

CII COMMUNIQUÉ

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CII Theme 2010-2011

Business for Livelihood



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Today, CII stands 115 years young, a proactive partner for Industry, and for India

Charting Change ...Since 1895

BUSINESS IN INDIA has covered a long and eventful journey: from the discouraging laissez-faire attitude of the colonial administration to the euphoria of Independence, from enthusiastic nation-building to the constraints of the planned economy, from incipient liberalisation to sudden globalization...And all along, all through the ups and downs, the highs and the lows, CII has, in some form or the other, has been a constant partner, a supportive companion helping Indian industry to manage change, to evolve and adapt, and now, to lead...

The story of CII began in 1895 at a time when the fledgling Indian industry was bound by rules imposed by colonial masters. Then, five large engineering companies came together to form the **Engineering and Iron Trades Association (EITA)** in Kolkata. This small association evolved to become the Confederation of Indian Industry, now celebrating 115 years of partnership in development.

The establishment of the first Indian steel company, Tata Steel, changed the nature of EITA from trading to manufacturing, and in 1912, EITA became the **Indian Engineering Association (IEA)**. Thirty years later, in 1942, a separate engineering association representing smaller Indian-owned firms came up in Kolkata under the aegis of the Indian Chamber of Commerce. These two associations steered the engineering sector through Independence till the 1970s. Although they consisted of different sections of the industry, both worked with the government to create a facilitative environment for the engineering sector within the parameters of industrial licensing and primacy of public sector enterprises.

In 1974, the two divergent engineering associations took the unprecedented step of merger. They created a single unified national level engineering association called the **Association of Indian Engineering Industry** or AIEI. The new Association included members from all sections of the engineering sector of the country at the time, including large and small firms, Indian-owned and foreign-owned firms, public sector enterprises and

Celebrating

115 *years*

Major Milestones

2010

- 8100+ direct members
- 90,000 indirect members
- 65 offices across India
- 7 Centres of Excellence
- 9 overseas offices
- 223 Institutional Partners from 90 countries

2000-2010

- Focus on equitable, inclusive and sustainable growth
- Enhancement of Business Development
- Trade Missions to many countries
- Policy for Change initiated

1995

- Centenary Year Celebrations – First Partnership Summit in Kolkata
- 4 Centres of Excellence announced
- First overseas exhibition

1992

- CEI evolves into Confederation of Indian Industry, CII, to serve both engineering and non-engineering sectors
- CII partners government in initiating the economic reform process
- Agenda expanded to include CSR and community development

1991

- Economic Reforms introduced
- Industry is deregulated

1986

- AIEI evolves into the Confederation of Engineering Industry, (CEI), the apex body for the manufacturing industry in India
- First Auto Expo
- National Committee on Quality constituted

1985

- First overseas delegation accompanies the then Prime Minister of India
- Partners World Economic Forum for the first India Summit

1979

- Representative office in London in collaboration with Confederation of British Industry, (CBI)

1977

- First overseas office in Dammam, Saudi Arabia
- First AIEI event addressed by the then Prime Minister of India

1975

- First Indian Engineering Trade Fair, IETF
- First overseas trade mission

1974

- Historic merger of IEA and EAI to form the Association of Indian Engineering Industry, AIEI

1895

- 5 companies together form EITA in Kolkata

multinationals. AIEI became a powerful voice for the Indian manufacturing sector. Its innovative style of functioning, fundamental principles, and new initiatives soon promoted it as a top industry association.

AIEI moved its headquarters from Kolkata to the capital city, New Delhi in 1974. Today, CII has 65 offices across all regions of India, representing over 8000 members directly, and about 90,000 members through 400 regional sectoral affiliated associations.

AIEI's first adventure was in organising a trade fair, the Indian Engineering Trade Fair in 1975. With few resources but large aspirations, the first IETF was a huge success. CII now hosts the top trade shows in the country ranging from the IETF now the International Engineering and Technology Fair to Auto Expo, spanning sectors such as agriculture, tourism, mining equipment and defence machinery, to name a few.

Staying ahead of the curve, the Association redesigned itself in 1986 into the **Confederation of Engineering Industry** to become a national level body just as economic reforms were beginning to take hold in India. Following deregulation in 1992, CEI evolved into the **Confederation of Indian Industry**. With this move, it moved away from representing only manufacturing and now includes members from across services and infrastructure sectors, becoming an all-industry apex level national body.

The new association took extraordinary initiatives in **policy advocacy, competitiveness of Indian industry, international networking, and social development**. These remain the four pillars of CII's work today.

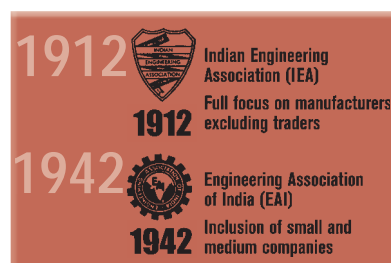
In policy, creating a facilitative environment for Indian industry tops the CII agenda. Believing that industry has a central role in development, it partners closely with the central and state government to draft and implement policies meeting the aspiration of inclusive growth.

As reforms revolutionised Indian industry from 1991, CII took the lead role in helping companies adapt to globalisation and competition. The National Committee for Quality was set up in 1986, changing mindsets about competitiveness in India. Today, CII's 7 Centres of Excellence are redefining boundaries for Indian industry. In particular, to boost competitiveness of SMEs, CII undertakes a range of activities such as clusters for shared learning, and trade shows.

International Operations are central to CII's work. Opening its first office in Saudi Arabia in 1976, it is now represented in 9 countries, including Singapore, UK, and USA. CII enjoys wide brand recognition as a representative of Indian industry with governments, counterpart associations and multinational companies.

CII's **Social Development Council** consolidated its interventions in human development from 1995. Since then, its activities have multiplied manifold, in partnership with government and NGOs.

Constantly innovating to create new linkages, CII plays a key role in new initiatives such as skill development, affirmative action, public private partnerships, infrastructure, sustainable development, always striving to help Indian industry achieve its potential. Today, CII has emerged as a supportive interlocutor for industry, a valuable reference point for government, and a strong activist in development. It is truly a partner for Indian Industry and a partner for India in nation-building. ■



CII delegation accompanies the President of India to China

“FOR A LONG-TERM partnership, it is important that we develop models of cooperation that take into account the concerns of both parties. I am sure that this will happen even as our economic relationship unfolds” declared Mrs. Pratibha Patil, President of India, addressing the ‘India-China Business Forum’ in Shanghai on 31 May.

Lauding the growth in bilateral trade from a modest \$3 billion in 2000 to an impressive \$52 billion in 2008, the President said there was still “considerable room for further expansion.” However, India’s export basket to China is not representative of India’s competence in a number of areas - for example, pharmaceuticals and engineering products constitute only a small portion. Similarly, India’s IT industry has a limited presence in the Chinese domestic market, she said. She hoped that the bilateral trade target of \$60 billion set by the two countries would be achieved by this year.

The seminar was attended by more than 350 participants from Indian and Chinese companies.

A 28-member CII delegation comprising of senior representatives from India and also heads of Indian companies based in China had an opportunity to interact with the President during her China visit, to share their experiences of doing business in China and brief her on the opportunities and challenges in sectors like Engineering, IT, Pharma and Banking and Finance. The members requested Government support for greater

market access in IT and Pharma.

The President of India also visited the India and China National Pavilion at the Shanghai World

Expo on 30 May. CII participated in the India Pavilion wherein eight companies showcased their products and services. ■



Pratibha Patil, President of India, at the India Pavilion at the Shanghai World Expo 2010



Pratibha Patil, President of India, and Subodh Kant Sahai, Union Minister for Food Processing Industries, with the CII delegation in Shanghai



aman ki asha

The 'Indo-Pak Business Meet' was held to build bridges and establish long-term economic ties between the two countries

'Partners for Peace & Progress'



Chandrajit Banerjee, Director General, CII, Shahid Malik, High Commissioner of Pakistan to India, Hari S Bhartia, President, CII, Pranab Mukherjee, Finance Minister of India and Vineet Jain, Managing Director, The Times of India Group

Under the aegis of *Aman ki Asha*, CII, in association with the Times of India Group, The Jang Group of Pakistan and the Pakistan - India CEOs Business Forum organised an Indo-Pak Business Meet: **'Partners for Peace & Progress'** on 18-19 May in New Delhi.

A 65-member Pakistani business delegation, including leaders from various sectors such as textiles, agriculture and IT, participated in the business meet, which was organized to build bridges and establish long-term economic ties between the two countries.

South Asia is the 'least integrated region' in the world, worse than even sub-Saharan Africa, declared Mr Pranab Mukherjee, Finance Minister

of India, who was the Chief Guest at the Inaugural Session of the Meet. He outlined an eight-step formula to change that scenario which included

- better communication
- liberal trade regime
- complementarily of export surpluses
- creation of transit facilities
- unfettered and free movement of goods
- transit trade to Afghanistan and Central Asia
- Replacement of the existing positive list by negative lists of goods beyond which Pakistan would permit imports from India
- Improvement in infrastructure for

trade and transport.

The trade relationship between the two countries also became a casualty following the 26/11 Mumbai terror attacks. Bilateral trade, which grew from \$ 251 million in 2000-01 to \$ 2.3 billion in 2007-08, fell sharply by 19 per cent in 2008-09 in the wake of the Mumbai attack, said Mr Mukherjee. He regretted that Pakistan was yet to accord the Most-Favoured Nation (MFN) status to India, while India had already done so quite sometime back. Pakistan has also not implemented the provision of the South Asia Free Trade Agreement (SAFTA) of maintaining a negative list of imports beyond which it would permit imports from India, he added.

Pointing out that an integrated and rapidly growing region generates a peace dividend, the Finance Minister emphasized that peace and harmony between the two nations is “not a distant dream,” that it is time for the two neighbours to “step out of the old into the new.”

Mr Shahid Malik, High Commissioner to India said, “It is imperative to create interdependence and partnerships based on the solid bedrock of commerce, so that business ties can act as a check to Governments initiating hostile action.” He also said “India and Pakistan cannot be adversaries forever.”

Earlier, in his welcome address, Mr Hari Bhartia, President, CII, said that industry had an important role to play in improving relationships and trade. Bilateral trade between the two countries could reach US \$ 10 billion by 2015 with a better environment and confidence building measures, he said.

Mr Vineet Jain, Managing Director, the Times of India Group, said “It’s only when two hostile countries develop an economic stake in each other that peace becomes an imperative and war a non-option.”

Quoting Pundit Nehru’s famous ‘tryst with destiny’ speech, Mr Sharukh Hasan, Group Managing Director, the Jang Group, said “the time has come for another tryst with destiny, for another step from the old into the new.”

Mr Amin Hashwani, President, Pakistan-India CEOs Business Forum, said that while peace would not happen in a hurry, trade would go a long way in making it happen. He pointed out that half the world’s poverty-stricken people are concentrated in South Asia, so “the burden to bring about change lies all the more heavily here. Peace is no longer a luxury, but a prerequisite that every member of society needs to strive for.”

The speakers from India included

Mr Nandan Nilekani, Chairman, Unique Identification Authority of India; Dr Karan Singh, President, ICCR; Mr N R Narayana Murthy, Chairman and Chief Mentor, Infosys Technologies; Mr Rakesh Bharti Mittal, Vice Chairman, Bharti Enterprises; Dr Naresh Trehan, Chairman and Managing Director, Medanta -The Medicity; Mr Som Mittal, President, NASSCOM; Mr Naishadh Parikh, Advisor, Arvind Ltd; Dr Sudhir Kapur, Managing Director & CEO, Country Strategy Business Consultants; Mr Brijmohan Lall Munjal, Past President, CII, and Chairman, Hero Honda Motors Ltd, Mr Rakeysh Omprakash Mehra, Filmmaker; Mr Sunil Kant Munjal, Past President, CII, and Chairman, Hero Corporate Services Ltd., Mr D Shivakumar, Managing Director, Nokia India, and Mr Chandrajit Banerjee, Director General, CII.

From Pakistan, the key speakers included Dr Shahid Javaid Burkii, Former Finance Minister; Mr Asad Umar, President and CEO, Engro Group; Mr Afaq Tiwana, Chairman, Agrimall Pvt Ltd; Mr Humayun Bashir, Country Head, IBM, Pakistan; Ms Ameena Saiyid, Managing Director, Oxford University Press and President, Overseas Investors’ Chamber of Commerce and Industry; Mr Mohsin Syed, Managing Director, Hybird Technics; Mr Wajid Jawad, Managing Director, Associated Industries (Garment) Pakistan Ltd; and Mr Imran Aslam, President, Geo TV Network, among others.

The Indo - Pak Business Meet concluded with a joint declaration and identified six sectors to fast-track economic ties between the two nations:

- Textiles, with Pakistan exporting



N R Narayana Murthy, Chairman & Chief Mentor, Infosys Technologies Ltd. and Dr Shahid Javaid Burki, Former VP, World Bank & Former Finance Minister, Pakistan

its home textiles, and India, its polyester textiles

- Information Technology (IT), which given its virtual nature, lends itself to collaboration easily
- Agriculture, which, if logistics and storage facilities are taken care of, affords tremendous opportunities
- Healthcare, the paucity and quality of which are the bane of both nations and where a combined effort would help address the three major diseases—heart, diabetes and cancer—that plague both countries
- Energy, as constant outages are an issue, and collaboration can help tap unexploited resources
- Education, given the young population of both nations, investment in this vital sector will pay the highest dividend over time.

It was agreed that committees featuring business leaders from both countries would be set up for the IT and textile sectors, with similar ones in the offing for the others.

Another major objective of the declaration was to take specific steps to change public perception and remove the existing mistrust in India and Pakistan about each other. Towards this, allowing up-linking from India to Pakistan and opening up news channels in both countries would be a positive first step.

It was decided that the next Business Meet will be held in Pakistan. ■

Global Leadership Award for Yogi Deveshwar



MR Y.C. 'YOGI' DEVESHWAR, Past President, CII, Chairman, CII-ITC Centre of Excellence for Sustainable Development Advisory Council, and Chairman and CEO, ITC Ltd received the 'Global Leadership Award' for his exemplary commitment to empowering India's rural agricultural community and to conserving natural resources and protecting the environment.

The US-India Business Council (USIBC) presented the award to Mr Deveshwar at USIBC's 35th Anniversary Summit in Washington DC on 2 June, in the presence of senior business and government leaders from the United States and India.

The award will establish a new learning library in New Delhi in Mr Deveshwar's name through the international literacy organisation, 'Room to Read', as well as provide, in ITC's name, three years of associated teacher training, books, and learning materials, including monitoring support.

Under Mr. Deveshwar's leadership, ITC Ltd. has invested in rural initiatives across India, while embracing environmentally-friendly practices at its headquarters and field offices, including equipping all

its hotels with cutting-edge green building technologies. ITC Ltd. is one of India's top agricultural exporters, and is ranked in Forbes Global 2000. The company gained prominence for empowering India's vast farming community by providing computer-generated instant pricing, weather, and commodities information throughout rural India via its innovative e-Choupal Initiative, reaching more than four million farmers across eight Indian states.

As a first step towards catalyzing a sustainability movement in India, CII and ITC worked in partnership to establish the CII-ITC Centre of Excellence for Sustainable Development in 2006 in New Delhi. As Chairman of the Centre's Advisory Council, Mr. Deveshwar promotes thought leadership that enables businesses to pursue sustainability goals. The Centre recognises businesses that make outstanding contributions to sustainable development. In the process, they become role models for India's corporations in adopting cutting edge practices to promote sustainable development and embed sustainability concerns in their overall business strategies. ■

'The USIBC and CII, the CII - ITC Centre of Excellence for Sustainable Development, can work together, on research and development, on green energy, on sustainable livelihoods, on innovation...We can work together with the businesses of our two societies to create a new, sustainable way of conducting a business.'

Y.C. Deveshwar
at the USIBC
'Global Leadership Award'
presentation

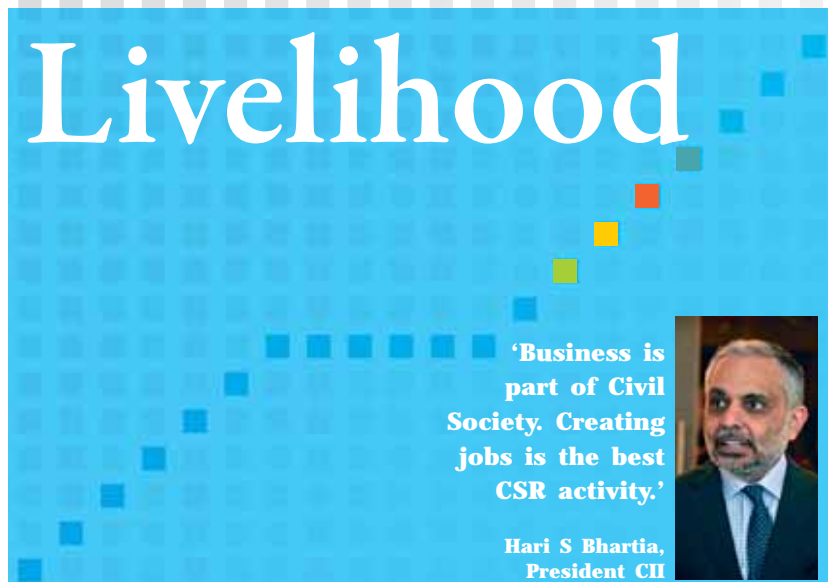
The CII theme for 2010-11 encompasses a vast range of activities across multiple dimensions to facilitate India's rapid growth and development in an inclusive manner so that all sections of society can progress and prosper

CONTINUING ON ITS journey of nation-building, CII is pursuing the theme of **'Business for Livelihood'** for the year 2010-11. With the fundamental principle that businesses are an integral constituent of civil society, CII believes that creating livelihoods is the best act of corporate social responsibility. For the year ahead, the focus would be on the four key enablers for sustainable enterprises: **education, employability, innovation** and **entrepreneurship**. While education and employability help create a qualified and skilled workforce, innovation and entrepreneurship would drive growth and employment generation.

The Indian economy has weathered the global economic crisis better than most countries. CII's projection for GDP for 2010-11 stands at 8 to 8.5%, with an upside bias resting on agricultural revival and capacity expansion in industry and services. By 2016, as the economy expands at around 8% annually, India's trillion-dollar GDP will grow to \$2 trillion and by 2050, it is expected to be the world's third largest economy.

However, significant challenges face our economy over the next one year. The global environment is likely to continue to be fragile. Such volatility is likely to place pressure on the rupee exchange rate which will need to be prudently managed to avoid impact on the real economy. Further, demand in developed economies will remain subdued in the near term and India will need to look for new markets for its goods. Finally, inflation must be brought under

Business for Livelihood



■ Education ■ Employability ■ Innovation ■ Entrepreneurship

control through a calibrated mix of supply side and monetary policies.

Poverty and human development are central challenges. As many as 456 million people still live on less than \$1.25 per day and the poverty rate is at an unacceptable level of 37%. Low literacy rates, high infant mortality, malnutrition, poor gender ratios and other indicators combine to place India at 134 of 182 in the Human Development Index. In the next five years, 94 million more people will seek employment but only 77 million new jobs will be created.

Employment growth lags GDP growth. Between 1990-99, real GDP increased 3.1 times, but employment increased only 1.5 times. In the last decade, every 1% increase in GDP has resulted

in 1.6 million additional jobs. Private final consumption increased 2.5 times during this period. The employment profile of the country shows that the rural-urban mix is 71:29, and that close to 90% of non-agricultural employment is in the private sector, of which only 16% of jobs are in the organized sector. Clearly, going forward, the private sector will need to assume the primary mantle for new job creation. CII projections are that private sector growth needs to increase from 9.5% growth to around 12% plus to close the employment gap.

The four key enablers for faster sustainable growth have been identified as Education and Employment to create a qualified talent pool, and

Innovation and Entrepreneurship for effective business practices. Taken together, these enablers would promote sustainable enterprise which in turn would create jobs and livelihoods. These feed into the CII theme for 2010-11 of Business for Livelihood.

In specific terms, the CII theme includes the following objectives with the ultimate aim of achieving sustainable and inclusive growth of 10% by 2014:

1. Agriculture needs to grow at a sustained rate of 4%
2. Manufacturing needs to register 11-12% long term average growth
3. Service sector needs to remain robust and a growth driver
4. Physical infrastructure needs to match global standards
5. Education would have to be the centre of reforms
6. Skill development would need a massive step-up
7. Labour environment and rules need to be conducive to employment creation
8. Government delivery mechanisms need to be streamlined
9. New urban centres need to be established as growth poles
10. Financial sector reforms need to be fast-tracked to enable financing of a high growth, large economy, particularly focusing on long term funding instruments and financial inclusion



In **Agriculture**, the current constraints are poor infrastructure, virtual collapse of the agri extension system, decline in public investment, especially irrigation, and fragmentation of land holdings, among others. The stagnant growth in the sector is particularly distressing as over 70% of our population still resides in the rural agri-dependant economy. It is imperative to address the issues of quality of inputs, and optimal use of land as well as right-pricing on power and water. More significantly, the farm sector needs to be linked more effectively and strongly to the larger market, involving supply chain management and marketing reforms. CII has set up Special Task Forces to address agriculture-related issues, including one on monsoons.



The **Manufacturing** sector is witnessing a policy fillip with the draft National Manufacturing Policy and the draft National Manufacturing Investment Zone proposal in the public domain for discussion. CII is largely satisfied with the issues addressed in the NMIZ note, including simpler administrative mechanisms, encouragement to green manufacturing, infrastructure, flexibility in labour regulations and an easier exit policy. However, challenges such as restructuring of the direct and indirect tax system, development of labour intensive sectors, technology support and

regional trading agreements also need to be addressed.

CII is working closely with the government on the new manufacturing policy. Other priorities for the year include a huge thrust to the cluster development programme for SMEs, a white paper on land acquisition and resettlement and rehabilitation, and the setting up of an institute under the Visionary Leaders For Management (VLFM) programme.



