-Chairman, Tata Steel, noted that though India is on a growth path, it faces many challenges to achieve growth simultaneously with social and environmental sustainability. "For the Indian steel industry to grow and prosper, there are major challenges. There will be a strain on infrastructural and natural resources like land, water, power, railways, roads, iron ore and coal. The government needs to step in,

in many of these areas, with actions like earmarking large tracts of land, as well as formulating policies to allocate iron ore and coal resources to all steel plants, he said.

To meet the growing demand of steel, the steel industry has to double its production in the next five years, and reach around 200 million tonnes (mt)

Chinese Steel Industry
The Chinese government provides extensive benefits to steel producers:

- Export subsidies and promotion
- Import barriers
- Barriers to foreign investment
- Controlling raw material prices



Chandrajit Banerjee, Director General, CII, Atul Chaturvedi, Secretary, Ministry of Steel, Sai Prathap Annayagari, Union Minister of State for Steel, B Muthuraman, Chairman, CII National Committee on Steel, and Vice Chairman, Tata Steel, and S K Roongta, Chairman, SAIL

by 2020, stated Mr Prathap Annayagari, Union Minister of State for Steel, who was the Chief Guest. Projecting a positive outlook for the Indian economy as well as the steel industry, the Minister said the growth in the demand for steel has averaged to around 10 percent. The surge in this demand would continue for the next decade or two. While India's current per capita consumption of steel is 47 kg, against the world average of 190 kg, Mr Annayagari felt this shortfall could be improved upon if our forward linkages of steel were aimed at tapping rural demand.

The Minister shared that his Ministry has signed over 220 MoUs for bringing additional capacity of 276 mt. Though most of these are brownfield, there are some greenfield projects also on the anvil. There are various problems like land acquisition, availability of water and other raw material, besides forest and environmental clearance, and some of these issues have been dealt with in the New Mineral Policy, the Minister said.

He also pointed out that, out of India's total steel production of 55 million tonnes, about two-thirds - over 36 million tonnes - of crude steel is produced by secondary producers and stand-alone processors who are unorganised.

Mr SK Roongta, Chairman, Steel Authority of India Ltd, spoke on the opportunities and key challenges facing the steel sector. He highlighted four areas of challenge such as technology and process, availability of skilled manpower, issues relating to policy support and the resettlement and rehabilitation (R&R) policy. "India has to find a way out to manufacture steel, and there has to be a quantum jump in steel production," he declared.

"As the Indian economy is looking up, the country's steel industry is also perking up"

Prathap Annayagari,
Union Minister of State for Steel

In his special address, just a day after assuming charge as Steel Secretary, Mr. Atul Chaturvedi said availability of land, environmental clearances and R&R issues were halting the progress of the steel sector. However, he expressed confidence that the land issues faced by various steel companies could be overcome.

"CII has been working towards strengthening the global competitiveness of the Indian steel industry over the years through its specialized services related to quality, energy efficiency and competitiveness," said Mr Chandrajit Banerjee, Director General, CII. The Confederation would be keen to support the government in developing a mandatory energy efficiency improvement system under the proposed Perform, Achieve and Trade (PAT) scheme for the steel sector. This will help incentivise industry efforts to achieve energy efficiency, he pointed out.

Speakers from both industry and government stressed on ways and means to remove infrastructural and logistical bottlenecks.

Issues affecting Competitiveness

- **Industry Consolidation and Capacity Enhancement**

India, with its abundant reserves of iron ore and the advantage of being located in a high-growth region, is increasingly being viewed as an attractive location for steel making. India's advantages include abundant and low cost access to iron ore resources, low wage cost, healthy demand growth, improving infrastructure, and good proximity to export markets in the Middle East and the Asia-Pacific region. While a large number of projects, both greenfield and brownfield, have been announced, there has not been much consolidation activity. At the

same time, there is a strong need to add more large capacity units to meet domestic and export demand and to enable the benefits of large scale production and adoption of superior manufacturing technology.

- **Cost Competitiveness**

The disadvantages associated with the Indian market are shortage of coking coal, coke and scrap, higher energy intensity (50% higher than the most efficient steel producers), infrastructure bottlenecks, power supply and availability (integrated steel plants have captive power plants to guarantee supply, but mini-mills are generally too small for this option to be economically viable), declining duty protection and high interest costs. In particular, the energy intensity of Indian steel production in both integrated plants and mini-mills, measured as energy use per tonne of steel produced, is high by international standards. This is because of the poor quality of local coking coal and iron ore supplies and outdated technologies and energy management practices. Energy intensity in most EAFs is particularly high, largely as a result of their small average size.

- **Poor Labour Productivity**

Indian steel companies are globally competitive because of low labour cost (estimated at US\$ 4.5 per hour at some Indian steel plants, as compared with US\$ 2.2/hr. in China, US\$ 14/hr. in Brazil, and US\$ 25/hr. in Korea). However, this advantage is offset significantly by poor labour productivity in the industry. The industry needs to do an in-depth assessment of the skill and productivity issues and take corrective actions to enhance its overall cost competitiveness.

Issues Affecting Sustainability

- **Environmental Concerns**

The Indian Steel Industry is one of the largest emitters of carbon dioxide gas and a significant volume of effluents and solid wastes from the various process streams. It is also responsible for large scale deforestation associated with mining activity. With the given impact on the environment and foreseen future growth, the industry is likely to face substantial challenges if it does not come up with an integrated plan for addressing these issues in the long run.

- **Energy Efficiency**

Indian companies consume 6.2 giga-calories of energy to produce one tonne of steel, versus a world average of only 4.2 giga-calorie per tonne. There is an urgent need to conduct extensive studies and devise energy efficient solutions and adapt better technology for long term sustenance.

Issues creating Demand-Supply Imbalance

- **Rising Net Imports**
- **Low Consumption**

The basic import duty on steel has been consistently brought down. This has made the industry vulnerable to international competition. Further, the significant rupee appreciation during 2007 put pressure on domestic prices, increased imports, and reduced the pass-through effect of higher international product prices.

The CII Steel Summit, dominated by issues relating to land acquisition and other procedural and logistical concerns, delivered the message that there is a huge opportunity for the Indian steel industry. The challenge is to convert this opportunities into inclusive growth for the country.

Key Highlights

- Historically, steel demand is dependent on economic activity; construction and autos, in particular, are the largest steel consuming segments
- The structure of the Indian steel industry comprises of primary producers, secondary producers and small-scale stand-alone processors
- Steps need to be initiated by the Government and Industry to propel steel demand.
- In recent years, Indian producers have significantly increased their exports of finished steel products. However, the Indian rupee appreciated significantly during 2007-08, raising concerns about higher imports and domestic competitiveness, and India became a net importer of steel.
- Continued efforts to maintain strong productivity growth would remain the best way to cope with any pressures on competitiveness likely to arise from any further rupee appreciation.
- The Steel Industry needs to reduce inefficiencies and be more competent, improve internal operations, and introduce aspects like customer care.
- The industry should focus on issues of climate control and environment to ensure that it remains competitive and sustainable in the long run.
- The industry needs to ensure that steel plants are of larger capacity – this ensures higher returns on investments and better sustainability. Bigger steel plants can also ensure that they are environmentally friendly and can invest in technology to produce better steel.
- Efforts need to be made by the steel industry to increase the consumption of steel in various applications and to promote steel products. ■

Indian Paper Industry: The Growth Imperative

The paper consumption of any country is directly related to the growth of its economy. So far, the Indian paper industry has grown, mirroring the growth of Indian GDP, at an average 6-7 per cent over the last few years.

India is the fastest growing market for paper globally. Paper consumption is poised for a big leap forward and is estimated to touch 14 million tons by 2015-16. According to industry estimates, paper production is likely to grow at a CAGR of 8.4% while paper consumption will grow at a CAGR of 9% till 2012-13.

To deliberate on the growth prospects of the industry and attract investment to the sector, CII, along with the Indo-German Chamber of Commerce, organised a Roundtable on the Paper Industry on 3 November in New Delhi with the theme 'Indian Paper Industry : The Growth Imperative.' The roundtable reviewed the present scenario of the Indian paper industry and deliberated on the new opportunities and strategies for increasing consumption.

Mr Ajay Shankar, Secretary, Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce and Industry, who was the Chief Guest, assured that the government would take all the necessary steps to address the issues facing this sector. Amidst growing concern for the protection of environment and the development of ecological processes, energy, water, effluents and sludge handling are key concern areas which need to be urgently addressed by the Indian paper industry and technology providers, he said.

Recycling technology has been adopted globally and it is time that Indian industry also develops a recycling

strategy. Technology should be the driver for the growth of the Indian paper industry, he said, urging the sector to adopt environment-friendly 'Green Technology' which would be key to competitiveness of any industry in the near future.

Dr Hans – Peter Sollinger, President and Chief Executive Officer, Voith Paper, and Member of the Corporate Management Board, Voith Holding AG, in his keynote address, called for a focus on 'recycled paper,' for the future growth of this sector, which would also address the environmental concerns that are attached to the paper industry.

Mr Rajeev Vederah, Managing Director, Ballarpur Industries Ltd, cited industry estimates that the overall paper consumption (including newsprint) has now touched 8.9 million tons taking the per capita consumption of paper to 8.3 kg, which is still way behind the world

and Asian average. But with the gap between rural and urban areas decreasing, and government expenditure on education rising radically, there is immense scope for the per capita consumption to steeply increase in the coming years, he said.

Mr M L Pachisia, President, Indian Paper Manufacturers' Association, and Managing Director, Orient Paper & Industries Ltd, highlighted the main issues hampering the growth of the Indian paper industry such as limited availability of raw material and absence of a clear policy on plantations.

Mr Rahul Vig, Director, Deloitte; Dr S L Keswani, Managing Director, Chemprojects Consulting, and Mr Guido Christ, DDG, Indo-German Chamber of Commerce also made presentations at the Roundtable. ■



M L Pachisia, MD, Orient Paper & Industries Ltd; Dr Hans Peter Sollinger, President & CEO, Voith Paper, and Member of the Corporate Management Board of Voith Holding; Ajay Shankar, Secretary, DIPP, Rajeev Vederah, MD, Ballarpur Industries Ltd, and K N Shenoy, Past President, CII

Water Equipment & Management 2009

Water for All... A Challenging Scenario

The increasing scarcity of clean and safe water highlights the need for appropriate technology and management of the currently available and already endangered water resources. Industrial and domestic wastewater reuse is now considered a basic component of sound integrated water resources management.



Sheila Dikshit,
Chief Minister, National
Capital Territory of Delhi

In a unique initiative, CII organised a National Seminar on 'Water Equipment & Management 2009 – Water for All.' The seminar dealt with a vast array of themes including the conception and methodology of wastewater treatment plants, standardization of domestic and commercial water quality levels, municipal wastewater sanitation and reuse, recycling of treated wastewater in different industries, new technologies of disinfection of wastewaters, desalinization of sea water, etc.

Addressing the inaugural session as the Chief Guest, Ms Sheila Dikshit, Chief Minister, National Capital Territory of Delhi, warned that India would face an epic crisis if water treatment and water management infrastructure were not built up to meet the needs of the growing economy and rising population, she warned. Ms Dikshit pointed out that water use was being shaped by four mega trends: population growth, decaying infrastructure, an increase in water quality standards and climate change. A growing population not only intensifies demand for safe and potable drinking water but also increases agricultural water usage to produce more food. As our nation expands its economy, more water will be used for industrial processes. Another concern is the environmental impact that the waste from human and industrial water use causes. This effluent must be treated effectively to minimize environmental pollution or recycled for reuse, she said.

Ms Dikshit urged business organisations to recognize that the private sector has an important stake in helping to address the water challenge faced by the world



Vincent Pala,
Union Minister of State for
Water Resources

today. It is increasingly clear that lack of access to clean water and sanitation causes great suffering in humanitarian, social, environmental and economic terms, and seriously undermines development goals, she said. The private sector should also help educate the people to stop misuse of water, Dikshit said adding, the government and private sector

need to work together for better use and distribution of water.

Minister of State for Water Resources Vincent Pala said, "We have to efficiently manage water resources to ensure availability of safe drinking water and assure food security."

Apart from taking up necessary measures for integrated development of available resources, water management strategies are required to carefully designed so that they led to overall development of the country, he said.

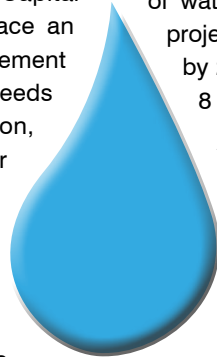
Noting the changing pattern in share of requirement of water, he said share of domestic water usage is projected to grow from present 5 percent to 9 percent by 2050, while by 2025, industrial usage may reach 8 percent from 5 percent.

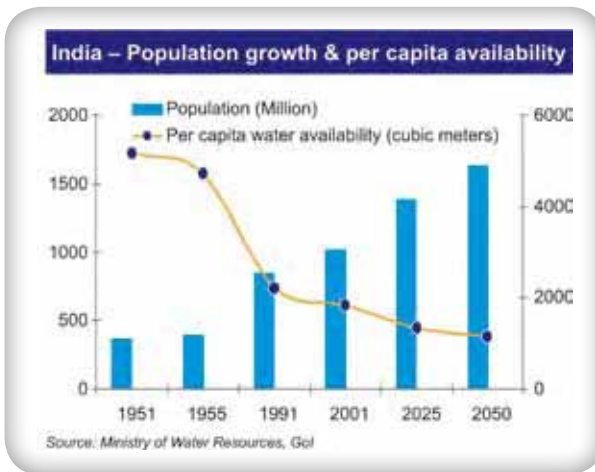
Asking the private sector to contribute with innovative ideas, he said it should see this mission as part of its corporate social responsibility.

CII Water Equipment and Management Division chairman Rajesh Sharma said the industry is ready to offer solutions and collaborate. Noting that demand for water is projected to outgrow supply by 2020, he said technologies for treating waste water for re-use and desalination of sea water could be adopted to combat the problem.

Mukund Vasudevan, MD of private firm Pentair Water India, spoke on how simple home-based water treatment systems can help save nearly 40 percent of water.

Mr Vincent Pala, Union Minister of State for Water Resources, who was the Guest of Honour at the inaugural, focused on the urgent need for optimal





utilization of the available water resources with due consideration to sustainability. The National Water Policy gives due importance to the management of water resources with active participation and involvement of the stakeholders at all levels of planning, development and management, he said.

The Minister said that “apart from the two very serious challenges of food security and the impact of climate change, we continue to face numerous challenges in the form of reducing per capita water availability, deterioration in water quality, a declining ground water table in some areas of the country, etc.”

Mr Rajesh Sharma, Chairman, CII Water Equipment and Management Division, assured that the industry is ready to offer solutions and collaborate with the government in this critical area. Noting that the demand for water is projected to outgrow supply by 2020, he said called for adopting technologies for treating waste water for re-use and desalination of sea water to combat the problem.

Mr Mukund Vasudevan, Managing Director, Pentair Water India Pvt. Ltd, laid emphasis on water reuse. India is at present experiencing growing industrialization, rise of multiple power plants, oil refineries and a huge boost in infrastructure, which are leading to water scarcity, shortage and purity. Less than 20% of the Indian population gets uninterrupted water, he pointed out, and less than 20% of water in our country is scientifically treated. With food prices escalating, the scale of investment required is high, and the answer lies much closer, in our homes, he said.

Key Suggestions

- Business organisations need to recognise that the private sector has an important stake in helping to address the water challenge

- Recycling could reduce the demand of water by 40%.
- 90% of the water in our homes goes out as raw water, this water can be treated.
- Apart from taking up necessary measures for the integrated development of available resources, water management strategies are required to be carefully designed to overall development of the country.
- We need the latest equipment for plugging leakages. The private sector should help in this regard
- The private sector needs to contribute with innovative ideas, as part of its corporate social responsibility agenda

Plenary Sessions

Municipal Water & Wastewater Treatment

This panel discussion focused on Issues of water for the state of Delhi. Water allocation for cities or states is a matter of interstate agreements, which are frozen in time, and cannot be re-opened or re-negotiated. The speakers highlighted the need to re-look at this huge policy issue, with the challenge of growing urbanization in the country. The panelists pointed out that in India, water is a very sensitive subject, especially in the agricultural sector, and suggested learnings from China in this regard. Speakers also called for drawing more capital in the distribution system, and offering tax breaks for companies making water efficient equipment.

Mr. Ramesh Negi Chief Executive Officer, Delhi Jal Board, described the Board’s unified approach on the use of water and waste water. With 10,000 kms of pipelines in Delhi, the government replaces 200 to 300 kms every year with an investment of Rs 1500 crores in infrastructure.

Public Private Partnerships in Water

This panel discussed how risks and responsibilities can get allocated, and ways to make PPPs more successful. The speakers highlighted the need to create political capital, enlightenment and education.

Mr. Santosh D Vaidya, Additional Chief Executive Officer, Delhi Jal Board, called for marrying international technologically excellent water projects with the ‘animal spirits of entrepreneurship of India’ by initiative, policy and design. Such partnerships, whether by private equity, technology developers or by the government are a very important step to take for the success of PPPs, he said. ■

'India - The Big Picture' Conference

Strengthening Domestic Film Business & IPR

'India-The Big Picture' Conference, a confluence of creativity and commerce is dedicated to the finer aspects of film business. Over the years, the conference has been able to position India strongly in the entertainment and media services business

To facilitate the growth and development of the Indian film industry, CII organised its annual conference: **'India-The Big Picture'** in partnership with the Union Ministry of Information & Broadcasting on 24 November in Goa. The conference, with its theme **'Strengthening Domestic Film Business & IPR'** coincided with the 40th International Film Festival of India (IFFI).

Mr Raghu Menon, Secretary, Ministry of Information & Broadcasting, in his keynote address at the inaugural, said the Government would do its best to facilitate the healthy growth of the Indian film and media industry. Describing piracy as the biggest threat to the entertainment industry, he said the government is taking steps for effective enforcement of the laws. However, while the Government will take punitive action, the entertainment industry itself should take preventive action to create awareness and outreach programmes to encourage people to boycott pirated products, he said. He also called for inputs from the entertainment industry for the forthcoming budget on taxation and custom duties.

The Secretary emphasized that remedial measures and a reality check are essential for the future growth of the sector. "It is very encouraging to see course corrections happen in the Indian film entertainment sector. There has been a substantial reality check in the aftermath of the slowdown period. Many production houses have redrawn their process to real situations. Talent and project costs have come down. This reality check has to continue," he said.

Mr Menon complimented the stakeholders, noting that India has emerged as a popular destination for animation, gaming and visual effects. While Ministry of has the resources to set up



Digambar Kamat, Chief Minister, Goa, felicitating Laxmikant Shetgaonkar for his contribution to Konkani cinema. Also seen: Raghu Menon, Secretary, Ministry of Information & Broadcasting and Sanjay K Srivastava, Chief Secretary, Goa

a Centre for Excellence in animation, gaming and visual effects, the stakeholders should feel free to contribute with the necessary expertise to set up this centre, he added.

Mr Digambar Kamat, Chief Minister of Goa, in his inaugural address, urged the conference

deliberations to work out a road map to control piracy as also to promote film culture. He invited the film industry to explore the tremendous potential of growth of entertainment industry in Goa. He also felicitated film maker Laxmikant Shetgaonkar for his contribution to Konkani cinema.

Mr Manmohan Shetty, President, The Film & Television Producers Guild of India Ltd. wanted cinema – viewing to remain affordable for the average Indian family. Mr Bobby Bedi, Managing Director, Kaleidoscope Entertainment, and Member of the Jury, IFFI Goa, also highlighted the need to ensure that viewing films in theatres is not rendered economically unviable, leading the average viewer to watch pirated CDs of films instead.

The conference emphasized that piracy is the biggest deterrent to the industry. Over 800 million pirated DVDs discs are consumed in India annually and one million DVD players are added every month in India. Mr Supran Sen, Secretary General, Film & Producers Guild of India felt that the government should spend 50% of the entertainment tax collected to battle piracy and develop outreach programmes.

The conference also deliberated on issues of film financing, global reach of Indian cinema as also the pathways for global alliances to see India as an emerging service destination.

The Conference was well-attended by film producers, exhibitors, distributors, post-production companies, venture capitalists and industry leaders.

Government will facilitate healthy growth of film industry:
Raghu Menon, Secretary, Ministry of Information and Broadcasting

Growth is Contingent on Internal Security: Pallam Raju

The momentum of India's growth depends on how the nation's internal security is maintained and preserved. The Indian Government is undertaking continuous efforts to enhance its preparedness to counter various security threats,



General Deepak Kapoor, PVSM, AVSM, SM, VSM, ADC, Chief of the Army Staff, with Pallam Raju, Union Minister of State for Defence

said Mr. M M Pallam Raju, Union Minister of State for Defence. Speaking at a Seminar on **Network Centricity and National Security** organised jointly by the Directorate General of Information Systems, the United Service Institution of India (USI) and CII on 4 November in New Delhi, he stated that intelligence agencies operating at the national and state level should be strengthened with coordination mechanism, intelligence analysis and dissemination of inputs in real time to the end user.

Mr Raju said there are significant opportunities for private industry to partner in the homeland security and sub-conventional warfare space. The allocation for India's homeland security agencies was increased by 25 percent in budget 2009-2010. Paramilitary forces under the Ministry of Home Affairs include about one million personnel and have a budget of Rs 21,634.15 crore. Their equipment and training must be upgraded and modernised in order to have an effective counter-insurgency internal security force, the Minister said.

General Deepak Kapoor, PVSM, AVSM, SM, VSM, ADC, Chief of Army Staff, said that advancements in technology have, in fact, increased threats to national security. Advanced technology is harnessed

in terrorist attacks, asymmetric warfare, 4th generation warfare etc. Therefore timely actions like starting unique IT projects, information grids etc to synergise and facilitate information flow are imperative, he said, stressing that national security is as much a responsibility of the

citizen as the defence services. Gen. Kapoor called for drafting a nationwide architecture of a geographical information system.

Major General Sandhu, Deputy Director, USI, said that challenges to national security are ever - emerging in newer forms. He suggested the formulation of a National Security Doctrine powered by network-centricity, collating security inputs and coordination. He highlighted the need for forging instruments capable of meeting a wide spectrum of threats.

Lt. Gen PC Katoch, UYSM, AVSM, SC, Director General of Information Systems, Integrated Headquarters of MoD (Army) said that Information Technology has enabled synergised response to security threats at the national level.

Mr. Arvind Thakur, Chairman CII Core Group on Information Systems & Chief Executive Officer, NIIT Ltd shared that CII, keeping in perspective the issues of national security, has formulated a National Task Force on Policy Advocacy post the 26/11 attacks. The task force aims at building a nationwide architecture with a focus on policy advocacy, spreading awareness of technology, and maintaining an adequate security environment.

India US DPPG Meeting

The India US Defence Production and Procurement Group Industry Round Table was held in New Delhi on 4 November. The US team was led by Vice Admiral Weiranga, Director, Defence Security Cooperation Agency. The Indian side was led by Mr Shashi Kant Sharma, DG (Acq) & Co Chair, Union Ministry of Defence.

