

Congratulations



The President of India, Smt Pratibha Devisingh Patil, recently presented the prestigious Padma Bhushan award to noted management consultant and author, Prof C K Prahalad.

Prof Prahalad, whose vision of India@75 has inspired CII to take up an aspirational agenda to facilitate the transformation of India into a developed nation by year 2022, is the Paul and Ruth McCracken Distinguished University Professor of Corporate Strategy at the University of Michigan Ross School of Business, USA.

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CII Team Accompanies the President of India to Spain & Poland



Pratibha Devisingh Patil, President of India, and Ashwani Kumar, Minister of State for Industry, India, with the Indian Delegation in Warsaw, Poland

The President of India, Mrs Pratibha Devisingh Patil, visited Spain and Poland from 20-27 April. CII was the lead organisation in the 26 - member Indian industry delegation that accompanied the President of India, to boost bilateral ties in all spheres.

Both in Madrid and in Warsaw, the Indian President was received with full State honours. Mrs. Patil, who is the first Indian Head of State to visit Spain, held wide-ranging talks with His Majesty King of Spain, Juan Carlos I, and the Prime Minister, Mr Jose Luis Rodriguez Zapatero, and addressed the Congress in Spain.

In Poland, the President of India held discussions with Mr. Lech Kaczynski, President of Poland, and Mr. Donald Tusk, Prime Minister. Three agreements were signed with Spain and two agreements with Poland, to strengthen

the already close relations that exist between India and these nations.

In both countries, Mrs Patil addressed meetings between the Indian business delegation and local business delegations. The interactions explored further opportunities for collaboration between India and Spain and Poland respectively in the fields of trade, investment, science and technology, culture, defence, renewable energy, health, and the fight against terrorism.

India and Spain inked three agreements to enhance bilateral ties and agreed to work on a comprehensive strategy to tackle terrorism. The agreements, pertaining to tourism, renewable energy and agriculture, provide for a basic framework in these areas and cover technological expertise and investment inflow.



Pratibha Devisingh Patil, President of India, with (L-R) Ashwani Kumar, Carlos Martinez Alonso, Dy. Minister for Innovation, Spain, Jesus Banegas, Vice Chairman, Confederation of Employers and Industries of Spain, and Dr. Mukesh Aghi, CEO Steria India, and leader of the Indian delegation, at a business meeting in Madrid, Spain

Mr Mukesh Aghi, Leader of the CII Delegation to Spain, and CEO, Steria India, addressing a business meeting, noted that sectors like ICT, environmental technology, auto, infrastructure, transportation, pharma & biotech, aerospace, renewable energy, tourism, SMEs, textile, skill development and food & beverages, have great potential for cooperation between India and Spain.

The visit was undertaken to encourage Spain to consider India as a destination for investment. At present, Spain looks at China for its major investments in Asia. India's objective was to draw attention to an economy that is stable despite the global financial crisis. Spanish leaders expressed eagerness to strengthen ties. There was "total convergence of opinion" between India and Spain on the issues discussed.

India is one of the 12 priority countries identified in the Integral Plan of Market Development (Plan Integral de Desarrollo de Mercados) established between the Ministry of Industry, Tourism and Commerce, Spain, and the Confederation of Employers and industries of Spain (CEOE) to promote Spanish exports and business cooperation as well as bilateral business investments. India also raised the issue of facilitating easy access for Indian tourists to Spain, and there was general agreement that Spain will take steps to do so.

India shared its concern on terror infrastructure in Pakistan and asserted the need for stability in its neighbourhood. Both sides agreed that they should formulate a comprehensive bilateral strategy against terrorism.

Spain joined the European Union in 1984. It is the eighth largest economy in the world and has emerged since the mid 1970s as an effective democracy. It is India's sixth largest export market in the EU, and has close interaction with the countries of Latin America. India-Spain bilateral trade crossed US \$ 4.5 billion last year, growing by over 50 per cent in the last two years. Indian companies are present in Spain in the automobile, software, pharmaceutical, energy and



Pratibha Devisingh Patil, President of India, at the signing of agreements between India and Poland in Warsaw



Ashwani Kumar and M. Sebastian, Minister for Industry, Tourism and Trade, Spain, signing an MoU on Renewable Energy in Madrid



Esperanza Aguirre, President, Region of Madrid

infrastructure sectors, while many Spanish companies are present and active in India.

Poland joined the European Union in 2004 and is a revived and flourishing democracy, with close relations with India.

Mr Chetan Seth, Leader of the CII Delegation to Poland, addressing a business meeting in honour of the President of India in Warsaw, highlighted Indian Industry's strong commitment to doing business with Poland. India-Poland bilateral trade was US \$1.2 billion last year, but the potential is much higher.

India and Poland signed two agreements in

Tourism and Healthcare in Warsaw on 24 April. Both countries also agreed to cooperate in the areas of IT, biotechnology, pharmaceuticals, and the ongoing areas of defence, mining, education and culture, among others. The President of India agreed to reciprocate the interest of the Indo-Polish Parliamentary Group in promoting parliamentary exchanges once India's new Parliament is constituted.

Both Spain and Poland are important members of the European Union, with whom India has a Strategic Partnership, a comprehensive Joint Action Plan and annual Summit meetings. Both countries would be instrumental in helping to strengthen the growing partnership between India and the European Union.

The President of India's visit to Spain and Poland is not only a signal of the importance that India attaches to relations with these two countries but also with the European Union. It reflects India's desire to sustain high level bilateral engagement with Europe and to diversify our ties into new areas.



Theme 2009-10

India@75: Economy, Infrastructure, Governance



The focus areas for CII would be revival of the Economy, fast tracking Infrastructure and improved Governance, within the over-arching vision of **India@75**, says Mr Venu Srinivasan, President, CII, sharing the CII agenda for the year ahead

The year 2008-09 was a period of upheaval on many fronts. The rapidly deteriorating global economy and the shocks arising from the financial sector of the developed world placed tremendous strains on businesses.

From the third quarter of last year, almost all sectors of our economy have showed signs of slowdown and a few, like automobiles, textiles, exports, etc., have been very badly affected. We are in a state where uncertainties are high and challenges are many. According to IMF's World Economic Outlook, April 2009, the global economy is expected to decline by 1.3% in 2009 and revive in 2010.

While agriculture is expected to do well in 2009-10, the major share of GDP growth from industry and services would be key to economic recovery in India.

A CII analysis of quarterly performance of 2661 companies clearly shows that net profits growth declined sharply from 22% in December 2007 to -25% in December 2008. Lack of demand and high interest and other costs including infrastructure costs put Indian manufacturing at about 15% cost disadvantage.

Some snapshots of the prevailing scenario:

- Wholesale Price Index Inflation is down but Consumer Price Index is still high

- Slide in investments is a key risk
- Industrial growth is falling and automobile sales have declined. Output of the six core industry sectors electricity, coal, finished steel, crude petroleum, petroleum products and cement also declined for the first 11 months (April – February) of the current year, versus the corresponding period last year
- Rising fiscal deficit is a challenge (over 10% of GDP!)
- Indian Rupee depreciated against the US dollar by about 20% in 2008, making imports and servicing of foreign loans dearer

Moving Forward

Mr Venu Srinivasan, President, CII, sees 2009-10 as a period of recuperation, revival, and recovery. With the rapid-response measures on fiscal and monetary fronts by the government and RBI, India is in a reasonable position to tackle the crisis. But there is no room for complacency. Industry on its part should also restructure and re-engineer for maximum competitiveness.

Revival of economic growth is of paramount importance. Infrastructure needs immediate attention. Lack of quality infrastructure exerts pressure on the competitiveness of Indian manufacturing as well as exports in terms of



increased costs. Finally, the country also faced loss of trust in its corporate functioning, bringing Corporate Governance into the spotlight.

India is better off as compared to many emerging economies and is expected to be the second fastest growing economy in the world, after China. In fact, we do see a few green shoots of economic recovery. An analysis of 324 companies' fourth quarter results shows signs of a turnaround in net profits growth to -1% compared to -25% during the previous quarter. The India growth story remains positive, despite immediate concerns and medium term challenges.

Priority I: Revival of the Economy

Since October 2008, the Government and the RBI have announced a slew of measures to boost the economy. Fiscal and monetary interventions have been made at regular intervals.

Monetary measures typically take effect with a lag compared to fiscal initiatives. It is only now that we are starting to see the impact of monetary easing that commenced in October 2008. The fiscal measures have of course translated to a great extent, though a few announcements are still finding their way around the implementation mechanisms.

Some key areas needing attention:

On the **fiscal** side

- Rationalization of indirect tax liabilities
- Cut in interest rates for export credit
- Anti-dumping safeguards
- Unlocking Government assets through disinvestment
- Introduction of a unified Goods and Services Tax

On the **monetary** side

- Cut in RBI rates by 50 bps for repo and reverse repo

On the **major reforms** side

- Increasing Financial Inclusion for a profound multiplier effect on the broader society and economy
- Secondary Market Reforms
- Insurance, Pensions and Banking Reforms
- Procedural Reforms, specifically in
 - Movement of goods across sectors
 - Trade facilitation for exports and imports
- Making the process of obtaining clearances time-bound and simple

Creating Wealth in the Farm Sector

Agriculture in India continues to be constrained by stagnation of yields, inadequate irrigation infrastructure, declining size of land holdings, inefficient last mile delivery of inputs, lack of technology-led agricultural extension support, inter-state barriers



to trade in agricultural products, and inadequate linking of farms with the markets.

Agriculture needs to grow at 4% on a long-term basis. For this, Government policy should move from subsidies to investments with greater linkage between farmers and markets. Further, investments in rural infrastructure, including irrigation, storage facilities, cold chains and rural roads, would help address structural deficiencies in the agriculture sector, as would supplementing public resources with private investment in technology to reach market information to the farmers.

CII's focus in the farm sector would encompass

- Work with State governments on policy reforms such as linking farms and markets through uniform implementation of the model APMC Act
- PPP initiatives in extension work

Manufacturing

Manufacturing in India contributes to only 16% of GDP, vis a vis over 25% in other Asian countries. There is huge scope for scaling up activities in this sector, but the key issue is Competitiveness.



Other constraints include inadequate infrastructure, high costs of doing business and, of course, availability of land.

Relating Infrastructure to Manufacturing, there is an immediate need to increase the availability of power, and reduce transmission and distribution losses, which are in excess of 40%.

There is also a need to improve road networks. The NH comprises of only 2% of road network but carries 40% of traffic. India also has a high turnaround in Ports (3.62 days compared to 1 to 1.8 days globally).