On **Services**, CII is working on a number of sectors, including healthcare, retail, tourism, IT and telecommunication. Its dialogue with the Planning Commission and ministries is expected to facilitate an easier policy environment for growth. Key policy changes required pertain to enhanced FDI in certain sub-sectors, setting up a National Services Competitiveness Council, addressing Centre-state issues, strengthening the informal services sector and rationalizing taxation.

World class **Infrastructure** is an imperative to enable India to meet global standards of competitiveness and quality. Different sectors require different measures, and CII will continue to work closely with concerned policymakers to improve operating environments. In particular, CII has joined with the Ministry of Road Transport and Highways in a Joint Task Force to identify



roadblocks and suggest solutions. Similarly, the CII National Committee on Civil Aviation is consulting with the Airports Economic Regulatory Authority.

Education is a central challenge. High drop-out rates and poor quality of education as well as low gross enrolment ratio in tertiary education are matters of concern. To sustain a high growth trajectory, a cadre of intellectual infrastructure and knowledge workers must be set up. CII is examining issues such as creating and retaining talent in teaching, encouraging private investments, and boosting the role of industry in developing curriculum and in accreditation. Going forward, CII proposes to set up 30 Industry-Academia Innovation Centres in partnership with central and state governments, one in each state.



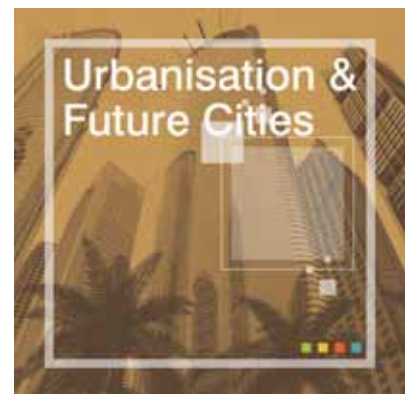
CII is also ramping up its efforts in **Skills Development**, to make India the skills capital of the world

and develop skills for manufacturing, services and agriculture. CII is already designated as a certifying agency for the government's Modular Employable Skills programme and has certified close to one lakh students. It is also working with universities for setting up vocational training centres and has instituted sector-specific Skills Councils for agriculture, hospitality, and automotives with the European Union. In the coming year, CII will launch ten new CII Skill Development Centres.



Labour regulations remain a central area of concern in Creation of employment. CII's objective is to bring together industry, government, and labor rights groups and create a policy environment that supports employment generation, inclusiveness and productivity enhancement as well as to develop best practices in labour management and meet global benchmarks. CII plans to release a White Paper on Labour Regulations. It is working closely with government for the simplification and rationalization of labour laws. Other initiatives include developing best practices and practical modules for contract labour working with industry and other stakeholders on occupational safety and actively participating in the National Safety Council, and working on policy formulation process with the Central Apprenticeship Council and the Central Board for Workers' Education.

For improving government **delivery systems** for public goods and services, CII recommends rapid implementation of the Unique Identification Scheme. The system of subsidies in specific items can be shifted to a cash or coupon transfer scheme, including for food. Panchayats and urban local bodies must be infused with greater powers, while regular monitoring systems are required for large government expenditures. CII is setting up a Task Force on Technology for Inclusive Development, CII-State Government Monitoring and Implementation Task Forces and national sectoral task forces on monitoring and implementation. PPPs should be given higher priority by state governments.



As more of India's population shifts to **urban areas** in coming years, new urban centres will have to come up as growth poles. Urban Local Bodies need to be empowered for financial independence and viability and devolution of power in accordance with 74th Amendment of the Constitution. CII proposes legal measures to regulate real estate and the use of technology as brought out in its report 'Intelligent Urbanisation – A Roadmap for India'.

Finally, financing high growth needs examination of the **financial system**. CII is creating new task forces on financial stability and development and on financial inclusion. On the policy front, there is need to develop



rupee-denominated corporate debt market for raising long-term capital, increase access to international financial markets, expand capital base of the banking system, open up FDI routes in insurance and banking, and lowering government debt, among others.



Coming to **entrepreneurship** and **innovation**, CII lays special emphasis on the policy environment for small and micro entrepreneurs who account for half of the jobs but are constrained by multiple issues. Lack of skills, no access to credit, lack of social security, and corruption at the grassroots hamper entrepreneurship development.

On innovation, CII suggests an India specific innovation ecosystem model for meeting our unique challenges. Innovation also needs to be promoted through funds to encourage start-ups. It is important to raise industry's investment in

innovation to 1% of GDP through favourable policies and incentives in next five years through industry-academia-institution-government partnerships. CII, with the Ministry of Science and Technology, will build the Global Innovation and Technology Alliance (GITA) to implement government's technology and innovation initiatives.

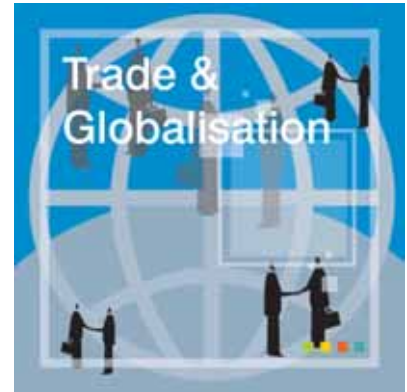


Towards **Inclusiveness** and **Affirmative Action**, CII has already developed a voluntary Code of Conduct to encourage positive discrimination for SC/ST communities. CII has also created an Affirmative Action Fund with industry contributions to finance affirmative action activities in the private sector and is committed to stepping up its agenda in the area.



Corporate Governance remains high on the CII agenda. A set of Voluntary Recommendations on

Corporate Governance has been brought out and will be actively disseminated for adoption by companies. CII will also focus on training and orientation of Directors, and whistle-blowing mechanisms.



The **globalisation** process has remained uninterrupted by the financial crisis. CII's aim is to double India's goods and services exports by 2014 as well as double India's share in world exports by 2020. Indian industry must be linked more closely to global production chains and needs to access global markets through strategic acquisitions and joint ventures overseas. Apart from high-level contact with international leaders and dedicated missions in key identified economies, some aspects of CII action are:

- Develop a dedicated commercial intelligence mechanism for Indian industry
- Focus on capacity building in quality accreditation, export cycle management and logistics
- Engage with government to ensure trade agreements have positive outcomes for industry and are equipped to deal with industry concerns on emerging trade issues like non-tariff barriers, labour and environmental standards
- Focus on sector specific export competitiveness strategies. ■

CII National Conference and Annual Session 2010

Implementing Inclusive Growth and Development

TODAY, INDIA'S ECONOMIC outlook is promising, with strong GDP and signs of a normal monsoon. Yet, our lagging development indicators reveal that inclusive growth and development is still far from reach. The disadvantaged sections of our society can participate in India's growth story only if the fruits of progress are equitably distributed and shared.

This requires not only building social and physical infrastructure but also ensuring its equitable distribution. Over recent years, India has strengthened the framework for providing both social and physical infrastructure, with key policy measures on education, healthcare, social security, etc. as well as public private partnerships for physical infrastructure. Yet, on the ground, these have not translated into effective impact. The focus needs to move to implementation of these policies for real results at the grassroots level to impact lives in a tangible manner.

CII believes implementation cannot be a task solely of the government. Industry, business and civil society too must partner this endeavour. To glean innovative solutions from all stakeholders, the CII National Conference & Annual Session on 12 May in New Delhi on **'Implementing Inclusive Growth and Development'** brought together key representatives from polity and industry to discuss ways to strengthen the nation's social infrastructure, education, healthcare and skill building initiatives.

Addressing the theme plenary session on the theme of 'Implementing



Pranab Mukherjee, Union Minister of Finance, with Hari Bhartia, then President Designate, CII, and now President, CII, Venu Srinivasan, then President, CII, and Chandrajit Banerjee, Director General, CII



P Chidambaram, Union Minister of Home Affairs, with Hari Bhartia and Venu Srinivasan



Anand Sharma, Union Minister of Commerce and Industry, with Hari Bhartia and Venu Srinivasan



Kiran Karnik, Former President, NASSCOM, Arun Maira, Member, Planning Commission, Tarun Das, Former Chief Mentor, CII, and President, Aspen Institute India, Sam G Pitroda, Adviser to the PM on Public Information, Infrastructure and Innovations, and Chairman, C-Sam Inc, and B Muthuraman, now Vice President, CII, and Vice Chairman, Tata Steel

Inclusive Growth and Development,' Mr Pranab Mukherjee, Finance Minister of India, cited governance and implementation as the key determinants to ensure inclusive growth. He assured that the Government, in partnership with the States, would plug leakages and pilferages to strengthen the Public Distribution System through the use of technology and data generated by the Unique Identification Authority of India (UIDAI). This would not only reduce expenditure but allow effective and efficient allocation of resources, he said.

The Government has effected the Right to Information, Right to Work and Right to Education, and is working on guaranteeing food grains for the poorest sections of society through the Food Security Bill, taking its inclusive agenda forward, he said.

Mr Mukherjee also said he expects India to better the IMF's projected GDP growth rate of 8.8 % in 2010 and 8.4% in 2011.

Addressing a special plenary on 'Governance, Inclusion and Internal Security,' Mr P Chidambaram, Union Minister of Home Affairs, regretted that while India has managed to record an impressive economic growth in recent years, inclusiveness of growth has not happened at the desired pace. Naxalite areas, in particular, have remained isolated from the benefits of high growth, as large tracts of these areas remain beyond

the reach of effective governance. The government has been unable to deliver its social and economic programmes in these areas effectively in absence of local support that has low trust in the government, he said, pointing out that the problem was not low government expenditure, but the poor utilization of government funds for various reasons.



Jyotiraditya Scindia, Union Minister of State for Commerce and Industry, Hari Bhartia, and Arun Yadav, Union Minister of State for Heavy Industry and Public Enterprises

Mr Chidambaram underlined the urgency to win back the trust of the Naxalite population, calling on the larger society to come forward to make the difference. Reiterating that industry can play a critical role in winning back the trust of the marginalised population, Mr Chidambaram requested CII to work and partner with the government in addressing this concern.

"Inclusion is in sync with the Emerging Global Architecture with the economic centre of the world shifting away from traditional markets in the EU and the US, to newer emerging markets in Asia, Africa, and Latin America," declared Mr Anand Sharma, Union Minister of Commerce and Industry. Addressing the plenary on 'The New Trade Paradigms: Evolving Partnerships' the Minister urged industry to prioritize

on building economic bridges to new emerging economies, even as the government fast-tracks its economic diplomacy with these new markets, through FTAs with new geographies. Alongside, the multilateral track of trade negotiations in the WTO is equally important as it will create a rules-based trading environment globally, he said.

Mr Sharma assured industry that the new National Manufacturing and Investment Zone would provide a package of incentives and policy reforms to encourage integrated development of manufacturing and urban zones across the country.

Twenty-first century India needs a new growth model with public private partnerships that include the people, averred panelists in an animated discussion on 'Achieving Inclusive Double Digit Growth: Government Industry Partnership.' Mr Sam G Pitroda, Adviser to the PM on Public Information, Infrastructure and Innovations, and Chairman, C-Sam Inc, Mr Arun Maira, Member, Planning Commission of India, Mr B Muthuraman, then Vice President Designate and now Vice President, CII, and Vice Chairman, Tata Steel, and Mr Kiran Karnik, Former President, NASSCOM, in a session moderated by Mr Tarun Das, Former Chief Mentor, CII, and President, Aspen Institute India, agreed that India's unique problems could be solved only with inclusive growth measured with a new matrix and a new set of parameters, involving the people, and using technology

and innovation effectively.

The panel discussion on 'Harnessing India's youth for implementing Inclusive Growth and Development' focused on the huge challenge of educating and creating employment opportunities for India's youth. Mr. Jyotiraditya Scindia, Union Minister of State for Commerce and Industry, called for a transition from mass production to production by the masses, while Mr. Arun Yadav, Union Minister of State for Heavy Industries and Public Enterprises, spoke of the imperative to improve the education system, especially in rural areas where dropout rates are high. Government and industry need to together see how skills development programmes can be made more successful by delivering jobs to the people who have been trained, suggested Mr. Scindia.

Mr Venu Srinivasan, then President, CII, in various sessions, reiterated CII's focus on inclusive growth of the economy and assured the Cabinet Ministers of industry's eagerness to work with the Government to provide additional jobs by laying down a roadmap for Affirmative Action, while, alongside, working on education, healthcare and skill development initiatives. Many of challenges before us today, including rising militancy, have their roots in economic disparities, he said, highlighting the need for more equitable growth.

Mr Hari Bhartia, then President-Designate, CII and now President, CII, assured that, in the coming year, CII would work on enhancing employability skills of Indian youth through vocational training. The focus would be on promoting skill development and industrial growth in areas isolated from development initiatives, he said.

This year's National Conference commemorated CII's 115th anniversary with the release of a film chronicling the growth and development of the organisation over the years. Two important CII Reports, on 'Safe Cities' and 'Security of Investments in India-a closer look at Naxalite affected areas' were released by Mr Chidambaram at the event.

At the Helm



Hari S Bhartia
President, CII

Mr Hari S Bhartia, Co Chairman & Managing Director, Jubilant Organosys Ltd, is President, CII, for 2010 -2011.

A Chemical Engineer from the Indian Institute of Technology, Delhi, Mr. Bhartia was conferred the Distinguished Alumni Award by IIT Delhi in 2000.

Mr. Bhartia's institutional work includes his role in various capacities with IIT, Delhi, and IIT, Kanpur, as Chairman of the Board of Governors, and with the Confederation of Indian Industry. He has been a member of several educational and science and technology programmes of the Government of India.

Jubilant Organosys, the flagship company of the Jubilant Group with 13,000 employees, and business interests across diverse sectors, has received various prestigious awards for excellence in Corporate Social Responsibility, Environment Management and Corporate Governance.



B Muthuraman
Vice President, CII

Mr B Muthuraman, Vice Chairman, Tata Steel Limited, has been elected as the Vice President of CII for the year 2010-2011.

An Engineer from IIT, Madras, and an MBA from XLRI, Jamshedpur, Mr Muthuraman has undergone the Advanced Management Programme at the European Centre for Executive Development, France, and the Leadership Programme at INSEAD, France.

After joining Tata Steel in 1966, he held various positions in the company including Vice President (Marketing & Sales), and Vice President (Cold Rolling Mill Projects). He was appointed Executive Director in 2000, Managing Director in 2001, and non-executive Vice Chairman in 2009. He is also the Chairman of Tata International Limited and is on the Boards of several companies including Bosch Limited, and Tata Industries Ltd.

Mr. Muthuraman is a Director on the Board of CEDEP France, and Chairman, Board of Governors, both of XLRI, Jamshedpur, and IIT, Kharagpur. A member of the Business Advisory Council of Economic and Social Commission for Asia and the Pacific (UNESCAP), Mr. Muthuraman has received several awards and distinctions.

CII Woman Exemplar Award



Pranab Mukherjee, presenting the CII Woman Exemplar Award to Pano Hembram, as Hari Bhartia and Venu Srinivasan look on

The CII Woman Exemplar Awards for 2010 were presented by Mr Pranab Mukherjee, Finance Minister of India, at the CII National Conference and Annual Session 2010 in New Delhi on 12 May.

CII, under the aegis of its National Committee on Women Empowerment, has since 2005, institutionalized an annual CII Woman Exemplar Award. The award promotes women's empowerment at the community level by recognizing those who have, against all odds, excelled and contributed significantly to the development process. This year the awardees were:

- Kamlesh Sherawat: Education & Literacy
- Pano Hembram: Health
- Dipali Pramanik: Micro Enterprise



Ms. Kamlesh Sherawat has done outstanding work in reviving dysfunctional Village Education Committees and in motivating the education department to take action on many counts. She also runs an informal education centre for Muslim girls, educates farmers on good farming practices, propagates rain water harvesting, and runs awareness campaigns on public welfare.

Ms. Pano Hembram has contributed significantly in the area of reproductive and child health, raising awareness on sexual health, HIV, safe abortion, etc in the villages of Yashpur Panchayat, in Jharkhand. She is currently a volunteer with the National Rural Health Mission and Integrated Child Development Scheme.

Ms. Dipali Pramanik works with the Kolaghat Socio-Economic Welfare Society (KSEWS). The KSEWS, which began with tailoring training for five women, now sells its gloves, potholders, aprons and bags in international markets through SASHA (Sarba Shanti Ayog).



CII Corporate Wellness Awards

The Confederation of Indian Industry and Apollo Hospitals Group constituted the 'CII Corporate Wellness Awards' in 2009 to promote 'wellness' in the workforce. The awards, supported by the Apollo Hospitals Group, recognize corporates that provide health and wellness opportunities to their employees. The Corporate Wellness Programme was initiated with a view to improve the health status of Corporate India.



Jyotiraditya Scindia and Arun Yadav presenting the CII Corporate Wellness Award as Hari Bhartia looks on

The 2nd edition of the CII Corporate Wellness Awards were given away by Mr. Jyotiraditya Scindia, Union Minister of State for Commerce & Industry and Mr. Arun Yadav, Union Minister of State for Heavy Industries & Public Enterprises during the CII National Conference on 12 May in New Delhi.

The awards establish the wellness status of corporate India through strategic health audits conducted by Apollo's expert assessment methodology. This year, around 160 corporate with 24109 employees were evaluated for the CII Corporate wellness awards. The winners in various categories were:

- Overall Best Corporate Wellness Organization: Agrotech Foods Ltd, Hyderabad, and Taj Fisherman Cove, Chennai
- Healthiest Workforce Award: Vasu Agarbathi Pvt Ltd, Mysore, and Technova Graphics, Pune
- Best Health Promotion Systems Award: Larsen & Toubro, and Talisma Corporation Ltd, Bangalore
- Special Award: for maximum participation, HSBC (with nearly 10,000 participating employees)

The Benefits of Unique Identification



Hari Bhartia, President, CII, Nandan Nilekani, Chairman, UIDAI and Venu Srinivasan, Immediate Past President, CII

THE AMBITIOUS Unique Identification (UID) Project of the Government of India would help the marginalized and the migrant populations access public services. Various welfare schemes of the Government would also be able to achieve better targeting and greater enrolment, as the UID would address issues of multiple identities and ghost identities, and plug in leakages, said Mr Nandan Nilekani, Chairman, Unique Identification Authority of India (UIDAI), Planning Commission, Government of India, at a CII interaction in New Delhi on 11 May.

Elaborating on the benefits of 'unique identification', Mr Nilekani, said that the project has two aspects - one, to provide a unique identification number to all Indians, and two, to provide online authentication. Once the unique identification number starts to be accepted as an identity proof, it will benefit millions of poor Indians without any identification or access public services. It will reduce transaction costs in the economy as the need for establishing the identity for every individual service will get eliminated. The online identification

process will enable re-engineering of different applications to deliver public services in a different and more efficient manner, he said.

Explaining the security features, Mr Nilekani said that the identification would be biometrics-based and the database would be a private one, which could be used only for authentication. The draft UIDAI Act would soon be ready for public comments and would define the framework for the entity, he added. The first set of identifications are expected to be rolled out by February 2011 and around 600 million Indians would be enrolled over the next four years, he said.

Mr Venu Srinivasan, then President, CII, said that the UID project was indeed a very complex project because of its sheer scale and the complex technology platforms. CII welcomes the project and believes that it would immensely benefit the common man.

Mr Nilekani also presented the CII President's Awards on the occasion, on the eve of the CII National Conference and Annual Session. The awardees were:

Mr U K Sinha, Chairman, CII National

Committee on Mutual Funds, and Chairman & Managing Director, UTI AMC

Mr R S Sharma, Chairman, CII Public Sector Enterprises Council, and Chairman & Managing Director, ONGC

Mr P S Bhattacharya, Chairman, CII Sub Committee on Sustainable Development, and Chairman & Managing Director, Coal India Ltd

Mr Harpal Singh, Immediate Past Chairman, CII Northern Region, and Mentor & Chairman Emeritus, Fortis Healthcare Ltd

Dr Naushad Forbes, Immediate Past Chairman, CII Western Region, and Director, Forbes Marshall Pvt Ltd

Mr Mukul Somany, Immediate Past Chairman, CII Eastern Region, and Joint Managing Director, Hindustan National Glass & Industries Ltd

Mr C R Swaminathan, Immediate Past Chairman, CII Southern Region, and Chief Executive, P S G Institutions.

The CII President's Awards, an annual feature, are presented to individuals making an outstanding contribution to CII. ■



Will the new Foreign Educational Institutions Bill take Higher Education to the next level?

THE FOREIGN EDUCATIONAL Institutions Bill, 2010 (Regulation of Entry and Operation) is now in Parliament, and there is hope and apprehension among Indian education providers and foreign institutions about its impact and implementation.

Though India has the third largest education system in the world with enrolments next only to China and the United States, and a large higher education network, its future needs are massive, given that more than 30 per cent of its 1.1 billion people are at present under 14 years old, and will require appropriate education in the near future. Additionally, there is a large gap between demand and supply of soft and physical infrastructure in higher education. According to the Ministry of Human Resource Development, the learning infrastructure in India is pegged at about 471 universities and over 22,000 colleges. The number of teachers in higher education has seen a 21-fold increase from 24, 000 in 1950-51 to over 504, 812 in 2007. But much, much more needs to be done.

With a new Act on the anvil, reports

suggest that about 50 foreign universities are interested in setting up campuses in India. With 1,60,000 Indians studying abroad, spending US \$ 4 billion a year in fees, there is huge potential to reverse the brain drain.