Mr Sharma acknowledged that despite the progress in strengthening Indo-US Defence ties, clearly a lot more needs to be done. He described the changes introduced in the Defence Procurement Procedure in 2009.

The team deliberated upon issues concerning both the

sides which included End Use Monitoring, Technical Assistance Agreement (TAA), Offset Policy, Buy and Make Indian, Information Sharing, Integrity Pact / Independent Monitors, Acknowledging the potential of SMEs in the Defence Sector, Raising FDI from 26% to 49% , Status of export license, etc.

It was also felt that issues related to IPR need to be resolved between the two governments and an apt mechanism needs to be put in place. Industry also recommended the removal of Indian entities from the 'Dual- Use Technologies'.

Opportunities for SMEs in the Defence Sector

India needs to take bold steps in its FDI policy for the Defence sector. Additionally, the offsets obligation should be instrumental in inviting technology to India, said Air Marshal PK Barbora PVSM VM ADC, Vice Chief of Air Staff. Addressing the 4th international Conference on 'Energising Indian Aerospace Industry: Partnerships, Opportunities & Challenges,' organised jointly by CII and the Centre for Air Power Studies, on 19 November in New Delhi, he said that India needs a national defence policy wherein global interdependence can be leveraged in the most optimal way. The private sector must be allowed a freer hand to access overseas market with a few regulations. A consortium approach must be formulated to facilitate global partnerships and Joint Ventures, he felt.

He added that hurdles in the system should be curtailed by having an indigenous approach towards development of defence industry. Initial steps can be taken by establishing MRO facilities, strengthening intellectual property rights, streamlining support infrastructure, quality controls and facilitate technology transfers, etc.

Air Marshal Arjan Singh, DFC, released a report titled, 'Enhancing role of SMEs in Indian Defence Industry', prepared by CII and Ernst & Young. The report states that there are currently over 6,000 SMEs supplying around 20-25% of components and sub-assemblies



Air Marshal Arjan Singh releasing the CII E&Y Study on 'Enhancing the role of SMEs in the Indian Defence Industry'

to Defence Public Sector Undertakings, ordnance factories, DRDO and the armed forces. With the opening up of the defence sector, and with leading industrial houses ramping up their aerospace and defence capabilities, it's likely that there would be increased opportunities not just for the existing SMEs

to scale up but for new SMEs to explore business opportunities in this sunrise sector, it says.

Air Marshal Arjan Singh observed that, so far, coordination between industry and the Air Force has been lacking, and the manufacturers and designers must be apprised about user success. Expressing the need for an effective defence sector, he pointed out that amidst the arms build up around us, India can achieve peace by building



Omar Abdullah, Chief Minister, Jammu & Kashmir, releasing the book 'Around the world in 80 days' at the valedictory session

defence and ensuring security for the people.

Mr. Ashok Nayak, Chairmal, Hindustan Aeronautics Limited (HAL) said that HAL aspires to be listed amongst the top 20 global defence companies with a turnover of \$6 billion in the coming 10 years. This would entail a five - fold increase in the production requirements as the company at present holds the 34th position with a turnover of \$2 billion. The growth in India's aviation sector will be an opportunity for HAL to meet its growth objectives, he said.

Mr. William Cohen, Former Secretary of Defence, USA, stated that the first step towards modernisation is to determine the systems needed in the backdrop of existing and future threats. India needs to construct an architecture that can help establishing its defence capabilities.

Air Commodore Jasjit Singh AVSM VrC VM (Retd), Director, Centre for Air Power Studies said that the conference provides a strategic opportunity for industry to partner, and foreign companies to explore, opportunities to work with Indian counterparts.

Mr. Satish Kaura, Co Chairman, CII National Committee on Defence & Aerospace, Chairman and Managing Director, Samtel Group, stated that India's Defence budget for 2009-10 is \$31 billion, and is expected to reach \$100 billion mark in the next ten years. The Government of India has been undertaking initiatives to encourage participation by the private sector. Welcoming the recent amendments to the DPP 2008, he said that, apart from defence, as the India economy grows, civil and cargo aviation has recorded CAGR of 18% and 9.9% respectively. Huge opportunities exist for maintenance and repair, avionics, communication systems, control system design, software design among others, he added.

Enhancing the Role of SMEs in the Indian Defence Industry

India ranks among the top 10 countries in the world in terms of military expenditure. The country's cumulative defence budget (capital plus revenue expenditure) has grown at 11.5% CAGR during FY06-09 to reach at the current level of US \$ 26.5 billion. With the Government of India keen on increasing the share of indigenous procurement and laying down the necessary policy framework, the time is ripe for Indian SMEs to integrate themselves into the supply chains of national and international defence majors to explore significant business opportunities in the aerospace and defence sector.

CII and Ernst & Young recently released a report on **'Enhancing Role of SMEs in Indian Defence Industry.'** According to the report, currently there are over 6,000 SMEs supplying around 20–25% of components and sub-assemblies to Defence Public Sector Undertakings, Ordnance Factories, DRDO and the armed forces. With the opening up of the defence sector and with leading industrial houses such as the Tata Group, Godrej & Boyce, Bharat Forge, Larsen & Toubro, the Mahindra Group, Kirloskar Group, Samtel and other companies ramping up their aerospace and defence capabilities, it is likely that there would be increased opportunities not just for the existing SMEs to scale up but for new SMEs to explore business opportunities in this sunrise sector. The aerospace and defence sector is equally attracting the close attention of not just foreign OEMs but their Tier I and Tier II vendors in terms of setting up joint ventures, technical collaborations, etc. This is the segment that the Indian SMEs need to really focus on, stresses the report.

Commenting on the report, Mr Baba N Kalyani, Chairman, CII National Committee on Defence, said, "The global defence industry, which is primarily dominated by a few Original Equipment Manufacturers (OEMs), prefers to work in close co-ordination with SMEs and their prime contractors because of their innovative capabilities in niche manufacturing, greater flexibility, lower overhead costs and their ability to learn and absorb new technologies. Such OEMs require that the SMEs they work with should have the ability to perform, maintain



continuity of supplies and clearly understand how the defence procurement procedure works. Thus, in such a scenario, it becomes imperative for SMEs to try to develop niche products and capabilities, continuously innovate and fully leverage export opportunities that are now available to them under the Defence offset policy."

Mr. K Ganesh Raj, Partner and Leader, Aerospace & Defence Practice, Ernst & Young observed, in current times, when productivity

and competitiveness have assumed greater importance, we need to acknowledge the contribution which SMEs can make to the aerospace and defence sector. In this sector, SMEs contribute most to innovation because of low economies of scale and the high importance of knowledge. Thus, in order to achieve self reliance in defence production and subsequently emerge as a significant defence player, India needs to support and enhance the role of SMEs in the Indian defence industry."

Key Findings of the Report

- India should leverage its strengths in the Information Technology and automotive industries to graduate into design, development and manufacturing in the aerospace and defence sector
- Indian SMEs should aim to integrate into the global aerospace and defence value chain through Indian prime contractors involved in global defence programmes and/or build relationships with international SMEs in niche technology areas. OEMs in the aerospace and defence sector are shifting their focus to design and systems integration from vertically integrated manufacturing. This provides an added opportunity to SMEs to venture into areas of aerospace and defence manufacturing which were earlier the exclusive domains of OEMs and large prime contractors.
- To move up the global defence value chain, SMEs should focus on innovation, building intellectual property and adopt quality and process standards to be able to offer complete sub-systems or assemblies
- The Indian aerospace and defence industry needs rapid development of domain knowledge. This

would require active industry-government-academia partnership with leading technology institutes across the globe, to upgrade, design and offer tailor-made courses for the aerospace and defence industry in India

- SMEs in the aerospace and defence industry should focus on building complementary activities and capacities and sharing common facilities through clusters
- On the policy front, the Government may consider focusing on areas of strategic importance and gradually integrate the private sector into non-strategic areas. To enable the private sector to plan their investments and supply chain in advance, the private sector could be closely involved in planning and project categorization.
- Private sector participation in defence R&D should be actively encouraged and primarily financed by the government, given the fact that defence R&D is expensive and marked by an element of uncertainty
- The licensing procedure for defence manufacturing should be streamlined to encourage the entry of SMEs

Defence Offset Opportunities

India is expected to spend close to US\$ 100 billion on defence procurements during the 11th Plan period (2007–2012). Considering that imports account for 70% of the expenditure on defence procurements, offset obligations worth US\$ 21.4 billion will be generated at 30% of the contract value. Till July 2009, offset contracts worth about US\$ 1.9 billion have been signed. The largest contract for 126 medium multi-role combat aircraft (MMRCA) is estimated to be worth about US\$ 10.5 billion. The tender document places a 50% offset liability on vendors. This offset business is expected to flow into India through Tier I and Tier II vendors of global OEMs. SMEs can expect to corner a substantial chunk of this business.

SMEs – An Engine for Growth

SMEs in India contribute 50% of total industrial output, 40% of total exports and account for over 90% of all enterprises. Given their significant contribution to India’s economic prosperity through their major impact on employment generation and inclusive growth, the government should proactively mitigate the common challenges faced by SMEs like credit shortage, through urgent policy intervention, to support these enterprises in sustaining and enhancing their business competitiveness. ■



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Pranab Mukherjee calls for Higher Investment in Infrastructure



Higher investment in the infrastructure sector is a powerful counter-cyclical measure to fight economic slowdown in the South Asian countries. Infrastructure development can enhance the economic capacity of the region, boost internal demand and strengthen intra-regional trade and commerce, said Mr Pranab Mukherjee, Union Minister of Finance, India, while inaugurating the 'South Asia Conclave on Enabling Regulation for Investment in Infrastructure' on 3 November in New Delhi, along with Mr Sushilkumar Shinde, Union Minister for Power, India.

The conclave was organised under the aegis of the South Asia Forum for Infrastructure Regulators (SAFIR) in partnership with CII, to examine the prevailing regulatory framework and the emerging environment in the full spectrum of infrastructure in South Asian countries like India, Bangladesh, Bhutan, Nepal, Maldives, Pakistan and Sri Lanka.

Mr Mukherjee emphasized on the following key points in his inaugural address:

- Removing infrastructure gaps is essential for building a sub-regional framework to provide a seamless market, facilitate effective exploitation of synergies, and generate billions of dollars of new output, making South Asia the new powerhouse of global economic activity.

- The Public-Private Partnership (PPP) approach is required in infrastructure development, as such projects are highly capital intensive and public funds alone can not meet the entire requirement. The success of PPP models depends on a suitable policy and regulatory framework.

- Infrastructure regulators have a critical role to play, to ensure that user interests are not prejudiced, and contracts between sponsoring agencies and private parties are honored.

- Sectoral regulators should ensure that resources are utilized optimally, user charges are fixed in a reasonable manner and high standards of efficiency are maintained. Regulators should also ensure adherence to universal service obligations.

- SAFIR is an excellent forum for regulators from South Asian countries to share

experiences and best practices.

Mr Sushilkumar Shinde emphasized that rapid investment in infrastructure is a pre-requisite for the region's socio-economic development. A suitable regulatory regime is crucial to the development of infrastructure. Forums like SAFIR will build capacity of regulatory agencies by sharing experiences and best practices, he said, assuring the Government of India's support to such forums.

Mr Shinde said that the cost plus approach would



Pranab Mukherjee, Minister for Finance, India, lighting the lamp. Also seen: Subodh K Bhargava, Past President, CII, & Chairman, CII South Asia Committee, Sushilkumar Shinde, Minister for Power, India, Dr Pramod Deo, Chairperson, CERC, & Member, Executive Committee, SAFIR, and Chandrajit Banerjee, Director General, CII

be adhered to only in certain limited cases of natural monopoly such as gas-supply and electricity transmission. In other sectors, market-based competition would be promoted. He attributed the success of the Ultra Mega Power Projects model in India to very supportive regulation and policies and provision of transmission linkages, third-party sale facility and access to fuel resources.

Dr. Pramod Deo, Chairperson, CERC & Member, Executive Committee, SAFIR, said that SAFIR, which was born 10 years ago, will be upscaled and strengthened. Efforts are on to extend the membership-base, which is currently largely from the power and petroleum sectors, to telecom, roads, airports, ports and urban infrastructure, he said.

Mr Subodh K Bhargava, Past President, CII, Chairman, CII South Asia Committee, and Chairman, Wartsila India Ltd, highlighted the need for an overarching regulatory framework in the infrastructure sector. He called for the enactment of the National Infrastructure Regulatory Bill, which is a long-standing demand of CII.

The 11th five-year plan envisages investment of US\$500 billion in India's core infrastructure sector, observed Mr B K Chaturvedi, Member (Energy), Planning Commission, India, in his valedictory address. The inclusive growth envisioned for South Asia can be achieved only if the infrastructure deficit is overcome and adequate investment takes place to support higher growth, he pointed out.

South Asia today holds a key position in the global economy, but its fast growth has placed increasing stress on physical infrastructure such as electricity, railways, roads, ports, water and other urban services, and petroleum and natural gas, all of which already suffer from a substantial deficit in terms of capacities as well as efficiencies in delivery.

To expedite infrastructure development and increase private sector investment in the South Asian region, the Conclave brought the following 12 point agenda to the fore:

1. Refine service standard and project delivery mechanism in the roads and highways sector to ensure better project quality and increase competition
 2. Regulate minor ports to create a level playing field, in terms of tariffs
 3. Combine the concession agreement and the regulatory framework to draw private sector participation in the water and other urban services sector
 4. Evolve a broad framework for regulation, allowing urban local bodies to opt-in in the water and other urban services sector
 5. Regulate water and other urban services under the state electricity regulatory commissions.
 6. Implement 'Performance Based Contracting' for development projects for water and other urban resources for efficient project operation, improving service levels and increasing investment
 7. Implement smart meters for the telecommunication sector, to monitor and control usage loss
 8. Develop a predictable and transparent regulatory regime for the telecommunication sector
 9. Manage downstream activities, specifically marketing of petroleum and natural gas, and upstream activities of the hydrocarbon sector through a common regulator
 10. Harmonize grids across regions, states and country to reduce AT&C (aggregate technical and commercial) losses and DSM (demand side management)
 11. Streamline procurement for power sector projects and use UMPP (Ultra mega power project) like model
 12. Evolve an integrated transport system for India which includes coastal shipping
- Over 200 delegates and 40 speakers from industry, regulatory authorities, policy makers and investors across the South Asian Region participated in the Conclave. The keynote speakers included
- Mr B K Mansingh, Chairman, SAFIR and Chairman, Water Supply Tariff Fixation Commission, Nepal
 - Mr Kamal R Pande, Joint Secretary, Ministry of Physical Planning & Work, Nepal
 - Mr Mahendra Nath Aryal, CMD, Electricity Tariff Fixation Commission, Nepal
 - Mr Ashwaq Ahmed, Member, National Highway Authority, Pakistan
 - Mr Khalid Aziz Mirza, Chairman, Competition Commission, Pakistan
 - Mr Tariq Iqbal Khan, Chairman, Sui Northern Gas Pipeline Limited, Pakistan
 - Mr Rohan Samarajiva, Chairman & CEO, LIRNEasia, Sri Lanka
 - Dr Jayatissa De Costa, Chairman, Public Utilities Commission, Sri Lanka
 - Mr Salahud Din Ahmed, Member, Bangladesh Energy Regulatory Commission
 - Mr Syed Yusuf Hossain, Chairman, Bangladesh Energy Regulatory Commission
 - Mr Nima Tshering, CMD, Bhutan Electricity Authority, Bhutan



Road To Copenhagen

'Climate Change is linked to India's Economic Interests'

India needs to make a decisive shift away from fossil fuels to nuclear and renewable sources of energy irrespective of what the international negotiations on Climate Change will yield in Copenhagen, said Mr Shyam Saran, the Prime Minister's Special Envoy on Climate Change, at the CII-NETRA Roundtable Session on **Power Technologies for Carbon Mitigation** held on 30 November in New Delhi. "This is necessary to sustain an 8% GDP growth rate in the future," he added.

Pointing out that the international negotiations on Climate Change have become less and less about preventing global warming and more and more about the defence of national economic interest, Mr Saran said India and other major developing economies should not therefore expect much in terms of either technology transfer or financial resources from developed nations to reduce carbon emissions. Instead they are likely to be asked to mobilize resources from the international carbon market. However, he cautioned that, with very weak international commitments to reduce CO₂ emissions, even the value of carbon credits may not be particularly high. They may not therefore provide sufficient resources to finance the energy shift in its entirety.

In the Indian context, it is essential to develop a marine algae programme, which offers a huge carbon reduction potential. It is also essential for India to create more greenfield projects to create greater carbon sinks, suggested Mr. R S Sharma, Chairman

and Managing Director, NTPC Ltd., and Chairman, CII National Committee on Power. Carbon Capture and Storage (CCS) the much talked about technology for the International Negotiations may not be viable for India due to high investment costs and the increase in the cost of power, he said. Mr. Sharma assured that Indian Industry would not lag behind in setting emission targets for itself.

Mr Prem Shankar Jha, Member, Energy Panel, World Commission for Environment and Development, suggested tackling the climate change problem in an integrated fashion across sectors using the diagonal linking approach, and highlighted the benefits of using methanol obtained from flue gas CO₂ and biomass to replace gasoline and diesel in the transport segment.

Mr V S Verma, Member, CERC, emphasized India's pro-activeness in adopting all the economically viable technology in an effort to mitigate the effects of climate change.

Dr Ajay Mathur, Director General, Bureau of Energy Efficiency, in his valedictory address emphasized the use of DSM (demand side management), use of critical and ultra super critical boilers for power generation, adoption of IGCC technology in coal-based power, use of energy efficient techniques to reduce carbon emissions, increased role of nuclear energy in India's energy mix and the need for an appropriate regulatory framework to meet the solar mission target of 20,000MW by 2022.



V S Verma, Member CERC; R S Sharma, CMD, NTPC Ltd, and Chairman, CII National Committee on Power; Shyam Saran, Prime Minister's Special Envoy on Climate Change; and Prem Shankar Jha, Member, Energy Panel, World Commission for Environment & Development



US-India Cooperation in New & Renewable Energy

Cooperation in energy has always been central to the bilateral relationship between India and the US. The inclusion of energy and climate change cooperation as one of the five principal pillars in the joint statement signed between India and US during the July 2009 visit of Ms Hillary Clinton, US Secretary of State shows the commitment the two countries share on this front.

Mr Steven Chu, Secretary, US Department of Energy, visited India in November to further

build up the momentum created by Ms Clinton and to take forward the dialogue on energy cooperation. CII held an interactive session with Secretary Chu on **'Strengthening US-India Cooperation in New & Renewable Energy and Energy Efficiency'** on 14 November in New Delhi.

"Energy has given great prosperity to the United States of America. The challenge now before us is to keep the prosperity growing while bringing down the carbon footprint. America is keen to help India achieve that prosperity without going the American way," said Dr Chu.

The discussions revolved around the following key points:

- Support and cooperation in green buildings must be high on the US-India cooperation agenda
- The US Department of Energy will look into collaboration between the Indian CREDAI (Confederation of Real Estate Developers' Associations of India) and its US counterparts to help India accelerate its green mission. Specifically, India needs help in bringing down the manufacturing costs of green products and raw materials and also support with high cost diagnostic tools and equipments.
- Secretary Chu inspired Indian business leaders to advocate programmes like Advanced Research Projects



Dr Steven Chu, Secretary, US Dept of Energy with Tarun Das, Chairman, US India Strategic Track Second Dialogue, and President, Aspen Institute India

Agency-Energy (ARPA-E) in India.

- The United States and India have immense scope for collaboration in research, development and deployment of energy storage, conversion of waste to energy and innovative business models. The two countries must also collaborate to spur research and development of technologies for energy generation in low wind and low solar irradiation phases if renewable energy were to occupy a bigger percentage in

the future energy mix of our nations.

- US India collaboration to set up utility scale solar thermal projects in India will largely depend on fiscal, policy and regulatory framework and opportunities offered by India.
- The Department of Energy would look into the issues affecting US-India collaborative research in second generation biofuels.
- Successfully measuring carbon emission is the first and foremost step to address the climate change threat. With Indian IT prowess, the US and India can collaborate to develop micro electric sensors to measure and monitor carbon emissions.
- The developed countries certainly owe bigger responsibility in combating the climate change challenge. The growing realization among countries in developed, developing and least developed categories that we all are together is good and positive news. Collective action and pressure from every stakeholder will help drive the change, however, business has to be right in the centre of the storm to help turn its direction.

Mr Tarun Das, Chairman, US India Strategic Track Second Dialogue, and President, Aspen Institute India, acknowledged the role and support of USAID in helping CII advance the green building and sustainability movement across Indian Industry.

Accelerating Hydro Power Development

Dr. Roland Muench, Global Head & CEO, Voith Hydro, presented a global perspective of the hydro power sector in his keynote address at an interactive session on 'Accelerating Hydro Power Development,' on 3 November in New Delhi. He spoke about the market potential worldwide for hydro power, and presented a country-wise analysis, while stressing the importance of India in the future development of the sector.

Dr. Muench, drew attention to contemporary technical trends in the hydro sector, and described his company's initiatives to harness ocean energy and energy from tidal currents.

Mr Rajiv Bhardwaj, Member, CII Task Force on Power Sector Reforms & Restructuring, and Managing Director, Jaypee Powergrid, shared his views on the challenges to the development of hydro power.

Mr S Chandrasekhar, Managing Director, Boruka Power Corporation, described the challenges faced by small hydro projects and their developers in India and dwelt on their increasing significance in a world stricken



D P Bhargava, Director – Technical, NHPC, Dr Roland Muench, Global Head & CEO, Voith Hydro; Rajiv Bhardwaj, Member, Task Force on Power Sector Reforms & Restructuring, & MD, Jaypee Powergrid Ltd; R V Shahi, Chairman, Energy Infra Tech and Former Secretary Power, India and S Chandrasekhar, MD, Boruka Power Corporation Ltd.

by climate change and environmental impacts.

Mr. D P Bhargava, Director – Technical, National Hydro Power Corporation, highlighted the various administrative, environmental and financial issues facing the hydro power sector in India today.

Mr. R.V Shahi, Chairman, Energy Infra Tech, and Former Secretary Power, said that the demand and supply gap and the gestation time of various types of projects have led to the present energy mix in the country. He said the the hydro sector requires specialized manpower and contracting companies to implement fast track projects. Mr. Shahi called for collaborative efforts from all stake holders, including the government, for timely project completion. ■

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6th India Health Summit Taking Quality Healthcare to the Masses

Healthcare is considered to be one of the most promising and fastest growing sectors in the current scenario. The healthcare sector in India represents one of the most emerging healthcare products and services market in the world, whilst the fact remains that healthcare is still distant for much of India's large populace.