The solution is to remove constraints through increased spending and ensuring implementation of infrastructure

projects. Government also needs to look at acquiring land systematically and transferring it to Industry in a transparent manner.

CII has been working proactively with several state governments on state level manufacturing policies, towards enhancing investments and improving infrastructure. Our work on manufacturing clusters shall continue, as will our efforts to improve firm-level competitiveness. CII has also recently set up a Task Force on Land Acquisition to make recommendations on land related issues.

Services

The Services Sector contributes 57% of GDP. Reviving services growth is pivotal to economic revival. The key areas of priority, besides financial services, are Tourism, IT / BPO, Shipping and Education.



Tourism: India had 5 million tourists in 2008. CII would like to see this number double over the next 5 years. Towards this target, CII would work with governments at the Centre and the states with a focus on Agriculture, Rural and Heritage Tourism to spur domestic tourism.

Education: CII supports opening the Education sector. We need comprehensive reforms focused on:

- Greater PPP in education
- Setting up independent accreditation system
- Push for pending Private Universities/ Foreign Universities Bill

IT/ BPO: The global economic slowdown has impacted the top line of Indian IT and BPO firms. Yet, though the global banking, financial services and insurance segment of the business has shrunk, the current conditions also provide an opportunity for Indian firms to present low cost solutions to global companies. However, at the same time, there are fears of protectionist measures to protect jobs in advanced countries.

CII will work with the Government on relaxations of H1B Visa criteria and would actively oppose any protectionism multilaterally.

Construction: Construction is the second largest employer in the country with direct employment to about 32 million people. Growth here depends on three key sectors:

- Infrastructure: generates more than 54% of construction activities



Hari S Bhartia, Vice President, CII, Venu Srinivasan, President, CII, and Chandrajit Banerjee, Director General, CII, presenting the CII agenda for the year ahead

- Industry: factories, refineries, offices, etc. constitute 36% of the construction activities
- Housing / retail: approximately 10%.

All three sectors have seen contraction in investments in the last year or so, with a direct impact on employment. To fully exploit the potential of this sector in the economy, we need

- Revival of investments in infrastructure, housing and real estate
- Streamlining of the contracting process, to avoid subjective evaluation and delays.

Priority II: Infrastructure

India faces a huge infrastructure deficit. The Planning Commission estimates that, to cope with the growing demand, in the span of 6 years, India will have to step up investment in infrastructure from 5% of GDP to 9% of GDP. In absolute terms, it means an investment US\$ 500 billion.

We are almost midway through the period, but far behind the target, hovering somewhere around 5% of GDP, whereas China spends 11% of its GDP on infrastructure.

The first and most critical point is government must ramp up investment in infrastructure, immediately to 7% of GDP and to 9% in the next 1-2 years. For this, government needs to increase public spending substantially, and, alongside, create an investment-conducive environment for greater private sector participation.

A recent McKinsey Report finds India heading to a deficit of US\$ 150 - 190 billion in financing the core infrastructure sector. Government has allowed the India Infrastructure Finance Company Ltd to raise the first round of around Rs. 10,000 crore from the debt market for the infrastructure sector, but, considering

the mounting demand, it is quite inadequate. IIFCL must opt for a second round of raising funds, and also start disbursing as quickly as possible.

Second, improve delivery mechanism. The host of issues range from bidding process to land acquisition and approvals and dispute resolutions.

Third, urban infrastructure – woefully ignored and stagnating. While JNNURM is a fantastic initiative of the Government of India, envisaging an investment of 1 lakh crore to address urban issues,

we must focus on development of new cities and towns. One key stimulus would be to provide infrastructure status to Integrated Township Development.

Fourth, Low-cost Housing. The present shortage of 24.5 million dwelling units is expected to rise to 25.5 million by 2011. Suggestions on the table today range from increasing the municipal limits of existing cities to relaxing the Floor Area Ratio (FAR), to release more land for housing. At the same time, government has made provision for interest subsidy for the economical weaker sections of society. What is needed is consolidation and action at the state and city level.

Fifth, rural infrastructure. Bharat Nirman is a great initiative. This milestone programme rightly focuses on rural roads, houses, water supply, electricity, and irrigation. However, four years down the line, we need greater focus on rural infrastructure. The CII-McKinsey Report on Bharat Nirman suggests that holistic development of rural areas, coupled with rural infrastructure, calls for innovative business models, such as e-chaupals, and connecting rural areas with the markets.

Sixth, 5 key big-ticket infrastructure projects which can stimulate demand enormously in the country:

1. National Highways Development Project - Phase II to VII would pump in investment of Rs. 2173 billion.
2. Dedicated Freight Corridors can transform the transportation sector and pump in investment of Rs. 372 billion
3. Delhi – Mumbai Industrial Corridor: development of this 1500 km industrial belt is expected to pump-in investment of Rs. 3648 billion
4. Greenfield airports (Navi Mumbai, Greater Noida,



Goa, Pune and Nagpur) as well as 35 non-metro projects: Rs. 400 billion

5. Sea-Ports Projects (Chennai Mega Container Terminal, JNPT 4th Container terminal, JNPT marine container terminal, Hazira Terminal, Vallarpadam Container Trans-shipment Terminal) + Projects non-major Ports - Rs. 1100 billion

Priority III: Governance

Large, highly visible and publicised corporate scandals often provoke legislative and regulatory actions. However, much of good corporate governance is voluntary—companies need to take conscious decisions going beyond the mere letter of the law. CII has thus set up a Task Force under the chairmanship of Mr Naresh Chandra to enunciate principles to help listed companies take a voluntary step beyond Clause 49.

The new code would list principles for voluntary adoption by companies for improving corporate governance such as greater role for independent directors, more transparency in corporate affairs, more independence for the audit function, etc. The code would also address ambiguities in existing laws and regulations. We would also like institutional investors to effectively participate in the process of improving corporate governance of listed companies. The CII Code is expected to be released shortly.

In addition to ensuring endorsement of the new Code by listed companies, CII would engage the regulator to ensure that the cost of compliance is kept low. It is the cost of non-compliance that should be high, to act as a deterrent.

Other Priorities

MSMEs

MSMEs, though known for their vibrancy, are the most vulnerable during times of economic downturn. CII will work with the Government in the following areas to develop a more entrepreneur-friendly policy environment, while our Centre for Excellence would continue to work towards improving Competitiveness of Indian MSMEs.

- Establishment of the SME exchange
- Simplification of policy and procedures
- IT consumption in MSMEs
- Promote schemes of the Ministry of Micro, Small & Medium Enterprises
- Validity of MSME Registration
- Competitiveness for MSMEs
- Advisory Services for MSMEs
- CII District Offices in major Tier II and Tier III towns

Sustainability

CII is helping Indian industry adopt energy efficient, resource efficient and ecologically sustainable business growth. CII's Green Business Centre and Centre for Excellence on Sustainable Development have developed a CII Code for Ecologically Sustainable Business Growth.

This year, we would also set up a new Centre of Excellence on Water in Jaipur, to provide a range of water management services to industry.

We would also initiate and offer specialised services:

- Green House Gas (GHG) Inventorization
- Green Purchase Policy (GPP)
- Cleaner Production
- Promotion of Green Buildings
- Total Cost Management Maturity Model
- Water Management through Public – Private – Community partnerships

Special Areas

As in the past CII would focus this year also on special areas. initiatives in the North East this year would be include:

- A detailed infrastructure mapping exercise for the entire North Eastern region.
- A skills mapping exercise for Assam followed by a Skills Conclave in June. Further, a similar exercise for the other 7 States under Department of North Eastern Region's 2020 Vision.
- Adoption of 12 Industrial Training Institutes in the North Eastern Region by CII member companies.

In Jammu and Kashmir, CII will carry out a Skills Development programme and prepare a strategy for growth and development of industry and services under the aegis of the Joint Task Force with the Government of Jammu and Kashmir.

In Bihar, CII would continue its efforts on rehabilitation of flood affected victims. In addition, CII also would undertake a Skills development programme and focus on promotion and development the of food processing sector with focus on sugar and jaggery industry.

International Networking

CII would continue to engage with the world to strengthen its international networking to promote India and Indian businesses across the globe. This year CII would focus on 4 major regions of Africa, Latin America, South East Asia and China.

CII would also organise business delegations to USA, UK, Brazil, South Africa, South Korea, France, Germany and Switzerland to strengthen Indian business ties with these countries and enhance business-to-business interests in trade and investment.

GDP Growth Pegged at 6.1 - 6.5 %

The CII 'State of the Economy' report anticipates sectoral growth rates of 2.8 to 3% for Agriculture, 5 to 5.5% for Industry, and 7.5 to 8% for Services

The IMF, in its forecast released in the World Economic Outlook, April 2009, has projected that global GDP is likely to contract for the first time in

60 years by 1.3 percent in 2009. Global inflation is expected to retreat due to a combination of lower commodity prices and increasing economic slack, with deflation risks growing in advanced economies.

The Indian economy slowed down considerably during the third quarter of 2008-09 in the wake of global financial meltdown as

well as a cyclical downturn in the domestic economy. GDP grew by 5.3 percent during Q3 of 2008-09 compared to 8.9 per cent in the corresponding period of the previous year. All the constituents of GDP except mining and quarrying have decelerated, while agriculture and manufacturing contracted, during Q3 of 2008-09. The service sector also moderated, although to a lesser extent than manufacturing.

In 2009-10, GDP is likely to grow at 6.1 – 6.5 per cent. This scenario factors in sectoral growth rates of 2.8 to 3 percent for Agriculture, 5 to 5.5 percent for Industry, and 7.5 to 8 percent for Services.

The Second Advance estimate of crop production shows a modest decline in total food grain production to 227.9 million tonnes in 2008-09, from 230.8 million tonnes in

2007-08, against the target of 233.0 million tonnes.

Data on the Index of Industrial Production (IIP) revealed that industrial growth for the period April-February 2008-09

decelerated to 2.8 per cent in comparison to 8.8 per cent during the same period last year. The IIP recorded negative growth in December 2008 and February 2009.

In the wake of the global financial crisis and falling inflation, the RBI has implemented a series of measures to inject liquidity including reductions in CRR (Cash

Reserve Ratio), Repo and Reverse Repo rates, unwinding of MSS securities and providing liquidity support to NBFCs, MFs and HFCs.