The Bill purports to permit a foreign institution to be set up in India if it

- a) has been in existence for more than 20 years, is accredited in its home country and can get a certificate from its Embassy/High Commission
- b) applies to the University Grants Commission (UGC), which will consult the relevant professional statutory body (i.e. Medical Council of India, Dental Council, Bar Council etc.), to permit the establishment of a campus in India
- c) conforms to the UGC Act, i.e. forms a Society or a Trust in India with requisite permissions under the FCRA
- d) accedes to a potential regulation of fee by the UGC
- e) maintains a corpus fund of Rs 50 crore
- f) buys land to set up the institution

h) agrees not to repatriate any profits.

The Bill allows foreign universities to invest at least 51 per cent of the total capital expenditure needed to establish institutes in India. It suggests a time-bound format for granting approval to the foreign educational institutions within an eight-month period to set up the campuses.

Though 100 per cent foreign direct investment through the automatic route has been permitted in the education sector since 2000, the legal structure did not allow granting of degrees by foreign educational institutions here.

Efforts have been on since 2007 to bring about changes in higher education that would permit greater foreign investment in the sector. But it was not till recently that the government was able to take some steps forward. As the Bill awaits the final nod in Parliament, CII Communique asked three stakeholders, 'Will the Bill help take higher education to the next level?'

'A Step in the Right Direction'

Sanjeev Duggal,
CEO & Executive
Director,
Centum Learning
(A Bharti
Enterprises Associate)



While the introduction of the Bill is a step in the right direction, it is too early to draw inferences about whether or not it will take higher education to the next level.

The Bill aims to regulate the entry, operation and maintenance of education delivery quality, and prevention of commercialisation by foreign educational institutions, besides protecting the interests of the student community from sub-standard and 'fly by night' operators. The Bill prescribes an eight months time-bound format for granting approvals to foreign educational institutions to set up their campuses in India.

In 2008, around 140 Indian institutions and 156 foreign education providers were involved in academic collaborations. Of the foreign providers, 90 have university status and 20 have college status. Other institutions are those for training or further education. With a total of 225 collaborations, each delivering more than one programme, the total number of programmes delivered was 635.

The highest numbers of collaborations are in management and business administration; 168 of the total 635, or 26 per cent. The next most offered discipline for collaboration is engineering and technology/computer application/IT, with 144 tie-ups, making over 22 per cent of such programmes, followed by hotel management and house-keeping, with 132 offerings, or over 20 per cent.

Incidentally, these foreign collaborations are highly concentrated in Maharashtra and

Delhi, followed by Tamil Nadu.

How will higher education be affected by this Bill?

Increased Competition and Consolidation: If a large number of reputed foreign players enter the market, competition in the Indian higher education sector will intensify. Many institutes who are not delivering academic quality may perish, or there might be some consolidation in this sector.

Quality Control: The quality control norms for higher education are still a distant dream. While foreign institutions may choose to open campuses in India, are the norms for quality controls in higher education in place? How about the faculty resource that will be teaching at these higher education institutions? Do we have a strong pipeline of faculty members to deliver to this growing higher education market?

Consumer Education: The common prospective student is not adequately aware of the difference between affiliations, recognised and partner institutions. Almost every private academic institution leverages these terms to their benefit, often misleading students and their parents. Will the Foreign Education Bill answer some of these questions? Will consumer awareness and education get the importance it deserves?

'Competition will Force Efficiency & Bridge Supply Shortages'

Amir Ullah Khan
Director, Research,
Bangalore
Management
Academy



In the context of the new Bill, there are some critical questions that arise: Won't foreign universities be

expensive? Will they not include 'fly by night' operators who will fleece the poor Indian student? Won't these universities poach teachers from existing Indian institutions? Will they focus only on profitable courses like management education, medicine and engineering?

A bunch of these questions are generic to the entire globalisation debate and have been asked each time a sector opened up to foreign players. The critical issue, as any economist would underline, is indeed one of regulation. The Bill proposes that only institutions that have authorisation and certification by regulatory authorities in their home countries be allowed to set up campuses in India. This assumes that the regulator in foreign countries is at least as fair and honest as our own University Grants Commission (UGC) that approves university courses and the All India Council for Technical Education (AICTE) that regulates technical and managerial courses. And that the respective Medical Councils in other parts of the world are as well equipped, respected and transparently-run as the Medical Council of India or, in the case of legal education, the Bar Council of India. I am sure the discerning reader gets the point: the education sector needs just as much market freedom and as little interference as any other sector.

Public institutions faced with competition have indeed shaped up better and performed laudably; nationalised banks being a sterling example of turnaround in service standards and profitability. Competition forces efficiency, bridges supply shortages, ensures better salaries and pushes up quality among all players. Higher education in India suffers from the complete absence of a research focus, an inability to adapt quickly to changing demands from technology and the workplace

and a paucity of good teachers. A little bit of competition, for there are not many institutions rushing in to invest in India, will do well for a sector that has to provide the country with skill sets required to keep up the momentum of 10 percent annual GDP growth rate for the next decade at least.

Clearly, the obvious gaps in supply are in business schools, medical schools and technical education. However, the new knowledge economy has multiple demands today. Law schools have resuscitated demand for a profession that many thought was cleanly buried and forgotten. Other courses that have seen a surge in demand are in journalism, media, fashion, English language and literature and public health. Note that a number of these courses are those our own Universities have ignored for long.

New institutions will indeed help bridge this supply demand gap. They will bring in the much needed internationalism to these subjects that are by definition cross-cultural and dependent on best practice awareness from across the globe.

One argument being made for allowing foreign universities is the fact that an estimated 1,60,000 students leave India to study abroad every year, and this is a 4 billion dollar industry in itself. This is a simplistic argument, for it is unlikely that students who actively wish to study abroad will stop going because of campuses set up in India. The number of seats in Indian colleges is abysmally low and it is only the lucky few who are able to join university colleges, in any case. With enrolment rates in primary schools doubling in the last six years, and drop-out rates falling in secondary schools, at least a million additional college seats must be provided for school

graduates to proceed to college.

'The Bill could do with some Changes'

Naveen Goel
Managing Partner
Naveen Goel Law
Offices



Till recently, the education sector was largely by-passed in the liberalisation drive, largely due to the notion that education is not business and is a philanthropic activity, where the concept of liberalisation has no relevance.

With the Foreign Educational Institution (Regulation of entry and operation, maintenance of quality and prevention of commercialisation) Bill, 2010 approved by the Cabinet and introduced in Parliament, the key question is whether it will make an impact.

I would argue that, to begin with, the title of the Bill says it all: the Government is more concerned with 'prevention of commercialisation' and 'maintenance of standards' than with promoting access to quality tertiary education in India. If the standards of existing higher education in India were good and acceptable, a large majority of the 1,60,000 plus students going abroad every year would rather stay home.

The second point is that there is fear among some that the new law could 'open the flood gates' for foreign universities. Foreign universities were not barred from entering even earlier. They could, for example, come in through twinning programmes, through the AICTE Foreign Universities Regulations of 2005 (under which in the past five years only five programmes have

been approved) or could sponsor an Indian Trust or a Society, and then seek deemed university status from the University Grants Commission. The moot point is that even with the Bill, not much has changed.

The third issue is that the interests of the prospective students are not protected in any manner apart from imposing financial penalties on the education provider in case of non-compliance, which would not dissuade any 'fly by night' operator, who is anyway not likely to be around when the time comes to recover the penalties! Further, although the Bill requires the courses to be of the similar curricula as that of the parent institute, it falls short of the requirement of equivalence, i.e. the Indian degree should also be recognised/ have the same accreditation as the degree awarded by the parent institute in the home country. This equivalence is the only factor that would attract some of the students who rush for foreign universities, whose degrees open up avenues for a foreign placement.

The Bill, in its present form, may not make much of an impact. A better model would be to permit foreign institutions to make profits as per market conditions, with conditions only of strict academic standards, protection of student interest and cross-subsidising the state educational system through either a license fee/revenue share model or fixed percentage of free/concessional fee seats. That would provide a better state-subsidised higher education alternative to poor students who cannot afford the high fees of private institutions (whether in India or abroad) while also making it attractive for educational providers to set up commercially viable campuses in India, which can service the more well to do, instead of their having to go abroad. ■



THE COMPLEX ISSUE of internal security and its impact on the nation and the Indian economy is today a key challenge not only for the government, but for the business community and citizens too. While jihadi terrorists from across the border have been waging war with the Indian state for several years, undermining the country's security, in recent years, an equally serious internal threat has arisen from the Maoists and other Naxalites. So much so that the Prime Minister recently declared the Maoists as the "most serious internal threat to India's national security."

Today, it is estimated that the influence of the Naxalites is spread across approximately 220 districts in 20 states of India, accounting for about 40 per cent of India's geographical area. The so-called 'red corridor' runs from Nepal to Andhra Pradesh and is spread over the states of Chhattisgarh, Orissa, Maharashtra, Jharkhand, Bihar, Uttar Pradesh and West Bengal. India's intelligence agency, the Research and Analysis

Wing(RAW), says there are 20,000 armed cadre Naxalites operating, apart from 50,000 regular cadres working in various mass organisations, with millions of sympathizers.

With Maoist violence now affecting a third of India's 630 odd districts, more than 1,000 attacks were recorded in 2009 and 600 people were killed. The problem is becoming more serious because the Naxalites are no longer confined to remote jungle areas, but are threatening economic development and even urban centres. The growing violence, if not contained, has the potential to impact trade, foreign direct investment and the economy.

The Naxalite problem and the traditional challenges of external terrorism go hand in hand. Today, India is the third most terrorist affected country in the world after Pakistan and Iraq. With a 700 per cent surge in terrorism incidents in India from 2004 to 2008, there has also been a paradigm shift in terrorist targets from government institutions and political leaders to high footfall

locations, public transport and other commercial centres like Delhi, Mumbai, Pune and Chennai.

Says Mr Ajai Chowdhry, Chairman and CEO, HCL Infosystems, "We as a nation are faced with challenges both on the threat front and threat prevention and containment front. Frequent terrorist attacks, left-wing extremism, security breaches and emerging threats have necessitated the need for enabling robust security."

The Backdrop

The term 'Naxalism' refers to the left-wing extremist movement that traces its roots to the May 1967 peasant uprising in Naxalbari, a small village at the tri-junction of India, Nepal and Bangladesh (then East Pakistan). The movement, led by armed Communist revolutionaries, was launched under the banner of the Communist Party of India (Marxist). In April 1969, after a split in organization, the radical platform was adopted by the new formation, the Communist Party of India (Marxist-Leninist). It was a

peasant movement to begin with, with the fundamental demand of radical land reform – land to the tiller – and violent takeover of power was seen as the only means of achieving this.

Over the decades, the Maoists have reinvented themselves into a partly political, partly insurgent and partly terrorist organisation. Their strategy is to capture political power with the help of a well-motivated and well-trained army of impoverished rural masses. They operate from the tribal areas in mineral-rich central and east India – where tribals have faced political, economic and social discrimination – to recruit cadres and establish operational bases from where attacks can be mounted. As insurgents they, believe in establishing control over territory ‘liberated’ by them. And as a terrorist organisation, the Maoists mainly attack police stations, police lines, camps and arms storage depots of para-military forces. They also target security forces personnel, police informers and those they perceive as class and political enemies. Of late, they have also been targeting infrastructure such as roads, bridges, railways, power and telecommunication networks.

Mr Vikram Sood, former head of Research and Analysis Wing (RAW), says “The first thing to be done is to restore the writ of the state. Only then can development, governance and education be possible. Further, since it is not possible to take on grand operations all across India, these have to be small concentrated operations in areas of choice where specialised forces have the capability to clear and hold till the development effort gets going. It should then spread from these areas to other areas. There is no short term solution. It is going to be a long haul.”

Social deprivation and economic backwardness are the two most fertile breeding grounds for the Naxalite/Maoist movement. Their ‘hold’ on the



P Chidambaram, Union Minister of Home Affairs, releasing the report on ‘Security of Investments in India’ with Hari Bhartia, President CII, Venu Srinivasan, Immediate Past President, CII, and Chandrajit Banerjee, Director General, CII

minds of people is most pronounced in regions where economic and social development is practically absent. The Planning Commission has also found that the country’s worst developed districts are the Maoist-hit ones, and road connectivity in particular is a big issue in these affected districts.

Mr Neeraj Gupta, Joint Managing Director of MKU, (a company which recently won an order from the Home Ministry to supply bullet-proof vests for the Forces battling in the Naxal areas) says, “There is need to restore the faith of the tribal population in the local administration and state police. Businesses can help, provided the law and order situation is made conducive to enable business to flourish in these areas and provide opportunities and jobs for the tribal population.”

A study on ‘Security of Investments in India: A Closer Look at Naxalite-Affected Areas’ conducted by CII in 2010 concludes: “After studying the dynamics and the complex relationship of various forces playing in (the) vulnerable areas, we can clearly state that inclusive economic development appears to be, indeed, the sole solution. The so called ‘ideological base of Naxalism’, ‘sense of exclusion’ and ‘deprivation’ can slowly disappear once these areas have access to opportunities and justice. The feeling of being treated

fairly needs to percolate down to the people who are presently falling prey to Naxals operating in these areas.”

The report adds: “The interest of growing numbers of unemployed youth has to be looked after by the state. And industry can play a pivotal role. Rural discontent can only be tackled by making people companions in the process of growth. What is needed an alternative model of development which can balance the interests of the people and the industry.”

Interestingly, studies have shown that if India’s forests, mineral-bearing areas, regions of tribal habitation and watersheds are all mapped together, they will overlay one another in almost the same areas. These lands, significantly, are also the homes of some of India’s poorest people—its tribals. Resentment towards any industrial project has been a natural corollary as the tribals sometimes end up losing their lands without adequate benefit.

Forest development projects too have often not been able to serve the purpose. Over a period of time, vested interests in the form of timber mafia, mining contractors and money lenders make it difficult for governments to reach out to the affected people. Successive elections have proven that these people have been used as vote banks, and their problems have remained very

basic in nature for a long time. All this is capitalised by the Naxals. They sympathize with local issues, take advantage of the assertive absence of the state machinery, and establish parallel modes of control over people's lives. As a result, the overlap of tribals, forests, and mineral resources also finds an expression in Naxalism.

Impact on Business

This interplay of complex issues means that industry and business have to contend with a variety of related problems. At a macro level, India's rise to become a world power and sustaining its GDP growth, could be undermined by long term internal security threats.

The Naxalites or Maoists, who claim to be fighting for the rights of the poor, want to overthrow the Indian state through armed struggle. They are targeting the security forces and are making all efforts to stop multinational corporations and big business houses from taking over mines in central and eastern India.

Indian industry has been dragged into this problem as some business groups have proposed and implemented mammoth projects for establishing mining industries, power projects and steel plants in forest and tribal belts rich in iron ore, coal, bauxite, manganese and other minerals. Most of these projects also entail massive land acquisition.

The Maoists, who claim to champion the cause of the tribal oustees, argue that big industrial houses, foreign investors and even public sector companies are helped by the government in their attempts to wrest control of land and mines in various parts of India.

As per the National Mineral Policy (NMP) 1993, the non-fuel and non-atomic mineral sector was opened to

private investment including Foreign Direct Investment (FDI). FDI upto 100 per cent is now allowed under the automatic route in the mining sector covering exploration and mining of diamonds and precious stones, gold, silver and minerals. The National Mineral Policy, 2008

Economic development is the most promising solution to the problem. It increases accessibility, encourages demographic mobility, which blurs the graphic separation of the population from others, expands education, which empowers individuals and the population to participate better in the larger political-economic system, and decreases their sense of separation.

sought to streamline and simplify the procedures for grant of mineral concessions in order to attract investment into the mining sector.

The total area granted to the private sector in mining lease in India was 411155.68 hectares as on 31.3.2001. According to the Indian Bureau of Mines (IBM), a total of 131 mining leases for major minerals with a total mining area of about 31,111 hectares have been granted to private companies alone in the state of Orissa as on 1.12.2004. Significant private investment has been made in the mining sector by the private sector. According to IBM, out of 3108 working mines in the country, nearly two thirds i.e., 2287 mines are in the private sector and 821 mines are in

the public sector. The moot point is that despite investments in mining by industry and the potential for community development, sections of the population have been unhappy.

Nevertheless, we have sterling examples of industry being part of community life and livelihood, and setting examples through best practices. Tata Steel in community development, TVS Motors in women entrepreneurship development and Ashok Leyland in skill development are a few good examples. Indeed, CII's theme for 2010-11, 'Business for Livelihood' is another manifestation of Indian industry's efforts towards inclusive growth. The need of the hour is deeper community engagement and better communication of what is being done.

The Way Forward

In order to overcome the problems born out of lack of development, the Planning Commission plans to launch an Integrated Action Plan to fill the developmental gaps in 34 districts spanning eight states.

The Ministry of Labour is working on a plan to employ rural youth from Maoist-infested areas in nearby urban centres.

The government, on its part, also wants industry to partner it to develop the interior regions of the country. It wants industry to invest in building trust in the Naxalite-hit districts, pointing out that improvement of the "condition of the people in these areas has to be a priority for the state and industry."

Investment security is directly connected with social security. The first step towards security of investments is to devise ways and means to dissociate the Naxal leadership from its sympathizer base. In order to delineate the critical

issues, one way is to identify whether there are common causes running through the six states, or are they location specific. Trends suggest that the geographical terrain and the socio-economic profile of the Naxalite affected districts in Chattisgarh, Orissa, Jharkhand and the adjoining areas of West Bengal are quite similar. It is different in Andhra Pradesh to some extent and very different in Bihar.

Economic development is the most promising solution to the problem. It increases accessibility, encourages demographic mobility, which blurs the graphic separation of the population from others, expands education, which empowers individuals and the population to participate better in the larger political-economic system, and decreases their sense of separation.

The Naxal strategy has been to occupy a core area and slowly spread out to adjacent vulnerable areas. Similarly, industry could establish a base in non-affected areas and use the core as a catchment of its development process. This would make it difficult for the Naxals to sustain their hold on the people.

Another suggestion is that industrial establishments in these areas can adopt a Public Private Partnership (PPP) model. The majority shares can be owned by the State, say, 74 per cent, and the private sector can own 26 per cent. The management could remain with the private sector. This way the government and industry could each focus on their core competencies, the former attending to development, and the latter managing resources. This has been experimented with some amount of success in many places.

The relationship of land, local/tribal community and the benefits they derive from industrial establishments in their area needs to be understood before a business

venture is even formulated. The local tribal community, which has a symbiotic relationship with forests, must be accepted as a partner in the development effort. Most local communities are not averse to giving their land to industry, but the trust that they will be given employment, and will be taken care of in terms of health, education, housing, roads etc. needs to be built before a development project starts in these areas. The idea is to build a relationship of trust. Clearly, inclusive economic development appears to be the most sustainable solution.

Ms Sonia Gandhi, Congress Party chief, wrote, in a recent letter in the party organ *Sandesh*: "Our country is facing an enormous challenge from the Naxalites. While we must address acts of terror decisively and forcefully, we have to address the root causes of Naxalism. The rise of Naxalism is a reflection of the need for our development initiatives to reach the grassroots, especially in our most backward tribal districts."

Says Brigadier Gurmeet Kanwal (Retd.) Director, Centre for Land Warfare Studies (CLAWS), a leading think tank in the security domain, "To deal with internal security threats and challenges, the government should formulate a comprehensive internal security strategy, which should be inter-ministerial, inter-departmental and inter-agency in its approach. Unless a holistic view is taken of governance, development and security issues, the nation will continue to face major internal security challenges."

Indian industry needs to relook at the way it approaches development and sustainability. At the political level, firm will at the top, and at the district level, inspired leadership with commitment to the well-being of people, is called for. Clearly, there are no easy solutions. ■



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Policy Intervention for Agri Renewal

A CII DELEGATION led by Mr. Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture, presented the **'Agri Renewal Mission: An idea to rejuvenate Indian Agriculture'** for policy intervention to Mr. Bhupinder Singh Hooda, Chief Minister of Haryana, on 22 May in Chandigarh.

The proposal is aimed towards ensuring food and nutritional security, increasing production, containing inflationary trends in the economy, creating economic capacities at village level and achieving inclusive growth. This in turn will lead to 4 % + growth in agriculture, ensuring a double digit growth in GDP.

The presentation focussed upon:

- Seeds Bill
- Subsidy through input stamps to small and marginal farmers, which are transferable to seeds, pesticides,

fertilizers etc

- Subsidy scheme on micro / drip irrigation
- Right pricing of power and water
- Private sector participation in agri-extension
- Development of cold chain infrastructure

- Removing all bottlenecks for marketing of agricultural produce and creating an enabling regulatory environment
- Hassle-free leasing of farm land to enable cost effective infusion of farming technologies to boost yields, etc.



Bhupinder S Hooda, Chief Minister of Haryana, and Leader, Group of Chief Ministers on Agriculture Productivity, appointed by the Prime Minister, with CII Agriculture Council members in Chandigarh

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Industry can Catalyse Dairy Development

INDUSTRY NEEDS TO come forward in a big way to accelerate development in the Dairy Sector in India, declared Mr. Subodh Kant Sahai, Union Minister for Food Processing Industries, addressing CII's **'International Conference on Dairy Industry - Public Private Partnership for Inclusive Growth,'** in New Delhi on 14 May. Highlighting that the dairy sector has been freed from all kind of taxes to facilitate investments, he suggested that expertise of International players could be tapped for the real growth of this sector.

Recognising that dairying and agriculture is a State subject, Mr. Sahai emphasized that it was not just enough to have schemes and allocation of funds. Increasing productivity, henceforth, will require a much more scientific approach to our breeding, feeding and animal healthcare programmes.

Dr Amrita Patel, Chairman, National Dairy Development Board (NDDB), pointed out that though India's dairy sector has performed extremely well in meeting national requirements while many other countries still continue to depend on imports, the demand for milk is now increasing at a much faster rate than production. The only answer is to ensure that domestic productivity increases to



Subodh Kant Sahai, Union Minister for Food Processing Industries

meet the projected demand of 180 - 200 million tonnes by 2021-22 without compromising our competitive advantage, she said.