The 6th edition of CII's annual flagship event on Healthcare, the 'India Health Summit,' held on 5-6 November in New Delhi, therefore focused appropriately on 'Taking Quality Healthcare to the Masses'. Through this theme, the two day programme, spread across nine plenary sessions, explored the best practices and systems in healthcare that can be adopted in the Indian context. The Summit registered a strong presence of 400+ plus professionals from sundry verticals. The key findings and recommendations emerging from the discussions ranged around PPP, Accessibility and Affordability, Healthcare Infrastructure, Healthcare Workforce, Accountability, including Quality and Accreditation, Reaching the Urban Poor and the Rural Population, Wellness and Preventive Healthcare and Investments in Healthcare. The important takeaways will be submitted to the Ministry of Health and Family Welfare and the Finance Ministry.

Speaking at the Inaugural session, Mr. Bhavdeep Singh, Summit Chairman, and Chief Executive Officer, Fortis Healthcare Ltd. stressed on the need for a visibly measurable 'Call for Action.' Dr. Pratap C Reddy, Chairman CII National Committee on Healthcare and Chairman, Apollo Hospitals Group, emphasized on the common objective of achieving 'Good Health for All' by leveraging the significant role of IT



Dr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, India

and other innovative approaches. Highlighting on the aspect of lifestyle diseases and their economic impact on the country, Dr. Reddy called for framing amicable and workable solutions with the government as partner, to make healthcare accessible to all.

Mr. Sam Pitroda, Chairman, National Knowledge Commission, Government of India, who was the Chief Guest, shared the Government's 10 point agenda on Healthcare to be addressed, and reiterated the need to create working groups at the federal level and also at the state and district level.

Speaking on 'Strengthening the Healthcare Delivery System', Mr Gajendra Haldea, Advisor to Deputy Chairman, Planning Commission, said that India has the poorest healthcare provision for the common man, though we have the best doctors and entrepreneurs. Dr. Naresh Trehan, President, Indian Healthcare Federation, and Chairman and Managing

Director, Medanta, said the main focus should be to decrease the diseases burden, and bring healthcare on the political agenda, with the collaborative role of government, private players and NGOs. Dr. Prevez



Tejpreet Singh Chopra, President & CEO, GE India and Co-Chairman 6th India Health Summit, Bhavdeep Singh, Chairman, 6th India Health Summit & CEO, Fortis Healthcare Ltd, Sam Pitroda, Chairman, National Knowledge Commission, India, Dr. Pratap C Reddy, Chairman, CII National Committee on Healthcare & Chairman, Apollo Hospitals Group and Chandrajit Banerjee, DG, CII

Ahmed, Managing Director and Chief Executive Officer, Max Healthcare, said quality healthcare is all about providing efficient healthcare system in a safe and timely manner which is effective, measurable and patient-centric.

Sharing case studies from the States, Mr. Deepak Sanan, Principal Secretary, Himachal Pradesh, and Mr. J P Singh, Principal Secretary (Health), Delhi, presented their experiences in providing accessible, affordable and quality healthcare.

At the session on Role of Technology in Healthcare, Dr. Loke Wai Chiong, Programme Director-Health and Wellness Programme Office, Ministry of Health, Singapore, pointed out that the healthcare problems of Singapore are very different from those faced by India. He also said that the financing of healthcare in Singapore is uniquely done by a system called 'Health Savings Account.'

During a breakfast meeting with Dr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, the participants discussed viable PPP models and their prospects. Dr. Ahluwalia said Health Insurance is an important area for the government and asked CII to work on its development so that the maximum number of people can be benefited. He also emphasized on the need to devise India-specific technologies in healthcare.

On the occasion, CII and USIBC announced a healthcare collaboration in the form of a joint 'CII-USIBC Healthcare Task Force' which will serve as an advisory council to guide and coordinate USIBC and CII efforts towards improving healthcare in India. The Task Force will be chaired on the Indian side by Dr. Prathap C. Reddy and on the U.S. side by Dr. Vas Narasimhan, Head, Vaccines North America, President, Vaccines USA, Novartis Vaccines & Diagnostics, and board member, USIBC.

The Summit also saw the release of the report, '**Towards a Sustainable PPP under central Government Health Scheme and Ex-Servicemen Contributory Health Scheme**' prepared under the aegis of the CII Healthcare National Committee, by Mr. Amarjit Sinha, Joint Secretary, Ministry of Health and Family Welfare.

The Summit concluded with a detailed presentation to Mr. Dinesh Trivedi, Union Minister of State for Health & Family Welfare, on the key findings and recommendations emerging from the deliberations. The set of 7 recommendations presented to the Minister are as follows:

For the Government

1. Priority Status for Healthcare Sector
2. Concessions for Hospitals
3. Focus on Preventive Health
4. New Policy for Medical, Nursing and Allied Education
5. Encourage significant investment in domestic production of healthcare equipment and consumables in order to reduce their cost

For the CII Working Groups

6. Submit specific models for Public Private Partnership
7. Reach out to all policy making / policy influencing stakeholders in the Government

Appreciating CII's efforts towards bring a positive change in the healthcare system of the country, Mr Trivedi assured immediate action on developing an action plan to address healthcare requirements across all levels of care: primary, secondary and tertiary. This will also work towards defining specific models of participation, role clarity and distribution of responsibilities and risks, said the Minister.

Presenting a complete picture of India's healthcare landscape, the summit also featured an exhibition on healthcare products and services.

Meeting with Chairman IRDA

The members of the CII Working Groups functioning under the aegis of CII Healthcare Sub-committee on Accessibility and Health Insurance met with Mr. J Hari Narayan, Chairman, Insurance Regulatory and Development Authority (IRDA) and other senior officials of his team, to discuss and finalize the strategy and terms of reference for the CII Working Groups for the year 2010 in Hyderabad on 1 December.

Mr. Srinivasan, Member, IRDA, Dr. D V S Shastri, Director General (R&D), IRDA Mr. Prabodh Chander, Executive Director (Non-life and Health Insurance), IRDA, and Ms. Meena Kumari, Joint Director, IRDA were present, along with other officials.

Two working groups have been constituted for this year, on 'Communication and Awareness' and 'Policy and Standards,' chaired by Mr. Prabodh Chander from IRDA and Mr. Bhargav Dasgupta, Managing Director and Chief Executive Officer, ICICI Lombard General Insurance Company Ltd. respectively.

The IRDA Chairman has also advised the Secretary-Generals of the two councils (LIC & GIC), to mentor the CII Working Groups.



Clustering for Competitiveness by MSMEs

MSMEs, forming the backbone of Indian industry, are faced with unique challenges to quickly enhance their internal competitiveness in the light of global competition. CII has always accorded high priority to the growth of the MSME Sector and has been advocating and providing a number of cutting-edge services.

A flagship service of CII to MSMEs for enhancing internal competitiveness has been the Cluster Movement which is a unique effort to strengthen the MSME sector by carrying out introspection, identifying non value-adding activities and eliminating them in the 'learning by sharing' model.

The 2nd National Cluster Summit for MSMEs on 'Indian MSMEs: Stepping up MSME Growth in India through Cluster Movement' in New Delhi on 12-13 November, which highlighted this concept, drew 400 delegates from across the country.

"Clusters have to succeed if MSMEs have to succeed," declared Mr Dinesh Rai, Secretary, Union Ministry of MSME, highlighted the role of the Cluster approach to the growth of MSMEs. He said that the Prime Minister has announced the setting up of a high-powered group with seven exclusive sub-groups to focus on addressing issues relating to the growth of MSMEs like

1. Smoothing the credit flow
2. New models for credit guarantee schemes
3. Schemes for equity participation
4. Infrastructure
5. Skills and technology development
6. Providing marketing platforms and
7. Labour policy

Mr Rai highlighted the challenge of skilling 500 million people by 2022 and the need to think of new models and technologies to deliver this target. He urged industry



Dinesh Rai, Secretary,
Ministry of MSME

to present funding proposals to the government's Skill Development Corporation that had a corpus of Rs. 1000 crore for this purpose.

Mr Salil Singhal, Chairman, CII MSME Council, and Chairman, Secure Meters Ltd, assured the Government that CII and its partners would work together to carry forward the government's initiatives for the MSME Sector.

Mr Yogesh Munjal, Chairman, CII Cluster Clusters for Competitiveness, and Managing Director, Munjal Showa Ltd, emphasized that the Cluster Approach is a religion, a faith that CII and its partners have been following since 1988. It has ushered in a competitiveness revolution for the SMEs in India.

In his theme address, Mr C Narasimhan, Chief Advisor, CII National Cluster Programme, presented a 31 point check list for self evaluation for a company to become world-class. Urging MSMEs to work towards an Indian Way of Manufacturing, he said it is time for us to grow out of legacy manufacturing practices.

Mr C Narasimhan and Dr K Kumar, Director, Maruti Center of Excellence, were felicitated with the Lifetime Achievement Award for their contribution to building the competitiveness of India's MSME Sector through the Cluster Approach. Associations like ACMA, UNIDO, MACE and NIQR were also recognised for their contribution to the Cluster Movement.

Industry leaders and experts showcased their success stories in enhancing competency by adopting the Cluster Approach. Microsoft and Yes Bank presented their package offerings for the MSME sector. The Summit concluded with a valedictory address by Dr Girdhar J Gyani, Secretary General, Quality Council of India.

An important highlight of the Summit was the Kaizen Gallery where over 300 select Kaizens from various cluster companies from all over India were displayed, including the best three that were awarded.

Surface Modification Technologies

The 23rd International Conference on Surface Modification



At the 23rd International Conference on Surface Modification Technologies

Technologies (SMT 23) was jointly organised by the CII – LM Thapar Centre for Competitiveness for SMEs, the Kalpakkam Chapter of the Indian Institute of Metals, and the Indira Gandhi Centre for Atomic Research (IGCAR). The theme of 'Surface Modification Technologies for 21st Century' brought together a large interdisciplinary community for discussions on recent advancements in the areas of surfaces, coatings, and their preparations, modifications and properties.

Mr N. Sriram, President, Harita-NTI Ltd., TVS Group, Chennai, who inaugurated the conference, emphasized on applications of surface modification technologies in manufacturing and automotive industries for corrosion control. Dr. Baldev Raj, Distinguished Scientist, and Director, IGCAR and Chairman, SMT 23 presided over the function. Dr. Sarita Nagpal, Deputy Director General, CII, presented the academia-industry-research interaction resulting in the formation of a corrosion management committee under Dr. Baldev Raj .

As many as 130 technical papers, 27 invited talks and 6 keynote lectures were presented during the conference to 200+ delegates including experts from USA, UK, Japan, Germany, France, Korea, The Netherlands, Belarus, Malta, Brazil, and Canada, as

well as India. Special workshops discussed advances in Lasers Surface Engineering, "Advances in Plasma Processing, and Coatings for Automobile Applications. The five best oral presentations and poster displays were awarded.

SME Delegation to Japan

The CII - L M Thapar Centre for Competitiveness for SMEs took a SME delegation to Japan from 4-6 November.

The delegates visited the SME Expo (Sougouten) 2009 where 500 companies showcased their products and services in the exposition organised by Small and Medium Enterprises and Regional Innovation, Japan (SMRJ). The delegation also visited two companies: Kanta Auto Works located 130 km from Tokyo doing assembly of Toyota's high end models like Lexus, and the Yamamoto Seisakusho Co Ltd, which has fine blanking capabilities and customers like Nissan, Mitsubishi and Toyota.

The visitors got to see the bigger picture of Japanese Manufacturing, with low cost automation and visual management, where companies have integrated 'innovation' into their manufacturing strategy to be more cost-effective. ■

Mobility for all

125,000 square meters, 2000 participants
29 countries; what it means for you is endless business possibilities per sqm

- The Complete Automotive Show in Asia
- Only Show in India accredited by OICA
- Theme for Silver Jubilee Year – Mobility for All with special focus on environment
- Showcases world class vehicles, designs and technology
- Dedicated Auto Component section
- Auto Enterprise – Exclusive Show for SME Sector
- Special Product Pavilions
- Exclusive Media Day – New Launches
- Goodwill Day – Special arrangements for visit of Physically Challenged
- Sector Specific Conferences & Allied Events
- Charity Events, Networking Dinners
- Exclusively timings for Trade & General Visitors
- Safety Rides, Design the Bookmark Competition for Students

5-11 January, 2010*
 Pragati Maidan, New Delhi, India

The 10th Auto Expo is all set to roll on the 5th of January, 2010 opening up exciting roads for manufacturers, suppliers and customers. The countdown has begun!

*5th January 2010 is the Media Day; Trade Visitors are allowed from 6th January onwards

10th AUTO EXPO
 2 0 1 0
 The Complete Automotive Show
 5-11 January, 2010 - New Delhi, India
 Silver Jubilee Year

ACMA
 Automobile Component Manufacturers Association of India
 Silver Jubilee Year

CII
 Confederation of Indian Industry
 (1988-2010)
 Celebrating 19 Years

SIAM
 Society of Indian Automobile Manufacturers
 Silver Jubilee Year

OICA
 OICA 9th Year

CII-Godrej Green Business Centre

Energy Management Awards

The CII Annual National Award for Excellence in Energy Management recognises and rewards 'Excellence in Energy Management' and facilitates the sharing of best practices by excellent energy efficient companies. Dr Ajay Mathur, Director General, Bureau of Energy Efficiency, presented the 10th edition of the awards on 20 November in Chennai.

Twenty companies were chosen for the 'Excellent Energy Efficient Unit' Award, while 18 companies were given the 'Energy Efficient Unit' Award. These 38 top industrial units from India were shortlisted based on a questionnaire survey administered earlier. Each of them made a detailed presentation before a panel of eminent judges on 19 and 20 November.

In addition, there were separate awards for 'Most Useful Presentation,' 'Innovative Project,' 'Innovative Energy Saving Product/Service' and 'Best Poster Display.'

Presenting a summary of the findings, Mr L S Ganapati, Chairman, National Award for Excellence in Energy Management 2009, informed that these 38 companies have achieved an annual recurring saving of Rs. 1510 crores in the past 3 years from 2074 projects. This is equivalent to about 2.3 million tonnes of CO2 reduction.

The 2009 Awards drew a good mix of sectors including automobile, building, cement, chemical, engineering, fertiliser, metals, paper, petrochemical, pharma, power plant, refinery, sugar, tyres and FMCG.

Mission on Sustainable Growth Spreads

The CII Mission on Sustainable Growth (MSG) initiative was launched at CEO's Meets on MSG organised in Haldia, Raipur and Ludhiana on 11, 14 and 24 November, respectively.

The core purpose of the Mission is to promote and champion conservation of natural resources in Indian Industry without compromising on high and accelerated growth.

As a first step, a CII - Code for Ecologically Sustainable

Business Growth has been developed, aiming to involve the top management of companies and seek voluntary commitments towards reducing the consumption of energy, water and other natural resources and promote ecologically sustainable growth in their companies.

At these three Meets, 50 companies signed the CII-Code. On date, 418 companies in India have expressed their commitment to the CII-Code for Ecologically Sustainable Business Growth. CII will partner and work together with all the signatories in realizing the core purpose of the Mission.



Dr Ajay Mathur,
Director General,
Bureau of Energy
Efficiency



Rakesh Nath,
Chairperson,
Central Electricity
Authority



Harishankar
Brahma,
Secretary, Union
Ministry of Power



L S Ganapati,
Chairman,
National Award
for Excellence
in Energy
Management



K Vasudevan,
Chairman, CII
Green Business
Forum

US Visitors to the Centre

Mr Patrick Moon, Principal Deputy Assistant Secretary for South and Central Asian Affairs, USA, visited the CII-Sohrabji Godrej Green Business Centre, Hyderabad, on 5 November. He was accompanied by Mr Cornelis Keur, Consul General, US Consulate General Hyderabad and Mr Jason Rieff, Consul, US Consulate General Hyderabad.

The visitors toured the building and were briefed on its energy efficient, eco-friendly and sustainable features.

Ms Karen Zens, Deputy Assistant Secretary, US Department of Commerce, accompanied by Ms Alexis E Haakensesn, International Trade Specialist, Aerospace, US Department of Commerce and Ms Aileen Crowe Nandi, Principal Commercial Officer, US Consulate General, Chennai, also visited the CII-Green Business Centre on 13 November.



Patrick Moon, Principal Deputy Assistant Secretary for South and Central Asian Affairs, USA (left) and Karen Zens, Deputy Assistant Secretary, US Department of Commerce, at the Green Business Centre

9th TPM National Conference

Industry needs to make continuous innovations to be competitive in the present market, said Mr. V Narasimhan, Chairman, TPM Club India, and Executive Director Brakes India Ltd, Foundry Division, in his welcome address at CII's two day National Conference on Total Production Maintenance on 5-6 November in Chennai.

The economic downturn was an eye opener for the industry, which did not have the experience to handle such a situation, he said, stressing that Integrated Risk Management has to be a part of our business strategy to fight situations like this.

Mr. Narasimhan observed that the downturn had taught one to be positive and distinctive. "Fortune favors the well prepared," he added.

Mr. Jun-ichi-Uchida, General Manager, TPM Consulting Overseas, JIPM Solutions Co., Ltd, Japan, presented the production forecast of Japan which he defined as the CRIC Cycle. According to the cycle, when crisis occurs, we take response to it and then make improvement accordingly. But after that, we become complacent, which leads to another crisis. Mr. Uchida stressed that people should make continuous efforts to make improvements and innovations.



Dr Baldev Raj, Distinguished Scientist & Director, Indira Gandhi Centre for Atomic Research & V Narasimhan, Chairman, TPM Club India releasing the book on Quality Management

He also listed a few TPM themes for this year such as Cost Management System, Skill Tradition in Gemba, TPM in Food Industry, Material Flow Costing, Double Eight Figure Analysis and TPM in Healthcare.

A book on 'Quality Maintenance' was released on the occasion. Mr. Narasimhan handed over the first copy of the Book to the Chief Guest Dr. Baldev Raj, Distinguished

Scientist, and Director, Indira Gandhi Centre for Atomic Research.

Dr. Raj, in his keynote address said that one can only learn by being connected. To be researchers, one has to be under the process of continuous learning and teaching, he said.

Dr Raj said that India needed 750 thousand MW of energy to lead a comfortable life which is a huge target. Solar and Wind energy not being competitive yet, one had to produce energy in a competitive and environment friendly way, he said, adding that Continuous Innovation, Finance Management, Quality Management and Maintenance of Assets could lead to success in any field.

Talking about knowledge, he said that knowledge had to be obtained in a structured way and had to be recorded



Kaizen Winners at the 9th TPM National Conference



Housewives presenting experiences of utilizing TPM methodologies in the kitchen

for future purposes. Dr. Baldev Raj focused on issues like Vibration Analysis and Thermal Screening which are important for testing equipments and help avoid failures. As corrosion takes away 3-4 percent of our GDP, he said that companies should focus on measures that prevent corrosion at the design and manufacturing stage itself, to drastically increase the life of the product. He also

emphasized that working together was important and one needed to share the innovations with everyone in the field.

The 9th TPM National Conference was attended by more than 275 participants from around 84 companies across Indian Industry.

Sona Kaizen Champions Felicitated By CII - TPM Club India

To motivate the Indian Industry in their journey of becoming competitive, the TPM Club India recognises companies who have done excellent work through the Kaizen route, through a competition, where industry participants select the best among the kaizens presented by the companies. At the 9th TPM National Conference in Chennai for "Best Kaizens of the Year 2009", winners in the three categories were:

Operator Level – Mahindra & Mahindra Ltd, Igatpuri

Manager Level – Sundram Fasteners Ltd, Krishnapuram

Senior Manager Level – Brakes India Ltd, Brakes Division, Sholingur

Mr. N Kumar, Past President, CII presented the winners with the Kaizen Champion Trophy as well as the Sona Kaizen Cash Award of Rs. 50,000/- each.

CII-IQ assists IGNOU in framing Food Technology Curriculum

The Indira Gandhi National Open University, New Delhi (IGNOU), has finalized the Course Content for the proposed One Year Post Graduate Diploma in Food Technology. This course will be disseminated in the Distance Learning mode by IGNOU across the country.

The CII Institute of Quality, on a special invitation from IGNOU, contributed in the framing of the curriculum. The Expert Committee, which finalized the contents for the courses, including practicals, also included representatives from IGNOU, Central Food Technology Research Institute (CFTRI), Food Safety & Standards Authority of India (FSSAI), and Food Technology Institutes.

The courses are

- Food Chemistry and Nutrition
- Food Microbiology
- Food Processing and Engineering
- Food Packaging, Safety & Quality Management

Besides, specialised courses in Dairy, Meat, Fish, Poultry, Fruits and Vegetables, Cereals and Pulses were also discussed and finalized.

All members of the Expert Committee contributed to the content of the curriculum. The course contents for Food Safety and Quality Management was prepared by the group comprising CII-IQ, FSSAI and the Food Technology Institute.

IGNOU will acknowledge these contributions in the final course material.

For further details, please contact deepak.mathur@cii.in

Expert Committee

Department of Food Sciences (Technology),
Guru Jambheshwar University, Hissar

National Research Center on Meat, Chengicherla,
Hyderabad

Bhaskaracharya College of Applied Sciences,
Dwarka, New Delhi

Dept of Biochemistry and Nutrition, Central Food Technological Research Institute (CFTRI),
Mysore

Dept of HRD, Central Food Technological Research Institute (CFTRI), Mysore

Dept of Food Microbiology, Central Food Technological Research Institute (CFTRI),
Mysore

JD (F&VP) Food Safety and Standard Authority of India, FDA Bhawan, Kotla Road, New Delhi.

Dept. of Food Technology, SHSL-Central Institute of Engineering and Technology, Longowal, Sangur, Punjab

Indian Institute of Packaging, Andheri (East), Mumbai

Dept of Food Packaging Technology, Central Food Technological Research Institute (CFTRI), Mysore



India Innovation Initiative – i3

Harnessing Innovations for Wealth Generation & Societal Benefit

A number of initiatives have been taken by the Indian government as well as by Industry/academic leaders to promote and inculcate a spirit of innovation in India. One significant step is the India Innovation Initiative or i3 - a joint initiative of CII, the Department of Science & Technology, (DST) India and Agilent Technologies. It promotes young innovators and facilitates the commercialization of their innovations and creating an innovation eco-system in the country by sensitizing, and encouraging the innovators.

This initiative is open to all innovators in India, above 18 years of age, irrespective of their profession or background (students, professors, industry professionals, individuals or grassroots innovators). Indian Institute of Management, Ahmedabad (IIM-A) & Young Indians (Yi) are the partners for this initiative. While IIM-A has offered to provide incubation support for business proposal development and commercialization of some of the best innovations, Yi will support with a wider outreach of this significant initiative, confer a Special Yi Next Practices Award and also support the commercialisation of select innovations.

Interaction with various support organisations involved in the process of commercialization will be facilitated through the CII-Raunaq Singh Innovation Grid (www.innovationgrid.org).

A total of 250 innovations were received from across the country from students, industry professionals, individuals and grassroots innovators in various fields such as Life Sciences, Electronics & Communications, IT, Energy and Engineering Technologies. After a first level of screening by an expert panel comprising of eminent scientists and industrialists, the top 40 innovations were showcased at the i3 National Fair on 27 October in IIT Delhi. From these, a high level national jury selected the top 5 innovations (plus one special innovation) based on the technical feasibility, market potential of the innovation and its impact on the Industry, society and environment. The top 5 innovations at i3 were awarded with certificates and cash prizes of Rs 25,000 to Rs 1 lakh. Yi also awarded the winners with a certificate and cash prizes. IIMA is offering commercial support to the top ten innovations. Mr. Sankha Subra Datta, received the top prize of Rs 1 lakh for his innovation 'Light Duty Compressor for Small Car Air Conditioning.'