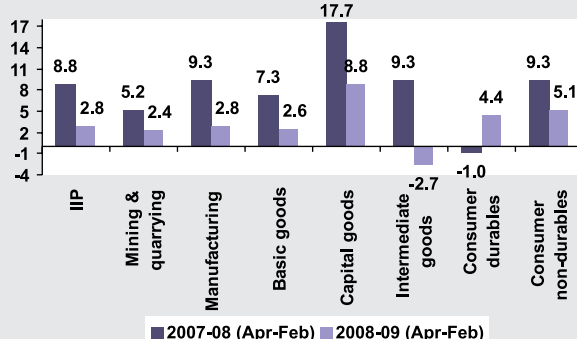
Headline inflation, as measured by year-on-year variations in the wholesale price index (WPI), fell to a 33-year low of 0.26 for the week ending 28 March, 2009, from its intra-year peak of 12.91 per cent on 2 August, 2008. Inflation has already fallen much below the RBI's medium

term target rate of 3.0%. However, the consumer price index (CPI) is still very high due to the firm trend in prices of food articles and the higher weight of food articles in measures of consumer price inflation.

The slowdown in domestic economic activity has begun to reflect in the

finances of the Central and State governments. The Interim Budget presented by the Central government

Growth rate of IIP (by sector)



Source: Central Statistical Organisation

Sector-wise GDP Growth (%)

	2007-08	2008-09 Adv. Est.	April-Dec 2007-08	2008-09	2009-10 CII Est.
Agriculture	4.9	2.6	5.5	0.6	2.8 – 3.0
Industry	8.1	4.8	8.7	5.1	5.0 – 5.5
Services	10.9	9.6	10.5	9.8	7.5 – 8.0
GDP	9.0	7.1	9.0	6.9	6.1 – 6.5

Source: Central Statistical Organisation

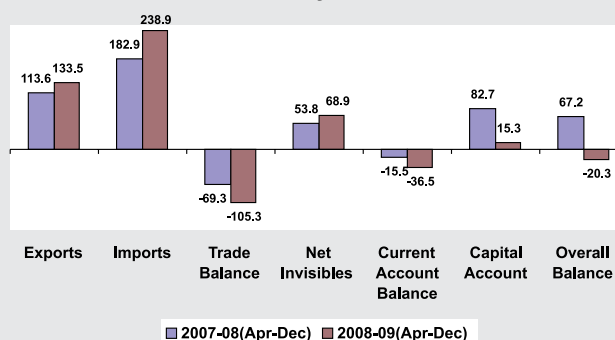
showed a large increase in the fiscal deficit, from what had been budgeted. As a percentage of GDP, the fiscal deficit is estimated at 6.0 per cent in 2008-09, compared to 2.7 per cent in 2007-08.

The global financial meltdown has affected India's external sector performance too. Data on foreign trade available till

February 2009 shows that exports have posted negative growth for five months in a row since October 2008. Import growth, during this period, has also weakened considerably and entered negative territory in January and February.

During April-December 2008-09, the trade deficit increased significantly to \$ 105.3 billion from \$ 69.3 billion in the previous year. Meanwhile, the current account deficit, which also takes into account net invisibles, has increased from \$ 15.5 billion to \$ 36.5 billion.

India's Balance of Payment (in US\$ billion)



Source: RBI

The Indian rupee has depreciated by over 27 per cent against the dollar since the beginning of the financial year. It breached the psychological mark of Rs 50 per US \$ in March, falling to a low of Rs.52 per US \$ on 3 March 2009. Since then, it has been trading in the range of Rs 50-51.

An analysis of the financial performance of a sample

of 324 companies (173 manufacturing and 151 services) for the quarter ending March 2009 reveals a sharp decline in net sales growth and contraction of net profit this quarter. Net sales grew by 8.7 percent during Q 4 of 2008-09 (January-March 2009) in comparison to a growth rate 23.7 percent in the previous quarter and 25.6 percent during Q4 of the last year. Net profit contracted by 1.0 percent during Q4 of 2008-09, a slight improvement over the contraction of 2.4 percent in the previous quarter.

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Nuclear Power in India

Opportunities & Challenges

India has to opt for an optimal mix of all possible energy sources to meet its ever-growing need for power

After the successful completion of the Indo-US Nuclear Deal and agreements with a few other countries, nuclear energy will play an important role towards the capacity addition strategy embarked by the Indian Government to achieve long-term energy security for the country. The Integrated Energy Policy estimates the installed capacity requirement by 2031-32 to be 778,000 MW. In this scenario, India has to opt for an optimal mix of all possible energy sources to meet the electricity demand.

Dr Anil Kakodkar, Chairman, Atomic Energy Commission and Secretary, Department of Atomic Energy, shared his perspectives on 'Nuclear Power in India: Opportunities and Challenges', at an exclusive session in Mumbai on 17 April. "We are in a position to look forward to the new era in terms of nuclear energy, given our high level of technological capability," he said, noting that "India is following a three pronged nuclear energy programme which is responsible for sequential technological development."

Dr. Kakodkar felt that the Indian nuclear market needs to be opened to both private as well as foreign players in order to fully capitalize on the opportunities available, and eradicate any proliferation. A conducive environment will be required for the foreign/private players' participation, removing regulatory barriers, and by ensuring a level-playing field, he said.

Dr. Kakodkar noted that though a high level of technological capability has resulted in India being considered one of the main players in this field, there are certain issues of concern, like the emerging demand for nuclear energy in India, climate change, etc.



Dr Anil Kakodkar, Chairman, Atomic Energy Commission and Secretary, Dept. of Atomic Energy

He said that the government adopted the 1-2-3 agreement because India is following an energy resource profile. Given the vast availability of Thorium and less quantity of Uranium, India has innovated methods of nuclear energy production using heavy water technology, fast reactor technology and thermal reactors technology. The main advantage of the 1-2-3 agreement is that it helps generate multiple amounts of energy to the tune 100-1000 MW PHWRs in India.



Jamshyd N. Godrej, Past President, CII, and Chairman and Managing Director, Godrej & Boyce Mfg. Co. Ltd

If India has to meet its energy requirements through conventional methods, i.e. coal, we will require to import 1 billion metric tonnes of coal, plus deal with higher environmental issues, whereas energy generated from nuclear fuel is less hazardous to the environment, he explained.

Dr. Kakodkar reiterated that India needs to tie up its uranium requirements for the targeted energy capacity, as by 2020-30 as most of the uranium mines would have tied up with existing energy facilities and generators.

India has been using recycled fuel for its nuclear fuel requirements. The recycled nuclear fuel space offers a huge opportunity for the country as, by 2050, all leading countries and players in nuclear fuel will opt for recycle fuel in some form or the other. In such a scenario India can emerge as a leading player, opined Dr Kakodkar.

Earlier, in his opening address, Mr. Jamshyd N. Godrej, Past President, CII, and Chairman and Managing Director, Godrej & Boyce Mfg. Co. Ltd, said the future of nuclear power generation in India is very bright, considering the vast research and development done in this field. Energy growth in India has registered a growth of 4% which is clearly positive, he added.

Developing Clean Coal Initiatives

The Technology Innovation Centres, proposed by India, to disseminate information on clean coal technology, have drawn global interest

Economies like India and USA, whose power portfolios are driven by large coal based thermal plants, are going to face tremendous pressure during the multilateral talks on climate change. India's dependence on coal for meeting its energy requirements will continue, until an effective alternative is developed. This calls for dealing with energy and climate change in a coordinated manner, said Mr Shyam Saran, Special Envoy to Prime Minister of India, at a CII Strategy Session on 'Clean Coal initiatives' in New Delhi on 13 April.



Mr Saran felt that a detailed concept on the methanol route would help India present its point in multilateral fora. He reiterated that the sooner we undertake the clean carbon initiative, the better it would be for humankind.

Completely denouncing Carbon Capture and Storage (CCS) as too premature to be considered viable, Mr R S Sharma, Chairman, CII National Committee on Power and CMD, NTPC Ltd, made a presentation on the on-going project at the NTPC plant in Samadhri. "Carbon Sequestration process is at a nascent

India has proposed setting up Technology Innovation Centres in various locations globally to disseminate information on clean coal technology. These centres have gathered global interest as a platform to propagate clean coal technology within the developed and developing world, he said.

Mr Saran stated that India, along with other developing economies, has taken a strong stand to keep trade and competition issues at bay during the negotiations for climate change. He opined that India does not wish to be imposed with tariffs in the complete absence of a level playing field.

Participants at the session suggested that industry should explore every opportunity to get clean coal, like methanol, bio-fuels etc. Carbon capture using micro marine algae also caught the interest of industry representatives.

stage. We cannot ensure that underground stored carbon will not leak. Therefore the focus should be on efficiency improvement; renewable energy sources and carbon fixation by utilising marine algae" he said.

Mr Prem Shankar Jha, well-known columnist, highlighted that environmental danger is not gradual, but an abrupt process which is taking place globally. He proposed switching to Methanol-based clean coal technology to meet a large part of our transportation and petrochemical requirements.

Mr V. Raghuraman, Principal Advisor & Chief Coordinator (Energy, Environment & Natural Resources), CII, pointed out that India needs to have value added programmes to develop various alternatives for clean coal. CII would take the initiative to coordinate the methane route concept with industry and the government, he assured.



V Raghuraman, Principal Adviser, CII, R S Sharma, Chairman, CII National Committee on Power, and CMD, NTPC Ltd, Shyam Saran, Special Envoy to the Prime Minister of India, and Prem Shankar Jha, Columnist

CII National Conference on Education

'Linking Education to Employability'



Vijay Thadani, Chairman, CII National Committee on Education & CEO, NIIT Ltd, T K A Nair, Principal Secretary to the Prime Minister of India, Sudha Pillai, Secretary, Ministry of Labour & Employment, and Chandrajit Banerjee, Director General, CII

As the world faces a problem of ageing populations, all eyes are now on India, with its vibrant young population and its strength of human resources. But is India ready for supplying knowledge workers or entrepreneurs to fulfill the domestic and international demand? Addressing the various challenges and opportunities in the education and employability domain, CII held its national conference on Education on the theme 'Linking Education to Employability' on 21 April in New Delhi.

Setting the tone for the discussions, Mr Vijay Thadani, Chairman, CII National Committee on Education & CEO, NIIT Ltd, and Mr James Abraham, Senior Partner & Director – New Delhi, The Boston Consulting Group, presented CII's vision on Education & Skills for India@75.