Dr Patel said that the financial outlay for expansion of the processing capacity of cooperatives / producer companies would be around Rs 12,000 crores. There is scope therefore for the private sector to invest an equivalent amount, she said, calling for continuous efforts to improve the entire system from producer to procurement to processing through to marketing and to the consumer.

Mr. Rupert Holborow, the High Commissioner of New Zealand, offered his country's support in R & D, views and expertise to help India become a world-class leader in dairy.

Mr P Chengal Reddy, Secretary General, Consortium of Indian Farmers'



Associations (CIFA), called for national level coordination to implement various Governmental schemes and programmes. Joint efforts between the government-corporates and farmers will result in better marketability and higher income generation for the farming community, he said.

In India, 19 million people are directly and indirectly involved in dairying for employment and livelihood, observed Mr. M K Jalan, Chairman, CII National Task Force on Dairy. India, to emerge as a dairy products exporting country, needs to develop proper production, processing and marketing infrastructure to meet international quality requirements. He called for a comprehensive strategy for producing quality and safe dairy products.

New Zealand was the Partner Country at the conference with a strong business delegation. Apart from senior officials from the central and state governments, the key speakers at the conference included Mr. Dilip Rath, Joint Secretary, Animal Husbandry and Dairying, Dr. A K Srivastava, Director and Vice Chancellor, National Research Dairy Institute, and Mr. Deepak Ahluwalia, Senior Economist, World Bank. ■



Rupert Holborow, High Commissioner for New Zealand, Deepak Ahluwalia, Sr Economist, World Bank, India, and Peter Gatley, General Manager-Genetics, Livestock Improvement Corporation (LIC), New Zealand



M K Jalan, Chairman, CII National Task Force on Dairy, and Chairman, Keventer Group, Dr Amrita Patel, Chairperson, National Dairy Development Board, and P Chengal Reddy, Secretary General, Consortium of Indian Farmers' Associations

A CII-HCL White Paper presents recommendations for a 'Safe City'

Making our Cities Safe

'THREAT' IS A global factor today. All over the world, countries are facing threats of extremism from both within and outside their borders. India, too, has been a constant target of terrorism over the years. In 2008, India was world's third most terrorism afflicted country. With an increase in attacks on public places, hotels and other economically important infrastructures, security threats have extended beyond national borders and have percolated to the streets. As emerging security trends transcend public-private barriers, there is an imperative to evolve a structured and regular interaction with the stakeholders, both in the private and government sectors, to effectively deal with the challenge.

CII is of the view that the security of key cities should be taken on a priority. Megacities like Delhi, Mumbai, Bangalore, Chennai, Kolkata, and Hyderabad should have an integrated security system installed at the earliest. Also, cities which draw large numbers of foreign tourists like Agra, Jaipur, and Goa, should have an end to end integrated security system installed as soon as possible. Frequent terrorist attacks, left wing extremism and security breaches necessitate robust security across our cities. A CII-HCL White Paper, released by Mr P Chidambaram, Union Minister for Home Affairs during the CII National Conference on 12 May in New Delhi, presents one such security framework, titled 'Safe City'.

The concept of 'Safe City' integrates technology with the existing security process and local security machinery such as police, to offer a proactive system that aids the prevention, protection, detection, and containment of threats, along with reporting and



Hari S Bhartia, President CII, P Chidambaram, Union Home Minister for Home Affairs, Venu Srinivasan, Immediate Past President CII, and Chandrajit Banerjee, Director General, CII, at the release of 'A White Paper on Safe City'

Key Recommendations:

- Implements a National Infrastructure Protection Plan
- Establish a robust centralized security system
- Public Private Partnerships to direct comprehensive approach to handle the security
- Establish Centres of Excellence and training institutes to spread awareness on technology amongst the community at large

an effective response module. The 'Safe City' framework also includes centralised decision-making and day-to-day operational activities like traffic management, crowd management, and intelligent surveillance.

No society can flourish and become economically stable under any kind of threat to the security of its citizens. Our cities need to be well prepared for any situation, even as our detractors utilize sophisticated information technology to sneak into our security systems, jeopardizing the lives of millions of people.

The White Paper identifies four different phases to help implement 'Safe City' across the country and increase the safety index. The document lays importance on a systematic investment plan with a focus on incorporating technology in necessary security initiatives, since effective and streamlined use of technology can increase the ability to prevent, detect, protect, respond and recover from attacks and also minimize the occurrence of waste, fraud, and abuse. The experts at CII and HCL Security have also suggested conducting regular security audits, based on which critical areas of concern could be identified and worked upon.

The paper suggests that Government could work on a Public Private Partnership (PPP) model which will involve private parties to participate in building a secure city. This would mean involving technology solution providers, consultants and system integrators in close partnership with the Government to solve the security needs of homeland and infrastructure. Such a model will ensure industry facilitation that would result in enhanced economic growth, higher employment ratio, etc as witnessed in developed countries;

this has been suitably exemplified by the US Government's PPP model. Ideas of linking insurance with terrorist threats in order to minimise the breach of security at the macro level, creating mass awareness by setting up training institutes to educate people about technology, and ensuring that people understand the technology and by becoming tech savvy, become the first responders in times of emergency, have also been suggested in the Paper. Such initiatives also enable individuals to contribute to the state's security at various levels.

One of the objectives of the externally-sponsored jihadi terrorists is to shake the confidence of the business community - Indian and foreign. This should be countered by the Central and State Governments through close interactions with the business community on terrorism-related matters, easy accessibility of senior police officers to those in

charge of physical security in big private establishments, readiness to give advice to private establishments on how to strengthen their physical security and encouraging them to bring their concerns to the notice of the police for appropriate advice and follow-up action.

The complexity of modern day integrated IT enabled security systems calls for the increased involvement of the Corporate Sector. After the 9/11 attacks on American soil, the US asked all the major corporate players in Defence to develop solutions for Homeland Security. This was the need of the American nation at that time, and all the leading US defence companies responded strongly to the challenge.

Similarly, after the London blasts in July 2005, the British authorities have reportedly set up posts of counter-terrorism co-ordinators in all the important police stations of London to

constantly interact with the business community and the public in their respective jurisdiction and advise them on preventive measures. Such initiatives could perhaps be replicated in India also.

It important for the Indian Government to involve large, trusted Indian system integrators in security. Member companies of CII can be given this responsibility.

Corporates can help in multifaceted ways: Firstly, they will bring in their large system integration experience here to develop large integrated systems. Secondly, corporates can bring in the latest technologies. Thirdly, large private firms can import technologies without physically involving foreign entities in the project which may not be possible with the PSUs. Fourthly, corporates can also get capital for the business. This will greatly augment the security efforts of the government. ■



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3rd International Artillery Technology Seminar

OUR DOMESTIC INDUSTRIES have made their presence felt internationally, and the skill base and talent are plentiful; it is therefore prudent that the pool of resources resting within Indian industry, skill sets and talent, be utilized to meet the needs of the Indian Army, declared General VK Singh, PVSM, AVSM, YSM, ADC, Chief of the Army Staff.

“This is the best bet against import syndrome which is susceptible to blackmail by technology-denying regulations,” he said, at the **3rd International Seminar on Artillery Technology** organised jointly by CII, the Centre for Land Warfare Studies (CLAWS) and the Directorate General of Artillery on 10-11 May in New Delhi.

Towards qualifying and quantifying the level of ‘self reliance’ of the nation, the user, developer and producer form a triad on which hinges national strategy and the interest of the country. The weakest link in this triad should be minimized, said Gen. Singh.

Lt Gen KR Rao, PVSM, AVSM, VSM, Director General, Regiment of Artillery, Integrated Headquarters



Gen VK Singh, PVSM, AVSM, YSM, ADC, Chief of Army Staff, with Guralp Singh, Deputy Director General, CII

of MoD (Army) felt that, keeping Artillery Vision 2027 in mind, it is imperative to modernize Indian Artillery systematically to compete with the best in the world. While other advanced nations have leapt far ahead in the field of Artillery, India is still lagging behind, and needs to catch up fast, he warned.

Brig (Retd) KA Hai, Chairman, CII Defence Committee on Land Systems, and Chief Executive, Mahindra Defence Systems, said that the years to come

would see India coming up with centres of excellence for design, development and manufacturing of artillery.

Lack of modernization is dampening the ability of the army during war, felt Brig Gurmeet Kanwal (Retd), Director, Centre for Land Warfare Studies. He said that import of defence technology wherever required should be welcomed, noting that while amendments to DPP 2008 have been welcomed by the industry, nothing much is happening on-ground. ■

India-Finland Defence Industry Roundtable

THE MINISTRY OF Defence, India, in association with CII, facilitated an **India-Finland Defence Industry-to-Industry Roundtable** meeting on 29 April in New Delhi.

Mr Jyri Hakamies, Defence Minister of Finland, led a 25-member strong Finnish defence industry delegation to India, including members of the Association of Finland Defence and Aerospace Industries (AFDA). The interaction between AFDA and

Indian Industry members focused on the armament market and procurement practices, the defence industrial landscape, industrial participation and cooperation.

Mr Hakamies invited the Indian defence industry to do business in Finland. Mr Nalin Kohli, Chairman, CII Defence Sub Committee on



Jyri Hakamies, Minister of Defence, Finland

SMEs, and Chairman & CEO, Terabyte Informatics Pvt Ltd, briefed the visitors about opportunities in India. A presentation on defence acquisition plans and procedures was made by the Ministry of Defence, while a presentation on technological requirements was made by DRDO. ■

Private Equity can have a transformational impact on business models, corporate governance and talent management, states a CII-KPMG report

Private Equity & Venture Capital

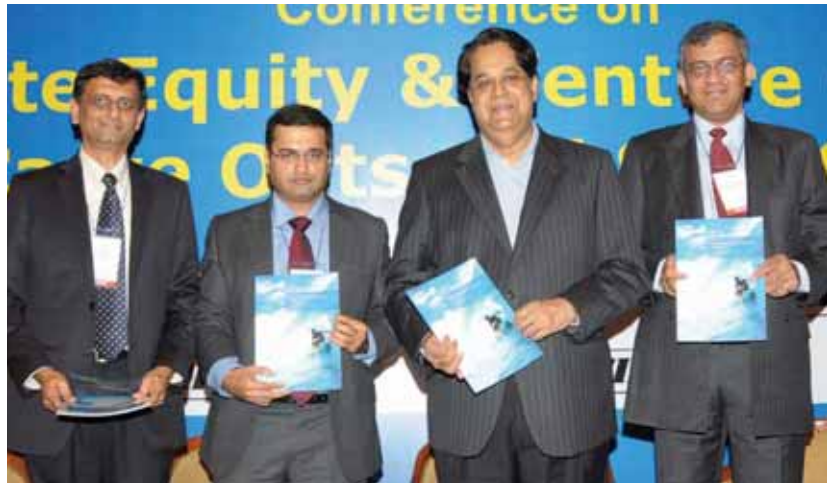
THE PRIVATE EQUITY and Venture Capital Industry (PE&VC) in India provides the much needed growth capital and seed capital to several Indian companies. It has also made significant contribution in terms of infusing management and operational expertise to the companies thus financed, spurring innovation and providing strategic advice, to nurture and promote entrepreneurship in India.

However, the role of PE&VC in building entrepreneurship and nurturing growth and expansion is less known, compared to other sources of funds for industry, especially on the positive role played by them.

CII, in collaboration with KPMG, prepared a study report titled **'Enabling Growth in Promising Indian Companies'** which says PE Funds would remain a preferred choice for growth capital.

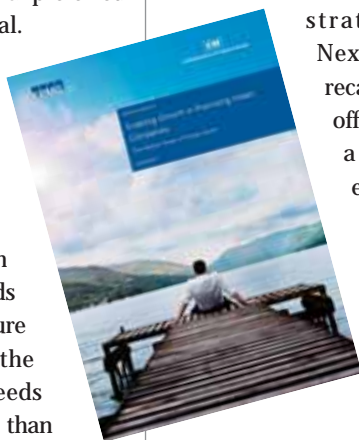
The report states that PE&VC investments need to be increased three-fold from \$10 billion annually to \$30 billion. India will need around \$60-100 billion private equity (PE) funds by 2013 for its infrastructure projects alone. In all, the country's investment needs are estimated to be more than \$1.25 trillion over the next three years to support 8 percent plus annual growth, finds the report.

The report highlights the three most important, transformational impacts of Private Equity, on



Sri Rajan, Partner, Bain & Co, Vikram Hosangady, Executive Director, KPMG, K V Kamath, Past President, CII and Non Executive Chairman, ICICI Bank, and Gopal Srinivasan, Chairman, CII National Committee on Private Equity & Venture Capital, and CMD, TVS Capital Funds Ltd

business model changes, corporate governance and professional talent management. Closely following these are the impact of Private Equity on product development and helping find acquisitions or strategic partners. Next come financial recapitalizations, spin-offs, new technologies and improving efficiency.



The report further demonstrates that as companies are transformed into business leaders, the industries that they are part of are transformed and in some cases there is even a national level impact.

The CII-KPMG report was released by Mr K V Kamath, Past President, CII, and Non-Executive Chairman,

ICICI Bank, at a CII Conference on **'Private Equity and Venture Capital: Carve Outs and Spin Offs'** on 7 May in Mumbai.

Mr Kamath said that the PE&VC industry is at take-off stage in India and the flow of funds would have to be maintained as great opportunities lie ahead, as the Indian growth story is strong. Noting that the PE&VC industry in India is relatively young and has a long way to go, he stressed on skill enhancement of the talent pool present in this industry.

Mr Gopal Srinivasan, Chairman, CII National Committee on Private Equity & Venture Capital, and Chairman and Managing Director, TVS Capital Funds Limited felt that the CII – KPMG report would serve as a useful example of what is possible and inspire more companies with ambitious growth plans to boost their growth in collaboration with PE firms. ■

Non Compete Law, IPR & Employment Law in India

LEGAL LUMINARIES and industry experts agreed that there has to be a common industry code to serve as the basis for a future legislation, and a non-compete law for robust legislation to safeguard and protect confidential information and trade secrets, at the CII seminar on **'Non Compete Law, Intellectual Property Rights & Employment Law in India'** in Bangalore on 24 April.

Setting the tone for the discussions, Mr Lalit Bhasin, Chairman, CII National Committee on Legal Services, highlighted the grave need for legal protection against violation of non-compete contracts in India, and the need for changes in the law to enable Indian industry to gain global trust, so that we do not lose out to the competition.

Mr. M. N. Venkatachaliah, former Chief Justice of India, said that in the emerging global business scenario, the minimum guarantee would be

to provide legislation for the protection of business secrets.

Mr Suprio Dasgupta, Director & General Counsel, Honeywell Technology Solutions Lab Pvt. Ltd spoke about the cultural and legal hurdles faced by a company which operates in different countries, when it has to enforce its right on confidential trade secrets and protect itself against employees who join rival organisations and violate non-compete provisions. He said that it is more difficult to enforce non-compete clauses in South East Asian countries than it is in others.

Prof A. Jayagovind, Vice Chancellor, and Professor of Law, National Law School of India University, predicted that the market place will dictate human activities in a liberalized global scenario and that non-compete clauses are a negative factor of competition.



M. N. Venkatachaliah, Former Chief Justice of India

He noted that the proposed legislation to protect inventions and innovation in Science and Technology is yet to become law. It is important to have a robust and independent law for enforcing non-compete clauses and protection of confidential information, he added.

Mr Sai Chandravadhan, Managing Director, Sand Legal, said the IT & ITeS industry, especially the LPO industry needs legislative protection to safeguard trade secrets and bring in punitive damages against erring employees, sub-contractors and the like, to tap the 184 billion USD LPO business. Customers need to perceive India as a safe and efficient destination for ITeS work, he said.

The seminar also deliberated on Trade Secrets and Confidential Information as well as IPR issues and challenges. ■

media

CII Facilitates India Participation at Cannes

COORDINATING THE INDIA participation at the Cannes Film Market 2010, CII, for the first time, set up an exclusive Business – to – Business meeting place for film and TV production companies, content sellers, line producers and studios, technology service providers.

CII's B2B Stand had participation from over a dozen Indian showbiz companies including UTV Motion Pictures, IDream Independent Pictures (IDIP), Accel Animation Studio, Supreme Communications, and Sarthak Movies, among others.

UTV Motion Pictures launched Vikramaditya Motwane's 'Udaan' at the market. 'Udaan,' which represented India in the 'Un Certain Regard' section generated a buzz amongst both buyers and critics. IDream Independent Pictures,

leading sales agent for independent films (Non-Bollywood) from India introduced three films, at Cannes this year: the horror title FIRED, the urban contemporary drama 'LSD' and the family film 'I am Kalam', which were all well received. Beyond Illusion, an animation studio under Supreme Communications also experienced Cannes for the first time with their 3D animation musical feature film 'Return of Shree Krishna.'

The CII booth was visited by luminaries including Mr. Raghu Menon, Secretary, Ministry of Information & Broadcasting, Mr. Ranjan Mathai, Ambassador of India in France, Mr. M H Khan, Additional Director General



CII Film Market at the Cannes Film Market, France

and Director, Directorate of Film Festival, Ms. Barbara Broccoli, Film Producer, Mr. Amit Khanna, Chairman, Reliance BIG Entertainment, and Mr. Subhash Ghai, Mr. Anurag Basu and Mr. Vikramaditya Motwane, all filmmakers, among others.

CII worked closely with the Film & TV Producers Guild of India, the Film Federation of India, and the South Indian Chamber of Commerce for the B2B market. ■

2nd Global Industrial R&D Conclave

India-Czech Technology Partnership for MSMEs

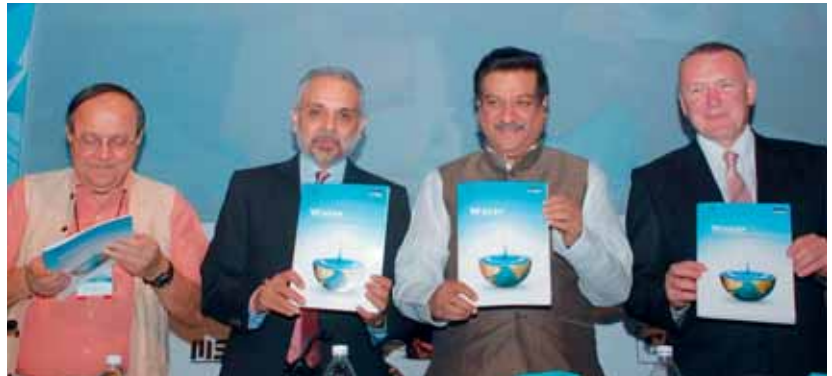
INDIA IS READY to take the next step, change its gear to the next level in the field of Innovation, said Mr Prithviraj Chavan, Union Minister of State (IC) for Science and Technology and Earth Sciences, at the **2nd Global Industrial R&D Conclave** on the occasion of National Technology Day organised by CII, the Council of Scientific & Industrial Research, Micro, Small and Medium Enterprises (MSMEs), Global Innovation Technology Alliance and the Czech republic on 11 May in New Delhi.

Pointing out that India has already achieved a literacy rate of 70% from 18%, Mr Chavan said the next phase is to improve the quality of educational institutes. The government has given unprecedented incentives for in-house research. Indian Industry need to invest more in in-house R&D, he said.

Welcoming the partnership of the Czech Republic for the event, the Minister said such collaboration between the Czech Republic with its intellectual capital and history of innovation, and India, which is in the take-off stage, is especially needed in funding contract research and doing joint research. He announced that Government would give incentives for all kinds of initiatives in the field of solar energy.

The Minister listed energy security and strong IT enabled services as key drivers for sustainable growth.

Mr Chavan also released the CII-KPMG report on 'Water and Renewable Energy'- a framework for encouraging R&D in water and renewable energy.



Prof. S K Brahmachari, Secretary, DSIR & Director General, CSIR, Hari S Bhartia, President, CII, Prithviraj Chavan, Union Minister for Science & Technology and Earth Sciences, India and Lubos Vanek, Deputy Minister of Trade & Industry, Czech Republic, releasing the CII-KPMG Report on 'Water: A Framework for Encouraging R&D'

Mr. Lubos Vanek, Deputy Minister of Trade, Czech Republic, said that PPPs (public private partnerships) simplified administration, conducive schemes to promote research and better co-operation with industry would foster technological research development.

Mr. Hari Bhartia, President, CII, listed ten drivers to innovation in his special address:

1. High quality Human Resource
2. Investment in Higher Education
3. Ability to transfer science-technology-commercialization
4. Risk capital
5. Substantial budget for R&D
6. Industry-Government partnership
7. Creation of Clusters
8. Reverse Brain Drain
9. Effective IP Laws & Regulations
10. Network R&D

In his theme address, Prof. S K Brahmachari, Secretary, Dept of Department of Scientific & Industrial Research (DSIR), and Director

General, Council of Scientific & Industrial Research (CSIR), Ministry of Science & Technology, India, said the year 2010 has been an extraordinary year in terms of technology. CSIR, in collaboration with Mindtree, unveiled the largest portfolio of security surveillance, an indigenous civil aviation industry for the development of aircrafts was launched by the Prime Ministry in Bangalore and three new drugs developed by CSIR labs were launched in the market.

Though the Indian Government has encouraged R&D, the weak links have been the commercialization of research, taking it from the lab to the market, industry-academia linkages and international collaborative R&D, felt Mr. Ajai Chowdhry, then Chairman CII National Committee on Technology & Innovation, and Chairman and CEO, HCL Infosystems Ltd.

Mr. Pravir Kumar, Joint Secretary, MSME, India, also participated in the inaugural session. ■

Managing e-Waste

THE EVER-PILING menace of e-waste is a global issue, and is a direct impact of improvements in income levels, ease of production and other related developments. Countries all over the world have already accepted that the mammoth task of managing e-waste has to be fulfilled in an innovative and collaborative manner wherein all stakeholders have to come together.