Confederation of Indian Industry

The latest edition of the **CII Directory of Members 2009** is now available. The Directory contains comprehensive information of over 7000 member organisations - large, medium and small – both from the public and the private sectors, as well as MNCs /associations affiliated to CII, which together form the powerhouse of India's economic growth.

The Directory, in a CD format, is priced at **Rs 5,000** per copy (plus Rs 50 for courier and handling charges).

There is a discount of Rs 1000 off the regular price for CII members, who would pay **4000** (+Rs 50) per CD.

You may buy your copy

1. Online from our website www.cii.in
2. In person from CII offices at New Delhi, Gurgaon, Mumbai, Chennai or Kolkatta
3. By sending a cheque/ demand draft payable at New Delhi in favour of 'Confederation of Indian Industry' to the address below. *(Please remember to cite your membership number, if you are a CII member.)*

CII Publications

Confederation of Indian Industry

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WIPO has no intention to interfere with the sovereignty of any country: Francis Gurry

The role of Intellectual Property in the present global environment is fast changing to keep pace with emerging issues confronting the global community. New challenges need innovative approaches, and a favorable innovation ecosystem and IP regime.

To address the above issues and to leverage the privilege of interacting with Dr Francis Gurry, Director General, World Intellectual Property Organization (WIPO) in India, CII organised a CEOs Round Table on **'Linking Innovation and Intellectual Property to face Global Challenges in Climate Change, Public Health, Food Security and the Preservation of Biodiversity.'** The session facilitated a high-level conversation and interaction on areas where Indian Industry would be interested to partner with WIPO and the global community for a mutually beneficial IP regime for India's economic growth.

Dr. Gurry cleared the air on the floating news of PCT reform, saying that WIPO has no intention to interfere with the flexibility given by TRIPs, nor with the sovereignty of any country. The idea is only to improve the quality of patentability. He also confirmed that any decision taken by WIPO is always with the consensus of member states, observing that the WIPO Secretariat seeks to create a balance between innovators and rest of the society, and to incentivise societal innovations.

Stressing on socially responsible IP, he said that WIPO is exploring how to connect IP and Green technologies, and emphasized on a transition from a carbon-based economy to a carbon free economy. "We have a task, never taken up before, in ensuring that green technology is deployed and adapted in the developing countries," he said.

With 1.8 million patent applications filed every year, there is an increased demand for effective management of patent applications worldwide. WIPO aims to use PCT as the basis for resolving this problem.

Dr Gurry said that a robust agenda of the WIPO is to undertake text-based negotiation to establish an



N N Prasad, Chef de Cabinet, WIPO, Dr Francis Gurry Director General, WIPO, Ajay Shankar, Secretary, DIPP and Ramesh Adige, Executive Director, Corporate Affairs & Global Corporate Communication, Ranbaxy Laboratories Ltd

instrumental legal investment in Traditional Knowledge and Geographical Indications.

Answering a query on patent pooling, he responded that while patent pooling is an attractive idea, not many inventors have come forward to pool in. WIPO would be keen to facilitate patent pooling, he said.

He congratulated India for having established a very good example of capacity building in the Traditional Knowledge Digital Library developed by CSIR.

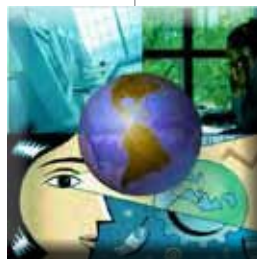
He called for developing a socially responsive IP system and creating a global public asset to show that IP is free and accessible to all.

Keeping his address short, Mr. Ajay Shankar, Secretary, DIPP, welcomed Dr Gurry's timely visit and urged industry members to clear their doubts on IP issues with him.

Earlier, in his welcome remarks, Mr. Ramesh Adige, Executive Director, Corporate Affairs & Global Corporate Communication, Ranbaxy Laboratories Ltd, noted that, over the last 4 ½ years, India has made tremendous improvements in its IP regime and the Indian government has signed many bilateral collaborations with different countries. Stressing that the environment was the big responsibility of the day, he urged inventors need to use their inventions for the benefit of the entire world.

He also clarified that the seizure of pharmaceutical products originating from India has nothing to do with IPR.

Mr. Narendra Sabharwal, Deputy Director General, WIPO, and Mr. N.N Prasad, Chef de Cabinet, WIPO, also participated in the session.





Development Initiatives

Empowering Women

“Women carry half the sky,” and they do it over ground that remains very rocky indeed. Despite concerted efforts by governments and other organisations committed to ensuring a more equal world, very large gender gaps remain in every part of the world, and more so, in the developing countries.

In some places, female infanticide is still rampant, and male female ratios are so skewed that they are likely to result in grave social imbalance in the future. Young girls are still less likely to be sent to school, or to be allowed to complete their education. In many parts of the world, boys are given better medical care than girls. Indeed, girls are more likely to be malnourished than boys as they are discriminated against even with regard to the quantity and quality of food they are offered in the home.

If a woman overcomes all odds and enters the workplace, she has to deal with challenges that her male counterpart does not have to face. Some careers are still closed to women, and in many other careers that are technically open to women, there is resistance to hiring women. Women are often paid less than their male counterparts, and ‘glass ceiling’ is the term used to describe the invisible, intangible barrier to women being able to attain top jobs or positions of real power within an organisation.

Women are also constrained by a host of factors, both major and minor, that are impediments on the road to equality. At the workplace, women’s new roles do not free her from traditional responsibilities. She still has to shoulder a disproportionate share of the responsibility for housework, for childcare and elder care. For most organisations, this makes her a less desirable employee than her male counterpart. It also puts her under such pressure that she is quite likely to drop out of the workforce when she has to balance the demands of motherhood with the requirements of a career.

The World Economic Forum has undertaken considerable work to measure global gender gaps through benchmarking tools, and tracks gender inequalities on



a range of indices that encompass economics, politics, education and health. CII is deeply interested in such initiatives, and partnered WEF on the Global Gender Report 2009.

CII is concerned that while the Constitution of India promises equality to both men and women: “Women shall not only have equal rights and privileges with men but also that the state shall make provisions-both general and specific for the welfare of women”, so far, the situation on the ground falls far short of this noble objective. India was ranked 113 out of 130 by the Global Gender Gap Report 2008. Clearly, government, NGOs, and civil society need to work in a concerted way to change this and to improve the lot of women in India so that they are can achieve their fulfill their true potential and enrich this country.

CII is fully cognizant about the need for increasing women’s participation in the workplace. CII founded the Social Development Council in 1995 and under this, it also set up a national committee on Women’s Empowerment in 2002. This set for itself very challenging objectives that ranged from sensitizing industry on gender inequalities to bringing about attitudinal change at business and community levels. From research that identified core issues to sharing best practices, and undertaking advocacy to bring about policy change, CII has been steadfast in its role as a catalyst for change in the critical area of gender equity across a wide range of indices.

In November 2005, CII commissioned a study on

'Understanding the levels of women's empowerment in the workplace.' The finding that, on an average, only 6% working women were employed across organizations and that this statistic further declined in the manufacturing sector, highlighted the urgency for being catalysts for change. In 2006, CII undertook a project, 'Prevention of sexual harassment at the workplace' with the support of UNIFEM. This initiative led to the development of a complete tool kit 'Enabling Environment: A Manual for Effective and Engendered Workplaces.' CII endeavours to bring about attitudinal change to facilitate and encourage women to achieve their full potential at the workplace, and to identify and eliminate obstacles that impede a woman's career advancement. We offer our services to member companies for conducting gender equity workshops in the workplace.

The CII Woman Exemplar Award promotes women's empowerment at the community level by recognising those who have, against all odds, excelled and contributed significantly to the development process in India. This award, given annually since 2005, has honoured 15 women who have contributed in the fields of Education and Literacy, Health, and Micro Enterprises.

Recent history shows that the countries that have really forged ahead are those that have invested most heavily in their human capital. More than raw materials, or other tangibles such as fertile land that may have once determined wealth, it is human talent that is likely to take a country forward to prosperity. Women constitute half of a country's population. No country that does not fully respect or utilize this resource can expect to be a leader in the future.

We need to include women in our growth story, not just to have a kinder, gentler world, but also to usher in a new era of prosperity such as we can only dream of!

Indo-German Training Programme

A bilateral initiative to promote foreign trade by working together to intensify economic relations and cooperation between India and Germany, conducted with support from the CII Development Initiatives Division, has just seen the first batch of managers successfully complete the programme.

The initiative was launched in September, with the Ministry of Commerce and Industry, India, signing a joint agreement with the Federal Ministry of Economics and Technology of Germany (BMWi) to work together to train managers from the Indian business community. Designed



At the Indo-German Training Programme

to promote small and medium-sized enterprises in particular, the programme had InWEnt as a partner in Germany and CII as one of the Indian partners. The Department of Industrial Policy and Promotion in India was in charge of internal coordination.

Trade between India and Germany has grown by over 30% in the last five years. Current German investment in India is around 2 billion Euros and Indian investment in Germany is also growing rapidly.

The manager training programme promotes contacts between German and Indian executives and companies and is expected to further boost bilateral trade between India and Germany. In addition, with increasing globalization, there is a new urgency to better understand the corporate culture of individual countries, as also to get acquainted with the financial framework, business practices and human resources development of countries one wishes to do business. The manager training programme would act as an enabler in this regard, too. The programme envisages preparation in India, practical training in Germany and implementation and alumni work in India.

The manager training programme has clear goals. It helps participants establish enduring business relationships and partnerships with German companies. It also offers custom-made training programmes to enhance individual management skills. Negotiating skills are honed in interactive and practice oriented training seminars. In a modular format, these seminars have been designed to meet the individual needs of participants. It also helps familiarize managers with the latest technology and equipment used in Germany. Most importantly, it provides participants exposure to German business practices, and helps their companies to access German markets as a result of the contacts acquired. ■

Industry Interface for Drinking Water Security

The provision of clean and safe drinking water across all socio-economic strata is a big challenge in many parts of the world, including India. Water-borne diseases are among the leading causes of morbidity and mortality in low and middle-income countries due to lack of awareness and resources. The challenge is urgent and requires immediate as well as long-term action.

Promoting and protecting health is a key political agenda

in our country and the provision of adequate supply of water, water quality management and sanitation is imperative towards achieving this goal. Both the Central and state governments have provided massive outlays for rural drinking water supply. However there has been very little involvement of the private sector. The private sector, with its resources and expertise, can play a significant role in projects focusing on rural water supply, as well as providing cost effective and consumer friendly technology for water treatment in rural areas.

CII, in partnership with the Department of Drinking Water Supply, Union Ministry of Rural Development, organised a National Seminar on 'Government-Industry Interface for Drinking Water Security' on 21 November in New Delhi to brainstorm on facilitating a better Government-Industry interface through active involvement of private sector for achieving drinking water security. The deliberations and recommendations emerging from the discussions were presented to the Ministry of Rural Development.

Ms Agatha Sangma, Union Minister of State for Rural Development, who was the Chief Guest, urged industry to focus on drinking water as a CSR initiative, and suggested prescribing collective rights with responsibility for regulation at the gram panchayat and local community level. Calling for concerted action on all fronts, including agriculture, urban and spatial planning, population planning and industrial development, she said that loss of forest and bio-diversity, change in landscapes etc also have a great impact on water resources in and around industrial areas. The Minister spoke about Government initiatives in sewage treatment facilities under the JNNURM and other programmes. She pointed out that since industry uses 6% of water, its involvement must increase by taking immediate responsibility. In addition,



Agatha Sangma, Minister of State for Rural Development, inspecting products for treating drinking water in rural areas

industry must come up with equipments and solutions which are cost effective and appropriate for the rural environment, she said.

Dr Gourisankar Ghosh, Former Executive Director, UN Water Supply & Sanitation Collaborative Council (WASH), WHO, Geneva, in his keynote address, highlighted that opportunities for industry lie in improving agriculture efficiency and providing good and efficient technology. He also suggested the formation

of Think Tanks involving Government, NGOs and Industry to engage in the provision of clean drinking water to the masses.

Mr T M Vijay Bhaskar, Joint Secretary, Union Ministry of Rural Development, called for effective action in controlling pollution of water. Urging industry to take up rainwater harvesting, he recommended that both industry and housing societies should recycle and re-use water to cut down on fresh water consumption.

Key Recommendations

- Industry should consider water issues an integral part of Corporate Social Responsibility and become environment-conscious
- Industry should develop innovative commercial and domestic solutions for optimal water usage..
- Effective Industry-Government interface is required to develop effective solutions and strategies suitable for the rural environment.
- Enhance community involvement in water management by generating awareness about clean drinking water and empowering local governing bodies i.e. panchayats, for better management of projects.
- Government to give due weightage to Quality Standards while inviting/reviewing tenders.
- Government should clearly identify issues and solutions as per the geographical requirements of the area.
- Constitute Think-Tanks comprising various stakeholders – industry, NGOs and communities to discuss issues and practical solutions.
- Introduce reforms for efficient management of the Public Health Engineering Departments (PHEDs)
- Collate successful stories of various achievements of different states and replicate models



Yi Nation

Guwahati



Dr. Rahul Mirchandani, National Chairman, Yi, and Executive Director, Aries Agro Ltd, addressing AGROMAX in Guwahati

CII's Young Indians under the Farmers Net Platform organised the 5th AGROMAX at Shilpgram, Panjabari in Guwahati, in October. The seminar witnessed a large turnout of around 350 young farmers, government officials, industry leaders and expert scientists from West Bengal and the seven North Eastern states, who participated in the day long experiential sharing and 'next practices' discussions. This year, the theme for the Yi farmers network was 'A Dialogue on Building Indian Good Agricultural Practices.'

Dr. Rahul Mirchandani, Yi National Chairman, and Executive Director, Aries Agro Ltd, said good agricultural practices would help Indian farmers to obtain sustained higher harvests to adequately combat the global food crisis. The Yi farmers network is committed making knowledge the true catalyst to enhance agricultural productivity in India from the current dismal levels, and has a membership of 7200 farmers who are part of the Yi Farmer's Net with Aries Agro Ltd.

6th Yi National Retreat



Yi members at the 6th National Retreat

On 20-22 November, Yi organised its 6th National Retreat to Chandragiri and Tirupati. The two day retreat allowed the Yi members from different states to come together and interact on a common platform.

Chapter Updates

Ahmedabad

On 1 November, Yi Ahmedabad under its Student Nets platform signed an MoU with the Institute of Management, Nirma University. The MoU was signed

at the Entrepreneurship Conclave organized by the Management students of the University.

To celebrate the spirit of entrepreneurship and to provide a platform to budding entrepreneurs, Dell & Bloomberg UTV organized a Business Plan Contest on 5 November at the School of Petroleum Management, Gandhinagar. The initiative was supported by Yi.

On 14 November, Yi Ahmedabad celebrated Children's Day with students of municipal schools in the city, with a story telling session and puppet show.



Story telling session at a municipal school in Ahmedabad

Chandigarh

On 4 November, Yi Chandigarh organised the second round of the CEO series. The session was conducted by Mr. Subodh Bhargava, Past President, CII, and Chairman of the Board, Tata Communications Ltd and Wartsila India Ltd. Mr. Bhargava shared his own experiences of being a CEO, and described the attributes of a good leader.

On 13 November, a session on 'Online Marketing, effective and efficient means to ensure right reach', gave an overview of the key trends in Internet and IT-based marketing.

Delhi

Yi Delhi, along with the Aspen India Institute, a session on Art of Leadership with Sir William S Cohen, former United States Secretary of Defence on 19 November. Sir William, a published author and poet, named one



Bhairavi Jani, Vice Chair, Yi National, Sir William S Cohen, Former US Secretary of Defence, and Gautam Thapar, Chairman & CEO, Avantha Group, and Chairman, Aspen Institute India

of the 200 future leaders of world, has also served as a Senator and a Congressman.

Mr. Cohen stated that Leadership is not a science which is based on logic. It has many components like intelligence, self confidence, knowledge, the ability to motivate and inspire, perseverance, sharing credit, being open minded, the ability to look at things differently, etc. Noting that a leader's mind should be open to make choices, he said, 'whatever your background you can always rise to the maximum limit of your potential.'

Goa

On 20 November, Yi Goa held a Visioning Workshop for 48 students and faculty of the NSS Unit of MES College, Vasco, which also coincided with their annual NSS Camp. The participants voiced their concerns for their state and expressed determination to make the state a better place.

Hyderabad

In an interactive session on 20 November, Mr. Ramesh Datla, Managing Director, Elico Ltd, shared his experiences at Elico, which has risen from being a small player in analytical instrument manufacturing to being a global company, and an inspiration for other SMEs in India.

Indore

From 27-29 November, to promote awareness and to run an advocacy campaign to save the tiger under the Wildlife Project, Yi Indore organized a three day members' retreat to the Kanha Kilsse Tiger Reserve.

Kochi

On 18 November, Dr. Subramaniam Swamy, former Union Minister, addressed Yi members on 'India & the World Wide Economic Slowdown'. He spoke about China's current business tactics, the fall of the US financial banks and the need to promote the textile sector in India.

Mumbai

On 26 November, a Disaster Management Workshop was held at the K J Somaiya Institute in Mumbai to emphasize the importance of building a safer and disaster resilient India by developing a holistic, pro-active, multi-disaster and technology-driven strategy for disaster management through collective efforts of government agencies and non-governmental organisations.

Pune

A rural retreat to Sangli on 28-29 November brought Yi Pune members together and built better networking amongst them. The members also got to visit the local village communities where they interacted with the members of the gram panchayat and zilla parishad.

India & the world | public policy

Members of Parliament visit Japan

CII and the Sasakawa Peace Foundation (SPF) launched the second phase of the Indian Members of Parliament visits to Japan, when a multi-party delegation of five MPs from the Lok Sabha visited Japan from 26 October to 1 November.

The delegates were Mr. B. J. Panda (Biju Janata Dal), who was the Mission Leader, Mr. Anurag Singh Thakur (Bharatiya Janata Party) and Mr. Ijyaraj Singh, Ms. Mausam Noor and Mr. Muhammed Hamdullah Sayeed, (all from the Indian National Congress).

During their visit, the team also visited Nagoya, Ofuna (Kamakura) and Nagareyama city, and had a series of meetings with politicians, and representatives of political parties, industry and other institutions. The MPs also had the opportunity to meet and interact with the Indian diaspora.

The visitors received a briefing from Mr. Hemant K. Singh, the Indian Ambassador to Japan. They also had fruitful meetings and discussions with more than 25 members

of the Japanese DIET (Parliament of Japan), representing both the ruling and opposition parties, at various different fora during their stay in Japan, on several issues of bilateral and international importance.

Separate meetings were held with the International Bureau of the Democratic Party of Japan (DPJ), and with the Policy Planning Group of the Liberal Democratic Party of Japan (LDP).



Indian MPs in Japan: Hamdullah Sayeed, Anurag Singh Thakur, B. J. Panda, Mausam Noor and Ijyaraj Singh



Africa

Cape Verde



Dr. Shashi Tharoor, Minister of State for External Affairs, India, Jose Brito, Minister of Foreign Affairs, Cape Verde and P. Rajenderan, Chairman, CII Africa Committee -ICT & Skills Development Task Force & COO, NIIT Ltd

Mr Shashi Tharoor, Minister of State for External Affairs, India, participated in a CII interaction with Mr Jose Brito, Foreign Minister, Cape Verde, Africa on 19 November in New Delhi.

Mr Brito's visit marks the first ministerial visit to India by any leader from Cape Verde. Mr Tharoor expressed appreciation for Cape Verde's impressive record in terms of development index and transparency, and said the visit marks the beginning of a multi-pronged partnership.

Cape Verde is one of the few least developing countries (LDC) to rise up the development index. The country, an archipelago of small islands located in Macronesia in North Atlantic Ocean, is a favoured destination for refuelling of long haul flights.

Mr Brito spoke of his country's ambition to become a sea power. He invited investments into Cape Verde's free trade zone to access other overseas markets, given his country's strategic location. Cape Verde is free of corruption and 70% of the local population is educated, he said, inviting India to be its strategic partner in IT.

Mr P Rajendran, Chairman, CII Africa Committee Task Force on ICT & Skills Development, and Chief Operating Officer NIIT, called on Indian industry to pursue a deep engagement with the visiting delegation.

Egypt

A 22- member CII business delegation led by Mr. Sanjay Kirloskar, Chairman and Managing Director,

Kirloskar brothers, accompanied Mr. Anand Sharma, Minister for Commerce & Industry, India, during his visit to Egypt in October.

The multi- sectoral delegation pushed the agenda of deeper engagement with both Egyptian government and industry. The Indian Embassy in Cairo organised meetings with the Minister for Investment, the Ministry of Electricity & Power, (with a special emphasis on renewable energy) as well as the India Egypt Joint Business

Council. Specific opportunities in these sectors were discussed.



R. Swaminathan, Ambassador of India to Egypt, with the CII Business Delegation at his residence in Cairo

Mr Kirloskar and a representative of the Sanmar group also accompanied the Mr Sharma on his visit to the Prime Minister of Egypt.

The CII delegates had one on one meetings with representatives of the Egyptian Businessmen's Association and the Federation of Egyptian Industries. Several agreements and intents to work together have been initiated.

Mr Anand Sharma and Mr. Rachid Mohamed Rachid, Minister for Trade & Industry, Egypt, addressed a

gathering of local business persons and the delegation from India on 29 October. The two ministers stressed the need for continued dialogue and interaction on both sides. Mr. Sharma spoke of cooperation and the need for developing niche areas of expertise between the two countries. A strong message of friendship and further dialogue was given in this visit.

Sudan

The CII delegation traveled on to Sudan, and were joined by more members in the city of Khartoum. Under the guidance of Mr Deepak Vohrra, Ambassador of India in Sudan, the delegation interacted with more than 11 Ministers during their two days in the city.

The Ambassador apprised the delegation of the trying times that Sudan was going through, escalated by the UN sanctions imposed for the Darfur conflict.

He explained that southern Sudan has resources but no developed infrastructure. Opportunities are growing and we need to take advantage of them, he said.

Meetings with the Minister for Health, Minister for Agriculture and Forestry, Minister for Foreign Trade, State Minister for Finance & National Economy as well as a lunch hosted on the Nile by the Minister of Information and Technology, were the high points of the trip.

At a meeting with the Sudanese Chamber of Commerce & Industry, the MoU between CII and the Chamber was renewed. The MoU will allow for interaction in the areas of technology as well as strengthen interaction between the two institutions.

Sao Tome & Principe

CII organised an interactive session with Dr Carlos Alberto Pires Tiny, Minister of Foreign Affairs, Cooperation & Communities, Democratic Republic of Sao Tome & Principe, the first official from the country to visit India, on 30 November in New Delhi.