"The raw material for the development of any nation is its people. Therefore, building people is the key to building India," declared Mr Thadani. In this context, he pointed to CII's vision of achieving complete functional literacy in the country by the year 2022 and of having a globally employable workforce of over 700 million

people, including 500 vocationally skilled people. Mr Thadani also said that this challenge of making India the global hub for knowledge creation could be achieved "if we change the way we look at our educational system and become a scale provider of value-based learner-centric education, skills development and professional education."

"Improving the quality of education and providing equal opportunity to everyone, especially with regard to functional literacy were the major challenges that the country was facing today," said Mr T K A Nair, Principal Secretary to the Prime Minister of India, addressing a special plenary session.

Ms Sudha Pillai, Secretary, Ministry of Labour and Employment, addressing the same session, pointed out that skills development had to be made an essential part of the educational framework. "Skills have a direct correlation with improved productivity and economic well-being. Also, increased emphasis on skills development and vocational training would help us empower the large number of school dropouts and unorganized sector workers," she said.



Prof V N Rajasekharan
Pillai, Vice Chancellor,
IGNOU



Subhash C Khuntia, Jt Secretary, Bureau of School Education, Dept of
School Education and Literacy, HRD Ministry, and
Y S Rajan, Principal Adviser, CII



Prof Deepak Pental,
Vice Chancellor,
Delhi University

A major policy initiative in this regard, Ms Pillai said, was the National Policy on Skills Development that was approved by the Government in February this year. The policy aims at empowering all individuals to enable them to get access to decent employment and to promote inclusive national growth. Further, the policy promotes public-private partnership to ensure that the needs of the industry are met.

Mr Nair, jointly with Ms Pillai, released the CII – NASSCOM – ICRIER study report on 'Independent Accreditation System', and the CII study report on 'Case for Setting up Sector Councils in India.'

Emphasizing the increased importance being given to affirmative action in CII, Mr Chandrajit Banerjee, Director General, CII, said the steps initiated by the industry body in 2004 were now being up scaled and spread to newer areas. In today's globalised world and increasing integration of labour markets, it was important that our skills and training programmes have global accreditation and certification, he said.

The second Special Plenary was addressed by Mr Subhash C Khuntia, Joint Secretary, Bureau of School Education, Dept of School Education and Literacy, Ministry of Human Resource Development. He also released the 'CII Recommendations on Public Private Partnership'.

To utilize its demographic dividend, India needs to build a robust workforce at par with global standards. India must also work towards developing world-class infrastructure to meet its own unique domestic demand and become a global hub for knowledge to attract youngsters from

overseas for further studies, said panelists at the session on 'Ensuring Global Relevance.' Chaired by Prof Deepak Pental, Vice Chancellor, University of Delhi, the session explored how best to exploit current resources and build global relevance.

The 11th Five Year Plan is being seen as an Education Plan. Education, however, becomes truly relevant only when the knowledge acquired is applied and absorbed into the mainstream. The need to strengthen the link between education and employability, was highlighted in the session on 'Literacy vs. Employability', chaired by Prof VN Rajasekharan Pillai, Vice Chancellor, Indira Gandhi National Open University.

The third session focused on 'Promoting Excellence: Setting up Sector Skills Councils.' Chaired by Dr Sudhir Kapur, MD & CEO, Country Strategy Business Consultants, the session discussed how Sector Skills Councils would help in identifying common skill-gaps, and building skill sets. It would also bring training providers, educational institutions and industry together to deliver programmes that are relevant and cost-effective.

Underscoring the significance of uniform ratings and accreditation, the final session focused on 'Promoting Excellence: Setting up Independent Accreditation System.' Chaired by Prof Farqan Qamar, Advisor Higher Education & Culture, Planning Commission, and co-chaired by Mr Vijay Thadani, this session examined issues such as ways to encourage institutions to accredit themselves, mandatory accreditation, role of independent/autonomous accreditation bodies and corporate sector involvement, etc.



'Spectrum Vital for National Security'

The Indian security forces require sufficient radio frequencies or spectrum to set up an optimal battlefield management system, as they are today upgrading their legacy communication systems, said Gen Deepak Kapoor, Chief of the Army Staff. Technology would form the backbone of



Lt Gen PC Katoch, UYSM, AVSM, SC, Director General of Information Systems, Integrated Hq of MoD (Army), Gen Deepak Kapoor, PVSM, AVSM, SM, VSM, ADC, Chief of the Army Staff, Integrated Hq of MoD (Army), Ajai Chowdhry, Chairman, CII National Committee on Technology & Chairman & CEO, HCL Infosystems Ltd, and Gurpal Singh, Deputy Director General, CII

all future wars, "which would be of a shorter duration but probably more lethal. Therefore it was important to empower the last man at the post," he observed.

Addressing the 2nd international seminar on a 'Paradigm Shift in Communication to Support Battlefield Management System' in New Delhi on 14 April, Gen Kapoor said that the government would have to suitably prioritise spectrum availability with national security needs. "More importantly, we have to ensure suitable networking between the communications systems of various security agencies to ensure availability of real-time data in real-time situations."

The two-day seminar was jointly organised by CII and the Indian Army's Directorate General of Information Systems (DGIS).

In his theme address, Lt. Gen. P C Katoch, Director-General, DGIS, said the Indian Army must develop suitable linkages with the private sector, given the dynamic changes taking place in communication technologies. "Technology can be the force multiplier to give our forces the cutting edge," he added.

Gen Katoch said that the Army recognised the need to suitably develop network-centric warfare capabilities. "The existing legacy systems do not allow the soldier on the ground to take advantage

of information services like video, graphics data and imagery. For this, the Indian security forces need to take advantage of the strengths of the domestic IT industry."

In his welcome address, Mr Ajai Chowdhry, Chairman, CII National Committee on Technology and CEO, HCL Infosystems Ltd, pointed out that action in today's battlefields depended as much on information systems as on weapons systems. "Developing a suitable battlefield management system for the country was a challenge that the Indian IT industry was today well-placed to meet," he averred. The time was right to foster greater private-defence sector linkages, with the policy structure already in place and "the security forces also ready to make IT an inherent part of its strategy and action plans," he felt.

Mr Gurpal Singh, Deputy Director-General, CII, noted that the defence sector offered immense opportunity for the small and medium enterprises (SMEs), particularly



Ashok Kanodia, Chairman, CII Defence Sub Committee on IT, and MD, Precision Electronics Ltd, Lt Gen N Thamburaj, PVSM, SM, ADC, Vice Chief of Army Staff, Integrated Hq of the MoD (Army) and Lt Gen PC Katoch

since the offset policy does not differentiate between the private and public sectors. "In fact, the offset policy that makes it mandatory for all foreign equipment suppliers to source at least 30 per cent of any contract value exceeding Rs 300 crore from India has seen a number of global majors entering into partnerships with domestic players," he added.

Sharing the US Experience on 9/11

The CII National Task Force on Internal Security held an interactive session on 'Sharing the US Experience on 9/11' with Admiral James M. Loy, Senior Counselor, The Cohen Group and former Deputy Secretary of Homeland Security, US, and Mr. Jack Noonan, Chairman and Chief Executive Officer, SPSS Inc.

At the session in New Delhi on 9 April, Admiral Loy and Mr. Noonan shared significant 'lessons learned' in relation to the post 9/11 environment in the US, both from the government as well as the



Admiral James M. Loy, Senior Counselor, The Cohen Group and former Deputy Secretary, Homeland Security, US, and Ambassador Naresh Chandra, Chairman, CII National Task Force on Internal Security

by Ambassador Naresh Chandra, Chairman, CII National Task Force on Internal Security.

commercial perspective. Admiral Loy, who was the No. 2 at Homeland, post 9/11, shared his experiences in a constructive manner to help the public and private sector in India. Mr. Noonan discussed how predictive analytics have been effectively employed by governments, including police forces, to predict crimes, screen cargo, etc.

The Indian side, with select Industry members from the private sector, was headed

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Nanotechnology Conclave 2009

India to celebrate Nanotechnology products

Nanotechnology is one of the high technology areas of growth in which India has been developing expertise in recent years. CII has been promoting Nanotechnology among industry for creating awareness and forging collaborations and is also involved in bringing in collaborative partnerships from other countries. Nanotechnology revenues are estimated to reach \$1 trillion worldwide by 2015. Huge amounts of funding are being spent by governments on nanotechnology research and development.

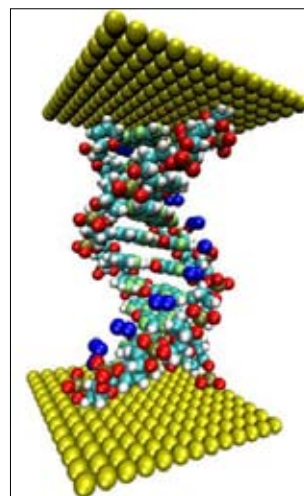
Nanotechnology applications will include provision of clean water, greater agricultural production, cheap energy, clean environment, better diagnostics, drugs and organs replacements, greater information processing and storage, and reduced labour.

CII, with the Department of Science & Technology, (DST), Government of India, the Gwangju Institute of Science & Technology (GIST) and the

Tamil Nadu Technology Development Promotion Center (TNTDPC) recently organized the 4th Nanotechnology Conclave 2009. The two-day international conference brought together Nanotechnology experts from across the globe to deliberate numerous opportunities for economic exploitation through the various new applications of nanotechnology.

Speaking at the inaugural session, Dr. T Ramasami, Secretary, Department of Science and Technology, and Chairman, TNTDPC Governing Body, invited Industry to avail of the huge opportunities created by Department's NanoMission, through which almost Rs 1000 crores is planned to be released over a period of 5 years. He also challenged the various R&D efforts in Nanotechnology to focus on providing solutions to various social problems. Dr Ramasami said that CII and DST will join hands to celebrate Indian Nanotechnology Products in the near future.

Dr. Dipankar Banerjee, Chief Controller, R&D (AMS), & Distinguished Scientist, DRDO, Ministry of Defence, stated that India is positioned on the strategic map for Nano products as Indian investments in this technology match those of Ireland, Canada and Switzerland.



Ajai Chowdhry, Chairman, CII National Committee on Technology & Chairman & CEO, HCL Infosystems Ltd., (right) greeting Dr. M Vidyasagar, Executive Vice President, TCS, as Dr T Ramasami, Secretary, Dept. of Science & Technology, looks on

Mr. Ajai Chowdhry, Chairman, CII National Committee on Technology & Chairman & CEO, HCL Infosystems Ltd, noted that Nanotechnology is already being applied in industrial applications, production technology, pharmaceuticals, healthcare, agriculture, transportation and electronics, among others. It is yet to come of age, and presents huge scope for business. The market for Nanotechnology is anticipated

to grow at a CAGR of 33% between 2008 and 2015, he said.