The **'National Forum on E-Waste,'** held on 26 May in New Delhi, in partnership with the Union Ministry of Environment & Forests (MoEF), discussed a multitude of e-waste issues, particularly in the light of the recently released draft national policy on e-waste by

the Government of India.

The highlights of the Forum included

- An introduction on the issue of e-waste-by Mr Rajiv Gauba, Joint Secretary, MoEF
- Highlights of the newly drafted policy on e-waste by Dr Saroj, Director, MoEF
- Panel discussion with experts on e-waste representing various stakeholders - producers/generators of e-waste (IT, BPO & Electronics), e-waste recyclers, the un-organised sector, government representation and industry associations
- Session on exploring replicable models/viable alternatives to tackle the issue of e-waste.

The key issues discussed were

- The newly released draft policy on e-waste
- Implementation plan for the e-waste policy
- Existing capacity of recycling plants in country
- Responsibility of dealers, producers, refurbishers etc
- Extended producer responsibility
- Awareness generating plans
- RoHS

CII will generate feedback from all the participants on the draft e-waste policy and present it to the MoEF, which, on its part, has assured the consideration of suggestions, wherever possible, for a better and impactful law on e-waste. ■

Proposed Anti-Counterfeiting Trade Agreement

Confederation of Indian Industry organised a roundtable on the much talked about draft on the Anti-Counterfeiting Trade Agreement (ACTA) on 26 May in New Delhi to update industry on the Agreement

The overall objective of ACTA is to strengthen the 'legal framework' for enforcement of intellectual property rights (IPRs) in a manner that would go significantly beyond the enforcement standards set out in the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

The round table discussions revolved around the following pertinent questions:

- How can India capitalize on the couple of points in the proposed agreement, which have drawn public resentment?

- What in the current international environment can India make use of in its favour?
- What are the substantive measures in ACTA, which India ought to reflect upon?

The key points summarized during the roundtable:

1. India needs to do an industry-wise study of ACTA before participating in the capacity of an observer.

2. Protecting Intellectual Property in an equitable and fair fashion is important.

3. Public Health should be brought under the ambit of ACTA.

4. India should be in the ACTA arena only to keep a check.

The roundtable saw a participation from various sectors like pharmaceuticals, IT, FMCG, government and the legal fraternity. ■



Roundtable on the proposed Anti Counterfeiting Trade Agreement (ACTA)

12 Point Agenda for MSMEs

CII HAS IDENTIFIED five key enablers for MSME growth and development for 2010-2011: Finance, Regulatory Framework, Capacity Building, Environment and Business Development.

Though 2009-10 was a difficult year for Indian MSMEs because of the domestic economic slowdown caused by the global financial crisis and the subdued export demand, the sector has demonstrated remarkable resilience. The increase in Budgetary allocation for this sector from Rs.1,794 crore to Rs.2,400 crore for the year 2010-11 is indeed in line with the growing needs for the development of MSMEs.



Presenting the agenda of the CII National MSME Council for 2010-11, Mr Ramesh Datla, Chairman, CII MSME Council, said the council will endeavour to meet the expectations of its 70% strong membership base from this sector through a structured approach and engagement with all stakeholders, specifically the local industry associations, at the grass root level.

In line with the CII National theme - 'Business for Livelihood -

Education, Employability, Innovation and Entrepreneurship,' the CII National MSME Council would strive for incremental and innovative improvements to make Indian MSMEs in globally competitive, he said.

Mr Datla outlined a 12 point agenda:

1. Encourage ICT use by MSMEs. For this, enhanced depreciation on IT products is required. It is recommended that the government consider according 100% depreciation, once in a block of three financial years, for an annual investment in IT equipment and



software up to a limit of Rs 25 lakhs, to the MSMEs.

2. Provide tax benefits to companies to source from MSMEs and adhere to the payment schedule, as per the terms of the contract agreed upon with their vendors. This would ensure the growth progression and upgradation of the vendors, in line with the requirements of the vendee and also help to address the issue of payments (delayed), throughout the supply chain.

3. Promote climate-friendly energy technologies to enhance energy self-reliance and responsibility towards the environment. There is a need for a central Climate Friendly Technology

Fund to help MSMEs to adopt such technologies.

4. Facilitate the establishment of a SME Exchange while ensuring product innovation without compromising on risk management - this will reduce credit requirements on one hand, and broad base equity funding on the other.



5. Formulate the Purchase Preference Policy, as per Section 11 of the MSMED Act, 2006, to enable the Central Government and the State Governments to notify, from time to time, preference policies in respect of procurement of goods and services, produced and provided by Micro and Small Enterprises.

6. Reduce the number of litigations through simplification of the regulatory framework for MSMEs. Various employee related regulations such as the Provident Fund Act, the Employees State Insurance (ESIC) Act, the Factories Act, the Industrial Disputes Act, the Contract Labour Act etc. are seriously impairing the growth of the MSME sector. With all the intended positive objectives, in actual practice, they have unleashed *inspector raj*, causing serious harassment, and do not provide the

intended benefits to the employees.

The recommendations of the Working Group on Labour Laws by the Planning Commission, referred to in the Report of the 2nd National Labour Commission, must be discussed with Industry, and the various labour regulations suitably amended.

7. Effort should be made to adhere to schedule of introduction of GST. For this purpose, it is necessary to announce a time schedule for each important step. The most preferred option is a unified, single rate of 12% for GST. This would be the biggest stimulus package for economic revival and the first step towards unification of the Indian market.

8. Policy guidelines to encourage FDI participation by NRIs in the SME sector - this would include no

export obligation and continuing Small Industry status even if FDI is more than 24%, separate platform for facilitation, automatic approval for 100% FDI from NRIs, and other promotional measures.

9. Revamp the credit rating system for MSMEs. It would be highly desirable if the RBI could constitute a group, along with the Indian Banks Association, and the credit rating agencies, to work out a uniform credit rating format and processes to bring about transparency and speed to this important issue.

10. Earmark 15% for MSEs (Micro & Small Enterprises) within the overall priority sector lending, as recommended by the Working Group on Micro & Small Scale Enterprises for the 11th Five Year Plan. The need to enhance the availability of credit to

the MSEs from the commercial banks and other institutional sources is well recognized and fixing a sub-target for this sector would go a long way in improving the scenario.

11. All registered enterprises graduating from 'Micro & Small' category to 'Medium' category to be treated at par, for the applicability of all promotional schemes, announced and implemented by the Office of the Development Commissioner (MSME).

12. Capacity-building to enhance the competitiveness of MSMEs and their linkages with large industry.

CII, through its L M Thapar Centre for Competitiveness for SMEs, would work on twelve new clusters impacting approximately 100 MSMEs and also take the number of clusters from 200 to 212.

A CII Investments and technology-based mining mission visited Santiago, Chile

Indian Mining explores options in Chile

THE CII MINING and Construction Equipment Division recently organised a 13-member investments and technology based mining mission to Santiago, Chile, coinciding with the Expomin 2010 held there.

Mr Pablo Wagner San Martin, Vice Minister of Chile, informed the visitors that Chile was looking eagerly at India for investments in the automobile, gas and mining sectors. Chile is the copper basin of the world, producing more than 70% of the global copper production. The Vice Minister added that Chile also has iron ore reserves, inviting companies to take up iron ore blocks for exploration.

Tata Steel, which is scouting for iron ore blocks to supply raw material for its Corus Plant in Europe, showed keen interest in investing in iron ore blocks.

McNally Bharat, turnkey solution providers for metal beneficiation

plants, evinced interest in investing in Chile's mining sector, while Hindustan Copper Ltd, a PSU under the Ministry of Mines, is looking at Chile as a potential partner in the modernization and expansion of copper mines in India.

Representatives of Corfo, the Chilean Economic Development Agency, explained that the country's business start up rules and processes are considered one of the simplest and quickest in Latin America.

At a dinner reception held in honour of Mr Sanjiv Kumar Mittal, Joint

Secretary and Financial Commissioner, Ministry of Mines and Coal, Mr Pradeep Kapur, Ambassador of India in Santiago, noted that trade between India and Chile was US \$ 2.2 billion. TCS had over 7000 employees in Chile, he added. A Preferential Trade Agreement between India and Chile was signed in August 2007, with possibilities to discuss a CEPA/FTA shortly, he added.

Several fruitful meetings also took place between the delegation and the Mining Council of Chile, Codelco (the largest copper company in the world), the National Mining Society of Chile and consultants C2P

The group included representatives from Tata Steel, McNally Bharat, Vedanta, Konkola Copper Mines, Tega Industries, JSW, and BEML, amongst others.



The CII Mining Delegation with Sanjiv Kumar Mittal, Joint Secretary, Ministry of Mines at Santiago, Chile



LM THAPAR
Centre for Competitiveness
for SMEs



Hybrid Manufacturing Cluster



C Narasimhan, Chief Advisor, CII National Cluster Programme & Advisor, Auto Components Business, Sundaram Clayton Ltd and Pradeep Bhargava, MD, Cummins Generator Technologies Ltd

CII launched its 1st 'National Manufacturing Cluster' on 24 May in Pune. The cluster programme is unique in the world, bringing group companies together to work for common objectives and take away new learning experiences.

Mr Pradeep Bhargava, Managing Director, Cummins Generator Technologies Ltd, highlighted the challenge to make manufacturing hubs sustainable and inclusive. Mr C Narasimhan, Chief Advisor, CII National Cluster Programme, and Advisor, Auto Components Business, Sundaram Clayton Ltd, said the cluster methodology strengthens the internal competitiveness of companies through an Indian way of Manufacturing that is based on best practices developed in India.

This hybrid cluster is a two years programme with a defined roadmap and clear milestones and indicators. The prestigious programme is being administered by the CII-LM Thapar Centre for Competitiveness which has pioneered the pan-India cluster movement.

The kick-off ceremony witnessed the participation of CEOs, plant heads, quality heads and decision makers from the participating organisations, which include Crompton Greaves, Godrej & Boyce, Cummins Generator Technologies, Cummins Power,



Forbes Marshall, Demag Cranes and Component and Thermax.

SME Mission to Japan



Indian Delegation with SMRJ officials in Japan

The CII-L M Thapar Centre for Competitiveness organised an SME Mission to Japan on 26-28 May, coinciding with the SME Expo Sougouten 2010 in Kansai under the aegis of SMRJ, Japan. India was granted Guest Country status at the SME Expo. SMRJ hosts two such exhibitions a year, where CII is invited to participate, enabling member companies to present themselves on an international platform, explore new business opportunities and observe best practices.

The 17-member Mission, headed by Mr Yogesh Munjal, Managing Director, Munjal Showa Ltd, also held B2B meetings with SMEs from Japan, Taiwan and neighboring countries of Japan. Over all, 600 SMEs of various manufacturing sectors related to components and services, participated in the fair.

The mission members visited the Ohtsuka Sangyo Material Co.Ltd, Nagahama City, for the purpose of benchmarking. This 300 year-old organisation, which started with manufacturing mosquito nets, has now developed into a supplier of seats and head rests to Toyota and Honda.

The delegates members met Mr. Suzuki Tomoya, Deputy Director, JETRO Osaka, and had a useful meeting with JETRO personnel on forging SME business ties between Japan and India.

The delegation also called up on Mr. Vikas Swarup, Consul General of India, Osaka. Mr. Swarup expressed his support

to CII to strengthen the business relationship with Japan. SMRJ would bring a delegation to the National Cluster Summit later this year.

An important learning experience was a

visit to SME University, Kansai, a role model dedicated to imparting teachings on SMEs, based on the needs of industry.

Leadership Challenges

An interactive workshop deliberated on the current Leadership Challenges facing the industry on 14 May in Noida. The discussions elaborated on key factors to build innovative leadership and coordinated teamwork to manage change and defuse interpersonal conflicts, and increase commitment, creativity and teamwork in the current paradigms.

Total Cost Management

A workshop on Total Cost Management on 25 May in Gurgaon suggested proactive engagement in managing enterprise-wide costs, to maximize operational efficiencies and enhance shareholder value, in the prevailing economic scenario. The workshop provided in depth details on relevant tools like Activity Based Costing (ABC), Activity Based Management (ABM), Target Costing (TC) and Inventory Management, with relevant examples and case studies. ■

CII-Godrej Green Business Centre

Green Cementech

Green Cementech 2010 was jointly organised by CII and the Cement Manufacturers Association (CMA) on 13 -14 May in Hyderabad. Green Cementech facilitates the Indian cement industry to reach world-class standards in energy and environment, by adopting the most energy efficient manufacturing processes. The event addressed all issues related to the sustainable development of this fast-growing industrial sector.

The inaugural session was marked by the release of a Report titled 'Low Carbon Roadmap for Indian Cement Industry' and 'Cement Formulae Handbook-Version 2.0' by the Chief Guest, Mr G Anantha Ramu, Commissioner, Industries & Commerce, Andhra Pradesh. The Report is an effort to create a roadmap for the Indian cement industry to achieve its target of 20 % reduction in greenhouse gas emission intensity, from the present average levels of 697 kg CO₂/ ton of cement to 560 kg CO₂/ ton of cement.

Mr Anantha Ramu underlined the need and importance to reduce the intensity of energy consumption, usage of resources, etc., in the production process and said the focus should be on sustainable industrial growth.



G Anantha Ramu, Commissioner, Industries & Commerce, Andhra Pradesh, D V Manohar, Past Chairman, CII – Andhra Pradesh, and G Jayaraman, Chairman, Green Cementech 2010 & Executive President, Birla Corporation Ltd

Australian Trade Minister

Addressing an interactive session on 7 May in Hyderabad, The Hon. Simon Crean, MP, Australian Minister for Trade, said both India and Australia have natural resources abundant and could work together to meet future energy needs. Mr Crean also planted a sapling at the Centre.



The Hon. Simon Crean, MP, Minister for Trade Australia

Green SEZ Rating System

The Indian Green Building Council (IGBC), along with the Union Ministry of Commerce and Industry (MoCI), has prepared the Green SEZ Guidelines. The IGBC has further developed the IGBC Green SEZ Rating System as an extension of the Green SEZ Guidelines, to encourage projects to exceed the requirements of many Codes and Standards. The IGBC Green SEZ Rating System is a voluntary and consensus based programme, based on materials and technologies that are available at present. The objective is to facilitate the creation of energy efficient, water efficient, healthy, comfortable and environmentally friendly SEZ.

The Rating System evaluates certain credit points using a prescriptive approach and other credits on a performance-based approach. Both comprehensive and user-friendly, it uses well accepted national standards

(wherever local or national standards are not available, appropriate international benchmarks have been considered).

IGBC is accepting Pilot Projects under the IGBC Green SEZ Rating System. Project teams aspiring for IGBC Green SEZ Certification for their projects can register at

International Visitors

The Centre received several visitors from different countries on 25 May. A high-level Bangladesh Ministerial Delegation included Mr Yeafesh Osman, State Minister, Science and ICT, Mr. Hasanul Haq Inu, Member, Bangladesh National Parliament,



Bangladesh delegation at the Centre

and Chairman, Parliamentary Standing Committee on Post and Telecommunication, Mr. Tariq A. Karim, Bangladesh High Commissioner to India, Md. Habibur Rahman Khan, Commercial Counsellor, Bangladesh High Commission, New Delhi, and Mr. Abdul Matlub Ahmad, President, India-Bangladesh Chamber of Commerce & Industry, Bangladesh.

Prof. Piotr Klodkowski, Ambassador of Poland to India and Mr. Janusz Bylinski, Consul General, Consulate General of the Republic of Poland, also visited the Centre.

Mr. Mana Al Suwaidi, Commercial Attaché, UAE Embassy in India, visited the Centre, too. ■

CII-Suresh Neotia Centre of Excellence for Leadership



Leadership & Organizational Communication



Communication is the adhesive which holds an organisation together. Effective leaders are always developing, delivering and sustaining their leadership messages as a part of their regular communication which is instrumental in creating a successful enterprise.

The workshop on 'Leadership and Organizational Communication' on 8 May deliberated upon organizational communication and effective leadership styles.

Business Marketing

Business marketers cater to the largest market of all and the volume of transactions in the industrial, or business market significantly exceeds that in the consumer market. Even consumer marketers require a sound comprehension of business marketing.

The workshop on Business Marketing on 11 May dwelt on the basic and strategic differences between business and consumer markets, the segmentation-targeting-positioning framework of strategic marketing and linking this with Michael Porter's generic competitive strategies. The workshop also detailed the scope of each element of the marketing mix, using the 4P

framework, the additional 3Ps of service products and the importance of relationship marketing as opposed to transactional marketing in business marketing.

Driving Excellence in Service Organisations

Service organisations need to continuously search for innovative and creative methods to acquire and more importantly retain satisfied customers. The Workshop on 'Driving Excellence in Service Organisations: The Quality Way' on 21-22 May showed how quality management perspectives can contribute to a service organization's strategic vision for success.

The session reasoned the value and use of the EFQM Excellence Model (European Foundation for Quality Management) to a service organisation. It also explored how an organization designs, manages and improves its processes in order to support its policy and strategy and increase value for its customers and other stake-holders.



Business Profit by Office TPM Office TPM or Total Productive Maintenance is as essential in the

administrative and logistics aspects of a business, as it is in the shop floor area. It ensures an efficient, effective support system which improves the speed and delivery ensuring a better utilization and organisation of the office.

The workshop on Business Profit by Office TPM on 27 May showed how Office TPM helps organisations overcome hidden and unmeasured administrative losses. It also discussed 1S & 2S, breaking the inter-department barrier, and orientation towards inventory and cost reduction activity.



High Performance Leadership

Grooming middle and senior level resources for challenging leadership positions is of critical importance in the contemporary competitive business scenario. A capable leader can motivate, delegate and improve the quality and productivity of a company's workforce, helping them to not only achieve common goals but also to sustain success in the face of intimidating challenges.

The Seminar on High Performance Leadership on 28 May identified areas of leadership strengths and development. The seminar also discussed emotional intelligence and leadership competencies. ■



Good leadership, Innovation and Quality Governance will help India integrate into the global world, said thought leaders, at CII-IQ's 9th Anniversary Day

India@75: Quality For All

THE CII-INSTITUTE OF QUALITY (CII-IQ) celebrated its 9th Anniversary Day on 7 May in Bangalore. The occasion brought thought-leaders together to deliberate on how to take India's Quality Movement forward and ensure a sustained 10 percent growth over the next few years, with the theme '**India@75: Quality for All.**'

This year's Anniversary Day Lecture, on 'India@75: Growth through Quality in Governance' was delivered by Mr. Arun Maira, Member, Planning Commission, Government of India.

"Demographic dividend, new thought leadership and quality governance will be the primary forces that will drive India to achieve the status of being the 2nd or 3rd largest economy in the world," Mr Maira said, suggesting that power should percolate down to the local bodies who can play a proactive role to meet the highly competitive and challenging environment. "To grow at rates of 10 percent and beyond on a sustainable basis, it is the quality of governance and leadership that would make the difference. Even today 'leadership' poses the greatest challenge in our country."

Mr. Maira projected three scenarios:

- *Pahela India* or India First, under which India becomes, in a sustainable way, integrated with the world;
- *Atakta Bharat* or India getting stuck, where we should work towards moving reforms; and



Arun Maira, Member, Planning Commission, inaugurating the Anniversary Day function as S.R. Rao, former Executive Director, EXIM Bank of India, T.C. Venkat Subramanian, former CMD, EXIM Bank of India and K.N. Shenoy, Past President, CII, and Chairman, CII I-Q, look on

- *Bolly World*, where we integrate with the world rapidly but our development remains patchy and not inclusive.

He also advocated that we need more leaders who are small, and who need to be recognised. To achieve this, we need to propagate success stories and build the necessary confidence. "We must enable our children and women to access knowledge which is relevant through technology; we must facilitate local initiatives; and we must strengthen infrastructure" he said.

Mr Maira pointed out that India, with the largest number of young people in relation to the size of its economy, has more than enough energies for its own economy. In fact, it has surplus energy for other economies too. But we need to nurture that energy, he stressed.

Anniversary Day Honours

Continuing the tradition of honouring distinguished personalities, this year too, three achievers were felicitated for their significant contribution in the pursuit of Excellence and Quality: Mr Arun Maira Member, Planning Commission, Mr. T C Venkat Subramanian, former Chairman & Managing Director, EXIM Bank of India, and Mr. S R Rao, former Executive Director, EXIM Bank of India.

Mr. Venkat Subramanian said that the changing economic scenario requires companies to meticulously follow the 'Culture of Quality' to survive razor-sharp competition. He advised companies to incorporate Quality Models which would help them to continuously improve and innovate,

to stay ahead of the competition by delivering quality products and services to the end-users. "Technology is playing a frightening role. The challenges before corporates on all fronts are enormous. Whatever be the condition, Quality will be the main criteria for sustenance. Every project has a starting and an end. But the project on Quality has only a start and no ending," he said.

Mr. Rao said: "A key element in sustaining competitiveness for a firm is to build up internal strength by looking at long-term focus, excelling in Quality and Competitiveness, to achieve and sustain domestic and international growth. The need to integrate Quality aspects into business strategies cannot be overstated."

The Discussions

Over the last two decades, Quality and Governance have fused a good synergy which has helped India Inc. carve a niche in the global business space. Mr. S N Rao, Managing Director,

Supreem Pharma Pvt Ltd, said that ethical business practices coupled with quality infrastructure, R&D and collaboration were the key aspects in 'the Making of a Global SME.' Ms H V Gayatri, Project Manager, Naandi Foundation, an NGO, speaking on 'A Sustainable Livelihood Model', felt that simple changes using appropriate local technologies can bring in a sea change in rural India. She advocated more PPP models to integrate rural India with the mainstream.