Dr. Shashi Tharoor, Minister of State for External Affairs, India, Dr. Carlos Alberto Pires Tiny, Minister of Foreign Affairs; Democratic Republic of Sao Tome & Principe, and Amb V B Soni, Member, CII Africa Committee & Chairman, Overseas Infrastructure Alliance (India) Pvt. Ltd

Dr. Shashi Tharoor, Minister of State for External Affairs, India, said that the new economic dynamism shown by Sao Tome & Principe in its oil industry should serve as a catalyst for India to strengthen its ties with this island nation. He urged the Indian business community to explore investment opportunities in the areas of hydrocarbon development, plantations, seaport infrastructure development, and healthcare, among others.

Dr Tiny, in his keynote address, said that Indian companies could set up operations in Sao Tome & Principe to address the growing markets of the Gulf of Guinea region, which he described as “our natural map”. The country is a mere three hours away from most Central African capitals and is just 48 hours away by sea from this entire region, and can act as a trading hub for Indian goods headed for other destinations, he said. He added that the \$570-million Fernoa Dias deep sea port project would make the country a major maritime hub for goods moving between Asia, Africa and Latin America.

Ambassador V B Soni, Member CII Africa Committee, and Chairman, Overseas Infrastructure Alliance (India) P Ltd, said that India is poised to enter Africa with a lot of vigour.

Asia

China

CII IBF & CCBC hold session

The CII-India Business Forum-China, in collaboration with the Canada China Business Council (CCBC), organized a session with Dr. Wendy Dobson, Professor and Co-Director, Institute for International Business, Rotman School of Management, University of Toronto, on 19 November in Shanghai. Dr. Dobson shared insights from her new book ‘Gravity Shift: How Asia’s

New Economic Powerhouses Will Shape the 21st Century.’ She provided a perceptive analysis of changing institutions, demographics, and politics and predicted India and China as economic powerhouses in the year 2030.

Dr Dobson’s work anticipates that by 2030, China’s economy will be larger than those of the United States, India, and Japan, though its population will be ageing and its growth slowing. India will also come

into its own, making major strides in modernizing its vast rural population, vanquishing illiteracy, and emerging as an innovative manufacturing powerhouse. A China-India free trade agreement could well become the foundation of a cooperative Asian economic community, she opined.

Leisure Exposition

The Consulate General of India, Shanghai, along with CII, organised the India Pavilion at the fourth China International Leisure Industry Exposition (CILIE)

held on 6-9 November at Hangzhou. The India Pavilion had eight companies from the travel, tourism and entertainment sector showcasing their products and services. Mr De Lei Ke, Chairman, International Leisure Organization, Ms Riva Ganguly Das, Consul General of India in Shanghai, and Mr Wang Jiyun, President, CCPIT Hangzhou inaugurated the India Pavilion. More than 80 international organizations and companies from 20 countries participated in the event.

CPAFFC delegation visits CII

A 3-member delegation of the Chinese people's Association for Friendship with Foreign Countries (CPAFFC) led by Ms Lin Yi, Secretary General, China-India Friendship Association and Director General, Asian-African Division, CPAFFC visited CII in New Delhi on 25 November. They had an interactive session with CII representatives.

CIC to Invest More

The China Investment Corporation (CIC), China's sovereign wealth fund, is planning to apply for another \$200 billion from the country's forex reserves for further investment. At present, CIC, which has a registered capital of \$200 billion, still has 50 billion yuan left for further overseas investment. The fund is expected to spend 50 billion yuan in investments



Dr Wendy Dobson presenting her book 'Gravity Shift: How Asia's New Economic Powerhouses Will Shape the 21st Century' to Riva Ganguly Das, Consul General of India in Shanghai

this year, ten times as much as last year. CIC also plans to set up its first international office in London.

Seminar in Changzhou

The Consulate General of India, in association with CII, the Changzhou Municipal Foreign Affairs Office, and the Foreign Trade Economic Cooperation Bureau organized the India China-Changzhou Business Seminar in Changzhou (Jiangsu Province) on 1 December.

Consul General Riva Ganguly Das led one of the largest

multi-sector Indian business delegations to Changzhou, including senior executives of leading Indian companies and banks from the Eastern China Region such as Axis Bank, Canara Bank, State Bank of India, Union Bank of India, BEML Ltd, BHEL, Larsen & Toubro Ltd, Essar Global, Mi-Ace CNC Machinery, Nanjing TATA Autocomp Systems Ltd, Asiatic Color-Chem Ltd, TKM Logistics, Infosys, NIIT, Mahindra Satyam, Dr. Reddy's Laboratories & Piramal Healthcare Ltd.

Mr Zou Hongguo, Deputy Secretary, Changzhou Municipal Committee of the CPC, conveyed the strong interest of his administration in deepening multifaceted cooperation with India. Mr. Gao Qing, Vice Mayor of Changzhou, said the joint initiative offered a unique opportunity to Changzhou to engage India even more closely and assured Indian companies of the Municipal Government's unstinted support.

Ms. Ganguly Das called for identifying specific new projects and developing success stories, delineating the sectors in which India and Changzhou could cooperate. She urged Changzhou companies to take advantage of the excellent investment climate in India. CII made a detailed presentation on India's economic strengths and the opportunities for Chinese



Wang Jiyun, President, CCPIT Hangzhou, Riva Ganguly Das, and De Lei Ke, Chairman, CILIE, at the inauguration of the India Pavilion at CILIE Hangzhou



Zou Hongguo, Deputy Secretary, Changzhou Municipal Committee of the CPC, with Riva Ganguly Das, Consul General of India, Shanghai companies in India, while select Indian companies made sectoral presentations.

Changzhou has been at the forefront of Jiangsu's economic development. With as GDP of US\$ 32.2 billion, it is seen as one of India's important partners in the province, with a strong foundation in core industries such as equipment manufacturing including rail transportation equipment, auto parts & components, construction machinery, agricultural machinery, power transforming & transmission equipment, machine tools, electronics & IT, new materials, new energy, textiles & pharmaceuticals.

A MoU of cooperation for exchange of delegations and promotion of closer business linkages was signed between CII and the Changzhou Foreign Trade & Economic Cooperation Bureau.

More than 30 Changzhou-based companies besides government officials and media representatives, participated in the seminar. One-on-one meetings between Indian and Changzhou-based companies were arranged. The delegation also visited the Changzhou National High Tech Development Park.



E B Rajesh, Chief Representative, CII, and Pan Dongling, Director General, Changzhou Municipal Bureau of Foreign Trade & Economic Cooperation signing the MoU

Huawei Wins BSNL Contract

Bharat Sanchar Nigam Ltd (BSNL) has placed an advance purchase order with Huawei of China for mobile equipment for 20 million GSM lines in the south zone. In the first phase, Huawei has been given a contract for eight million 2G lines.

\$120 Billion Fund for ASEAN

A \$120 billion fund that will offer loans to Southeast Asian countries in economic crisis will be ready as early as the end of the year, said Mr Zheng Xiaosong, Director General for International Affairs, Ministry of Finance, China. The fund was established in May by ASEAN and China, Japan and South Korea, and would be a supplement to the International Monetary Fund, which provides financing to members in economic difficulties. Japan and China will each contribute \$38.4 billion to the fund, South Korea \$19.2 billion and ASEAN nations the rest.

S.M. Krishna Meets Liu Qibao

Mr S.M. Krishna, Minister of External Affairs, India, met with Mr Liu Qibao, Member, Central Committee, Communist Party of China, and Communist Party Secretary of Sichuan Province, on 11 November in New Delhi. Both sides agreed to further develop friendly and cooperative relations.

Major Economic Indicators (October 2009)

CPI:	-0.5% (Oct), -1.1% (Jan-Oct)
Producer Prices for Manufactured Goods:	-5.8% (Oct), -6.4% (Jan-Oct)
Value-added of Industry:	16.1% (Oct), 9.4% (Jan-Oct)
Urban Investment in Fixed Assets (100 million yuan):	150710, up 33.1% (Jan-Oct)
Retail Sales of Consumer Goods (100 million yuan):	101394, up 15.3%
Total Trade:	\$1.76 trillion, down 19.9% (Jan-Oct)
Exports:	\$957.36 billion, down 20.5% (Jan-Oct)
Imports:	\$798.13 billion, down 19% (Jan-Oct)
Trade surplus:	\$159.23 billion, down 27.2% (Jan-Oct)
FDI:	\$7.1 billion, up 5.7% (October)
PMI (Non-manufacturing):	Rose to 62.1% (Oct)
PMI (Manufacturing sector):	Up to 55.2% (Oct)

RMB Trade Expands

The Bank of China (Hong Kong) Ltd announced that it has signed the agreements for clearing and settlement of Renminbi (RMB) trade settlement with a number of commercial banks in the ASEAN and other related regions and countries.

Yunnan Business Delegation

A 6-member business delegation led by Mr Ding Shaoxiang Secretary General, Yunnan, visited CII in New Delhi on 20 November and interacted with CII officials on areas of mutual cooperation.

China's Contribution to World Growth

According to Mr Cheng Siwei, Chairman, International Finance Forum, Beijing, if China reaches 8% growth this year, it would contribute to more than 20% of the world's economic growth.

Japan

GDP Grows 4.8%

Japan's economy surged by an annualized 4.8% in the July-September period. Gross domestic product in real terms grew 1.2% from the previous quarter on a seasonally adjusted basis. It was the second consecutive quarter for GDP to grow from the preceding three-month period. Exports rose 6.4% from the previous three-month period. The real GDP figures are recovering, but the value of GDP in the July-September period was only 531 trillion yen on an annualized basis. Nominal GDP, which is based on current prices, fell by 0.1%, or an annualized 0.3%, from the previous quarter.

Forex Reserves Swell

In October 2009, Japan's foreign exchange reserves increased by \$4.17 billion to reach a record \$1.057 trillion.

Mild Deflation

The Japanese government declared on 20 November that the economy is in a state of mild deflation, triggering fears that falling prices will affect wages and employment and undermine the incipient economic recovery. It is the first time since June 2006 that the government has acknowledged that the economy is experiencing deflation. "Even though the entire economy is picking up, the prospect is that a deflationary state will continue for a while," said Deputy Prime Minister Naoto Kan. Kan said the assessment reflected falling consumer prices, declining nominal GDP and sagging domestic demand.

Japan's Foreign Aid Up

Japan's official development assistance in 2008 rose 24.7% from the previous year to \$9.58 billion, marking the first increase in three years. The expansion in the dollar figure has been attributed to a stronger yen as well as increased contributions to conflict-torn countries such as Afghanistan and Sudan via international aid organisations.

South Korea

Foreign Reserves Grow

Korea's official foreign reserves in October reached US\$264.19 billion, an increase of \$9.94 billion from September, bringing it to the second highest point, after \$264.25 billion in March 2008. As of end September this year, Korea remained the 6th largest holder of foreign reserves in the world,

650,000 New Jobs

The South Korean government plans to create 650,000 new jobs by the end of the first half of next year. The jobs would be created in government offices and small- and medium-sized companies.

Key Rate Frozen at 2%

Bank of Korea would maintain the Base Rate at its current level of 2% for the inter-meeting period. Domestic economic activity has shown a recovering trend in the wake of improvement in the global economic situation. Exports, domestic demand and production have improved further.

Overseas Construction Orders

Amid the global financial crisis, Korea's construction companies have won orders worth \$32.3 billion as of November. The combined construction orders from overseas have topped \$30 billion for three straight years from 2007, mainly due to increasing demand from Middle Eastern countries.

Trade Balance in Surplus

South Korea's trade balance totaled \$3.79 billion in October 2009. Exports fell 8.3% year on year while Imports dropped 16.3%.

IT Trade Surplus

South Korea recorded a trade surplus of \$6.39 billion in the Information Technology sector for October, representing the second-highest figure since the government began keeping records in 1996. IT exports were up 0.7% year on year to \$12.04 billion, while IT imports slipped 10.9% year on year to \$5.66 billion.

South East Asia

ASEAN

- Japan and South-east Asia's 5 Mekong River nations (Cambodia, Laos, Vietnam, Myanmar and Thailand) convened in November for a summit at which Tokyo pledged more than \$5.5 billion in loans and grants to be disbursed in the next 3 years for projects ranging from regional highway links to water infrastructure and technological training. The Mekong region is a 'priority area' for Japan's official development assistance as it seeks to boost development in the resource-rich area.
- Religare is planning to launch a \$500 million pan-Asia fund targeted at emerging economies. A news report said the fund would mainly invest in Southeast Asian markets and partly in India, and majorly focus on the healthcare, diagnostic labs, hospital chains, financial services and consumer sectors. Religare will shortly open offices in Singapore, Bangkok and Kuala Lumpur.

Australia / New Zealand

- The Australian and New Zealand dollars fell against the US currency in November as global investors sold shares to reduce the chance of losses before the year-end.
- Australia's currency has risen 51 percent in the past 12 months against the greenback as the Reserve Bank of Australia became the first policy maker to increase borrowing costs twice this year.
- New Zealand's two-year swap rate, a fixed payment made to receive floating rates, which is sensitive to interest-rate expectations, increased two basis points to 4.34 percent.

Australia-India: Moving Beyond Cricket

CII organized a panel discussion on 'Evolving Australia-India Relations – Moving Beyond Cricket' on 6 November

in New Delhi, preceding the official visit of the Australian Prime Minister to India.

Dr Sanjay Baru, Consulting Editor and Editor-designate, Business Standard, said the two countries had not paid adequate attention in the past to promote a political and strategic relationship, but with increased economic cooperation, 'convergence of political and economic interests' has emerged between them. The important areas of cooperation that have surfaced recently are building of an 'East Asian Community' on the pattern of the European Community, Indian Ocean relations and Islamic terrorism.

Mr Peter Linford, Senior Trade & Investment Commissioner South Asia and Minister Commercial, Australian High Commission, said that the Australian government has made huge efforts in recent years to promote bilateral relations with India, which is evident from the several visits of Australian leaders to India in the past year. Lauding the efforts of the Indian government in handling the current economic crisis, he said a free trade agreement between the two countries was under study. He said that India had emerged as the 6th largest trade partner of Australia in 2008, compared to its 8th position the previous year. He termed the relationship between the two countries as obvious, vital and valuable.

Prof. Sadananda, Visiting Fellow, University of South Wales, Australia, suggested deepening relations through increased cooperation in mining, infrastructure, tourism, skill development and education. Mr Trehan, Advisor, Thiess India Ltd, urged the two countries to adopt the concept of 'move from cost to value'. Mr V K Mathur, CMD, Inapex Ltd said that India and Australia enjoy a very friendly relationship, with no political dispute to obstruct further growth in bilateral relations.

Visit of Australian Prime Minister

Mr Kevin Rudd, Prime Minister of Australia, while addressing a business session on 12 November in New Delhi, emphasized on the need for promoting multilateral links between the two countries. He said that beyond a passion for cricket, the two countries also share passion in exploring new business opportunities. India is already Australia's



Prof R Sadananda, Visiting Fellow, University of South Wales, Australia, Peter Linford, Senior Trade & Investment Commissioner South Asia and Minister Commercial, Australian High Commission, V K Mathur, CMD, Inapex Ltd, Dr Sanjay Baru, Consulting Editor and Editor designate Business Standard, and Kulbhushan Trehan, Advisor, Thiess India Ltd



Kevin Rudd MP, Prime Minister of Australia

fastest growing major two-way trading partner – trade in goods was worth nearly \$18 billion in 2008-09, he pointed out, adding that Australia's services exports to India were \$ 2.9 billion in 2008.

Mr Rudd was particularly excited about the prospect of new technologies to support green growth and address climate change. India is a founding member of the Global Carbon Capture and Storage Institute established by Australia to advance commercialisation of important climate technologies.

The Australia-India Strategic Research Fund – Australia's largest bilateral science fund – has also strengthened the ties between our best and brightest scientists.

Together, India and Australia can work to develop and trial commercially viable sources of renewable energy and low-carbon growth.

The Australian Prime Minister said a comprehensive, commercially-meaningful FTA between Australia and India could deliver substantial new market access for exporters and investors, and open up job opportunities in both countries.

Cambodia

- Minister of Commerce Cham Prasidh said bilateral trade between Cambodia and India had the potential to grow 10-fold. Cambodia's exports to India were worth just \$2.87 million in 2008 while India made \$53.45 million in return trade. Pharmaceuticals, fine chemicals, cotton, staple fibres, rubber products, precious stones and machinery make up the bulk of Indian exports to Cambodia.
- The London-based Business Monitor International reports that Cambodia's mobile-phone sector is expected to record 62% growth this year, more than the 42.5% in 2008. It was however unclear if this was based on a count of SIM cards issued or active users - an important distinction given the large number of Cambodians who swap among operators to get the best tariffs.
- According to the Council for the Development of Cambodia, chaired by Prime Minister Hun Sen, in the first 9 months of 2009 investment approvals were down by 82.2% y-o-y, to \$1.6 billion. The services and tourism sectors witnessed the biggest declines.

Indonesia

- President Bambang Susilo Yudhoyono said his administration would focus on eliminating corruption, overlapping regulations and bottlenecks to improve the investment climate, lift growth, and cut unemployment and poverty. His goal is to grow the economy by at least 7% by 2014. The president stated that Indonesia will need 2.1 trillion rupiah (\$223.23 million) of investments annually to reach the targeted growth. Sectors on the government's priority list include infrastructure, food, energy, industry and services, transportation and SMEs.
- Indonesia may ask for a delay in a free trade pact between ASEAN and China as it seeks a postponement for provisions on manufactured goods including steel products, textiles, petrochemicals and electronics, which, under the agreement, will see import duties on manufactured goods scrapped.
- Investment coordinating agency, BKPM, reported that FDI in Indonesia fell 30% y-o-y to 89.28 trillion rupiah (\$9.49 billion) in the first 10 months of the year.
- Indonesia's annual economic growth expanded for the first time in 5 quarters in Q3 2009. GDP expanded by 4.21% y-o-y, up from 4.04% in Q2 (which was its weakest annual growth in 6 years).
- Indonesia's exports, which account for 24% of the country's GDP, fell 19.9% y-o-y in September after dropping 15.4% the previous month.
- Jakarta expects the country's full-year exports to show a contraction of 20% from a year ago, revising an earlier forecast for a 30% contraction in shipments overseas.
- Indonesia's foreign exchange reserves stood at \$64.5 billion at the end of October.
- The Indonesian government is drafting a land acquisitions bill to facilitate clearing of land needed for infrastructure projects as well as provide for decent compensation to land owners.
- India Cements is reported to be acquiring a coal mine in Indonesia for \$20 million on a develop-operate-market model for captive purposes. The company said the mine would produce some 40,000 – 50,000 tonnes a month initially, to be ramped up to 100,000 tonnes per month after a year.

Laos

- The Laos Government has developed an Infrastructure Sector Development Strategy, the implementation of

which will need \$3.2 billion. The strategy involves projects for development and improvement of the road network, inland waterways, air transport, railways development both for cargo and passenger traffic, water supply network and urban development.

- The Ministry of Industry and Commerce plans to establish an industrial and trade park covering 110 hectares of area in Vientiane within the next six months. A Taiwanese investor has already signed an agreement with the Government for the park which will have 147 factories including assembly plants for bicycles, computers, garments, pick-ups, plastic products and shoes.

Malaysia

- Malaysia's biggest water treatment operator, Puncak Niaga Holdings Bhd, has formed a joint venture with India's Lanco Infratech Ltd, to jointly bid for the first package of the Hogenakkal Water Supply and Fluorosis Mitigation Project, called by the Tamil Nadu Water Supply and Drainage Board.
- Malaysia plans to introduce a 4% goods and services tax (GST) in 2011 to replace the present sales and services tax that is between 5% and 10%. Malaysia's budget deficit is running at 7.6% of its \$195 billion GDP this year. Its revenues reached a low of RM160 billion on lower oil prices last year amidst fears that this year's could dip lower. [Oil earnings contribute to about 40% of federal revenue].
- Malaysia's Energy, Green Technology and Water Ministry and state utility firm, Tenaga Nasional are fine-tuning a new energy policy aimed at cutting reliance on gas and coal. Malaysia will begin to introduce revised fuel subsidies by the end of the second quarter next year.
- Malaysian state automaker, Proton Holdings Bhd, said it was committed to entering the Indian market and is optimistic that it can complete partnership talks with a potential partner by early next year. The plans are to bring in completely knocked-down (CKD) units, which will be complemented with a high use of local content, given India's well-developed component industry.
- Malaysia's economy shrank 1.2% y-o-y in Q3 2009, after declining 3.9% the previous quarter, performing better than the median forecast of a 2% drop by Bloomberg. Economists say the 67 billion ringgit (\$20 billion) of stimulus measures in the past year together with lower unemployment and rising employment have supported private consumption and the wider economy. Industrial production fell the least in 11 months in September, and the export slump has eased from a 29.7% drop in May. Private consumption increased 1.5%. The \$195 billion economy is forecast to shrink 3% this year, less than an earlier prediction for a contraction of 4% to 5%, and expand as much as 3% in 2010, Prime Minister Najib Razak said.

- Malaysia's held its overnight policy rate at 2% to support the country's nascent economic recovery. Given that Malaysia plans to scale back public-sector spending to rein in its budget deficit next year to narrow the shortfall to 5.6% of GDP from a 22-year high of 7.4% in 2009, and wants to sustain the recovery momentum via private-sector spending, monetary policy will have to support the next leg of the recovery process, economists say.
- Malaysia's exports from January through September fell 23% to RM394.34 billion. Imports dipped 23.5%, resulting in a trade surplus of RM85.9 billion.
- Scomi Engineering Bhd has entered into a joint bidding agreement with India's Geodesic Techniques Pvt Ltd to build a 59-km monorail system in Bangalore to serve as a feeder system to the Bangalore Metro. Under the agreement, Scomi Engineering will be the technology partner and systems integrator for the monorail system. (The Malaysian firm is currently working on India's first monorail project in Mumbai.)
- Malaysia's International Trade and Industry Minister Mustapa Mohamed who recently led a trade mission to India said around 20% of his country's trade with India had been affected by the recession and hoped for a resumption of growth in bilateral trade by early next year.
- Malaysia's Marrybrown Family Restaurant, which recently celebrated its 10th anniversary in India plans to add 12 more outlets to its existing 30 restaurants in South India.

Singapore

- Singapore's GDP expanded a seasonally adjusted 14.2% in Q3 2009 compared to the previous three months, said the Ministry of Trade and Industry. On an annual basis, GDP was up 0.6%, revised down from the preliminary mark of 0.8%.
- Singapore's NODX fell a seasonally-adjusted 12.6% m-o-m in October, after climbing 2.9% in September and 1.2% in August, its biggest m-o-m drop since December 2002. On an annual basis, October's NODX fell 6.1%, disappointing analysts' expectations of a 0.2% upturn.

The International Enterprise Singapore attributed the drop to lower electronic and non-electronic domestic shipments.