Earlier, in his welcome remarks, Dr. M Vidyasagar, Chairman, Nanotechnology Conclave 2009 & Executive Vice President, TATA Consultancy Services, expressed optimism about India forging an effective identity for Nanotechnology products, given the proactive initiatives taken by Government and industry.

Sessions

Nanotechnology in Healthcare and Diagnostics

The speakers elaborated the possible health risks, especially cardiovascular diseases and respiratory problems, due to inhalation of nano particles into the lungs, intestines etc. The participants called for immediate action to generate public awareness about the risks and assessment of toxicity in nano products.

Cancer treatment with the nanoscience was also discussed.

Nanotechnology in Russia

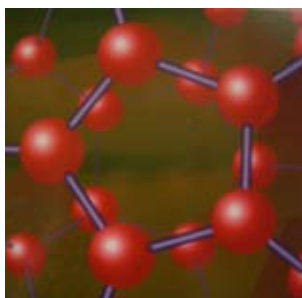
The discussions offered updates on research areas like biofuels, energy, diagnostics etc. using nanotechnology, where Russians scientists are doing pioneering work. Russia is exploring multi-layered photovoltaic nano-structured solar cells, nano-electronics devices for diagnosis and treatment of diseases, biofuel products by 'Cavitation Nanotechnology' to reduce harmful combustion emissions, etc. Using Nanotechnology, diagnosis and treatment of diseases in animals and plants has averted losses as huge as 2 million tonnes of grain per year, and generated an additional 9 lakh tonnes of milk per year.

India has allocated US \$10 billion over a period of 5 years for building PPP models in collaboration with Russia. So far, projects worth \$800m only have been generated. Nanotechnology in products like highly energy efficient LEDs saves up to 1/3rd the energy compared to CFL lamps, solar lanterns, nano-semiconductors etc.

Sustainability

The session on Sustainability examined potential ways to mould Nanotechnology clusters. Finland showcased its successful Nanotechnology Cluster of over 65 companies that manufactures a variety of nanoproducts using 'Responsible Nanotechnology', for application in ICT, Chemicals, Environment, Energy management, Life Science & Health Care etc— around 200 nanocommercial products are in the R&D phase. Finland is keen on collaborating with India for commercialization of nanoproducts. Italy also shared a similar success story of a Nanocluster of 94 centers, with €1.54 million orders, € 500 billion contacts and investments worth €9,280 million in PPP ventures.

Talking about Venture Capital in India, new entrepreneurs were encouraged to look into issues like whether the value chain exists or not, if it does, does it need



to be modified, whether there is clear economic benefit and value proposition, whether infrastructure can be shared across geographies/multiproducts etc, before considering a new venture in Nanotechnology or in any other field.

A special display showcased product excellence in nanotechnology from Indian companies. The products included CNT and nanomaterials for medical applications.

Education institutions also displayed work in nanoscience. A poster session on nanomaterial research in different sectors was also held.

Recommendations emerging from the Conclave

- There should be more collaboration between Industry/Academia/Research Labs for successful translation of knowledge creation into wealth creation especially in the areas of ICT, Life Sciences & Health Care, Energy & Environment, Nanoelectronics, Agriculture, etc.
- There is a need to focus on solving social problems using Nanotechnology
- Industry should come forward to make use of the opportunities created by the government through funding collaborations with countries like Russia, Finland and Italy etc. and set up new ventures for successful commercialization of nanotechnology applications.
- CII has to play an important role in bringing the nanotechnology products to market by working with various stakeholders.
- There is a need to assess the Health Risks and toxicity due to Nanotechnology and create public awareness.
- There is a need to learn from successful Nanotechnology Clusters like in Finland and Venice and implement similar models in India.



Prof. Kurt E. Geckeler, Chair, Dept. of Nanosystems Engineering, Gwangju Institute of Science and Technology, Dr T. Ramasami, Dr. Dipankar Banerjee, Chief Controller, R&D (AMS), & Distinguished Scientist DRDO, Ministry of Defence, India, Ajai Chowdhry, and Dr. V Rao Aiyagari, Mission Director (Nano Mission) & Head - Science & Engineering Research Council, Dept. of Science and Technology

CII celebrates World Intellectual Property Day

CII felicitated organisations and a grassroots innovator to highlight the importance of IPR in shaping the nation's future

On the occasion of World Intellectual Property Day, CII, in partnership with the Department of Industrial Policy and Promotion (DIPP) felicitated outstanding contributions to Indian intellectual property.

The event, held on 26 April in New Delhi, showcased India's initiatives and achievements in Intellectual Property Rights (IPR), while recognising and rewarding individuals and organisations for their contribution towards harnessing the intellectual capital of our country in the fields of patents, trademarks and design.

CII felicitated Hindustan Unilever Ltd for having obtained the grant of 311 patents from the Indian Patent Office; Reliance Industries Ltd for 816 trademark registrations; and Bilcare India for 445 design registrations in 2007-08. Mr. Venkat Reddy, a progressive farmer from Alwal, Andhra Pradesh, was also felicitated as an outstanding grassroots innovator. He has protected his invention of soil enrichment in 75 countries and has received patent grants in Europe, Eurasia, South Africa and Madagascar. Mr. Reddy has filed a Patent Cooperation Treaty application (a single application for international patent protection in multiple jurisdictions) for a novel method of improving yields of cereal crops with low or no inputs of chemical-based fertilizers or pesticides.

Mr T Ramasami, Secretary, Department of Science and Technology, noted that while India is committed to and is progressing towards building a strong and vibrant Intellectual property regime, it will strike a balance between intellectual property and public good. Though the culture of intellectual



N N Prasad, Joint Secretary, DIPP, T Ramasami, Secretary, Science & Technology, Justice S K Kaul, Delhi High Court, and Ramesh Adige Chairman, CII Task Force on IP Policy, and Executive Director, Corporate Affairs & Global Corporate Communication, Ranbaxy Laboratories Ltd

property protection is new to India, we have forged ahead with legislations and policy setups, which qualify to be world class, he declared.

Justice Sanjay Kishan Kaul, Delhi High Court, highlighted the lack of awareness of IPR in India, but said the country is beginning to see a stronger IP enforcement regime. Besides the generic field of Intellectual Property, the IPR policy framework should also focus on sound-marks and smell-marks under Trademarks, he said. The vast pool of India's traditional knowledge like Ayurveda, Unani, Homeopathy, Yoga etc should also be taken care of, he said, calling for statutory codified laws to maintain trade secrets, while maintaining the larger societal good.

Mr. N N Prasad, Joint Secretary, DIPP, strongly opined that the Government of India will not compromise on the health issues and concerns of its citizens. Over the last 5-6 years, the government spent Rs

500 crore on the development of hard and soft infrastructure for IP. While this modernization programme will continue, approval for 1380 patents examiners' posts has been sanctioned, of which 414 will be filled this year, he stated. Mr Prasad pointed out that India is the only English speaking Asia-Pacific country to have been conferred with the status



T Ramasami presenting the Felicitation Award to Hindustan Unilever Ltd

of International Search Authority (ISA) and International Patent Preliminary Examination Authority (IPA), showing its growing presence in the global IP regime.

Mr. J M Khanna, former Director, Jubilant Organosys Ltd, spoke of CII's role in developing leadership, linking innovation to societal needs, and defining India's vision on IPRs. Indian industry is poised to leverage the nation's scientific and technological talent pool to come out with cutting edge solutions in drug discovery, he said.

Mr Ramesh Adige, Chairman, CII Task Force on IP Policy, and President, Corporate Affairs and Global Corporate Communication, Ranbaxy Laboratories Ltd., presented

a snapshot of CII's activities in drawing attention to IP issues in the country. Mr. R Saha, Member CII National Committee of IP Owners, was optimistic that the Indian IP regime would reach greater heights.

World Intellectual Property Day is celebrated annually on 26 April by the World Intellectual Property Organization (WIPO) and its member states. These celebrations are held to increase public understanding of what intellectual property really means, and to demonstrate how the IP system nurtures the world around us, from arts and entertainment to technological innovations that shape our lives.

India Innovation Initiative - i3



Harnessing innovations for wealth generation and societal benefit, The i3 platform invites the widest participation of innovators above 18 years of age, irrespective of his/her background or profession

In a unique partnership to jointly transform innovations into major enterprises, CII signed a MoU with the Department of Science and Technology (DST) and Agilent for the India Innovation Initiative – i3. The initiative, launched on 6 April in New Delhi, brings together the global expertise of Agilent in transforming innovations into products, the strong knowledge-based networks of DST and the demand base for innovations from CII.

Explaining the need for such an initiative, Dr. T Ramasami, Secretary, DST, remarked, "Where other initiatives end with an award, the real action at i3 begins with an award, aiming to take the most potential innovations to the market through incubation, mentoring and commercialization support." Experts from IIM Ahmedabad have committed to mentor and incubate the top 10 technologies. For the first time in India, a platform has been unveiled to encompass the widest participation of innovators. i3 is not restricted to schools,

colleges, universities, Industry or institutes, but is open to all innovators above 18 years, irrespective of his/her background or profession.

Apart from financial contribution towards implementing the initiative, DST, said Dr Ramasami, will be involved in appraising the technology, providing knowledge system and mentorship, and also in lending credibility to the entire initiative. He pointed out that out of a million ideas, only 100 may be workable. And out of the 100 workable ideas, only one will work out. Picking up the right innovation requires a fair amount of experience through many years of intense participation in creating wealth out of innovations.



Venkatesh Valluri, President & General Manager, Agilent Technologies, Dr. T Ramasami, Secretary, Science & Technology, and Dr. Y. S. Rajan, Principal Advisor, CII

Mr. Anuj Sinha, Adviser & Head, National Council for Science & Technology Communication, DST, said the networks created by DST over the years, even upto the district level will come in handy to promote this initiative to draw ideas from the remote corners of the country.

"There are a number of grassroot innovators who

have potential ideas, but are left out due to the long administrative processes and lack of linkages between agencies who help in taking the innovations to the market. Through this joint initiative, we are confident that we will be able to reach out and lend an ear to innovative ideas, which can be captured for the benefit of industry as well as society," Dr Ramasami said.