Just as quality aspects were now in-built in process systems, safety standards should also become a way of life, felt Ms. Archana Bhaskar, Vice President (HR), Shell Group Companies in India, speaking on 'Road Safety Management.' Road safety is a very serious concern across the world, she said, pointing out that "we lose more people in fatal accidents on the roads than in all natural calamities. More than a third of the people who die on roads are below the age of 25 years, the energy



K N Shenoy viewing the paintings by school students

resource that we are talking about for the future. They are the people who should be alive, who should be healthy, who are our future."

On the occasion, 44 students of Class 5 - 8, representing different schools in Bangalore gave expression, through painting, to their 'dream schools.'

11th TPM Facilitators Course

Around 27 delegates from 18 companies participated in the 11th TPM Facilitators Course on 17-21 May in Bangalore. The in-depth course used team exercises, discussions and presentations to help participants understand each of the TPM pillars. All the participants passed the examination at the end of the course, and were awarded certificates.



Participants of the 11th TPM Facilitators Course

Focused Improvement Concept

The seminar on 'Bottom Line Improvement through Focused Improvement Concept' on 25-26 May in New Delhi focused on Kobetsu Kaizen. This, the Focused Improvement pillar of TPM, aims to maximize the overall effectiveness of equipment, process and plant through uncompromising elimination of 16 types of losses and improvement of performance. ■



Development Initiatives

Skills Development Project in Haryana

A prestigious CII – EU skills development project, **‘Vocational Education and Training for the Vulnerable and Marginalized Groups in Sirsa and Sitapur, Haryana,’** was launched by Mr Jagannath Pahadia, Governor of Haryana, in Sirsa on 8 May. The 40-month long project, funded by the European Union and partnered by the British Council and City & Guilds (London), would

- Contribute towards the creation of a new national structure for skills development
- Create a formalized framework for employer engagement
- Establish Sector Skills Councils (SSC) that will link with industry, government, academia and NGOs
- Provide vocational education and employment opportunities through a coordinated approach for stakeholders

The specific objectives are to

1. create two Sector Skills Councils
2. train 72 trainers
3. skill 11,000 people in specific manufacturing, agro processing and tourism related trades
4. create a sustainable and effective



Dr Y S Khyalia, Deputy Commissioner, Sirsa, Shanti Pahadia and Jagannath Pahadia, Governor of Haryana

skills development network of employers, training providers, government and community, in these two districts.

Mr Pahadia felt that, “the project would create a sustainable and effective skills development network of employers, training providers, government and community in the district of Sirsa.” CII, with its large network of offices and members across India, the British Council, with its rich experience of delivering English in the Indian market, and City & Guilds of London, with the highest certification standards, along with the State and District administration and the people of Sirsa will make Sirsa a model district, he added.

Pledging support from his administration, Dr Y S Khyalia, Deputy Commissioner, Sirsa, thanked CII and the partnering organizations for bringing a project of this magnitude to the district.

CII strongly believes that strengthening and scaling up Skills Development is critical for India to have inclusive growth and development. The CII Skills Development Initiative aims to generate social inclusiveness by focusing on the socially and economically vulnerable population and aligning industry manpower needs with the skilling initiatives underway. This is the best way to take advantage of the country’s demographic dividend.

Benchmarking HR Practices

Benchmarking is the process of comparing business processes and performance. It involves management identifying best performing or similar organisations in the industry and then comparing the performance standards, including the quality, of these businesses with those of their own business.

Within the last decade, HR practices

and processes have assumed critical significance and companies are recognized today for success on the strength of their people management programmes, some of which can easily be termed as industry best practices.

A training workshop on **‘Benchmarking of HR Practices’**

on 24 May in Gurgaon raised awareness amongst HR professionals on the need to benchmark HR processes. The interactive workshop also updated the participants about defining the process, identifying partners in collaborative study, gaining from experience of benchmarking partners etc.

North East Trade & Industry Ministers' Conclave



Anand Sharma, Union Minister Commerce & Industry, addressing the Industry Interaction. Also seen Dipankar Chatterji, Chairman, CII North East Council & Senior Partner, L B Jha & Co., Neeru Sewa, Minister, Industries & Commerce, Sikkim, Pradyut Bordoloi, Minister, Industries & Commerce, Power & Public Enterprise, Assam, and Jitendra Chaudhury, Minister, Industries & Commerce, Rural Development and Forests, Tripura

Mr Anand Sharma, Union Minister of Commerce and Industry, interacted with industry in the North East, at the **'North East Trade and Industry Ministers' Conclave'** organized by the Department of Industrial Policy & Promotion (DIPP), Union Ministry of Commerce and Industry, in association with CII, in Guwahati on 22 May. Mr Sharma

said that infrastructure development and improvement of connectivity of the North-eastern states are critical to ensure greater industrialization of the region.

The programme was attended by Mr Pradyut Bordoloi, Minister for Industries & Commerce, Power & Public Enterprise, Assam, Mr Jitendra Chaudhury, Minister for Industries

& Commerce, Rural Development & Forests, Tripura, Ms Neeru Sewa, Minister, Industries & Commerce, Sikkim, Mr Dipankar Chatterji, Chairman CII North East Council, and Senior Partner LB Jha & Co, and Dr. Bhupati K Das, Chairman CII Assam State Council & Managing Director, Numaligarh Refinery Ltd, among others.

Assam@75

A session on **'Assam@75: Building Competence, Generating Livelihood & Creating Sustainability - Agenda for Development'** was held as a part of the Annual Day Celebrations on 4 May in Guwahati.

Addressing the session, Mr Tarun Gogoi, Chief Minister of Assam, said that for ushering in economic prosperity in the state, the corporate sector has to step in to boost the agricultural sector, the economic backbone of the country.

CII honoured Mr. Hemendra Prasad Barooah, Chairman & Managing Director, Barooah & Associates, for business excellence.

The programme was attended by Mr Pradyut Bordoloi, Minister for Industries & Commerce, Power & Public Enterprise, Assam, Mr Dipankar Chatterji, Chairman, CII North East Council, and Senior

Partner, LB Jha & Co, Dr. Bhupati K Das, Chairman CII Assam State Council, and Managing Director, Numaligarh Refinery Ltd, government officials and industry leaders.



Tarun Gogoi, Chief Minister of Assam addressing the session, as Dr B K Das, Chairman, CII Assam State Council, Pradyut Bordoloi, and Dipankar Chatterji, look on



YI WORLD



Ahmedabad

The Blood Donation Camp initiative on 29 May was sponsored by Claris Lifesciences Ltd and supported by Prathama Blood Centre and Satellite Engineering Ltd.

Chennai



Dr Pawan G Agrawal, CEO, Nutan Mumbai Tiffin Box Suppliers – Mumbai Dabbawala, with Yi members in Chennai

Dr Pawan G Agrawal, CEO, Nutan Mumbai Tiffin Box Suppliers – Mumbai Dabbawala, addressed a Yi Learning session on 14 May on 'Masters of Supply Chain Management - Mumbai Dabbawala- Small People Great Work.'

Guwahati

Well-known Yoga Guru, Padmashree P. Nimbalkar

of Mumbai, held a lecture and demonstration session on 'Living Right' on 19 May. Mr Nimbalkar highlighted how Yoga can benefit people who are multitasking-trying to balance all fronts of life, professional, social, personal and emotional. He also shared tips on how to maintain equilibrium in the present work culture.



At the Yoga Session with P. Nimbalkar in Guwahati

Mumbai

The session on Healthy Living and Nutrition on 21 May highlighted the importance of adopting and incorporating a healthy lifestyle. The participants also sampled delicious and nutritious food such as sprouts burgers and pumpkin shrikhand. prepared by international chefs.

Thiruvananthapuram

A learning session on 'The Role of the Internet in Connecting Your Business to Your Customers: Focus on Search Engine Marketing' on 24 May discussed various aspects of the dynamic medium of online advertising and internet marketing.



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Asia

China

First India-China Strategic Dialogue



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

The Confederation of Indian Industry and Aspen Institute India along with the China Reform Forum recently organised the first Track II strategic dialogue between India and China in Beijing. The India-China Strategic Dialogue (ICSD) discussed various issues affecting the two countries, including shared economic opportunities as well as security threats and issues. The Indian team was led by Ambassador Naresh Chandra, Chairman, National Security Advisory Board, and Former Ambassador to the US, and the Chinese team was led by Mr Li Junru, Vice Chairman, China Reform Forum.

Meeting with Shanghai Delegation

An 11-member delegation of the Shanghai Federation of Industry and Commerce and Industry, led by Mr Chen Pingtian, Vice Chairman, visited CII in New Delhi on 18 May to discuss matters relating to promotion of trade and commerce between Shanghai-based industries and India.

Foton plans Vehicle Plant in India

Major Chinese truck maker, Beiqi Foton Motor Co, a Daimler AG partner, is considering building a manufacturing plant in India with an annual capacity of 100,000 vehicles. The company aims to start manufacturing in India as early as 2011 and may bring its entire range of products, including light and heavy trucks as well as sport utility vehicles, to India.

Agricultural Exports Grow

Despite droughts, agricultural price increases and other

unfavorable factors, China's agricultural exports saw a growth of 22.1% in the first quarter of 2010, to reach \$10.2 billion during the period.

Chinese M&As

Given the backdrop of China's improving capital market, Chinese listed enterprises launched 565 merger and acquisitions (M&As)

between 2005 and 2009, according to the Shanghai Securities News. The total value of these M&As stood at \$17.25 billion.

Trade Surplus Declines

Unit: US\$ billion

Trade	April 2010	Jan-April 2010
Total foreign trade	Up 39.4%, 238.1	Up 42.7%, 855.99
Exports	Up 30.5% 119.9	Up 29.2%, 436.05
Imports	Up 49.7% 118.2	Up 60.1%, 419.94
Trade surplus	Down 87%, 1.7	Down 78.6%, 16.11

Source: MOC, PRC

Auto Sales Blossom

China sold 1,064,545 cars, multi-purpose vehicles, sports-utility vehicles and minivans in April, up 32.7% from a year earlier however, down 7.3% from March this year. In the first four months, China produced 4.57 million passenger vehicles, 257,000 units more than the number sold in the same period.

FDI Up

FDI in China reached \$30.789 billion in the first four months of this year, an increase of 11.28% from a year earlier. As many as 7506 foreign invested enterprises were set up, up 20.2%.

Project in Nigeria

The China State Construction Engineering Corp (CSCEC)

has signed a MoU with the Nigeria State Petroleum Corp for the financing and construction of three refinery plants and petrochemical works in underdeveloped regions. CSCEC plans to spend \$23.8 billion on these plants.

Japan

Plans to cut Government Bond Sales

Japan plans to strictly control fiscal 2011 bond sales amid growing concerns about sovereign debt stemming from the Greek financial crisis. The Japanese Foreign Minister said the government would issue \$360 billion worth of bonds for the current fiscal year through March 2011, below this year's issuance of \$473 billion.

Core Machinery Orders Rise

Japan's core private-sector machinery orders, excluding volatile ones for ships and electric power companies, rose a seasonally adjusted 5.4% in March from a month earlier. Private sector orders, including those from both manufacturing and non-manufacturing firms, but excluding volatile ones, stood at \$7.92 billion in March, snapping a two month decline.

Forex Reserves Up

Japan's foreign exchange reserves rose \$4.16 billion at the end of April from a month earlier, to \$1,046.87 billion.

Current Account Surplus Rises

Japan's current account surplus rose 65.1% in March from a year before to \$27.2 billion from a \$16.60 billion surplus a year earlier. The figure for fiscal 2009 climbed 26.9%.

Economy Grows in Q1

Japan's real GDP increased by an annualized 4.9% in the January-March quarter this year, marking the fourth straight quarter of gain. Japan's GDP in fiscal 2009 that ended March 31, 2010 contracted 1.9% from the previous year. However, in the latest quarter, consumer spending, which accounts for 60% of Japanese GDP, increased a real 0.3% from the October-December period, marking the fourth straight quarter of increase.

Singapore

Interaction with Minister for Trade and Industry

CII held an interaction with Mr. Lim Hng Kiang, Minister for Trade and Industry of Singapore on 11 May in New Delhi. Mr Venu Srinivasan, Immediate Past President, CII, and Mr. B Muthuraman, Vice President, CII, spoke on cooperation between India and Singapore in sectors like services, infrastructure and MRO. Mr Lim said the



Calvin Eu, High Commissioner of Singapore to India and Hng Kiang Lim, Minister for Trade & Industry, Singapore, in New Delhi

objective of his current visit to India was the launch of a review of CECA, India's role in ASEAN, and regional cooperation, and exploring opportunities to engage with Indian companies in ports, power, waste management, water management, town planning, MRO projects, logistics and IT. The two sides also discussed cooperation in health services and education.

South Korea

IT Trade Surplus Breaks Record

South Korea's IT exports recorded \$12.7 billion in April, a 34.1% increase from the same month the previous year. Exports of semiconductors and display panels in particular hit a second record high in six months. Semiconductor exports gained 97.7% year-on-year to \$4.2 billion, while those of display panels rose 40.4% to \$2.8 billion.

Economic Recovery

Korea's economic growth in Q1 this year stood at 7.8%, the highest in almost a decade. The national economic recovery seems to have gained more ground over the first three months, helped by balanced growth in public and private sectors, including exports and domestic consumption, according to the Ministry of Strategy and Finance.

Positive Growth Outlook

South Korea's economy is expected to grow 5.9% this year, according to the Korea Development Institute (KDI). The upward revision of growth outlook is based on improving exports and domestic demand.

Trade Surplus

South Korea posted trade surplus for a third straight month as it reached \$4.06 billion in April, driven by robust exports of chips, vehicles and other products. Its trade surplus with China in Q1 this year reached \$16.15 billion, up from \$7.93 billion a year ago.

Next-generation Displays

South Korea plans to allocate \$437.2 million to develop next generation displays over the next seven years in an effort to beat out foreign competitors. The state R & D funds will help the country maintain its worldwide competitiveness and raise self-sufficiency in the production

of related components and manufacturing machinery.

Foreign Reserves Swell

South Korea's foreign exchange reserves hit an all-time high in April, reaching \$278.87 billion after adding \$6.54 billion from a month earlier.

Australia

Strengthening India-Australia Trade Relations

There is a huge convergence of interests in the India-Australia relationship that includes multilateral level relations, Doha Round of talks, common approach towards G-20, climate change, regional relationship in Asia and at APEC, observed Mr Simon Crean, Trade Minister of Australia, at a CII seminar on 'Strengthening India-Australia Trade Relations' in New Delhi on 3 May. He said that the purpose of his visit to India and interactions with the Indian business community was to put more substance to the strategic relationship with India.

Mr Crean said the 'bilateral research fund', which is the largest research fund of Australia, is for exploring areas of cooperation in security, investment and research and development. Four areas that offer huge challenges are energy security, water management, urban management and food security, he said.

Australia is the world leader in ore extraction and good mining practices and India can benefit from Australian technology and experiences in resources management and exploration including clean technology, he said.

Though bilateral trade between the two countries reached \$13 billion in 2008-09, with an annual growth of 25%, trade barriers still hamper the growth, he said. He called for addressing these barriers sensibly. He felt the Free Trade Agreement being negotiated between the two countries would be a fundamental force to strengthen bilateral economic cooperation.

Mr Salil Singhal, Past Chairman, CII Northern Region, and Chairman, Secure Meters Ltd, recalled the efforts of CII during last several years to promote trade and economic cooperation between the two countries through interactions with the business community and leadership of Australia, and trade missions.

Mr Chandrajit Banerjee, Director General, CII, said CII's sectoral engagement with Australia included cooperation in mining, skill development, clean and sustainable technology and agriculture. He hoped that the up-coming 'CII Commonwealth Games Business Forum 2010' would play a significant role in furthering economic relations between the two countries.



Chandrajit Banerjee, Director General, CII; Simon Crean, Minister for Trade, Australia, and Salil Singhal, Chairman, Secure Meters Ltd in New Delhi

Emerging Leaders Summit

Mr Tarun Das, Former Chief Mentor, CII, and, President, Aspen Institute India addressed the "Advance Emerging Leaders India Summit" on 4 May in New Delhi. The Summit, organised by Advance, a diverse global community of Australian professionals overseas committed to advancing Australia, addressed key regional issues, harnessing Indian and Australian expertise to search for real and actionable solutions. The invited delegates were from the sustainable development, education, business, science and technology, finance, tourism, mining and natural resources, research and creative industries sectors. Mr Howard Ronaldson, Secretary, Innovation, Industry and Regional Development, Govt. of Victoria, Australia, also addressed the Summit. The outcomes of the discussions will be tabled in the form of recommendations to the Prime Minister of Australia.



Tarun Das, Former Chief Mentor, CII, and, President, Aspen Institute India, addressing the Advance Emerging Leaders Summit in New Delhi

South Asia

Bangladesh

As a follow up to the visit of Sheikh Hasina, Prime Minister of Bangladesh to India in January 2010, a 30-member CII Business Leaders mission visited Bangladesh to discover new synergies and areas of cooperation between the two nations, in April. The Mission, led by Mr Syamal Gupta, Special Advisor, Tata International Ltd, aimed to promote Indian investments, joint ventures, technology transfer and other forms of economic cooperation.

During the visit, CII and the India - Bangladesh Chamber of Commerce and Industry (IBCCI) jointly organised a seminar on 'Bangladesh as an Investment Destination' in Dhaka. Mr Dilip Barua, Minister of Industries, Bangladesh, was the Chief Guest, while Mr Yeafesh Osman, State Minister for Science & Technology and ICT, Bangladesh, and Mr Rajeet Mitter, High Commissioner of India to Bangladesh, were Special Guests.

The Seminar focused on investment opportunities, IT and its role in skills development, and the scope for strengthening partnership between the North Eastern States of India and Bangladesh.

Mr Abdul Matlub Ahmed, President, IBCCI, invited Indian companies to invest in Bangladesh's energy sector, which requires huge investments in energy, power and exploration of natural resources like hydrocarbon and coal. He said that Bangladesh has set a target of US \$ 1 billion exports to India by the year 2011 and 100 Indian joint ventures in Bangladesh by 2013. Bangladesh exports to India have already doubled to half a billion US dollars from US \$ 250 million in 2007-08, he said.

Mr Barua said that the Bangladesh Government has



CII Mission members in Dhaka with Dr Dipu Moni, Foreign Minister, Bangladesh (left) and Muhammad Faruk Khan, Commerce Minister, Bangladesh

identified thrust sectors for rapid industrial growth, such as shipbuilding; power generation; tourism; pharma; automobiles; light engineering; plastics; export oriented garment industry; leather goods; electrical / electronic equipment; agro-based industry; green jute pulp; cement; paper; rayon; light industry; computer software and data processing. Inviting Indian businessmen to invest in Bangladesh, he said that the country has a liberal investment policy, abundant and cheap labour, no ceiling



Dr Ganesh Natarajan, Chairman, CII National Committee on IT & ITES and Vice Chairman & CEO, Zensar Technologies; Matlub Ahmed, President, IBCCI; Syamal Gupta, Leader of the CII Mission to Bangladesh; Dilip Barua, Minister of Industries, Bangladesh; Yeafesh Osman, Minister of State for Science & ICT, Bangladesh and Rajeet Mitter, High Commissioner of India to Bangladesh

on investment, 100 percent foreign equity participation, tax exemption and profit repatriation.

Mr Yeafesh Osman said his government has a vision 2021 'Bangladesh Digital' to transform the country from a low income agriculture based economy into a knowledge based middle income country, with the emphasis on building human resources through ICT and technology based education. There are plans to establish technology parks in different parts of the country, he added, with the first one at Kaliakoir, a 20 minutes drive from the Dhaka International Airport.

Mr Rajeet Mitter, High Commissioner of India to Bangladesh, felt Bangladesh's exports to India should exceed US \$ 1 billion by 2011, with increased infrastructure, connectivity, transport and customs facilities.

Mr Mamun Rashid, Citibank Country Officer in Bangladesh,



identified seven areas for Indian investment: power, telecom, healthcare, education, business process outsourcing, pharmaceuticals and fast moving consumer goods.

Dr Ganesh Natarajan, Chairman, CII IT and ITeS Committee, made a presentation on IT Industry in India and its role in skills development. He committed that a 15-18 CEOs IT Mission would visit Bangladesh within 6 months. Mr Shyamal Ghosh, Executive Director, Sun Pharmaceuticals, shared his company's success as an investor in Bangladesh. Mr S Sen, Principal Adviser, CII, proposed an agenda for strengthening partnership between the North Eastern States of India and Bangladesh, which included better connectivity, development of infrastructure, joint ventures in NE and Bangladesh, permanent display centre of Bangladeshi products in North Eastern States, etc.

Mr Syamal Gupta and Mr Matlub Ahmed signed a Joint Declaration to identify opportunities for Indian investment, technology transfer and joint ventures in Bangladesh. CII and IBCCI agreed to organise road shows on 'Invest in Bangladesh' in major centres in India.

Tata International Ltd. and the Nitol – Niloy Group signed an agreement to set up a shoe and a bicycle industry in Bangladesh. Also, Ravi Auto Ltd. and the GMG Group of Bangladesh signed an agreement on cooperation in real estate and township development in Bangladesh.

The CII Mission also had meetings with Dr Dipu Moni, Foreign Minister; Mr Faruk Khan, Commerce Minister; Mr. Abul Maal Abdul Muhith, Finance Minister, and Mr H T Imam, Advisor to the Prime Minister, Bangladesh.

The Mission met its long-standing MoU partner, the Metropolitan Chamber of Commerce and Industry (MCCI), in a session chaired by its President, Mr Anis Ud Dowla.

The CII Mission also visited Chittagong, where the programme was coordinated by the Chittagong Metropolitan Chamber of Commerce and Industry (CMCCI). The meeting was chaired by Mr Abdus Salam, President, CMCCI, and Chairman, Chittagong Development Authority. The Mission members had one to one business meetings. They also visited Chittagong Port and the Chittagong Export Processing Zone.