- Singapore's Purchasing Manager's Index (PMI) for October showed manufacturing expanded again. The export orders index gained 1.8 points while the overall employment index was up by 0.5 points from the month before. Economists see good prospects for expansion in manufacturing activity in the coming months, given the low inventory levels of finished goods.
- The Monetary Authority of Singapore (MAS) has ruled that all real estate investment trusts (Reits) are now required to hold an annual general meeting (AGM) once every calendar year and not more than 15 months from the last preceding. The new rule kicks in on 1 January next year. The MAS said the requirement will enhance corporate governance for Reits.
- India's Ministry of External Affairs may soon grant visas-on-arrival to citizens from a select group of countries, including Singapore. The matter is still under consideration.
- Singapore Telecommunications (SingTel) has entered into a conditional share purchase agreement with the Bharti Group entity to buy an additional 7,30,000 issued shares in Bharti Telecom for an estimated Rs 30,084 billion. Increasing its effective interest in Bharti Airtel from 30.43% to 31.95%. Its effective interest in the promoter company, Bharti Telecom, will increase from 32.81% to 36.16%.
- Sembcorp Marine's Sembawang Shipyard (SS), and Kakinada Seaports, have tied up to form a joint venture company Sembmarine Kakinada Ltd (SKL), to establish and operate a marine and offshore facility on India's east coast between Vishakhapatnam and Chennai Port. SembMarine, through SS, will hold 19.9% of the JV's initial investment of \$50 million, with an option to increase its stake to 40%.
- Air India said it will review its ground handling agreement with SATS if the latter dilutes its stake in their 50:50 venture to join another firm in India. According to sources, the AI-SATS joint venture agreement does not provide for SATS joining hands with another firm. PTI, citing official figures, said AI revenues have dipped significantly since the AI-SATS ground handling company started operations at the new Bangalore and Hyderabad airports.

Thailand

- Thailand's recession eased further as the economy shrank just 2.8% y-o-y in Q3 2009 compared with

-7.1% in Q1 and -4.9% in Q2 this year. On a q-o-q seasonally adjusted basis, GDP grew 1.3%, continuing from a 2.2% growth in Q2, to signal a clearer sign of economic recovery. The National Economic and Social Development Board, said 'GDP was better because of good export and tourism figures and government policies to stimulate investments.' The government expects the economy to return to growth in the fourth quarter. Thai manufacturing production in September climbed unexpectedly for the first time in 11 months, and exports in October dropped 3% - the least in 11 months, as the more than \$2 trillion in stimulus by governments worldwide helped revive global demand.

- Thailand's exports may grow 3% to 5% in Q4 this year to help narrow the contraction for the full year to between 13% and 15%, said Commerce Minister Porntiva Nakasai, who anticipates shipments overseas to grow 10% to 15% next year. Imports fell 17.5% in October and the trade surplus narrowed to \$1.76 billion in October, from \$1.98 billion the previous month.
- Rice exports from Thailand may increase to a record of more than 10 million tonnes next year, fuelled by demand from India, the Thai Rice Exporters Association said. India, the world's second-biggest grower, is in talks with Thailand and Vietnam to secure rice supplies and may become a net importer for the first time in two decades, as drought is anticipated to cut its rice harvest by 18%. The government has already requested to buy 2 million tonnes of 25% white rice from Thailand. India's demand for the grain is also expected to raise Vietnam's sales to 6 to 6.2 million tonnes, exceeding a previous record by 20% this year. A government source said Thai rice would be priced about \$30 a tonne higher than rice from Vietnam. However, there is an opportunity to sell at a lower price under an assistance programme.
- Thailand-based hotel chain, Six Senses Resorts & Spa, wants to have a property in India operational within the next 3 years and is reportedly in advanced discussion for a project in South India. It is also exploring opportunities to develop its Destination Spa brand through a third party management route and is in discussion with hotel chains across India for this. Plans are also in the pipeline to develop a spa training centre.

The Philippines

- Philippine economic growth held near a decade low last quarter, growing 0.8% y-o-y in Q3 2009, markedly below the expectations of economists who gave a median forecast of 1.9%. Experts say "monetary policy would have to take over as the driver of GDP growth"

as the country's whopping budget deficit gives the government little fiscal room to pump prime.

- Finance Secretary Gary Teves said the Philippines is looking at a worst-case deficit of \$6.5 billion for 2009, adding that the budget shortfall would 'likely' be \$6.07 billion. Exports of goods and services, which account for about a third of the Philippine economy, dropped 13.6% y-o-y in peso terms in Q3 2009. Consumer spending, which contributes to about 70% of GDP, rose 4% in the last quarter. Remittances (accounting for about a tenth of the economy) from the more than 8 million Filipinos living abroad, rose 6.9% in peso terms in Q3.
- The India-Philippines 9th Policy Consultations and 3rd Security Dialogue were held in Manila on 29-30 October. The Indian delegation was led by Mr. N Ravi, Secretary (East) in the Ministry of External Affairs (MEA) and India's Ambassador to ASEAN, and included Dr. Neena Malhotra, Director (South), MEA, and Mr. Rajeet Mitter, Ambassador of India to the Philippines. Mr. Enrique A. Manalo, Under Secretary in the Department of Foreign Affairs led the Philippines side.
- At the conclusion of the meetings, a cheque of \$ 100,000 from the Government of India in favour of the National Disaster Coordination Council was handed over by Mr Ravi for the continuing relief measures being undertaken for those affected by the typhoons.

Vietnam

- The State Bank of Vietnam (SBV) effected a 5.4% devaluation on its currency to regain some control over its foreign exchange. This is Vietnam's third currency devaluation in less than two years, and is targeted at helping exports to subdue a growing trade deficit.
- In a surprise move, the SBV also raised the

benchmark interest rate by 1% to 8% to combat inflation which accelerated the same month, making it the second Asian country after Australia to raise borrowing costs. Consumer prices leapt 4.35% y-o-y in November driven by faster-than-targeted credit expansion, quicker economic growth and higher oil prices.

- Vietnam's Ministry of Industry and Trade said the country's industrial production value was estimated to have climbed 7% y-o-y in the first 10 months of the year. It said all sectors in general reported higher growth in October compared to September.
- Vietnam has commenced construction of an international container port in central Khanh Hoa province. The \$3.6 billion Van Phong port will have 42 wharves and be able to handle up to 200 million tonnes of cargo annually. The project is targeting completion in 2020.

Events

- 2 November, Chennai: Session with YB Dato' Mustapa Mohamed, Minister of International Trade and Industry, Malaysia
- 5 November, New Delhi: Panel discussion on India-Australia relations with CNBC TV 18
- 5-6 November, Singapore: CII Southern Region Education mission to Singapore
- 5 – 6 November, New Delhi: Dr Loke Wai Chiong, Programme Director, Health and Wellness Programme Office, Ministry of Health (MOH), Singapore, addressed the 6th India Health Summit. Participation from Ministry of Health and MOH Holdings Pte Ltd in the Summit
- 19 November, Mumbai: CII interaction with Deputy Minister of Industry and Trade, Vietnam.



Dato' Wahab Hamid, Deputy Director General II, Malaysian Industrial Development Authority; Dato' Tan Seng Sung, High Commissioner of Malaysia to India; Dato' Mustapa Mohamed, Minister of International Trade & Industry, Malaysia; J.N. Amrolia, Chairman, CII Task Force for International Business Promotion & Network; and Dato' Noharuddin Nordin, Chief Executive, Malaysia External Trade Development Corporation

Europe

France

Government & Politics

President Sarkozy's trip to Berlin to mark the 20th anniversary of the fall of the Berlin wall, which triggered the eventual collapse of USSR, and his invitation to Prime Minister Merkel to commemorate the armistice marking the end of World War 1 were meant to revive the flagging Franco-German cooperation which has acted as the driving force of European integration. Wooing Germany did help Mr Sarkozy achieve his European goals; to have a pliant president and secure the important portfolio of Internal Markets in the new EC for the French nominee, Mr Michel Barnier. Despite his early preference for Mr Tony Blair for the president's job, working in tandem with Ms Merkel, Mr Sarkozy managed to put the French-knowing Belgian Prime Minister, M Rampuy in the post.

On the internal front, addressing the unrest in his own party, the President publicly acknowledged that some of his actions were ill considered. He also drew attention to his achievements at the mid-point of his presidential term: several reforms initiated and more on the anvil despite the world economic crisis, swift and decisive response to that crisis, which helped France do relatively better than other countries in coping with it and come out of recession quickly, and pledged to continue with difficult structural reforms such as pensions. The litmus test would be the regional polls in March 2010.

Economy

As Europe slowly crawls out of recession, the forecast for French GDP growth for 2010 has been revised upward to between 1-1.5%, confirming that France has done relatively well in the economic crisis. But the high level of national debt, 68% of GDP in '09, likely to rise further, and the 8% fiscal deficit as against the EU limit of 3%, are serious concerns and it is unclear how they will be tackled post crisis.

The OECD has criticised plans for €35bn National Bond for investing in long term research and development projects to raise growth; instead it suggested less government expenditure. The plan's architects themselves warned against using proceeds to reduce the current deficit and wanted matching savings in government expenditure. Under pressure, France has now agreed to revert to 3% cap on budget deficit by 2012, one year earlier than foreseen. Robust consumer spending, due to government measures to combat the crisis like cheap

credit, has so far been driving growth, but when those end, problems might begin, particularly as the number of jobless is rising very fast.

Business & Industry

- Nuclear giant Areva finally chose to sell its non-core transmission business to French duo Alstom-Schneider for €4.09 bn, raising cries of foul from foreign bidders like GE!
- Facing €2.8 bn debt, the multimedia group Thomson sought judicial protection for a restructuring plan.
- At taxes and social charges amounting to 65.8% of profits, France was ranked 163rd of 183 countries surveyed by the World Bank
- Luxury group PPR is expected to raise €900 mn from floating CFAO, its African distributor, in the biggest recent public offering.

India

- French tyre maker Michelin signed a MoU with the Tamil Nadu Government to set up a \$ 870mn plant in Chennai by 2012.
- Minister Borloo visited India to discuss climate change ahead of the Copenhagen Summit; President Sarkozy met Prime Minister Singh in Trinidad, where, too, this subject was discussed.
- The French threat to impose a carbon tax on imports from countries not agreeing to emission reductions, though probably a negotiating tactic ahead of Copenhagen, does target India.
- Renault and Bajaj announced a JV to produce a small car to rival Nano, at a still lower price.
- A team from Olivaint, a composite think tank, visited India. CII organised interactions for them in Delhi and Mumbai.
- The Rotary Club invited the CII Advisor to speak on Indo-French relations.

Germany

One month after her reelection, Chancellor Angela Merkel was the centre of attention when world leaders gathered in Berlin to celebrate the 20th anniversary of the fall of the Berlin Wall, the end of more than 40 years of Cold War and the non-violent end of the Iron Curtain.

However after the festivities, the fragile economic recovery after the most severe downturn in almost a century and a budget deficit nearly out of control

brought the German Government back down to earth. Ms. Merkel insisted on putting growth before fiscal consolidation and promised € 24bn a year in tax cuts to help recovery.

At the same time the new Minister of Finance pledged to bring the public sector deficit back under 3% (to fulfill EU's fiscal rules) which will force the new government to drastically cut spending. It is however not quite clear how they plan to do both. There is an internal dispute now between the coalition partners over the tax reform plans.

Another contentious problem under discussion is health insurance reform. Discussions on reforms in tax and health insurance are ongoing.

The Chancellor was forced to reshuffle her cabinet less than one month into her second term. The Minister of Defence had to resign as he played down the high number of civilian casualties caused by a NATO – airstrike ordered by Germany in Afghanistan. Now the new Minister of Labour is Ms. van der Leyen, the earlier Minister of Family, and Ms. Köhler, 32, an unknown MP, will take over the Ministry of Family.

Economy

German business confidence developed unexpectedly in November to the highest since August last year. The sharp rise in the IFO's business climate index strengthened expectations of robust German growth in the final month of this year.

The recovery of the German economy continued in the 3rd quarter. GDP grew 0.7% in comparison to Q 2, however it was 4.7% lower than last year. Export drives the German recovery, as about 47% of the total industrial output is shipped abroad. The forecast for 2009 shows a GDP-decline of 4.9% and for 2010 a growth of 1.4%.

Germany will extend the temporary subsidy (Kurzarbeit-scheme) for companies that retain redundant workers for another year, which will cost the government more than € 5bn.

This measure has to be seen in connection with the government's concern about a possible sharp rise in unemployment over the coming months. The unemployment rate is about 7.6% this year but expected to rise to 9,2% next year.

Businesses

Banks

The fear is that banks have been so weakened that they will be unable or unwilling to lend money in sufficient

volume to the commercial sector, causing a new credit crisis that will stop an economic revival. Experts expect banks' provisions against losses on loans to customers to peak in 2010, which will restrict the banks' ability to lend.

Banks would try to replace and increase their capital reserves while restricting the growth of assets. In fact, some foreign banks have virtually withdrawn from the German market. Altogether there will be less lending volume available for corporates.

The German government claims that troubled banks should use "bad banks" into which they can transfer unwanted assets freeing resources to continue lending. But most banks have ignored this possibility in the past. Now Westdeutsche Landesbank has agreed to offload € 85bn of bad assets.

Automotive

The German government and Opel's workforce reacted furiously when GM decided to retain Opel and to skip the plan to sell Opel to Magna (Canadian) and Sberbank (Russian). Now GM has promised a more independent Opel. It aims to get funding to restructure the car-maker from several European governments. GM plans to reduce the Opel – workforce of 5400 in Germany (total 24300) but not to shut down any of the 4 plants.

Daimler has started to move production to low cost countries. The first step is to shift parts of the production of its best selling Mercedes (C-Class) to the US. The Union mobilized more than 10,000 Daimler workers to protest against this move.

VW surpassed Toyota as the world's largest carmaker in November. Its supervisory board gave the go-ahead for the takeover of Porsche and agreed on a € 26bn three year investment programme. Porsche itself reported a € 4,4bn loss in this year.

In November, the German car industry manufactured 494000 vehicles, 9% more than last year. Exports showed a 13% increase.

Heavyweight vehicles are still lagging behind in this development: Manufactured units were down 30 % and exported were down -37%.

Other Industries

New orders in the German Electrical and Electronic Industry failed their 2008 level by 20% in September. Although the downturn has slowed perceptibly, this development is mainly driven by large orders from abroad.

Germany's largest electrical engineering group warned of a "decoupling" of expectations of capital markets and industrial realities: It will take many years for industrial output to return to 2007 levels.

A hefty write-down on its 50% stake in Nokia Siemens Networks caused a € 1bn loss in the fourth quarter of its financial year.

The German machinery industry does not see any improvement as sales shrank again in September by 30 % in comparison to September last year.

India's Foreign Investment Promotion Board rejected the planned tie – up between the EADS Franco-German aerospace and defence group, and Larsen & Toubro, India's biggest private defence contractor, to form a joint venture to supply electronic systems, avionics and radars, as it would exceed the current defence sector cap of 26 % on FDI.

New Business as Economy Rebounds



Guenther H Oettinger, Minister-President, State of Baden-Wuerttemberg, Germany, (centre) with Salil Singhal, Chairman, CII MSME Council (left) and Satish K Kaura, Chairman, Samtel Color Ltd

CII organised a session on 'India-Germany: New Business as Economy Rebounds' with Mr Guenther H Oettinger, Minister-President of the State of Baden-Wuerttemberg, and Minister for Federal and European Affairs and Business Promotion, Economics and Finance, Germany on 17 November in New Delhi. A German business delegation of 120 large and medium enterprises accompanied the Minister-President.

Mr Thomas Matussek, German Ambassador to India, stated that growth in Indian exports to Germany show a shift from traditional products like textiles and leather to sophisticated technology and equipment. Between 2000 - 2007, 84 Greenfield Indian investments were monitored in Germany. Indian companies were involved in at least 55 mergers and acquisitions in Germany during this period. In 2008 alone, Indian firms invested

an estimated US\$ 1.8 billion in Germany, up from US\$ 80 million in 2006, he said. Naming automobile components, renewable energies and pharmaceuticals as the prominent sectors of Indian investment in Germany, Ambassador Matussek said that there are bright prospects for German companies in India's infrastructure, renewable energies and healthcare sectors.

Mr Andreas Lapp, Honorary Consul of the Republic of India in Baden-Wuerttemberg, who is also Chairman of the Board of LAAP Holding AG, shared his experience and success factors of doing business in India. He said it is time to explore more joint ventures in India, where infrastructure has improved, finance facilities are available and the market is huge, the only work required is personnel search.

Similarly, Mr Satish K Kaura, CMD of Samtel Color Limited shared his company's experience of being in Germany. He said that the Indian engineering

industry went through a very significant paradigm shift and moved on in quality, innovation, productivity and became more competitive and started looking at markets beyond India, Indian companies found Germany an entry point. Many Indian auto companies have invested in Baden-Wuerttemberg in Germany, Mr Kaura said, expressing satisfaction with his experience in Germany.

Mr Oettinger said that Baden-Wuerttemberg maintains intensive economic relations with India and foreign trade has developed dynamically. Around 350 Baden-Wuerttemberg companies (out of 1800 German companies) have a firm foothold in India, 86 companies have a branch and 61 have production plants. Many medium-sized enterprises from Germany-particularly from the economically strong south west-are right now thinking about additional involvement in India.

Mr Oettinger suggested that a dialogue be initiated with Indian professionals on "Professional Education in Dual Systems", which covers vocational training for technical professionals. The objective would be the joint development of a "train-the-trainer programme" for India and the corresponding curricula for Indian vocational schools and training courses.

Malta

CII, with Malta Enterprise, organized a business forum on 'Doing Business with Malta' on 26 November in New Delhi, on the occasion of visit of a high-level business delegation from Malta.

Mr. Wilfred Kenely, Malta High Commissioner, spoke of the many potential areas of cooperation between India and Malta, and said this kind of business forum would help find new ways to boost bilateral trade and investment while strengthening the old ones.

Mr. Alan Camilleri, Executive Chairman, Malta Enterprise, and leader of the visiting business delegation, presented the existing opportunities in Malta for Indian firms in sectors like tourism, ICT, health, maritime, financial services and film production. Additional incentives in Malta included an educated and skilled workforce, access to 26 member states of EU and liberal laws and taxation policies, he said.

Mr Ravi Bhoothalingam, Chief Executive, Manas Advisory



Alan Camilleri, Executive Chairman, Malta Enterprise and Ravi Bhoothalingam, Chief Executive, Manas Advisory Pvt Ltd during the MoU signing in New Delhi

Pvt Ltd. said that Malta is considered one of Europe's profitable investment locations. Economic and commercial linkages between northern and southern countries of the Mediterranean make Malta an ideal base for the growth of sectors like ICT, Tourism, Shipping, and Film Production, he added

Ms. Helga Ellul, President, Malta Chamber of Commerce, Enterprise & Industry, invited Indian industry to visit Malta and explore business opportunities there.

CII signed two MoUs, with Malta

Enterprise, and the Malta Chamber of Commerce, Enterprise & Industry, respectively, during the business forum. The session also witnessed B-to-B meetings between Indian and Maltese companies, representing sectors like ICT, pharmaceuticals, manufacturing, renewable energy, trade associations and financial and legal services.

Earlier, on 23 November, the delegates participated in an interaction in Mumbai.

Middle East & the Gulf

Sharjah, UAE

At the invitation of the Consulate General of India in Dubai, CII organised a 10 member business delegation to Sharjah on 17 -18 November. The visit was on the occasion of the India-Sharjah Business and Cultural Forum, jointly organised by the Consulate General of India, Dubai, the Sharjah Chamber of Commerce & Industry and the Indian Business & Professional Council, Sharjah.

Dr Siddhartha S Roy, Economic Advisor, Tata Group, presented 'An Overview of the Indian Economy and Industry' on behalf of CII at a seminar on 'India and Sharjah – Partners in Progress' on 18 November. The seminar was attended by more than 150 businessmen



CII delegation with Dubai Export Development Corporation Officials from Sharjah and Dubai.

During their visit, the delegates met the Dubai Export Development Corporation (EDC) on 17 November. The EDC and CII have agreed to work together to promote bilateral investment and trade relations.

The CII delegation was led by Mr Rajinder Malhan, Executive Director, Ashok Leyland Ltd.

Latin America & the Caribbean

Mexico

CII, in collaboration with its MoU partner, the India-Mexico Business Chamber and Embassy of Mexico in India, organized an interaction with a multi-sectoral CEOs delegation from Mexico on 26 November in New Delhi.

The high-level delegation was led by Mr Eduardo

Arrangoiz Crespo, Managing Director, responsible for the Regional Board of Directors, BBVA Bancomer Bank. BBVA Bancomer (a holding company affiliate of Banco Bilbao Vizcaya, Argentaria) is one of Europe's leading financial groups.

The delegation was in India to explore prospects for project partnerships in the agro and food processing



Eduardo Arrangoiz Crespo, Leader of the Delegation & MD, BBVA Bancomer Bank; Miguel Landeros Volquarts, President, West Pacific, India-Mexico Business Chamber and V K Mathur, Chairman, Inapex Ltd, in New Delhi

industry, mining, chemical, consumer products, engineering, manufacturing, real estate development, infrastructure and IT sectors.

Mr Jaime Nualart, Ambassador of Mexico in India was the Guest of Honour at the interaction which was presided over by Mr. V K Mathur, Chairman, Inapex Ltd, on behalf of CII.

The programme included a sequence of presentations on Brand India, the Indian Economy, Doing Business with India, followed by series of presentations on sectors of interest and a Q&A session. The programme concluded with one on one meetings between the visitors and CII members.

SAARC

Bangladesh

Dr Dipu Moni, Minister of Foreign Affairs, Bangladesh, met Mr Chandrajit Banerjee, Director General, CII at the Commonwealth Business Forum preceding CHOGM, on 25 November in Trinidad & Tobago.



Chandrajit Banerjee, Director General, CII with Dr Dipu Moni, Minister of Foreign Affairs of Bangladesh

Bhutan

CII and the Bhutan Chamber of Commerce and Industry (BCCI) have set up a Joint Task Force. KPMG was asked to prepare a report outlining ways and means to enhance economic cooperation between India and Bhutan, and to identify investment opportunities in Bhutan.

The KPMG report has identified 11 sectors for Indian investment in Bhutan: Environment Management, Hospitality and Tourism, Agro – processing, Non-timber forestry, Horticulture, Medicinal Plantations, ICT and ICT-enabled services, Education, Telecommunications, Automobiles and Pharmaceuticals.

To obtain a copy of the report, please contact: sudha.sridharan@cii.in

SAFTA

Trade and Commerce Ministers from the South Asian Free Trade Area (SAFTA) Member States held the fourth



Tarun Das, Chief Mentor, CII and Amb. Kuldip Sahdev, Chairman, CII Maldives Committee receiving Mohamad Nasheed, President, Maldives in New Delhi

meeting of the SAFTA Ministerial Council in Kathmandu, Nepal on 28 October. The Commerce Ministers of all SAARC countries except Pakistan attended the meeting. At the meeting, the Member States discussed possible modalities for reducing their respective sensitive lists and for the progressive liberalization of trade in goods at the end of the on-going trade liberalization programme (TLP). During negotiations on trade in services, Member States also agreed to progressively cover a majority of services sectors in accordance with the objectives of Article V of the WTO General Agreement on Trade in Services (GATS).