Mr. Venkatesh Valluri, President and Country General Manager, Agilent Technologies, said that the essential focus of innovation today is to drive price relevant technology for India. "i3 is a perfect platform for the future innovators of India to showcase and accelerate their skills and capabilities. Practical technology talent is critical to the growth of India as a base for cutting edge R&D and innovation across industries. Agilent is the world's premier measurement technology company and it is appropriate for us to promote technology innovations".

Mr. Y S Rajan, Principal Advisor, CII, said that besides allocating adequate resources, CII will provide wide outreach for the programme through its network of industry, government, R&D labs, educational institutions, NGOs and innovation promotion organisations. The best innovations will be promoted to Industry for commercialization and exploitation for wealth generation.

The i3 Competition

i3 aims to create an eco-system in the country that is conducive for growth through innovation by sensitizing, encouraging and promoting innovators and facilitating commercialization of innovations.

This is a nation wide competition for innovation-based projects by Indian innovators above 18 years of age. Students, professors, innovators from R & D institutes and labs, industry professionals, individual and grassroots innovators –are all invited to participate in this initiative. Interested participants can register online at www.innovationgrid.org/i3. The last date for submission of projects is 30 May 2009.

This is a challenge-driven competition. The topic this year is 'Technology Innovation for Masses and Global Impacts.' The innovation should be technology-based with potential to address some of the pertinent problems in society, related to industry, community, global climate changes, water scarcity etc. The innovation should also have potential for commercialization.

The projects will be judged by an expert panel of eminent scientists and industrialists. Original, application-oriented and commercially viable innovations will be selected to enter the i3 National Fair in August 2009. The best innovations at the i3 National Fair will win attractive cash prizes, and gain support for commercialization through incubation and mentoring by experts from IIM Ahmedabad.



Confederation of Indian Industry

Directory of Members

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

The Directory, in a CD format, is priced at **Rs 5,000** per copy (plus Rs 50 for courier and handling charges). There is a discount of Rs 1000 off the regular price for CII members, who would pay **Rs 4000** (+Rs 50) per CD.

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Taking the Food Safety Concept to Schools

The CII Institute of Quality, in partnership with CII Eastern Region, set yet another landmark by organizing an interactive session with School Principals, Administrators, Teachers, Food Service Managers and other stakeholders to promote the concept of 'Food Safe Schools Programme' in Kolkata on 20 April. To dispel the myth that a programme on Food Safety in Schools is applicable only when the school has a cafeteria, CII launched this new initiative to encourage all stakeholders in a school environment to develop their own 'Safe Schools Plans' to successfully fight food borne illness.

CII plans to upscale this movement further by subsequently offering to help implement strategies like Need Assessment Planning in interested schools, to identify and prioritize gaps. This in turn will help create an action plan specific to the schools requirement. The facilitation package includes assistance on developing Food Safety policies and procedures followed by assessment, follow up action, hands-on training and establishing continual improvement processes in phases.

CII is confident that the tried and tested successful Cluster approach model, which received rave reviews in the Food Processing and Non Food sectors, would also be effective in the context of the 'Food Safe Schools Programme'. The cluster members would help provide appropriate resources, tools and technical assistance strategies to prevent food borne illness.

The Action Guide for creating a Food Safe School Environment would adopt a school-wide approach covering all school events and activities, allergen management, grade-wise coverage of Food Safety information and education, crisis management in case of outbreaks, establishing communication systems and instituting a periodic review system for continual assessment and improvement. A relatively small investment in time by schools would pay big dividends in improved food safety, student well being, reduced absenteeism and continual upgrad on knowledge and skills related to the subject. It would also build awareness in students on Food Safety and prevention of food borne illness.

Food Safety & Quality in Packaging & Transportation

Both food product supply and retailing, which have acquired significant importance in the last few years, face the mounting challenges of safe and suitable packaging, sanitary transportation and hygienic storage. To strategically address Food Safety and Quality issues by adopting safe, quality and innovative packaging solutions along with sanitary and hygienic transportation practices, CII Institute of Quality (CII-IQ) organized a 2-day programme on 'Food Safety and Quality in Packaging and Transportation' on 23-24 April in New Delhi.

The Programme packaging was an integral part of food safety, outlining the various International and domestic regulations and the Indian standards on food packaging.

Various sessions covered aspects such as



Dr Vijay Malik, Head (PCD)
Bureau of Indian Standards



P Dasgupta, Head
Packaging Development,
Foods Hindustan Unilever
Ltd.

'Packaging solutions for food Safety,' and 'Packaging Equipments and Machinery Overview in perspective to Food Safety and Quality'. The impact of design, storage and transportation on food safety, as well as the usefulness of Intermediate Bulk Containers (IBC), were also elaborated.

On the hygiene aspects, the role of Integrated Pest Management (IPM) and guidelines, factors and methodology needed for cleaning and hygiene during transportation were also explained.

A special attraction of the programme was an exhibition by six exhibitors: Hindustan Tin Works, Barflex Polyfilms, Jupiter Laminators, Pashupati Marketing, Pest Control of India Ltd and Lasersec (India) Pvt Ltd. on products and services catering to Food Safety and Quality.



New Product Development Tools

Computer Aided Technologies, such as PLM, CAD, RP, CAE and the relevant software technologies are powerful and flexible tools for new product design and development, and aid quick problem-solving more accurately by integrating analytical and simulation techniques. The development of a simulated prototype of a future system is highly effective for visualizing the system through its design and development phases, and provides timely feedback to prevent field failures. Product Lifecycle Management (PLM) is necessary to create corporate assets as well as to control engineering data in manufacturing sector.



At the Seminar cum Exposition on N P D Tools in Chennai

After four successful programmes in different locations for the Automotive, Aero Space, Automotive, Electronics, Light and Heavy Engineering sectors, the fifth international seminar cum exposition in this series was held on 16 April in Chennai. Dr Anand Kumar Nair, Executive Director, Development, Lucas-TVS Ltd, Chennai, who inaugurated the event, said customer focus and innovation are the most important success factors in Design and Manufacturing.

ROTEQ 2009

The two-day National Seminar cum Exposition on Rotating Equipments & Systems, 'ROTEQ 2009' in Chandigarh on 28-29 April, was the sixth in the series to underscore the importance of energy efficiency and to highlight the latest technological advancements in rotating equipments.

Delivering the theme address as the Chief Guest, Mr. Ajit Sharan, Chief Secretary – Finance, Haryana, said "Rotating equipments equipped with the latest technologies play a very important role for the Small and Medium Enterprises, which have low shock absorption capacity. There are more than 17 million SME units in the country, which, despite being at the bottom of the pyramid of the Economy, contribute nearly 40% of the total industrial output."

Diverse technical sessions on various



Ajit Sharan, Principal Secretary, Finance; Haryana

aspects of rotating equipments and systems made this seminar a distinct learning forum for over 100 delegates from different sectors.

Corrosion Management



Seminar on Corrosion Management in Pune

As automobiles are becoming more complex and more expensive. The automotive industry is under extreme pressure to increase the level of corrosion resistance of component systems of new automobiles. The 2nd Corrosion Awareness Seminar for Automotive sector, on "Addressing Warranty failures through Corrosion Management" was held on 20 April in Pune, for senior and middle level managers and engineers from the automobile and OEM industry.

Advance Cluster

The two clusters of Munjal Showa Ltd, with 14 vendor companies, successfully completed their 12 months cluster journey in December last year. Of these, 7 companies decided to continue with the programme and further improve their competitiveness. An Advance Cluster of companies from vendors of Munjal Showa was thus formed in April. So far, CII, with its strategic partners, has formed 151 Clusters impacting 1216 companies.

Finance for Non-Finance Executives

A workshop on 'Finance for Non-Finance Executives' was held on 24 April in Chandigarh to help managers gain insights into the world of management of the finances of a company. Starting with the objective of the firm and an understanding of the financial system, the course progressively taught concepts in accounting and corporate finance, and the use of financial data for decision-making.

Effective Inventory Management

Inventory devours capital, becomes obsolescent and consumes space and manpower while just stored. Inventory also hides other waste. Almost every imperfection or problem creates a need for inventory. Inventory is, thus, an effect as well as a reflection of overall manufacturing effectiveness. The training programme on Effective Inventory Management on 24 April in Gurgaon, discussed the challenge of turning inventory back into cash.



CII-Sohrabji Godrej Green Business Centre

Green Investor Meet 2009

New Ventures India (NVI) organised its flagship event, 'Green Investor Meet 2009' on 24 April at New Delhi. New



Ventures India is a joint initiative of CII-Sohrabji Godrej Green Business Centre and World Resources Institute (WRI), Washington DC, with support from the British High Commission under the Strategic Program Fund, US Department of State under Asia-Pacific Partnership (APP) and USAID.

The Green Investor Meet 2009 focused on:

- Current national & global investment trends in sustainable enterprises
- Emerging ecosystem for green entrepreneurs in India
- Attracting investment in the current testing times

In his keynote address, at the inaugural session, Mr Dinesh Rai, Secretary, Ministry of Micro, Small and Medium Enterprises (MSME), said the green sector in India can evolve as a strong base of entrepreneurship, job creation, economic development, production and exports and the huge MSME base in India can foster environment sustainability. He highlighted India's potential to create nine lakh jobs in the biomass sector.

Dr. Philip Douglas, First Secretary, Climate Finance and Technology, British High Commission DFID India, in his special address, said the Copenhagen Meet later this

year would present a comprehensive agreement for mitigation and adaptation of climate change. He also highlighted the tremendous opportunities for carbon trading and carbon credits.

Mr. Robin Murphy, Vice President, External Affairs, World Resources Institute, informed the gathering that the International Energy Association predicts that India's energy requirements will double by 2030. Mr Murphy also said that India's National Action Plan on Climate Change reflects the proactive policies of the government to support climate friendly business.

Earlier, Mr. Vijay Chandok, Chairman, New Ventures India Steering Committee & Senior General Manager & Head – SME, ICICI Bank, informed that through the New Ventures India (NVI) initiative, MSME companies in the green space were mentored and facilitated for investments and market reach. NVI in the last two years could facilitate investments to the tune of US\$ 20 million in nine green companies.

The inaugural session also witnessed the release of the report 'Powering Up - The Investment Potential of Energy Service Companies in India' prepared by the WRI. The report features a survey of ESCOs companies. It finds that the sector will continue to grow at a fast rate and has the potential to capture the huge investment and energy-savings opportunities that exist in India.

The day was also marked by a panel discussion on the 'Impact of financial crisis on sustainable investments.'