CIS & Russia

Kazakhstan

A high powered CII business delegation accompanied Mr S M Krishna, Union Minister for External Affairs, to Kazakhstan from 12-13 May. The India- Kazakhstan Business Forum was organised jointly by the Embassy of India and the Ministry of Industry & New Technology of Kazakhstan during the visit. The delegates attended the forum, joining key business leaders and senior government officials from Kazakhstan as well as India.

Reiterating the strong relationship between the two countries, Mr Krishna invited Kazakh companies to invest in India and leverage its huge market. India's massive expansion of its infrastructural facilities offers ample opportunities for cooperation with Kazakhstan, he said, noting that good progress has been achieved for deepening cooperation in the hydro- carbon sector.

The seminar was also addressed by Mr. Albert Rau, First Vice Minister of Industry and New Technologies, Kazakhstan; Ms. Latha Reddy, Secretary (East), Ministry for External Affairs, India, Mr. Ashok Sajjanhar, Ambassador Extraordinary and Plenipotentiary of India



Syamal Gupta, Senior Advisor, Tata International, S M Krishna, Union Minister for External Affairs, India, Ashok Sajjanhar, Ambassador of India to Kazakhstan and Jawahar Sircar, Secretary, Ministry of Culture, India, at the dinner reception hosted by the Ambassador

to Kazakhstan and Mr Syamal Gupta, Special Advisor, Tata International, who led the CII business delegation. The CII delegation included representatives from leading companies such as Tata International, Punj Lloyd, Apollo Hospitals, Bank of Baroda, BHEL, ONGC Videsh Ltd and Sun Group.

Gulf & Middle East

Gulf



Atul Punj, Chairman, CII Gulf/MENA Council, and Chandrajit Banerjee, Director General, CII, with the GCC Ambassadors in New Delhi

CII organised an interactive session with all the GCC Ambassadors in India to brainstorm and formulate a strategy for its work in the Region. The session was hosted by Mr Sulaiman, Ambassador of Kuwait to India, who is the Chair of the GCC this year. Ambassadors from UAE, Saudi Arabia, Qatar, Bahrain and Oman were present at the session.

Mr Atul Punj, Chairman, CII Gulf/MENA Committee and Chairman, Punj Lloyd, chaired the meeting from the CII side, while Mr Chandrajit Banerjee, Director General, CII, set the stage for the discussions on India GCC relations and opportunities. The Government of India was represented by three Joint Secretaries: Mr Navdeep Suri, (PD), Mr Rajiv Chander, (Gulf & Haj) and Mr Sunil Jain, Ministry of Petroleum & Natural Gas.

Yemen

The first-ever CII Business Delegation visited Yemen from 28 – 30 May to enhance and strengthen bilateral trade and economic relations between India and Yemen.

During the visit, CII signed a MoU with the Federation of Yemen Chamber of Commerce and Industries (FYCCI), the leading industry association in Yemen. The delegation also visited the 6th Sana'a International Exhibition, and Aden, the commercial city of Yemen, and met members of the Aden Chamber of Commerce and Industry, to gauge the business potential and opportunities there.

United States of America

CII India-US Strategy Meeting

The India-US Strategy Meeting on 26 May in New Delhi focused on developing a set of strategies to take the Indo-US partnership to the next level. The meeting saw a brainstorming of ideas and collaborative efforts that could be undertaken, especially from a private sector perspective, spanning education, healthcare, energy, agriculture, defence and strategy, space, innovation, science and technology, overall trade relationship and emerging trends in business and society.

The meeting was attended by noted individuals and experts in their respective fields, including Mr Jamshyd N Godrej, Past President, CII, and Chairman and Managing Director, Godrej & Boyce Manufacturing Co Ltd; Amb. Naresh Chandra, Former Indian Amb. to the US; Admiral (Retd) Premvir Das, Former Commander-in-Chief, Eastern Naval Command, Indian Navy; Amb. S K Lambah, Special Envoy, Prime Minister's Office; Mr. Arun Maira, Member, Planning Commission; Dr. C Rajamohan, Strategic Affairs Editor, Indian Express; Mr. Harpal Singh, Mentor & Chairman Emeritus, Fortis Healthcare Limited and Mr. Gautam Thapar, Group Chairman, Avantha.

A comprehensive strategy document from the meeting

was presented to select officials in the Government of India and the Indian Embassy in Washington DC.

India-US Strategic Dialogue

An advance team comprising of officials from the US State Department and the White House held a meeting with CII members and leadership on 5 May in New Delhi,



Derek Chollet, Principal Deputy Director, Office of Policy Planning, Department of State with Tarun Das, Former Chief Mentor, CII, and President, Aspen Institute India

in the context of the first India-US Strategic Dialogue, in Washington DC. Both sides called for a wide-ranging strategic partnership, not only at a bilateral level but also in terms of their engagement in global affairs. The two countries decided to elevate their partnership by establishing a strategic dialogue to be led by Ms Hillary Clinton, US Secretary of State, and Mr SM Krishna, External Affairs Minister, India. In addition to a useful conversation regarding strategic cooperation (military cooperation, naval exercises, dual use technology) and economic engagement (Free Trade Agreement, Bilateral Investment Treaty, Small and Medium Enterprises), the discussions also touched upon women's empowerment issues, capacity building in education, skills development, retraining in the US, transparency and governance initiatives.

Trade Opportunities for SMEs

At a meeting with Mr Claudio A Lilienfeld, Deputy Assistant US Trade Representative – South Asia, on 3 May in New Delhi, Mr Salil Singhal, Chairman, CII MSMEs Council gave an overview of the MSMEs in India. He suggested the constitution of an India - US SME CEOs Forum, with USIBC as the counterpart organisation, to facilitate an ideal eco-system for entrepreneurs on both sides, through sector-focused Enterprise-to-Enterprise level interaction.

CEO's Roundtable



Jamshyd Godrej, Past President, CII, and CMD, Godrej & Boyce Manufacturing Co Ltd and Fred Hochberg, Chairman & President, Export-Import Bank, USA

Mr Jamshyd Godrej, Past President, CII, and Chairman & Managing Director, Godrej & Boyce Mfg Co Ltd, chaired the CEOs Roundtable Discussion with Mr Fred Hochberg, Chairman & President, Export-Import Bank, USA on 29 May in Mumbai. Infrastructure was identified as a key area of cooperation between the two countries.

Mr Hochberg, on his first official visit to India, highlighted the role of the US EXIM Bank as the official export credit agency of the United States, with a mission to assist in financing the export of US goods and services to international markets. He said the Bank has identified Turkey, Vietnam, Brazil, Colombia, Nigeria, Mexico, South Africa and India as its new growth partners, where it plans to finance projects to the tune of US\$ 50 billion in the coming financial year. He said the US EXIM Bank can support India's power sector by financing large and mega power projects, to create a win-win situation for both countries.

IBF Members in the Spotlight

State Bank of India

The prestigious Asian Banker Achievement Award, which recognizes the strongest bank in the Asia-Pacific region, was presented to SBI by the Qatar Financial Centre Authority and the Asian Banker magazine. SBI has seen steady increases in income growth rates over the last three years to emerge as the largest bank in the world's second-ranked fastest-growing large economy.



HCL

Currently India's 5th largest IT services company, HCL Technologies finalized a \$500-million strategic IT outsourcing contract from the US-based Merck Sharp and Dohme (MSD), one of the world's largest drug manufacturers.

Bharat Forge

Bharat Forge Ltd, the flagship company of the \$2.4 billion Kalyani Group, is seeking to increase its manufacturing footprint within the US market.

US-India Corporate Watch

24 FDI Proposals Approved: The Indian Government has cleared 24 Foreign Direct Investment proposals worth Rs. 1,412.19 crore (\$305 million), including a project of Asianet Communications. The government deferred 16 FDI proposals while only rejecting four. Companies receiving such proposals included Asianet Communications, Star India Holding BV, Bhilwara Energy Structure, and AIP Power, the greatest proposal reaching up to Rs 425 crore.

Nuclear Cooperation: President Barack Obama has made the US Secretary of Energy in charge of reporting to Congress the implementation of both the US-India Nuclear Cooperation Approval and the Non-Proliferation Enhancement Act.

- **Fertilizer Subsidy:** In response to criticism regarding the Finance Bill's increasing of urea prices, Finance Minister India's Mr Pranab Mukherjee explained that this will ensure that farmers will not only receive this subsidy at the maximum retail price, they will experience greater investment flows into the sector.
- **US, European SMEs en route to India:** Small and medium enterprises of \$500 million are moving into India from the United States and Europe. Industry experts believe the demand for talent and space in India will escalate to 'crazy levels' as European and US tier-II companies look to set up shop in the country.
- **Infrastructure Opportunities:** Ms Meera Shankar, Indian Ambassador to the United States, said that India's infrastructure needs could soar above \$1 trillion over the next decade, offering huge possibilities for US companies in India's expanding market.
- **Mahindra US truck:** Mahindra & Mahindra, India's largest utility vehicles and tractor maker, expects the launch of their compact diesel pick-up truck to occur by the end of this year. The company held back the truck's initial debut of last year to perfect the vehicle's parameters and ensure the creation of the best possible product for American buyers.
- **Tata, First Book Unite:** North American representatives of the Tata group have teamed up with First Book in a partnership for literacy, bringing upto 40,000 books a year to children in need across the United States.

US-India Bilateral Update

- India-US Bilateral Trade (\$ million)

2010	Exports	Imports	Trade Balance
Jan-Feb	2,080	1,295	785
March	2,472	1,455	1,017
April	1,958	1,235	723
Year-to-Date	6,510	3,985	2,525

- **Feed The Future initiative:** Calling India a Strategic Partner, Dr Rajiv Shah, Administrator, US Agency for International Development (USAID) has launched 'Feed the Future, a global partnership to aid an impoverished world by combating poverty and hunger. The initiative will operate in 20 countries of focus, including Ethiopia, Ghana, Rwanda, Haiti, and two of India's neighbours,

Bangladesh and Nepal.

- **Indian-American Community:** At a Capitol Hill reception, Mr Phil Gingrey and Mr Chris Van Hollen, Jr, lauded the Indian-American community's presence in the US, stressing the important role the group plays in strengthening ties between the two countries. Representative Gingrey reflected on his recent visit to India, stating it "reinforced...the need to continue to push for new ways to build upon the relationship and create economic, social opportunities for both of our countries."

US Economy & Policy Watch

- **GDP:** According to the Bureau of Economic Analysis, the US seems to be surfacing from the economic recession. The 3.0% annual rate increase in US Real GDP in Q1 of 2010 came from positive contributions from personal consumption expenditures, exports, and non-residential fixed investment. Imports also experienced an increase.
- **Financial Reform Wins:** A 1500-page financial reform bill was voted through the Senate with a successful winning vote. Sure to aid in the prevention of another economic crisis, the Restoring American Financial Stability Act is the largest legislative renovation of the US financial system since the Great Depression of the 1920s.
- **Unemployment still 'painfully high':** Even with a four-year high increase in jobs in April, the number of unemployed Americans soared to nearly one in ten. At 9.9%, the unemployment rate has overshadowed the more than 291,000 new jobs created, reminding the US of the long road of recovery still ahead.
- **US calls upon India to share international security burden:** The Obama Administration released a national security doctrine that stresses diplomacy and economy. By focusing on expanding partnerships to emerging countries such as India and China, the US insists that these countries step up to help shoulder the heavy load – from achieving sustainable economic growth to achieving climate change solutions – on a global stage.
- **Opportunities in India for US companies:** India is spending billions on infrastructure development, purchasing large amounts in the defence sector, and working to meet the energy needs of over a billion people, making it an economic environment ripe with possibilities for US business.

East

Bihar

TQM in Education

4 May, Patna

The CII Bihar State Council in association with the CII Institute of Quality, Bangalore organized a conference on 'Building Competitiveness in Secondary Education: The TQM way' to help schools re-orient the structure, process, teaching learning methodology and many other facets to bring about a sea change in the way education is imparted. Over 60 principals from different government and private schools participated in the conference.

Chhattisgarh

Interactive Session on Indonesia

8 May, Raipur



Lt. Gen. Andi M Ghalib, Ambassador of Indonesia, addressing a Session in Raipur

Lt. Gen. Andi M Ghalib, Ambassador, Republic of Indonesia, discussed the prospects and potential of trade relationships between India and Indonesia, in a CII session. Mr. P Ramesh Kumar, Secretary, Industry, Chhattisgarh, was the special guest for the occasion.

Emotional Intelligence

28 May, Raipur

Emotional Quotient or Emotional Intelligence describes



Training Programme on Emotional Intelligence

the ability, capacity, skill, or self-perceived ability to identify, assess, and manage the emotions of one's self, of others, and of groups. People who possess a high degree of emotional intelligence know themselves very well and are also able to sense the emotions of others. A training programme on Emotional Intelligence was held in Raipur.

Jharkhand

Theory of Constraints

6 May, Jamshedpur

A learning workshop was held on the Theory of Constraints and its Applications.

Odisha

Defence Production

18 May, Bhubaneswar



Interactive Session on Defence industry

An interactive session with Mr. T Ramchandru, Jt. Secretary (Supply), Union Ministry of Defence, discussed the potential for MSMEs in Orissa to serve as ancillary units for the Union Ministry of Defence.

Corporate Climate Change Strategy

25 - 26 May, Bhubaneswar

A two day training programme discussed Corporate Climate Change Strategy.

CSR Conference-cum-Exhibition

18 May, Bhubaneswar

The conference-cum-exhibition on Corporate Social Responsibility was inaugurated by Mr. Raghunath Mohanty, Minister of Industries, Steel & Mines, and Parliamentary Affairs, Odisha. It served as a platform for interaction between government, civil society organizations, corporates and academicians on the promotion of CSR.



Raghunath Mohanty, Minister of Industries, Steel & Mines and Parliamentary Affairs, Odisha; B L Bagra, Vice Chairman, CII Odisha State Council; Saurabh Garg, Commissioner-cum-Secretary, Industries, Odisha; S N Patro, Minister of Revenue & DM, Odisha; Niranjan Khatri, GM, Welcome Environ Initiative, ITC WelcomGroup Ltd; and R K Jena, Chairman, CII Odisha State Council

A Tribute to Tagore

7 May, Kolkata

This year marks the 150th birth anniversary of Rabindranath Tagore. In the first of several initiatives planned through the year to commemorate this milestone, CII Eastern Region organised an evening session titled 'A Tribute To Tagore' constituting a panel discussion on 'Rabindranath – Yesterday, Today and Tomorrow.'

West Bengal

Automated Manufacturing

5 May, Kolkata



Conference on Automated Manufacturing

More and more Indian industries today are increasingly deploying industrial automation and controls to produce modern products at economical costs, with increased productivity and high quality, to compete with the world's best. The conference on 'Automated Manufacturing: The Future is Now' focused on the prevailing strong sectors in the Eastern Region: Steel, Metals, Automobiles, Power & Energy, Building Construction, and Oil & Gas.

EU REACH for Chemicals

6 May, Kolkata



Policy Consultation Meeting on EU REACH for Chemicals

The CII Eastern Region organised a policy consultation meeting on European Union REACH Regulation for Chemicals, to provide industry inputs to the Union Ministry of Commerce and Industry, Government of India on REACH. The meeting also discussed the problems/issues faced by industry in complying with EU REACH regulations.



Panel discussion on Rabindranath Tagore

Film on Anti Human Trafficking

10 May, Kolkata



Unveiling of Film on Anti Human Trafficking – "One Life No Price"

CII Eastern Region in a joint initiative with Kolkata Police and the United Nations Office on Drugs and Crime (UNODC) unveiled the Bengali version of an 8 minute anti-human trafficking documentary film 'One Life No Price.' The film will be screened in cinema halls, railway stations and shopping malls across the state. CII also facilitated the printing of 12,000 posters on Anti - Human Trafficking in Bengali for distribution in Police Stations and Panchayats in the districts of West Bengal to spread awareness against Human Trafficking.

Upgradation of ITIs under PPP

13 May, Kolkata



Workshop on Accelerating the Upgradation Process of ITIs

A Workshop on 'Accelerating the Upgradation Process of ITIs under Public Private Partnership' oriented the

participants about the Blue Book, ITI PPP Model and Interpretation of DGET Guidelines.

Interactive Session with CMD, EXIM Bank

14 May, Kolkata

An interactive session was held with Mr T C A Ranganathan, Chairman & Managing Director, EXIM Bank, on the Role of EXIM Bank in boosting trade.



T C A Ranganathan, CMD, EXIM Bank and Kurush Grant, Chairman, CII Eastern Region

Doing Business with Australia

21 May, Kolkata



Session on Doing Business with Australia

India is Australia's fourth largest export market, and its fastest growing one, with both goods and services exports increasing by an annual average of over 25 per cent over the last five years. The session on 'Doing Business with Australia' explored further opportunities of trade and investment between the two countries.

North

Region

India's Century will be Asia's Century!

7 April, Chandigarh; 8 April, Shimla

On his maiden visit to Chandigarh as Union Minister of Commerce & Industry, Mr Anand Sharma held a two-way dialogue and idea generation discussion with 120 industry stalwarts. He said the Centre has decided to establish a National Manufacturing and Investment Zone (NMIZ) in partnership with Rajasthan along the Delhi-Mumbai Industrial Corridor to help the Indian manufacturing sector achieve its true potential, and in the process be an engine for job creation.

In Shimla, Mr Anand Sharma announced an industrial package of Rs. 300 crore for Himachal Pradesh, including extension of transportation and capital subsidy and income tax exemption for another three years, along with other announcements to facilitate investments in environment proficient industries.

Identifying the potential investment sectors in Himachal as agriculture and food processing, tourism, IT and skill development, a CII delegation led by Mr Hari S Bhartia, President, CII, and Co – Chairman & Managing Director, Jubilant Organosys Ltd made a series of investment announcements in Himachal Pradesh.

Mr Sharma virtually inaugurated CII National Skill Development Centre, Parwanoo, the first of its kind in the Northern Region. Short term advanced courses in various trades will be offered to enhance the employability of 16000 Himachali youth over a period of next 2 years. The Centre is being established by CII Northern Region, in association with Indian Institute of Skill Development, with an estimated investment of around Rs 1 crore.

Ms Asha Swarup, Chief Secretary, Himachal Pradesh, and other senior government officials from Himachal Pradesh were also present.



R M Khanna, Chairman, CII(NR), R P Singh, Secretary, DIPP, Asha Swarup, Chief Secretary, Himachal Pradesh, Anand Sharma, Union Minister for Commerce & Industry, Hari S Bhartia, President, CII, Chandrajit Banerjee, Director General, CII, and Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture, and Vice Chairman & MD, Bharti Enterprises Ltd

Haryana

Workshop on Social Intelligence

26 May, Gurgaon



Workshop on Social Intelligence

The workshop on 'Social Intelligence' was steered by Mr Simerjeet Singh, a certified Neuro Linguistic Programming (NLP) trainer from the United Kingdom, to acquaint industry with the skills in role-playing and self-presentation, healthy human relations and improving professional atmosphere.

Himachal Pradesh

Corporate Governance

1 May, Dharamshala



R Bandhopadhyay, Secretary, Corporate Affairs, Government of India, at an interaction in Dharamshala

Addressing an interactive session, Mr R Bandyopadhyay, Secretary, Corporate Affairs, Government of India, announced that the Indian Council for Industries (ICI) would implement a capacity building programme in Himachal Pradesh to improve accounting practices being followed in companies. He said the Centre was contemplating replacing the old Companies Act 1956 with a new one.

Meeting on Steel

6 May, Shimla

The possibilities of setting up of secondary steel units in Himachal Pradesh by central PSUs were discussed in a meeting with the three-member committee constituted by the Secretary - Steel, Government of India.

Energy Efficiency

14 May, Baddi

The CII-Bureau of Energy Efficiency (BEE) project involves in-depth interventions at the firm level for energy audits



Session on Energy Efficiency

thus helping the companies with efficient and optimal utilization of energy resources. Under this project, a workshop for the textiles and cement industry in the state was conducted to share best practices on utilizing bio-degradable waste for power generation and energy conservation initiatives.

Jammu and Kashmir

Meeting on Industry Issues

1 May, Jammu



Sanjay Puri, Immediate Past Chairman CII J&K, Sudhanshu Pandey, Commissioner & Secretary Finance, J&K and Harinder Mahajan, Chairman, CII J&K

A CII delegation led by Mr Harinder Mahajan, Chairman CII J&K, called on Mr Sudhanshu Pandey, Commissioner and Secretary, Finance, J & K, to discuss industrial issues in the state. They recommended the exemption of Work Contract Tax / Service Tax.

Punjab

Putting Punjab on Growth Trajectory

28 April, Ludhiana



S S Channy, Principal Secretary, Industries, Punjab, S C Agrawal, Chief Secretary, Punjab, and Akshay Bector, Chairman, CII Punjab

A CII members' meet was held to encourage more participation of local industry in CII's activities. This was followed by interactions with Mr S C Agrawal, Chief Secretary, Punjab, Mr S S Channy, Principal Secretary, Industries & Commerce, and Mr Ishwar



Confederation of Indian Industry
Since 1895



In Association with



Indian Mining Sector Gears up to offer unmatched opportunity

The Confederation of Indian Industry (CII) is organizing the Global Mining Summit on 10 & 11 November 2010 at Hotel Hyatt Regency, Kolkata. This summit will be held concurrently with the 10th International Mining and Machinery Exhibition 2010 (IMME 2010).

OBJECTIVES

- To showcase the large-scale business opportunity in India's mining sector.
- To discuss next-generation policy, procedural and regulatory initiatives needed to attract investments in India's mining sector.
- To highlight best practices in exploration and investments with a view to making Indian mining sector globally competitive.
- To provide a platform for exchange of views, ideas and business opportunities among the global and domestic industry participants.

To provide a platform for technology upgrade and joint ventures for equipment manufacturers.