Sri Lanka

The Board of Investment, Government of Sri Lanka, has announced the following new incentives on investments in Northern and Eastern Sri Lanka.

I. Greenfield Projects

Projects/Sector	Min. Investment	Min. Employment	Tax Holiday
Textile & Apparel Products	Rs. 40 Mn	100	15 years
Food & Beverages, Wood Products, Paper & Paper Products, Rubber & Plastic Products, Fishing Boats & Fishing Gear	Rs. 40 Mn	50	15 years
Hotels, Tourism & Recreation	Rs. 40 Mn	25	15 years
Rice Mills, Ice Manufacturing Plants & Cold Rooms	Rs.15 Mn	20	15 years
Dairy Farming & Livestock Development, Cultivation & Processing of Fruits & Vegetables	Rs. 15 Mn	20	20 years

II. Revival of Sick Companies

The above concessions will also be available for revival of a sick company located in the Eastern Province, provided a new company is set up with the acquisition of the assets of a sick company.

III. Other Concessions

Capital Goods and construction materials are permitted to be imported duty free. Export Oriented Projects with a minimum 80% exports may also import raw materials duty free.

For more details please contact the Board of Investment of Sri Lanka, World Trade Centre, West Tower, 26th Floor, Echelon Square, Colombo 01, Sri Lanka, Tel: 0094-11-2427000, Fax: 0094-11-2422407. Website: www.boi.lk

United States of America

US Aerospace Delegation

An Aerospace Delegation from USA, led by Ms Karen Zens, Deputy Assistant Secretary, US Dept of Commerce, visited Hyderabad on 13 November. In an interactive session with CII members, the visitors discussed how to expand Indo-US commercial ties and joint venture business opportunities between the countries. The session was also addressed by Mr. Busi Sam Bob, Principal Secretary, Industries & Commerce, Andhra Pradesh and Mr. Cornelis Keur, Consul General, US Consulate in Hyderabad.



Karen Zens, Deputy Assistant Secretary, US Dept of Commerce addressing CII members in Hyderabad

US Aerospace Supplier Development Mission

CII coordinated an interactive session with the US Aerospace Supplier Development Mission and its Defence and Aerospace committee members on 9 November in New Delhi. The interaction was held to facilitate the establishment of business linkages of US Aerospace companies with their Indian counterparts.

2nd US-India Energy Efficiency Conference

As a part of the US-India Energy Dialogue, CII organised the 2nd 'US - India Energy Efficiency Technology Cooperation Conference' on 16-17 November in New Delhi, jointly with the US Department of Energy, US Agency for International Development and the Ministry of Power, Government of India. The focus of the Conference was- 'Smart Grid, Buildings and Industries.'

The conference explored the barriers to the implementation of energy efficiency in India, illustrated ways to overcome such barriers, and delineated approaches of how energy efficiency markets could be triggered in India in the buildings and industrial sector. The conference also aimed to establish business linkages and facilitate trade between Indian and US companies in the field of energy efficiency in industry and buildings.



Devender Singh, Jt Secretary, Power, India, M Erin Soto, Mission Director, USAID / India, Harishankar Brahma, Secretary, Union Ministry of Power, India and Thomas Cutler, Acting Director, Office of European & Asian Affairs, US Dept of Energy

East

Chhattisgarh**Rajyotsav & Enterprise Chhattisgarh 2009**

1 – 7 November, Raipur

CII Chhattisgarh and the Chhattisgarh State Industrial Development Corporation successfully organized Rajyotsav & Enterprise 2009 to showcase the industrial potential of the state and provide an opportunity for forward linkage for the art and craft industry of Chhattisgarh. The seven-day show, inaugurated by Mr S L Narashimhan, Governor of Chhattisgarh in the presence of the Chief Minister and other ministers of the state, had 200 stalls from various sectors, and attracted more than 5 lakh people. Coinciding with Enterprise Chhattisgarh, a separate exhibition, organised to showcase and promote the art and crafts of Chhattisgarh, drew more than 7 lakh visitors.

Green Buildings

14 November, Raipur

CII Chhattisgarh and CII Godrej Green Business Centre organised a session to generate awareness about Green Buildings.

Jharkhand**Conference on Technology & Innovation**

10–12 November, Jamshedpur

The theme of the conference on Technology & Innovation was 'Connecting Leaders in Metal, Mining & Manufacturing.' Mr. Anand Sen, Vice President, TQM & Flat Products, Tata Steel, was the Chief Guest.

Soccer Training for Tribal Girls

30 November – 6 December, Jamshedpur

CII Jharkhand State Council organized a week-long soccer training programme for tribal girls.



Soccer Training Programme for Tribal Girls

OrissaP K Mohapatra,
Commissioner-
cum-Secretary,
IT, Orissa**ICT Orissa 2009**

6 November, Bhubaneswar

CII Eastern Region in association with the Department of IT, Orissa, organised ICT Orissa 2009 with the central theme of "Moving Ahead with Innovation". Mr. Pradipta Kumar Mohapatra, Commissioner-cum-secretary, IT, Orissa was the Chief Guest.

Opportunities in Vietnam

10 November: Bhubaneswar



Seminar on Trade, Investment & Tourism Opportunities in Vietnam

A delegation from the Vietnam Embassy, led by Mr Vu Quang Diem, Ambassador of Vietnam to India, participated in a Seminar on Trade, Investment & Tourism Opportunities in Vietnam.

Fight against Terrorism

26 November, Bhubaneswar

On the first anniversary of 26/11, CII Orissa in association with Yi Bhubaneswar a session on "Fight against Terrorism" to focus on the role of society and industry to combat terrorism. The session concluded with candle lighting in homage to the martyrs of 26/11.

Enterprise Orissa 2009

20 – 24 November, Bhubaneswar

Enterprise Orissa 2009, the largest industrial and consumer fair of Orissa, was inaugurated by Mr Naveen Patnaik, Chief Minister of Orissa. Organized jointly by CII Eastern Region and the Government of Orissa, the Fair, spread over an area of 5000 sqm, with more than 200 stalls, had dedicated zones for Education and MSMEs, and an IT & Telecommunication Pavilion. Enterprise Orissa 2009 also featured parallel sessions on Soft Skill Training, Food Processing Industry, Industry Institutional



S S Nandurdikar, Chairman, CII, Orissa Naveen Patnaik, Chief Minister of Orissa, and Mukul Somany, Chairman, CII Eastern Region

Partnership, among others. The CII report on 'Skill Gap Analysis of Orissa/ was unveiled at the inaugural session of Enterprise Orissa 2009.

West Bengal

Rural Marketing Conclave

11 November, Kolkata



Release of CII – Technopak Knowledge Paper on 'Towards a Better Connect with Rural India'

Rural India is the backbone of the ever-growing Indian economy. Rural consumer products marketing demands thoughtful strategizing and significant insights into the contemporary rural marketing environment and consumers. The 'Rural Marketing Conclave featured the release of a CII – Technopak Knowledge Paper on 'Towards a Better Connect with Rural India.'

Indo – ASEAN FTA

13 November, Kolkata

CII Eastern Region in association with the WTO Cell, West Bengal, organised a seminar on 'Indo-ASEAN Free Trade Agreement: Impact Analysis' to explore opportunities in trade with ASEAN, investment opportunities and import threats from ASEAN countries, and business strategies to cope with these challenges.

Siliguri – Looking Ahead

17 November, Siliguri

A session on 'Siliguri – Looking Ahead' was addressed by Ms Gangotri Dutta, Mayor, and Mr Nantu Pal, Deputy Mayor, Siliguri Municipal Corporation.

Seminars on Climate Change

19 November, Kolkata

25 November, Siliguri



Seminar on Climate Change

A Seminar on 'Climate Change Business Forum 2009' was held to build awareness on climate change issues and opportunities for industries and entrepreneurs to promote strategies for low-carbon opportunities. A preliminary finding of CII-PWC study on 'Climate Change in West Bengal: An Outlook' was also presented at the seminar.

Sir Richard Stagg, British High Commissioner, Mr Sailen Sarkar, Minister for Environment, West Bengal, Dr. Tapas Gupta, Scientist, West Bengal Pollution Control Board, Mr. Nils Medenbach, Vice President, First Climate, Mr Debal Roy, Chief Environment Officer, West Bengal, Philip Douglas, First Secretary, Climate Finance and Technologies, Climate Change and Energy Unit, British High Commission, and Mr. S. P Gon Chowdhury, Managing Director, West Bengal Green Energy Development Corporation, besides others.

As part of its Climate Change Initiative, CII West Bengal also announced five district level awareness workshops in the districts.

In Siliguri, an awareness session on Climate Change dealt with sharing, discussing and learning about the extent of impact of Climate Change brought about by GHG emission and deliberated on how industry and business should adapt to the changes in a world governed by high demand for energy and technology driven production.

Interaction with Dr Timothy M Stearns

23 November, Kolkata

CII Eastern Region organized an interactive session with Dr Timothy M Stearns, Founder & Executive Director of the Lyles Center for Innovation and Entrepreneurship at California State University under the Thought Leader Lecture Series. Dr Stearns spoke on Entrepreneurship and Innovation as the key for business success.

Symposium on Safety

24 – 25 November, Kolkata

In the man machine environment, there are high risks of injury or fatality due to lack of safety awareness at different levels. With the pressure of increased production and

expansion of industrial capacity, the number of fatalities is going up every year. Today safety is just not a concept or practice; it is also recognition of dignity of work. Mr. Pratim Chatterjee, Minister for Fire, West Bengal, was the Chief Guest at a two day Symposium & Exposition on Safety.

IFRS – Are we prepared?

28 November, Kolkata

In line with global trends, the ICAI has proposed convergence with IFRS for certain defined entities for the accounting period commencing on or after 1 April 2011. To explore the challenges and opportunities in IFRS convergence, CII Eastern Region in association with Union Ministry of Corporate Affairs, and the National Foundation for Corporate Governance organised a seminar on 'International Financial Reporting Standards: Are We Prepared?'

Kidex Poster Drawing Competition

29 November, Kolkata

CII Eastern Region is organizing Kidex - a unique initiative for the young generation from 31 December 2009 – 3 January 2010. As a prelude to the main event, a Poster Drawing Competition was held for school children.



CII Kidex Poster Drawing Competition for School Children

North East



Vu Quang Diem,
Ambassador of
Vietnam to India

Opportunities in Vietnam

12 November, Guwahati

A delegation from the Vietnam Embassy in New Delhi, led by Mr Vu Quang Diem, Ambassador of Vietnam to India, met CII members in Guwahati. The team, comprising of Mr Phung Trong Tuan, Economic Counsellor, Mr Nguyen Trong Kien, Second

Secretary and Mr Do Trong Hieu, Commerce Attache, made presentations on Indian investment opportunities in Vietnam, Vietnam-India trade and Vietnam's tourism and cultural mosaic.

The discussions led to the observation that the North-east and Vietnam could work through a collaborative approach in various sectors including IT, oil and gas, agriculture, fisheries, food processing and healthcare.

Mr Diem requested Dr Bhupati K Das, Chairman, CII Assam State Council to lead a industry delegation to Vietnam.

Skill Gap Analysis for Assam

20 November, Guwahati

The industrial landscape of Assam is going through a transformation heralding new investments in existing, new and emerging sectors. There is a great demand for skilled human resources on one hand and a perceptible absence of employable workforce to cater to this economic upswing on the other hand. Interactions with a cross-section of stakeholders reveal that there



K K Mittal, Principal
Secy, Labour &
Employment

is significant gap in the skill sets currently available in the non-university sector, which constitutes a high percentage of the work force in the state.

CII is conducting a Skill Gap Analysis for the state of Assam. As a part of this initiative, a roundtable discussion based on the initial findings of the report, was organised to understand the issues encompassing skill development in the state.

The participants, ranging from facilitators to sectoral experts and end-users, deliberated on solutions and models of effective and efficient skill delivery system. The roundtable focused on the emerging sectors for the state including IT, tourism, healthcare, agriculture and food processing, construction and light manufacturing, handloom and textile, oil and gas, and media and entertainment.

A key outcome was the suggestion to introduce a grading system for training institutes in the state. Advocacy of the existing schemes of the government for promoting Skill Development was another.

Earlier, Mr K K Mittal, Principal Secretary, Labour and Employment, Assam, described the various schemes laid out by the government for promoting skills training in the state. He also presented the State Government's perspective on planned and anticipated industrial growth sectors. The session was chaired by Mr Shantikam Hazarika, Director, Assam Institute of Management.

North



Subhodh Bhargava,
Past President, CII
Chairman, Tata
Communications
Ltd., & Wartsila
India Ltd

Chandigarh

CEO Series

4 November, Chandigarh

“Indian industry has not been able to leverage the full potential of Information Technology. If integrated into business especially for analysis and decision making, IT can take industrial growth to another level,” stated Mr Subodh Bhargava, Past President, CII, & Chairman of the Board, Tata Communications Limited and Wartsila

India Ltd, at the ‘CEO Series.’ in Chandigarh. R&D and Innovation are other two critical enablers, he added.

Competition Law and its Enforcement

7 November, Chandigarh

Calling for focused attention on implementation of various laws and rules in their true spirit, Dr. S. F. Rodrigues, PVSM VSM, Punjab Governor and Administrator, Chandigarh, said that India is on the threshold of being among the best economies of the world but we have to reorient our policies to make them compatible to world standards and create opportunities to empower our people.

Mr Manpreet Singh Badal, Finance Minister, Punjab, said that competition brings about economic welfare. He lauded the efforts of the Government of India for its efforts towards an open economy since 1990. Mr Y Saboo, Past Chairman, CII Chandigarh requested the Competition Commission of India to look into the recommendations submitted by CII.

Mr Justice T S Thakur, Chief Justice, Punjab and Haryana High Court; Dr Justice Arijit Pasayat, Former Judge, Supreme Court of India, and Chairperson, Competition Appellate Tribunal; and Mr Dhanendra Kumar, Chairman, Competition Commission of India, also spoke.

HIV / AIDS Workplace Intervention

13 November, Chandigarh

CII Northern Region organized an Advocacy cum Training Programme on HIV/AIDS for Industry in the premises of IDS Infotech.

IT CEOs Forum Meeting

24 November, Chandigarh

Members of the IT CEOs Forum discussed issues like the current scenario in the IT sector, increasing attrition in the sector in the region, cost competitiveness vis

a vis countries like Vietnam and Argentina, and new projects.

Export Credit Insurance

24 November, Chandigarh

Mr S Roy Chowdhury, Branch Manager – Chandigarh, Export Credit Guarantee Corporation of India Ltd made a detailed presentation on ECGC of India and its services to IT companies. Noting that payments for exports are open to risks even at the best of times, he said export credit insurance protects exporters from risks, both political and commercial, and enables them to expand their overseas business without fear of loss.

Griffith as a Business Destination

18 November, Chandigarh

Addressing members at an Interactive Session with Griffith City Council, Australia, Mr John Dal Broi, Managing Director, Joncondon Pastoral Company & Obledo Management Trust and Former Mayor, Griffith City Council, said the Council would help in providing support, contacts and advice to prospective investors, with targeted information and infrastructure. Mr Peter Brooks, General Manager, Griffith City Council, said, “Nurturing the long term sustainability of international students is mandatory for us. We want to establish a strong friendship bond to assist in growing cultural, technical and education exchange programmes.”

Delhi

HR Best Practices

12- 13 November, Mumbai



HR Mission members at Classic Stripes Pvt Ltd

CII Delhi State Council organised a two-day Study Mission to Mumbai on showcasing Hr Best Practices. The 15 - HR mission members visited Procter & Gamble Ltd, Cadbury India Ltd, Classic Stripes Pvt Ltd and ICICI Bank Ltd.

Panel Discussion on Construction Equipment

12 November, New Delhi

A Panel Discussion on 'Enhancing Capacities of Construction Equipment for Up-Scaling Infrastructure Development' highlighted how equipment and technology can help enhance the capabilities of construction and contracting companies, which in turn help the infrastructure sector as a whole. Mr Chetan D Sanghi, Managing Director, Delhi State Industrial & Infrastructure Development Corporation, was the Chief Guest.

Engineering Innovation in Manufacturing

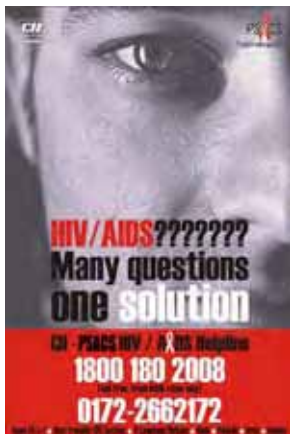
17 November, New Delhi

A seminar on 'Engineering Innovation in Manufacturing,' discussed innovative approaches to reduce costs and increase employee productivity and safety.

Toll Free Calling Service on HIV/AIDS

20 November, New Delhi

CII has started a toll free service on HIV/AIDS in English, Hindi, Urdu and Punjabi. BSNL/MTNL users can call on 1800-180-2008, while other networks can dial 0172-2662172 to speak to counsellors and seek information regarding HIV/AIDS.



A session was organised by the International Labour Organisation (ILO), Delhi State Aids Control Society (DSACS) and CII to sensitise corporates and society about HIV/AIDS.

Haryana

First-ever CII Agri Conclave

29-30 November, Hisar

Farmers from all parts of Haryana and adjoining states, academia from various R&D institutes, CEOs and managers from agri companies participated in the first-ever Agri Conclave & Agro Max 2009, organised by CII Northern Region in collaboration with the Government of Haryana. Mr Bhupinder Singh Hooda, who was the Chief Guest, called for a 'Second Green Revolution' to double agricultural production by 2020 and urged agricultural scientists and industry to come out with innovative techniques. The two day exposition at the Agri Conclave showcased the latest agricultural practices and technologies. Kisan Goshthis were held for the 3000+ visiting farmers to discuss farm productivity



Bhupinder Singh Hooda, Chief Minister, Haryana inaugurating the exhibition at Agri Conclave

and income through presentations, discussions, films and other aids.

Himachal Pradesh

Technology & Innovation Management

11-12 November, Shimla

The workshop on Technology & Innovation Management focused on innovation management; technology for economic development; technology evaluation; pricing and negotiation; and creation and management of intellectual property rights. The workshop was organized in association with the IHBT Council of Scientific and Industrial Research and the HP State Council for Science, Technology and Environment.

Meeting with Secretary – Steel

30 November, Shimla



CII Himachal Pradesh Members with Atul Chaturvedi, Secretary-Steel CII HP State Council Members met Mr Atul Chaturvedi, Secretary – Steel, Government of India, to discuss setting up of secondary steel units in the State by central PSUs. It was discussed that efforts would be made to enter into an arrangement with private parties under which SAIL would supply the basic raw material and entrepreneurs would set up units to convert it into various products. SAIL will also provide the market for the finished goods. Ms Asha Swarup, Chief Secretary, Himachal Pradesh, and her team of senior officials, the Chairman, Steel Authority of India Ltd, the Chairman and Managing Director, Rashtriya Ispat Nigam Ltd, and

the Chairman and Managing Director, National Mineral Development Corporation, were also present.

The request of CII members regarding the establishment of RINL Steel Depot in or around Baddi was also discussed.

Punjab

Interaction on Industry

4 November, Jalandhar

CII organised an interaction with Mr Manoranjan Kalia, Minister for local Bodies and Industries and Commerce, and Mr S S Channy, Principal Secretary, Industries & Commerce, Punjab, on the new Industrial Policy for the State. Mr Kalia outlined his priorities and plans for the revival of Industry in Punjab, while Mr S S Channy shared salient features of the new policy.

CII- PTU MoU on Employability

4 November, Jalandhar

CII and PTU have inked a MoU to bridge the skill gap prevailing in the state. Mr Gunbir Singh, Chairman, CII Punjab State Council, and Dr Rajnish Arora, Vice Chancellor, Punjab Technical University, Jalandhar, signed



Rajneesh Arora, VC, PTU, and Gunbir Singh, Chairman, CII Punjab State Council

the MoU, which will not only help create an employable workforce for industry but also significantly increase employment avenues for the youth.

Discover the Power Within

19 November, Amritsar

An energy-packed entertaining transformational NLP seminar on 'Discover The Power Within - A Fire Walk Workshop' conducted by renowned NLP trainer, Mr. P.S Rathore, focused on self control, emotional stability, stress resistance, and self management.

Business Mission to Israel, Egypt & Dubai

16-20 November

A high powered delegation led by Mr Parkash Singh Badal, Chief Minister of Punjab, visited Israel, Egypt and Dubai to strengthen business associations with Punjab. The Chief Minister said his state was emerging as a preferred investment destination, especially with the new investor-friendly industrial policy. Mr. Gunbir



Prakash Singh Badal, Chief Minister of Punjab, at the WATEC conference in Israel

Singh, Chairman, CII Punjab State Council, called for tie-ups in providing infrastructure for potable drinking water in rural areas. In addition, he sought investment in infrastructure, education, hospitality and realty sector projects.

Awareness Session on Green Buildings

24 November, Ludhiana

CII, in association with Indian Green Building Council (IGBC), which is a part of CII-Godrej Green Building Centre (GBC), Hyderabad organized an awareness session on the scope of Green Building concepts in India for leading builders, architects and planners.

Developing Cold Chains

30 November, Jalandhar

The seminar on 'Cold Chain Development: Affordable Technologies In The New Paradigm' discussed how government, industry, farmers and academia could partner for setting up a robust cold chain infrastructure in Punjab to catalyse industrial and farm sector growth. Mr N S Kang, Financial Commissioner, Development, Punjab was the Chief Guest.

Rajasthan

Interaction with Revenue Secretary

6 November, Jaipur



P V Bhide, Revenue Secretary

To provide greater clarity on the intent and purpose of the proposed Direct Tax Code, and to facilitate greater transparency, simplification of processes and compliance, CII Rajasthan organized an interactive session with Mr P V Bhide, Revenue Secretary, Union Ministry of Finance. Mr Arbind Modi, Joint Secretary, Union Ministry of Finance, and Mr C S Kahlon, Member (L&C), Central Board of Direct Taxes, also joined the discussions.

Infra Conclave Rajasthan

12 November, Jaipur



C S Rajan, then Principal Secretary – Industries, Rajasthan, Vinayak Chatterjee, Chairman, CII National Council on Infrastructure, and Chairman, Feedback Ventures and Pradeep Kumar, CEO, India Infrastructure Finance Company Ltd

“The Delhi-Mumbai Industrial Corridor Development (DMIC) has huge potential for Rajasthan as 40% of the dedicated freight corridor will pass through 25 of the 32 districts in the state,” said Mr Amitabh Kant, Chief Executive Officer, Delhi-Mumbai Industrial Corridor Development Corporation, at CII’s Infra Conclave Rajasthan 2009. The programme discussed the Delhi Mumbai Industrial Corridor, Integrated Industrial Townships, Special Economic Zones, and Paradigms of Next Level Urban Infrastructure, such as Roads, Highways, Connectivity, PPP in Infrastructure Development & Financing, etc.