Dinesh Rai,
Secretary, MSME



Robin Murphy, Vice
President – External
Affairs, WRI



Dr Philip Douglas,
First Secretary,
Climate Finance &
Technology, British
High Commission,
DFID India



Vijay Chandok,
Chairman, New
Ventures India Steering
Committee, & Sr GM &
Head – SME, ICICI Bank



Speakers at the panel discussion on the 'Impact of financial crisis on sustainable investments'



CII Institute of Quality
.... Your
Quality Training Partner

Training Calendar June 2009

2- 5 June, Bangalore
Workshop on Assessment for Business Excellence

3- 5 June, New Delhi
Improve Processing Efficiency through Quality & Food Safety Practices

5 June, Mumbai
One Day Seminar on Packaged Commodities Rules and Weights & Measures

8-12 June, Bangalore
Lead Auditor Course : ISO 9000 : 2008

12-13 June, Bangalore
Geometric Dimensioning and Tolerancing (GD&T)

13 June, New Delhi
Refresher Training Course for Assessors

15-18 June, Pune
Laboratory Management & Internal Audit as per ISO 17025

19-20 June, Hyderabad
Lean Practices for Construction Industry

20 June, Pune
Refresher Training Course for Assessors

23-24 June, Bangalore
Customer Relationship Management

23-24 June, Pune
Producing Zero Defect through Statistical Techniques (SPC + MSA)

23-24 June, Pune
Strategic Quality Management

25-26 June, Bangalore
Balanced Score Card

25-26 June, New Delhi
Internal Auditor Training on ISO 9000 : 2008

26 June, Pune
TPM Deployment Seminar

26-27 June, New Delhi
Business Process Management

For further details, please contact:

v.subramanian@cii.in



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sustainable development

Mission on Sustainable Growth launched in Madurai & Coimbatore

The Mission on Sustainable Growth initiative was launched in Madurai and Coimbatore at CEO's Meets held there on 15 April and 16 April respectively. The Mission would 'promote and champion conservation of natural resources in Indian Industry without compromising on high and accelerated growth'.

As a first step of this initiative, a CII-Code for Ecologically Sustainable Business Growth has been developed, to involve the top management of companies and seek voluntary commitments towards reducing the consumption of energy, water and other natural resources and promote ecologically sustainable growth in their companies.

In Madurai, Mr T Kannan, Past Chairman, CII Southern Region & Managing Director, Thiagarajar Mills Ltd, explained in detail about the Mission and the CII - Code for Ecologically Sustainable Business Growth and later invited industry to sign the CII-Code for Ecologically Sustainable Business Growth. Twenty-one companies expressed their commitment to the CII-Code for Ecologically Sustainable Business Growth.

In Coimbatore, Mr C R Swaminathan, Chairman, CII Southern Region & Chief Executive, PSG Industrial Institute, briefed members about the Mission. Thirty six companies expressed their commitment to the CII Code.

Training Programme on Sustainability Reporting Launched

The CII-ITC Centre of Excellence for Sustainable Development, the only certified GRI (Global Reporting Initiative) training partner in India, pioneered the launch of three days 'GRI Certified programme on Sustainability Reporting' in New Delhi on 22-24 April.

The training programme described the self evaluation tools for sustainability impacts of an organization, the internationally recognized framework of Sustainability Reporting, and the relevance and quality of the report content; while offering guidance on adopting Sustainability Reporting as a continual process in the organization. The standardized training materials used are certified by GRI, and customized to the needs of Indian industry.

Building on the success of this programme, the Centre is holding announce similar GRI-certified Training Programmes on Sustainability Reporting on 1-3 July in Mumbai and 19-21 August in Hyderabad. For more details and registration, please write to aditi.haldar@cii.in.



Participants at the GRI Certified Training Programme on Sustainability Reporting



Communiqué



Yi World

NATIONAL NEWS

Voter Awareness Campaign

As part of its nation building initiative, various chapters of Yi conducted voter awareness campaigns across the country for the 15th Lok Sabha elections.



In Kolkata, an orientation programme was held with National Election Watch and Association of Democratic Reforms at a renowned Girls' College. The Yi Indore chapter put up GO VOTE hoardings in three sites



of the city. In Coimbatore, the chapter, in association with jaagore.com disbursed pamphlets on 'make democracy work for you – Vote', to promote universal franchise. Yi Bhubaneswar organized a poster campaign on "Go for voting" & "Clean Voting" across the institutes, hostels, and offices of Yi and CII, to encourage voting.

Thiruvananthapuram Chapter Launched

The Yi Thiruvananthapuram Chapter was launched on 7 April by Lt Gen S K Pillai, PVSM (Retd). Mr. Vijay Kumar, Chief Operating Officer, InApp Information Technologies and Mr. Alex C Augustine, Managing Director, Teknokraaft Info Systems Pvt Ltd are Chapter Chair and Co-chair respectively. Thiruvananthapuram is the 16th Yi city chapter.



Lt Gen. S K Pillai, PVSM (Retd), Indian Army, inaugurating the Yi Thiruvananthapuram Chapter

Corporate Chapter at Impetus

Young Indians on 9 April launched a corporate chapter with Impetus Infotech (I) Pvt Ltd in Indore, the second in the country, after the InfiYi corporate chapter in Bangalore. The Chapter, with 25 members, would assist Impetus to align its CSR activities with Yi's nation-building objectives.



Launch of the Yi Indore Corporate Chapter

CHAPTER ROUND UP

Delhi

- Yi Delhi Chapter launched two Student Nets in Gurgaon, Haryana, at The Shri Ram School, Aravalli and DLF III Campuses on 13 April. Around 600 students and teachers from both the campuses attended the launch.
- On 22 April, the first Student Net was initiated in Faridabad, Haryana, at the Vidya Sanskar International School. Mr Saba Karim, former Indian Cricketer, who was the Chief Guest, urged the students to harness their energies for constructive nation building.
- On 17 April, Yi Delhi Chapter and CII Delhi State Council organised a learning mission to the Delhi International Airport Ltd (DIAL). Around 40 Yi and CII members interacted with Mr B.S. Shantharaju, Chief Executive Officer, DIAL & Mr Peter Noyce, Chief Operating Officer, DIAL, after a tour of the facility.



Yi members at Delhi International Airport

Coimbatore

- An interactive session was held with Mr N S Parthasarathy, Co-Founder & CEO – Testing / Infrastructure Management, MindTree Ltd on 11 April, on 'Lessons from MindTree's Success', to educate the members about the mission, vision, values, DNA and the processes of the organisation.
- A discussion on 'The Current Global Financial Turmoil and Indian Industries: An Opportunity or Disaster' was held on 11 April at the Amrita School of Business. The chief guest, Mr M R Anand, Economic Advisor, Ministry of Finance, spoke about the role of economics and its renewed significance in the lives of global citizens.
- On 16 April, a session on leadership at the PSG Institute of Management, titled 'Old Wine in New Bottle', educated managers and executives on ways to realign their strategies with the strategies of the organisation.



Parthasarathy N S,
Co-Founder & CEO –
Testing & Infrastructure
Management,
MindTree Ltd

Pune

- Yi Pune's PCC LABS (Livelihood Advancement Business School) successfully completed its 10th batch on 15 April. The LABS has crossed the target of 100 aspirants and was graded as an ideal LABS centre across all India centers.
- A 'Yi Kids Art Camp' from 13 -15 April was a fund raiser event open to children within the age group of 4 – 14 years. The kids made candles, gift bags, hand bags, photo frames etc that were exhibited for sale. The proceeds would be used by Yi to fund programmes planned under the education and environment verticals

Indore

- Yi-IPS net students visited an orphanage and donated mattresses, benches, blackboards etc on 1 April. On 2 April, the Yi-IPS net students organised a blood donation camp along with the Shayata Sansthan that saw 150 students donating blood.
- As part of its learning initiative, Yi Indore held a learning session on sharing of business excellence, on 10 April, to appraise members about the successful business practices followed in USA.
- A morning trek to the Ralamandal hills on 12 April

was an initiative to increase the synergy between the members of the chapter.

Hyderabad

- A fun session on 3 April started with a bowling match between the members followed by dinner.
- On 17 April, a session on lifestyle diseases, focusing on cardiology, titled 'Bypass the Bypass' was conducted in association with CARE Hospital, Hyderabad. Experts made a presentation on angina, heart attack and diabetes and stressed the need for exercising and healthy living.

Ahmedabad

- The Yi Ahmedabad Chapter, as part of its initiative to deworm Gujarat, successfully distributed 30,000 Albendazole tablets to 220 municipal school students of Gandhinagar in the first week of April.



School children at a deworming camp in Gandhinagar

- On 22 April, the Yi NIFT net organised a blood donation camp at NIFT Gandhinagar in association with the Red Cross society, drawing around 200 donors.

Kolkata

- Yi members enjoyed 'An Evening with Baichung Bhutia', Captain, Indian football team, on 29 April. Mr Bhutia spoke on achieving 'goals' individually and collectively, tracing his journey from a small town in Sikkim to Captain of the Indian football team.



Yi members with Baichung Bhutia, Captain, Indian football team

India & the World

Africa

South Africa

CII-India Business Forum in South Africa

The CII-IBF South Africa held its first meeting for the year on 23 April in Johannesburg.

Mr. Michael Katz, CEO Edward Nathan Sonnenbergs, and one of the key architects of the New Companies Bill that is being introduced in South Africa, spoke about the Bill and how it would affect Indian investors with its new interpretations.

The Indian High Commissioner and the Consul General in South Africa spoke on the changing political and economic situation in South Africa and shared their thoughts on the new government and how Indian businesses may get impacted. They also expressed satisfaction on the progress of the IBF over the last two years.



Michael Katz, CEO
Edward Nathan
Sonnenbergs

Prof. Yunus Ballim, Deputy Vice-Chancellor and Vice Principal, University of the Witwatersrand and Professor Stephen Gelb, Executive Director, The EDGE Institute; Witwatersrand University, made a presentation on the Centre for Indian Studies SA (CISA) to the members of the India Business Forum South Africa to seek their involvement and support for the initiative. (CISA, the first Centre for Indian Studies in Africa, has been set up in the University of the Witwatersrand in Johannesburg to encourage research, teaching and public debate about India and its growing presence across Africa.)