HIGHLIGHTS

- Keynote addresses on key issues by eminent speakers from Govt., Planning Commission, Industry and institutions
- Participation by all mineral rich states in the country
- Participation of Global players in coal and other minerals sector
- **During the summit, a buyer-seller meeting and one-to-one meeting with prospective investors will take place concurrently on 11th November 2010 between 1400 Hrs and 1700 Hrs.**

SPONSORSHIP OPPORTUNITIES

Sponsorships are invited in the following categories:

• Event Sponsor	:	Rs. 20.0 lakhs
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REGISTRATION FEE

Indian delegates:
Rs. 6,000 per person (CII members)
Rs. 7,500 per person (Non members)

Overseas delegates:
US \$ 350 per person

Registration details should be sent to:
Mr Ravi Bhushan at ravi.bhushan@cii.in

For further details on sponsorships please contact:

Mr Himanshu Dhingra

Confederation of Indian Industry

The Mantosh Sondhi Center, 23, Institutional Area, Lodhi Road, New Delhi 110 003
Phone: +91 11 2462 9994-7, Mob: + 9250037885, E-mail: Himanshu.dhingra@cii.in

Singh, Commissioner of Police, Ludhiana. The focus was exploring opportunities for making Punjab a service provider to consolidate its fiscal position in the future.

Environment, Health & Safety

21 May, Ludhiana

CII Punjab, in association with CII-ITC Centre of Excellence for Sustainable Development, organised a workshop to create awareness among the industry on Environment, Health and Safety, and to sensitize employees about regulatory requirements.

Rajasthan

Doing Business with Australia

19 May, Jaipur



At the Session on 'Doing Business with Australia' in Jaipur

Ms Rebecca Ball, Trade Commissioner, Australian Trade Commission, Mr Arun Kumar Jagatramka, Sydney Ambassador to India, Mr Craig Peden, Director – Corporate Relations, University of Wollongong, Mr Madhur Aggarwal, National Investment Manager – South Asia, Australian Trade Commission, and Mr Rohit Manchanda, Director – Trade & Investment – India, New South Wales Government Business Office, shared their views on promoting bilateral trade between India and Australia.

Interaction with Swiss Ambassador

21 May, Jaipur



Phillipe Welti, Ambassador of Switzerland to India (centre) at a CII interaction

Mr Phillippe Welti, Ambassador of Switzerland to India, interacted with select industry members in Jaipur to discuss opportunities to strengthen bilateral trade relations between India and Switzerland.

Uttar Pradesh

Interactive Session with French Students

18 May, Lucknow



Student Delegation from AIESEC International

The interactive session shared the expertise and role of corporates in bringing a positive change in rural areas with budding international leaders from AIESEC International. The Association Internationale des Étudiants en Sciences Économiques et Commerciales (AIESEC) delegation will work for six weeks in the rural areas of Uttar Pradesh and Uttarakhand.

Uttarakhand

IPR for SMEs

6-7 May, Dehradun



Workshop on IPR

The workshop focused on the role and importance of Intellectual Property in business. It generated awareness among SMEs about the relevance of intellectual property rights in day-to-day business, high costs associated with obtaining and enforcing IP rights and the protection IPR provides for inventions, brands, and designs.

International Biodiversity Day

22 May, Dehradun

CII participated in a conference organized jointly by the Uttarakhand State Biodiversity Board & Forest Research Institute (FRI) on International Biodiversity Day. The conference aimed at implementing the provisions of the International Convention on Biological Diversity. Mr Rajiv Berry, Chairman, and Dr S Farooq, Vice Chairman, CII Uttarakhand, participated in the event.

South

India–Japan Session

1 May, Chennai



Venu Srinivasan, Immediate Past President, CII addressing. Also seen: Yoshihiro Watanabe, Chairman, Standing Committee of JIBCC; Toshiyuki Shiga, COO, Nissan Motors; Rajeev Ranjan, Principal Secretary, Industries, Tamil Nadu; Masayuki Naoshima, Minister, METI, Japan; Hideaki Domichi, Japanese Ambassador to India and Michitaka Nakatomi President, JETRO

The session on 'India–Japan Co-Operation: Enriching Business Partnership' was organised to promote mutual trade and investments in India by Japan and ASEAN countries in a wide range of sectors including infrastructure.

A MoU was signed between JETRO and the Government of Tamil Nadu to promote mutual trade and investment between the two countries. The scope for a multi-logistic park near Chennai and promotion of projects in sectors such as transportation, education, health care, tourism and agriculture in public private partnership mode were also discussed.

Project Management

21–22 May, Chennai

Focussing on the theme 'Orchestrating Complex Projects', the conference brought together project management professionals and decision makers across the public and private domain to discuss how to take project management practices across sectors. It ideated implementable project management practices to industry and showcased successful experiences.

Karnataka

Session on Hydrography

1 May, Bangalore

Hydrography plays an important role in ensuring marine transportation remains safe, thereby contributing to the trading ability of the nation. CII felicitated the distinguished service of Vice Admiral BR Rao, AVSM, NM, VSM, Chief Hydrographer to the Government of India, and celebrated the achievements of the Indian Naval Hydrography Department in a special session.

Kerala

Session on Indonesia

25 May, Thiruvananthapuram
Exploring trade prospects with Indonesia and joint opportunities

with companies in Kerala was the agenda of the interaction with Lt Gen (Retd) Andi M Ghalib, Ambassador of



Lt Gen (Retd) Andi M Ghalib, Ambassador of Indonesia to India

Indonesia. The Ambassador informed members of the new investment law that would make Indonesia a 'business friendly economy.'

Puducherry

Meeting on Industry Issues

11 May, Puducherry

CII members met Mr G Panneerselvam, Director, Industries & Commerce, Puducherry, to discuss the current industrial scenario and future plans for developing industry in Puducherry.

10th TQM Meeting

17 May, Puducherry

The TQM Forum discussed the concept of 'Quality: From a Business Perspective.' Mr C S Dwivedi, Past Chairman, CII Puducherry, & Vice President, HCL Infosystems Ltd, Puducherry addressed the forum.

Tamil Nadu

Business & Investment with Australia

24 May, Chennai

The seminar was organised in association with the Australian Trade Commission coinciding with Austrade Senior Market Specialists' visit to Chennai. It discussed strategies for companies to strengthen their business with Australia.

Cultural Alliance & Diversity

25 May, Chennai

The session on 'Cultural Alliance & Diversity: Gateway for Enhanced Economic Development' focused on identifying the emerging commonalities among the global workforce, while reiterating the need to be culturally sensitive.

Coinciding with the session, consulates and trade organisations participated in a cultural exposition to showcase their culture, educational and industrial prospects.

Interactive session on ESI

28 May, Chennai

The session focused on the ESI and ESI medical opportunities provided by the Tamil Nadu Government. It helped industrialists gain a better understanding of the facilities provided and also updated Government officials on areas requiring improvement.

Zones & Districts

Chennai

Mission on Manufacturing Excellence

26 May, Chennai



Manufacturing Excellence mission member in Chennai

CII organised a one-day Mission to Ford India Pvt Ltd and I P Rings Ltd in Chennai for participants to learn the Total Process Management practices followed in these organizations.

Coimbatore

Global Manufacturing Excellence Mission

6 – 7 May, Bangalore



Mission Members at L & T Komatsu Ltd in Bangalore

Member companies from Coimbatore, Erode and Salem visited world class companies in Bangalore such as Toyota Kirloskar Motor P Ltd, L&T Komatsu Ltd and Bosch Ltd to understand their expertise in manufacturing operations.

Erode

Session on Recipe for Success

17 May, Erode

The session on 'Recipe for Success' dealt with aims and goals, the meaning of success and how to achieve success.

Skill Development Guidance

23 May, Erode



Career and skill development programme in Erode

The career and skill development programme helped students identify opportunities available in various fields and to make them employable. In her inaugural address, Mrs G Rajam, Additional Director, Tamil Nadu Corporation for Development of the Women, asked the candidates to take advantage of the government programmes to improve their skills.

Karur

Quality and Compliance for Exporters

20 May, Karur

Around 74 exporters of home furnishing from Karur attended the session which highlighted the recent developments in compliance and quality in the home furnishing industry and explained the importance of quality assurance, quality testing, shipment inspections, social compliance audits and consultancy services to improve performance and mitigate risks.

Madurai

Doing Business with UK

3 May, Madurai

Creating awareness on business opportunities in the UK, Mr Mike Nithavrianakis, British Deputy High Commissioner to India, said that SMES have been driving the economy in both the countries.



Mike Nithavrianakis, British Deputy High Commissioner to India

Workshop on GST

14 May, Madurai

The workshop described the procedures for obtaining service tax registration and service tax code including the documents required to file service tax statements and avail service tax credit. Mr S Kannan, Commissioner, Central Excise and Customs, and Mr S Jaikumar, Advocate, Swamy Associates, Chennai, discussed the practical issues in VAT, Income Tax and Central Excise.



S Kannan,
Commissioner,
Central Excise
and Customs

Workplace Efficiency

20 May, Madurai

The programme helped increase awareness on 5S & 3M Waste Elimination as the base for any improvement initiative for improving productivity and Quality. Delegates were given training on the elements of 5S & 3M, Base for Lean Manufacturing, TPM, TQM and on the awareness and Implementation phase.

Thoothukudi

Achieving Business Excellence through TQM

6 May, Thoothukudi

The workshop described the CII TQM model, which envisages that customer satisfaction can be achieved through driving policy and strategy, people management, resources and processes, leading ultimately to business excellence.

Global Climate Change

11 May, Thoothukudi

The session was organized to create awareness on global climate change.

Manufacturing Excellence Mission

25 May, Puducherry

A Manufacturing Excellence Mission visited Whirlpool of India Ltd and Ucal Fuel Systems Ltd, Puducherry, study the best manufacturing practices in these organisations.



Mission delegates at Whirlpool of India Ltd, Puducherry

Trichy

ERA (Empowering Rural Areas)

27 May, Pudukudi Village



Health Camp in Pudukudi

CII Trichy Zone has adopted Pudukudi village in Central Tamil Nadu under its exclusive initiative ERA (Empowering Rural Areas) initiative to transform rural areas to suit the fast moving world, with support of Industry. A health check up camp at Pudukudi benefitted nearly 300 people in the village.

Under the education vertical, cash awards of Rs 3000, Rs 2000 and Rs 1000 respectively were presented to the first three rank toppers of Pudukudi high school in the Std 10 examination.

Visakhapatnam

Litigation Trends in Service Tax

13 May, Visakhapatnam

The session, addressed by Mr. B Shankar, Senior Advisor, Tax and Regulatory Services, Ernst & Young and Mr. Subrahmanyam, Manager, Ernst & Young, delved into various facets of service tax such as taxability, classification, valuation, effective date of tax, cenvat credit on input services, import of services, export of services etc.

Road Show on New Ventures India

26 May, Visakhapatnam

The programme sensitized various stakeholders about green business opportunities and the role of New Ventures India in the development and growth of green businesses.

Business Process Improvement

28 May, Visakhapatnam

The workshop helped create awareness on 5S, Lean, and Six Sigma Methodologies and gave participants an insight on the effectiveness of these methodologies in both manufacturing and service organisations.

West

Gujarat

Exploring Business with Brazil

2 – 3 May, Ahmedabad



At the interaction with delegation from Brazil

A 14 member multi-sectoral business delegation from Brazil visited India to explore business opportunities in sectors like Agriculture Equipment, Medical Equipment, Oil & Gas, Healthcare & Pharmaceuticals, Weighing Machines, IT and ICT, Beverages & Chemicals, Dyes & Intermediates. The delegation comprised of members from the Brazil India Chamber of Commerce, and other industry members.

World Class Manufacturing System

3-8 May, Vadodara

The World Class Manufacturing System programme aims to train line managers and shop floor supervisors on the fundamentals of world class manufacturing, with focus on reduction of waste and enhancing the production efficiency. Phase I of the programme was implemented at Thermax, Savli.



Arun Nanda,
Chairman, CII
(WR)

Members' Meets

4 May, Ahmedabad
5 May, Vadodara

Interactive sessions were held with Mr Arun Nanda, Chairman, CII Western Region, to update members and prospective new members about the large bouquet of services offered by CII in Gujarat. The sessions also gathered members' suggestions and advice on strengthening the activities of CII.

9th CEO Network Series

5 May, Vadodara

In his lecture on the theme of 'Transforming an Enterprise into a World Class Organisation,' Mr Arun Nanda, Chairman, CII (WR) and Director, Mahindra & Mahindra Ltd, described his years of experience in transforming Mahindra & Mahindra into an Indian MNC. He also spoke

about strategies of undertaking fundamental corporate transformation for great performance.

Delegation from Taiwan

12 May, Ahmedabad



Interaction with delegates from Taiwan

A 15-member multi-sectoral business delegation from the Chinese National Federation of Industries, Taiwan, visited India to explore business opportunities in sectors like Chemicals, Pharmaceuticals, Oil & Gas, Petrochemicals, Oil & Gas, IT and ICT.



Paul Folmsbee,
US Consul
General

Indo-US Trade

13 May, Vadodara

Mr Paul Folmsbee, US Consul General, addressed CII members in Vadodara on the wider issues of Indo-US bilateral trade with a focus on increased cooperation in fields such as security, agriculture, scientific research and defence cooperation. He also answered members' queries on the security scenario in south Asia, impact of revival of US economy on India, trade barriers and strategic cooperation between India and US.

CII-MSME Workshop on IPR

13 & 14 May, Ahmedabad



Pradyumna Vyas, Director, NID, addressing the
CII-MSME Workshop on IPR

The workshop was held to nurture an eco-system in the country which encourages innovation, inventions and creation of Intellectual Property, and develop comprehensive awareness and training in IPR to all stakeholders, towards IP Protection & Enforcement.

Business with Australia

17 May, Ahmedabad

A senior delegation from the Australian Consulate, comprising of Mr Peter Forby, Consul General, Mr Peter Linford, Senior Trade Investment Commissioner, Mr Rohit Manchanda, Director, Trade & Investment – India, and others discussed the business opportunities in Australia, particularly in New South Wales, and Sydney.

Interaction with Swiss Ambassador

20 May, Ahmedabad

In an interactive session, Mr Philippe Welti, Ambassador of Switzerland, described possible business opportunities in Switzerland in sectors like Biotech, Gems & Jewellery, Pharmaceuticals and Manufacturing.

Manufacturing Excellence Mission

20-21 May, Vadodara

The mission visited four centres of world class manufacturing in Gurgaon: Maruti Suzuki, Hero Honda, Sona Koya and Munjal Showa, to understand the best manufacturing practices adopted by these companies.

Programme for Gainful Employment

21 May, Rajpipla



Launch of 19th Batch of CII-TDD Training Programme for Gainful Employment at Rajpipla

CII has been partnering the Tribal Development Department (TTD) of the Gujarat Government, to make tribal youths employable, since February 2008. The 19th batch of the CII - TDD Training Programme for Gainful Employment was launched at Rajpipla.

Opportunities in Mineral & Mining

21 May, Ahmedabad

The seminar discussed the various opportunities for value addition in the Minerals and Mining sector, as well as the latest technologies in mining and excavation.

Energy Management

21-22 May, Ahmedabad

The training programme presented techniques for effective energy management, and shared energy saving ideas on energy intensive equipment for all types of industry. It also highlighted the benefits of detailed energy audits to sustain an energy efficient culture in the work place.

Interactive Meet with President, CII

25 May, Ahmedabad



Hari S Bhartia, President, CII, addressing industry members

Mr Hari S Bhartia, President, CII, met industry members to discuss the development and growth of industry in the State, and how CII can play a strong role to achieve its vision for India.

President, CII, meets Gujarat Chief Minister

25 May, Ahmedabad



Narendra Modi, Chief Minister of Gujarat, with Hari Bhartia, President, CII, and a CII delegation

Mr Hari S Bhartia, President, CII, met Mr Narendra Modi, Chief Minister of Gujarat, to apprise him about the new agenda of CII and how it can align its activities at the state level with the growth agenda of the state.

Madhya Pradesh

Interactive Session on ESIC

19 May, Indore

The session with Mr A K Mukhopadhyay, Regional Director, Employee State Insurance Corporation (ESIC) provided a platform for direct interaction with senior officials of the ESIC.

Maharashtra

Innovation Labs Portal

3 May, Pune

The session, jointly conducted by CII Pune and Kirloskar Brothers Ltd Innovation Society, presented an overview of three technologies which enable small entrepreneurs across various verticals to connect up with larger companies in a plug-in programme.

Business with Brazil

5 May, Mumbai



Roberto Paranhos, President, Brazil India Chamber of Commerce, Dr S M Rao, Executive Vice President & Chief Economist, Yes Bank Ltd; and Fausto Godoy, Consul General of Brazil

The conference was held to consolidate the existing trade relations between India and Brazil and to explore new opportunities in the Brazilian market. Indian and Brazilian participants reaffirmed that the bilateral trade between the two countries is set to double to \$10 billion over the next four-to-five years.

Investment in Food Processing

10 May, Amravati



Subodh Kant Sahai, Union Minister of Food Processing Industries, addressing a Session in Amravati

Mr Subodh Kant Sahai, Union Minister of Food Processing Industries, was the Chief Guest at the session on 'Investment Opportunities in Food Processing' organised by CII in partnership with the Ministry of Food Processing and Industries. He described the mega Food Parks scheme that aims to provide state-of-the-art infrastructure for food processing in the country on a pre identified cluster basis. Mr Rajendra Darda, Minister of Industries, Maharashtra, the Guest of Honour, announced that MIDC will provide separate land for a Food Park in Nandgaonpeth MIDC.

MSME Mission to South Korea and Japan

13 – 19 May, South Korea & Japan



CII member in Japan

The Japan leg of the Mission was co-ordinated by the Yokohama City Government, who are promoting industrial relations between Yokohama and India. The Mission members had an interaction with Yokohama City government officials. They also visited Precision Tools Co Ltd and the Takada Kogyo Kanazawa Factory.

In South Korea, the Mission visited Korea's latest state of the art Incheon Free Economic Zone. They also had meetings with members of the Small Business Corporation, an association of small industry in Seoul, and the Gyeonggi Small and Medium Business Centre (GSBC). The GSBC arranged one-to-one meetings of the visitors with their counterparts in their respective fields, and also arranged meetings of the delegates with visiting delegations from other countries like Malaysia, China and Belarus. The Mission also visited a few factories like Samil Industries Ltd, Intra Auto Ltd, Cheon Food Ltd, and Soosung Engineering Co Ltd.

Delegation from China

17 May, Pune



B K Sethi, Convenor, International Business Panel, CII (WR) & Sr VP, Finolex Cables Ltd; Chen Pingtian, Vice Chairman, Shanghai Federation of Industry and Commerce, and Vishal Mehra, Head, Strategy Team, Thermax Ltd.

A Chinese delegation from Shanghai visited Pune to understand the industrial and business environment, and to generate links with Indian companies and institutions.

Session on ICT

17 May, Pune

On the eve of World Telecom Day, CII Pune, in association with the MIT School of Telecom & Management Studies, organised a session on the catalyzing role of ICT to improve living standards of the people.

Canada & India

18 May, Mumbai



Nadir Godrej, MD, Godrej Industries Ltd, Marvin Hildebrand, Consul General of Canada, Mumbai, and the Hon. James M Flaherty, P.C., Minister of Finance, Canada

The session on 'Canada and India – Securing Global Recovery Together' discussed ways to increase trade relations between the two countries with the Hon. James M Flaherty P.C., Minister of Finance, Canada. Mr Flaherty said that Canada would have the lowest tax rates in the G7 by 2012-13 and would also take more steps to improve international trade.

Business and Investment with Australia

18 May, Mumbai

The session on 'Winning Business and Investment with Australia' emphasized Australia's commercial engagement with India, and raised awareness of Australian industry capability amongst the Indian business community. The seminar showcased potential business and investment opportunities with Australia in food and beverages; agribusiness; hospitality; infrastructure, building and construction; clean energy; financial services; film and television, hospitality, education, etc.

Students Mission from Hong Kong

20-22 May, Mumbai

CII facilitated the visit of a delegation of students from the Hong Kong University, to Mumbai. The students, aged between 25 – 30 years, have been exclusively chosen for a research study on Indian economy and facilities. They visited the National Stock Exchange, Bombay Stock Exchange and Multi Commodity Exchange Ltd, Aditya Birla Centre and Hinduja House.

CII-EXIM Bank Award Programme

22 May, Pune

CII – IQ conducted a one day Refreshers Programme for Assessors in Pune to announce the call of applications for the CII-EXIM Bank Award for Business Excellence 2010. The Refresher Programme, planned for this year, would provide a detailed overview of the Fundamental Concepts of Excellence Model, RADAR, and the new aspects of assessment and scoring.

Business Ties with Kenya

27 May – 1 June, Pune

Mr Sibabrata Tripathi, High Commissioner Designate to Kenya, visited Bharat Forge Ltd, Kirloskar Brothers Ltd, Tata Motors Ltd and Emcure Pharmaceuticals Ltd and had fruitful interactions with senior officials from the respective companies. He was seeking a firsthand perspective on the business environment in Africa, the problems being confronted at the multi-sectoral level by Indian business in Africa, opportunities that could be explored there, and areas that the Indian Government needed to focus on, to promote business in Kenya.

Interaction on the Manufacturing Policy

28 May, Mumbai



Anjali Prasad, Jt. Secretary, DIPP, K Shivaji, CEO, MIDC; R P Singh, Secretary - DIPP; and Amitabh Kant, CEO, DMICDC Ltd

Mr R P Singh, Secretary – DIPP, described the Discussion Paper on National Manufacturing Policy 2010. The policy aims to boost the performance of the Indian manufacturing sector to raise the nation's GDP by nearly 25% by 2022. He requested industry to take a proactive stand regarding the creation of NMIZs to fashion eco-friendly, self-regulated and energy-efficient cities. The Secretary iterated that the idea is not to create tax havens for industries but to build completely self-regulated islands where there would be better tax compliance as well as enhanced treatment benefits, for both communities and industries.