The conclave was also addressed by Mr Vinayak Chatterjee, Chairman, CII National Council on Infrastructure & Chairman, Feedback Ventures, Mr Daisuke Matsushima, Senior Director, Japan External Trade Organisation (JETRO); Mr G S Sandhu, Principal Secretary, UDH & LSG, Rajasthan; Dr Dinesh Goyal, Principal Secretary, PWD, Rajasthan; Dr L B Singhal, Director General, Export Promotion Council for EOUs & SEZs, India; Mr C S Rajan, Principal Secretary – Industries, Rajasthan and Dr Purushottam Agarwal, Commissioner, Bureau of Investment Promotion, Rajasthan, as well as industry leaders.

Uttar Pradesh

Making Lucknow a premier IT-BPO Hub

26 November, Lucknow



Anoop Mishra, Industrial & Infrastructure Development Commissioner, UP, Chandra Prakash, Principal Secretary, IT, UP, Prof Kripa Shankar, VC, UPTU, and Jayant Krishna, Vice Chairman, CII UP, and Principal Consultant, TCS

‘IT-BPO Destination Lucknow’ was a platform for industry, government and academia in the region to share best practices and build strategies for soliciting industrial investments into the city. Mr Anoop Mishra, Industrial & Infrastructure Development Commissioner, UP, Mr Chandra Prakash, Principal Secretary-IT, Prof Kripa Shankar, Vice Chancellor-UPTU, and Mr Jayant Krishna, Vice Chairman, CII UP, and Principal Consultant, TCS, participated in the conference along with representatives of IT-BPO companies from Lucknow.

Uttarakhand

Industrial Development & the Environment

4 November, Dehradun

Mr Rakesh Oberai, Chairman CII Uttarakhand State Council, in his presentation at the Workshop on Industrial Development and Environment Protection in Hilly Areas, said the economic development of the hills has to be driven by green industry and economic activity based on local resources. The key drivers of such development can be high value added agriculture including herbal and aromatic plants, tourism, micro and mini hydel, service based industry, education and ICT, he said. He called for making Uttarakhand a carbon-neutral state, and encouraging Green entrepreneurship and construction.

IT enabled Single Window System

5 November, Dehradun

In a meeting with Mr P C Sharma, Principal Secretary, Industrial Development, Uttarakhand, and Mr S C Nautiyal, Additional Director, Department of Industrial Development, Mr Rakesh Oberai, Chairman CII Uttarakhand emphasized the need to implement an IT-enabled Single Window System in the state. Mr Rahul Mullick Director – eGovernance Advisory, KPMG also joined in the discussion. CII would shortly submit a proposal for a study on designing an appropriate IT-enabled system in the state.

Green Buildings

19 November, Dehradun

A training programme shared best practices on Green Buildings and imparted knowledge on Green Building concepts and the LEED India NC rating system.

Meeting on Goods and Service Tax (GST)

25 November, Dehradun

CII Uttarakhand State Council met Mr C S Semwal, Additional Secretary, Finance, Uttarakhand to discuss aspects of the proposed Goods and Service Tax such as status of consensus amongst states, Single GST vs Dual GST and issues related to IGST.

South

Foodpro 2009

29 October – 1 November, Chennai



Inauguration of Foodpro

The 8th edition of Foodpro, a biennial event on Food Processing featured a 4 day exhibition, a conference and an awareness programme on the Food Safety and Standards Act.

Inaugurated by Thiru Veerapandi S Arumugam, Minister for Agriculture, Tamil Nadu, the exhibition showcased the state-of-the-art technology and products of 155 companies from India as well as abroad, in the food processing sector. More than 5000 business visitors, around 15000 plus trade visitors and over 200 new products were unveiled at the exhibition, which also hosted a slew of new product launches and live baking demonstrations.

The conference on 'Growing with Food, The Evergreen Business' was addressed by eminent speakers such as Ms Vinita Bali, Managing Director, Britannia Industries Ltd and Mr Bob Milligan Chairman, US Chamber of Commerce and Chairman, M.I. Industries Inc.

Foodpro 2009 was strongly supported by Indian Institute of Crop Processing Technology (IICPT), an R&D institute under the aegis of the Union Ministry of Food Processing Industry (MOFPI, as well as a number of other organisations.

CII Education Mission to Singapore 2009

5 - 6 November, Singapore



CII Education Mission in Singapore

The Education Sub-Committee of CII Southern Region organised a two day Education Mission to Singapore to understand emerging trends in the Higher Education Sector in Singapore, share and discuss best practices and collaboration possibilities, benchmark global education, seek new ways of enhancing the education system in India, and explore other relevant areas of cooperation.

The mission visited Nanyang Technological University, National University of Singapore, the Ministry of Education, Management Development Institute of Singapore and Singapore Management University.

Estate South 2009

13-14 November, Chennai



Estate South 2009, Chennai

Supported by Confederation of Real Estate Developers Association of India (CREDAI), the conference, based on the theme 'South India Real Estate-The Way Ahead, analysed the market opportunities and challenges in the real estate sector. The sessions were: Who Moved My Lease?; Money Matters; Sustainable Developments: Going Green & Staying Green 2009; Alternate Revenue Generation from PPP Models: Is real estate the answer; Taxation & Implications; and Affordable Housing in India.

Engineering Innovation in Manufacturing

19 - 20 November, Chennai

The conference showcased successful innovations by Indian and international manufacturers, and set the agenda for future innovation in India in order to achieve manufacturing excellence. The participants were also part of a special Unconference on the Innovation Agenda for Indian Manufacturing, moderated by Booz & Co, USA. The programme also included a special address by Swami Sukhabodhananda, Founder Chairman of Prasanna Trust, who spoke on the role of the Individual in Innovation.

Business Promotion Mission to Sri Lanka

23 - 24 November, Chennai

A two day business promotion mission visited Sri Lanka



Mission Delegates at the World Trade Centre, Sri Lanka

to identify business, investment, joint venture and trade opportunities in sectors like Agriculture, IT/BPO/KPO, Auto Components, Telecom/Broad Band, Gems and Jewellery, Power Projects, Construction, Infrastructure, Food Processing, Export and Marine Products.

The members interacted with senior officials from Indian High Commission in Sri Lanka, Board of Investment of Sri Lanka, and the Ministry of Indigenous Medicine, as well as bodies like the Ceylon Chamber of Commerce, Indo-Lanka Chamber of Commerce & Industry Committee, Ernst & Young, key industrialists and businessmen.

IR Issues for HR Managers

16 November, Chennai

The workshop created awareness on current IR trends in industry, with a focus on developing strategic talent at the work force level; importance of metrics to measure the competencies of the HR system in an organisation; legal implications on IR issues; the emerging differences in the IR scenario; the dynamics of IR issues for outsourced employees; and simplifying the current documentation procedures.

QC Conventions

November 2009

The Southern Region states of Andhra Pradesh, Karnataka, Kerala, Puducherry and Tamil Nadu conducted the 22nd Annual State Level Quality Circle Conventions towards strengthening the quality movement in India. The 15 winning teams at the state level: Bharat Electronics Ltd, Hyderabad, Sundaram-Clayton Ltd, Apollo Tyres Ltd, Perambra, HCL Infosystems Ltd, WABCO-TVS (India Ltd), Bharat Heavy Electricals Ltd, Hyderabad, BEML Ltd, Carborundum Universal Ltd, Rane Brake Lining Ltd, Ashok Leyland Ltd, Visakhapatnam Steel Plant, TVS Motor Company, Mysore, Apollo Tyres Ltd, Kalamassery, Poclairn Hydraulics Pvt. Ltd and Hi-tech Arai Ltd, will compete at the regional level at the Quality Circle Convention- Regional Finals.

Andhra Pradesh

Housing for All

7 November, Hyderabad

The seminar, organized in association with CREDAI enabled members to interact and deliberate on various issues of ranging from fiscal and regulatory concerns to PPPs in Housing, and the Role of Technology.

CII Hyderabad Cluster

11 November, Hyderabad

Mr. B T Bangera, Chairman, CII Cluster Forum – Southern Region and Mr. Mahesh K Desai, Convenor, CII AP MSME Panel, shared the experiences and benefits of last year's Cluster Project and invited members to join the new cluster project in Hyderabad.

Interactive Session on Iran

11 November, Hyderabad

An interactive session was organized with Dr Mohammad Nahavandian, Chairman, Chamber of Commerce, Industries and Mines of Iran and the accompanying high profile business delegation, for CII membership to explore joint venture business opportunities between the two countries.

Understanding the Direct Tax Code

12 November, Hyderabad

Mr. P V Bhide, Revenue Secretary, Government of India, discussed issues relating to the Direct Tax Code, and was keen to know industry's opinion about the proposed Code.

Session on Commercial Taxes

12 November, Hyderabad

Several issues were collected and submitted to Ms. Ranjeev Acharya, Commissioner, Commercial Taxes, Andhra Pradesh. These included transition from VAT to GST, denial of input credit tax, inter-state works contract, supplies to SEZs, high rate of VAT on furnace oil and light diesel oils and removal of input tax credit facility for the same, availing tax deferment, input credit taxes on capital goods, status of tax benefits under schemes like tax holidays etc.

Karnataka

Annual CFO Conference

13 November, Bangalore

The conference, based on the theme 'Road to Recovery- The CFO's Role' presented key takeaways and learnings from the recent economic downturn, with a focus on the strategies that worked for CFOs in these challenging times in transforming finance for greater value creation.

Karnataka Power 2009

18 November, Bangalore

Organized in partnership with the Government of Karnataka, the conference showcased the opportunities available for private sector investment. Private sector initiatives were presented on franchisee models, smart grids, generation through biogas, automation in distribution and renewable energy.

Kerala

Goods and Services Tax (GST)

26 November, Kochi

The session was organized to help Industry understand the GST and its likely impact. Mr K Vaitheeswaran, Chairman, Working Group, CII (SR) & Advocate and Tax Consultant made a detailed presentation on GST. Mr S Sankaran, Past Chairman, CII Kerala, shared industry perspectives while Mr H Muhammed Basheer, Assistant Commissioner, Commercial Taxes, Kerala, presented the Government perspective.

Puducherry

Trends in Industrial Relations (IR)

17 November, Puducherry



Round Table Meeting on Trends in Industrial Relations

Highlighting the IR scenario in the current economy, the session discussed amendments to the existing labour law which would be shared with the Government.

Toyota Production System

18 November, Puducherry

Mr K R Shivakumar, Senior Counsellor, CII Institute of Quality, Bangalore made a detailed presentation on the 4Ps of Toyota namely: Philosophy, Processes, People & Partners and Problem-solving. In addition, concepts of JIT, TPS, Takt, Single piece flow, Kanban, Heijunka, Importance of visual control, Andon, Work practices, Partnership Approach, People practices etc. were also discussed.

Zones

Chennai

Energy Conservation- Green Chennai

18 November, Chennai

The conference discussed ways and means to reduce energy consumption, create models where existing larger / old buildings in the city are made energy efficient through retro fitment; harness new and renewable technology through affordable schemes; and to create sustainable models for public and private partnerships.

Public Transport

19 November, Chennai



Enrique Penalosa, former Mayor of Bogota, Colombia, Ma Subramanian, Mayor of Chennai and Rajesh Lakhoni, Commissioner, Chennai

The interactive session helped members understand new ways to transform Chennai's public transportation into a truly world class system. The discussions with Mr Enrique Penalosa, Former Mayor of Bogota, Colombia, revolved around integration of various components of the existing system and new ways to optimize and enhance its facilities.

Building a Safe Chennai

20 November, Chennai



Session on Building a Safe Chennai

At the session, around 40 Managing Directors, CEOs, Presidents and senior representatives from CII member companies interacted with Mr T Rajendran, Chennai Police Commissioner, and volunteered to form a core group to work together towards building a Safe Chennai.

Coimbatore

Go Green, Think Green and Do Green!

21 November, Coimbatore

Organized in association with the CII Sohrabji Godrej Green Business Centre, the session promoted the concept of Green Buildings provide a green environment for people to live, learn, work and entertain.

National Conference on Pumps

20 – 21 November, Coimbatore



CD Release at the National Conference on Pumps, Coimbatore

The third edition of the event, organized in association with the Southern India Engineering Manufacturers Association and the Indian Pump Manufacturers Association, focused on Energy Efficiency in Pumping Systems. The key speaker was Dr Ajay Mathur, Director General, Bureau of Energy Efficiency, Ministry of Power.

Water Management

24 November, Coimbatore

The workshop, addressed by Mr Anshul Mishra Corporation Commissioner, Coimbatore, explored new ways for business to think about water.

Karur

Session on Manufacturing Excellence

12 November, Karur

With the focus on Cost Optimization to achieve manufacturing excellence, Mr B Sathyanarayanan, Sr. Consultant, Nihilent Technologies, Pune made a presentation highlighting cost management, production management using lean sigma principles and methodologies, product design and material management.

Trichy

Brainstorming Session with IMA Members

24 November, Trichy

The session discussed the scenario in the Healthcare Industry and the challenges faced by doctors, with senior

officials from the Indian Medical Association.

Mysore

Open House with Ramky Enviro Engineers

5 November, Mysore

The open house meeting was organized to seek clarifications and resolution of issues relating to disposal of hazardous waste.

Visit to SME Unit

23 November, Mysore

SME entrepreneurs from in and around Mysore visited Best Cartons to understand their best practices to enhance productivity.

Thoothukudi



Kazuo Minagawa, Consul General of Japan, Chennai with CII members

Japanese Investments in Thoothukudi

19 November, Chennai

CII Thoothukudi members led by Mr PSS K Raja Sankaralingam, Chairman, CII Thoothukudi, visited Chennai to showcase Thoothukudi as an attractive destination for Japanese investments, at a meeting of the Japan Chamber of Commerce & Industry and the Indo-Japan Chamber of Commerce & Industry there.

Manufacturing Excellence Mission

27 November, Chennai

CII members from Thoothukudi and Erode members visited Wheels India Ltd and DELL India Ltd to learn from the manufacturing practices followed in these organizations and implement them to achieve competitiveness and manufacturing excellence.

Vijayawada

CII Vijayawada Cluster

10 November, Vijayawada

West



Dr C B Vig,
Representative,
Malta enterprise

the new cluster project in Vijayawada.

Interaction on Malta

3 November, Vadodara

Dr Dr C B Vig, Representative of Malta Enterprise, made a presentation on the wide range of business opportunities available in Malta and also informed the delegates present about business, legal and other supportive environment present there.

CII Industry – Institute Interaction Series

3 & 12 November, Rajkot

The interactions created awareness about CII, its activities and its vision of India@75.

Meeting with UDISHA Team

4 November, Ahmedabad

CII met the UDISHA (Universal Development of Integrated Employability Skill through Higher education Agencies) team to chalk-out the roadmap for the Skill Development Initiative in Gujarat.

Interaction with Labour Commissioner

10 November, Gandhinagar

A CII delegation represented the issues related to the implementation of several aspects of labour laws in the state to Ms Vatsala Vasudevan, Labour Commissioner. Ms Vasudevan promised to get back to CII on these concerns shortly. CII also agreed to partner the office of the Asst Labour Commissioner, Vadodara to promote the self certification scheme in filing returns.

Gems & Jewellery Leadership Forum

13 November, Surat

Ms Kalpa Rachh, Director, Contact Tech Solutions Pvt. Ltd, spoke on 'Family Business and HR' with reference to the gems and jewellery industry.

Effective Presentation Skills

14 November, Vadodara

The workshop focused upon understanding communication in the context of formal organisations viz-a-viz different target audience. It exposed the participants to various means of putting forth view points effectively in a multi cultural environment.

Interaction on GST

20 November, Ahmedabad

After the release of the White Paper on GST on 10 November by the Empowered Committee of State Finance Ministers, an interactive session was organised

to seek the inputs and suggestions of CII members in Gujarat.

'Power of Kaizen'

20 November, Ahmedabad

The workshop described the Kaizen strategy that calls for never-ending efforts for improvement involving everyone in the organization – managers and workers alike. This Japanese management philosophy promises big rewards through continuous incremental change. Indian businesses are now adopting Kaizen to emerge as global competitors.

Industrial Automation

21 November, Vadodara

The seminar discussed the business opportunities emerging from technological advances in the field of industrial automation. Case studies of successful entrepreneurs who have made it big in the field of industrial automation were shared.

3rd Gujarat Tourism Summit

21 November, Ahmedabad



Release of CII- PwC Report on 'Gujarat Tourism in 2015'

The 3rd Gujarat Tourism Summit 2009: 'Discover the Mystical Odyssey of Gujarat' witnessed the release of the CII - PwC Report on 'Gujarat Tourism in 2015.' A CEO's Interactive Roundtable on the 'Way Ahead for Gujarat Tourism' moderated by Bloomberg UTV, brainstormed on the challenges and opportunities for building sustainable growth in tourism for Gujarat.

CII-TDD Programme for Employment

23 November, Rajpipla

CII is a partner to the Tribal Development Department of Government of Gujarat for making tribal youths employable. Under the CII – TDD Gainful Employment Programme initiated in February 2008, 500 SC/ST youth in 16 batches at various places in Narmada and Navsari districts have benefited from this skill development training programme. Training for the 17th and 18th batches has been launched at Rajpipla.

Entrepreneurship Development

26 November, Gandhinagar

The CII- Entrepreneurship Development Institute (EDI) Lecture Series is designed to inform the students of the NGO Management Programme at EDI about the fast changing scenario in the social development sector.

Senior Expert Service, Germany

26 November, Vadodara

CII organised this session to enable SMEs from Vadodara to access the services of Senior Expert Service (SES), Germany, which provides the expertise of retired German technical professionals on assignment basis.

Madhya Pradesh

Krishi Vikas 2009

6 – 8 November, Indore



Dr Ramakrishna Kusmariya, Minister for Farmer Welfare & Agriculture Development, Madhya Pradesh, inaugurating Krishi Vikas 2009

Inaugurating Krishi Vikas 2009, CII's first major event in Madhya Pradesh for the agriculture sector, Mr Ramakrishna Kusmariya, Minister for Farmer Welfare and Agriculture Development, Madhya Pradesh, announced that the State will come out with a organic farming policy soon. Stating that increasing farm output or productivity is not a solution by itself, he said the focus should be on small farmers and at the same time making agriculture a profitable enterprise. He urged farmers to take up additional occupations such as horticulture, dairy farming, fish farming etc., to cushion the impact of crop failure due to any reason.

Krishi Vikas 2009 featured live on field demonstrations of tractors with implements, and free Soil Testing.

The conference discussed topics like Commercialization of Agriculture, Emerging Trends and Technology in Agro Industry, Policy Framework for Agriculture Development and Financing Options and Risk Management.

Finishing School Initiative

17 November, Indore

CII and the Institute of Professional Education & Research (IPER) signed a MoU on a Finishing School Initiative at Bhopal.

The finishing school will impart necessary soft skills to students from the weaker sections of society to improve their employability, guided by industry experts and professionals.

Brainstorming Session on GST

18 November, Indore

The session was held to collect suggestions and comments from Industry on the Goods & Service Tax.

Maharashtra

Manufacturing Summit

5 & 6 November, Mumbai

Addressing the CII Manufacturing Summit, Prof C K Prahalad, Paul and Ruth McCracken Distinguished University Professor, Ross School of Business, University of Michigan, USA, said that continuous development of new business models, engineering intensive manufacturing, intelligent products and embedded software are an integral part of manufacturing.

Mr Jamshyd Godrej, Past President, CII, Summit Chairman, and Chairman & Managing Director, Godrej & Boyce Mfg Co Ltd, stated that there is considerable opportunity for augmenting the composition of Manufacturing in India's GDP. The CII Manufacturing Council is taking various initiatives to enable industry to place itself on a higher growth trajectory, he said, reiterating the need to focus on climate change and inclusion concurrently.

Dr Naushad Forbes, Chairman, CII Western Region, noted mentioned that the overall perception towards



Prof. C K Prahalad, Ross School of Business, University of Michigan, addressing. Also seen: Naushad Forbes, Chairman, CII (WR), and Director, Forbes Marshall Pvt. Ltd and Jamshyd Godrej, Past President, CII, Chairman, Manufacturing Summit, and CMD, Godrej & Boyce Mfg. Co. Ltd.

manufacturing has transformed in the last seven years.

The summit explored areas where India Inc has tremendous potential to emerge as a leader in manufacturing. The aim was to prepare companies for capitalizing on the opportunities in the future upswing through innovation and sustainability. Select case study presentations by leading international manufacturing companies provided an external perspective to domestic companies.

Delegation from France

9 November, Mumbai

An industrial delegation from Oliviant, France, visited Godrej & Boyce Mfg Co Ltd, one of the leading business houses in India to capture the organization's best practices and modern technology for environment friendly production and quality end products.

Opportunities in South Africa

9 November, Mumbai

The interaction on Trade & Investment Opportunities in South Africa, presented the growth opportunities in the South African market and the strategic advantages of the country as a base for Indian firms to conduct their international operations in Africa.

CII Logistics Conference

11 November, Mumbai



Marc Van Peel,
Vice Mayor &
Chairman, Port of
Antwerp

At the CII Logistics Conference on 'Moving India Ahead - The Logical Way - Vision 2025,' Mr Marc Van Peel, Vice Mayor & Chairman, Port of Antwerp, called for creating awareness on the importance of logistics sector in the economic system. He also released the CII - Jones Lang LaSalle Meghraj report on 'Transforming Landscapes on Indian Warehousing.'

Investments in Colombia

12 November, Mumbai

The mission from Colombia sought to enhance ties with leading organisations which have business interests in the auto / automobile components, biofuel, cosmetics, energy / power, hospitality, IT, pharmaceutical and steel sectors.

Biotech Summit 2009

14 November, Pune

The highlight of this Summit was the launch of the first phase of 'Biotech Resource Centre' to provide 'single window' assistance to entrepreneurs and biotech units.



At the Biotech Summit

Delegation from Australia

17 November, Mumbai

The visiting Defence & Homeland Security Business Delegation from Australia showcased Australia's niche expertise and capabilities in defence and homeland security and offered its products and services to India. The visitors also explored partnership opportunities with suppliers of defence and homeland security equipment in the private sector.



Capt. Percy Jokhi, Vice President- Security, Firstsource Solutions Ltd.; Peter Forby, Consul-General of Australia in Mumbai; and Capt. Mead, Australian Defence Attache

Delegation from Vietnam

19 November, Mumbai

The Deputy Minister of Industry and Trade of Vietnam and an accompanying delegation visited Mumbai to explore potential sectors of business and mutual areas of collaboration between the two nations. Mr Syamal Gupta, Special Advisor, Tata International Ltd & Chairman, TCE Consulting Engineers Ltd) and Mr J M Engineer, Asst Economic Advisor, The Tata Group, interacted with the visitors.

Modular Employable Skills (MES) Scheme

23 November, Mumbai

The workshop was held to orient members to the MES programme, and provided detailed information about benefits, criteria and procedures for registration.

Disaster Management Workshop

26 November, Mumbai

The workshop called for building a safer and disaster resilient India by developing a holistic, pro-active, multi-disaster and technology-driven strategy for disaster management through the collective efforts of government agencies and NGOs.