Prof Elizabeth Hofmeyer, The Edge Institute, SA; Gracelle Gerber, Director, Bairsd Renaissance (Pty) Ltd; Prof. Stephen Gelb, CISA, R K Bhatia, Indian High Commissioner and Prof. Yunus Ballim, Dy. Vice Chancellor, WITS University, at the IBF dinner in Johannesburg

Asia

China

CII IBF launched in China

CII on April 15 established an India Business Forum (IBF) in China to promote India's industrial capabilities and facilitate growth of business between the two countries. The launch was announced at the Conference on 'Impact of the Global Economic Crisis: Challenges and Opportunities for India and China' organised by CII in association with the Embassy of India in Beijing.

Ms. Nirupama Rao, Ambassador of India to China, Mr. Chandrajit Banerjee, Director General, CII, Mr. Wang Jinzhen, Vice Chairman, CCPIT and Mr. J. J. Shrikhande, Chairman, CII IBF China, addressed the conference, which was attended by more than 120 representatives of various Chinese and Indian companies based in China, and government officials.



Launch of the CII-India Business Forum in China

One of the key focus areas of IBF will be to work with the Indian Embassy and others to build "Brand India" by creating platforms to showcase the sectoral strengths of India, define areas of cooperation for trade and investment and share good practices.

Business Seminar with Jiaxing City



Delegation from Jiaxing, China, at a Seminar in Gurgaon

CII organised a seminar on trade and investment cooperation with Jiaxing (Zhejiang province of China) on 17 April in Gurgaon. Mr. Shen Wenping, Vice Director, Jiaxing Municipal Bureau of Foreign Trade and Economic Cooperation, the leader of the delegation, stated that trade has progressed significantly between Jiaxing (Jiuxing City is an MOU partner of CII) and India in recent years. At present, eight Indian companies are operating in Jiaxing. He invited Indian businessmen to invest in Jiaxing in various sectors including ITO/BPO. The members of the delegation also expressed interest in exploring opportunities for companies based in Jiaxing to invest in India.

March Exports fall, but at Slower Pace

China's exports fell for the fifth month in a row to \$90.29 billion in March, down 17.1% from a year earlier.

Economic indicators Q1

Fixed asset investment	: Rose 28.8% in Q1
Industrial output	: Up 5.1% year on year in Q1, with a rise of 8.3% in March
Producer price index (PPI)	: Fell 4.6% in Q1
Consumer price index (CPI)	: Dropped 1.2% year on year in March, compared with a decline of 1.6% in February
Retail sales	: Up 15% in Q1
GDP growth	: Up 6.1% year on year, lowest in 10 years
Total GDP	: 6.5745 trillion yuan (\$939 billion)
Foreign trade	: Dropped 24.9%
Exports	: Down 19.7%
Imports	: Down by 30.9%
FDI	: \$21.8 billion
Foreign Exchange Reserves	: \$1.95 trillion (end March)

China wants World Bank Reforms

Mr Li Yong, China's Vice Minister of Finance, has called for an accelerated timetable for the Voice and Participation reform of the World Bank and urged all parties concerned to demonstrate necessary political dimensions. "Achieving parity voting power between

developing and transition countries on the one hand and developed countries on the other should be the ultimate and overarching target of the Voice and Participation reform," he said.

Iron Ore Imports

China's iron ore imports topped 52.08 million tons in March, setting a monthly record high. In the first quarter, China imported a total of 130 million tons of iron ore compared to 440 million tons in 2008.

CNPC buys Kazakh Oil Company

China National Petroleum Corp (CNPC) has agreed with Kazakh state oil company Kazmunaigas to jointly purchase the Kazakh oil company, JSC Mangistaumunaigas (MMG), for US\$3.3 billion. The purchase includes two oil and gas fields and all MMG's other oil and gas assets.

Stimulus Plan for Textile Sector

China has announced a detailed three-year support plan to ensure stable development in the industry and upgrade its structure. The plan said the annual production of large textile enterprises (with annual revenue of more than 5 million yuan) is expected to rise to 1.2 trillion yuan by 2011 from 850 billion yuan in 2008.

Global Vehicle Sales

First-quarter vehicle sales in China grew by 3.8% year-on-year to 2.68 million units, enabling the country to outstrip the US as the world's biggest vehicle market, according to latest industry data. Sales are expected to reach 10.2 million units in 2009, up almost 9% from last year.

Account Surpluses

China reported surpluses both in current and capital accounts in 2008. The current account had a surplus of \$426.1 billion, with an increase of 15% and surplus on capital account was down 74%.

Gold Holdings

China has become the world's fifth-biggest holder of gold with 1,054 tons by the end of 2008. The increase in China's gold reserves has come primarily from domestic production and refining.

Japan

Economy Projected to Shrink

The Japanese government on 27 April down graded its economic projection from a previously estimated zero growth to a shrinkage of 3.3% for fiscal 2009, ending March 31, 2010. Exports are projected to plunge 27.6% year-on-year, while business investment too is

revised downward from a 4.2% fall to a record plunge of 14.1%.

Trade Deficit

With exports plummeting, Japan posted its first annual trade deficit, 725.3 billion yen, in 28 years. The deficit is attributed to high prices of energy and other commodities fueling imports in the first half of fiscal 2008 and slumping external demand amid the global financial crisis in the latter half. In fiscal 2008, Japan's exports totaled 71.1435 trillion yen, down 16.4% and imports were down 4.1%.

South Korea

Economic Contraction

According to the Bank of Korea, the South Korean

economy posted an on-year contraction of 4.3% in the first quarter of 2009, the worst performance in 11 years, continuing the previous quarter's downward move of 3.4 percent annual decline.

Manufacturing Industry Shrinks

South Korea's manufacturing industry shrank to a record low of -13.5% for Q1 2009, continuing its downward move.

Economy Grows 0.1% in Q1

The Korean economy grew 0.1% in the January-March period on the government's fiscal spending and a slower fall in exports. The first-quarter growth rate contrasts with a 5.1% quarterly fall in the GDP for the final quarter of 2008.

South East Asia

ASEAN

China plans to create a \$10 billion investment cooperation fund and offer \$15 billion in credit to its Southeast Asian neighbours as the region struggles to weather the global financial crisis. The fund will promote infrastructure development linking China with the 10 members of ASEAN, while the loans will be offered over 3 to 5 years, according to a statement on its Foreign Ministry website. The country has already signed currency swap agreements with Indonesia and Malaysia to help ease foreign-exchange shortages and aid bilateral trade and investment. Other planned measures include aid to Cambodia, Laos and Myanmar, and donation of 300,000 tons of rice to an emergency East Asia rice reserve to boost food security, the statement said. Premier Wen Jiabao was to have announced the proposals at the cancelled Asean summit, scheduled for April, in Thailand.

- Visiting professor at the National University of Singapore's Lee Kuan Yew School of Public Policy, Dr. Huang Jing, said "China is going to take the opportunity of this crisis to further establish itself in Asia. All this will have a huge political and diplomatic impact in the region, in addition to the economic impact."

Brunei

- Brunei's Department of Economic Planning & Development reported a marked 2.7% rise in the country's 2008 CPI, up 0.3% increase from the year before. The Sultanate, which imports nearly 90% of food

for consumption, attributed escalating crude prices in the third quarter of last year to the significantly higher index. [Government subsidy on essentials such as rice and sugar, petrol, diesel and LPG partly account for the low inflation rate.]

- Members of India's Chemical and Allied Products Export Promotion Council (CAPEXIL) are seeing potential in setting up shop in Brunei given the high level of construction activities there. The Council, during a debut visit to the Sultanate in April, said Bruneian importers had shown keen interest in imports of rubber, stone and rubber from India.

- The ADB forecasts negative economic growth of 0.4% for Brunei this year, following an estimated 2.7% fall in GDP for 2008, as the country's non-energy private sector faces possible contraction on trade, transport and tourism under the cumulative impact of the global downturn. It also said the Sultanate, heavily reliant on oil and gas exports [O&G exports accounted for 96% of total export revenue in the first half of 2008] is set to see a decline in export receipts, owing to lower energy prices. A rebound is however expected to follow in 2010, with a growth rate of 2.3%. The ADB says Brunei's economy diversification drive 'remains a major challenge.'

Indonesia

- Indonesia's consumer prices in March rose 7.9% from a year earlier – the smallest increase in 13 months. The central bank forecasts inflation will be at the lower end of its 5% to 7% target this year.

- Exports dived 32.8% in February, from a year earlier, to \$7.08 billion, less than the 35.5% drop reported in January. Analysts say the slower rate of export contraction, with imports falling faster than exports, augurs well. Indonesia's imports outside the trade zones fell 42% to \$4.56 billion.

- Bank Indonesia lowered its benchmark interest rate for a fifth month on 3 April to spur consumer spending as exports tumbled. Private consumption, which accounts for about 66% of the region's largest economy, grew 4.8% in the last quarter of 2008 – its weakest pace in 6 quarters.

- Indonesia's \$433 billion economy may expand 3.6% this year (from 6.1% last year). It is the fastest-growing major economy in Asia after India and China, according to the Asian Development Bank.

- Indonesia will invite domestic and overseas bids in May to develop 24 oil and gas areas through regular tenders. The bids will be sought for 17 fields via regular tenders, and 7 blocks through 'direct offers' where bidders identify the fields they want to develop and the government calls for rival bids. [Oil production in Indonesia has declined in the past decade because of aging fields and lack of exploration. Most untapped hydrocarbon basins are in the east, where poor infrastructure has hampered development.]

- Natural rubber exports fell 32% in volume exceeding the country's reduction target of 116,000 tonnes for the year's first quarter. [Thailand, Indonesia and Malaysia, the world's three biggest producers, had agreed in December to reduce shipments by a combined 700,000 tons to help revive prices, which have been battered by the global recession.]

- Indonesia plans to issue a presidential decree to clarify a forestry law issued in 1999 prohibiting open-pit mining and to give legal basis for underground mining in protected forests areas. Indonesia has some of the world's largest reserves of minerals and is keen to increase revenue from the mining sector.

Malaysia

- Malaysia's February exports fell 15.9% from a year after plunging 27.8% in January. Analysts say the country's exports remain on the downside as technology shipments continue to languish while commodities exports suffer lower prices amid the global recession. Imports dropped 27.3% in February, resulting in a trade surplus of \$11.97 billion ringgit.

- Industrial production in February fell 14.7% from a year earlier, after a revised 19.8% decline in January.

Factory output plunged 18.8% y-o-y in February, sliding 3.7% from the month prior. Mining and electricity also contracted. Analysts expect the downtrend to persist for the export-dependent economy until global demand for manufactured goods begins to pick up.

- Inflation in Malaysia slowed to an 11-month low in March. Consumer prices rose 3.5% y-o-y. Mr Ismail Sabri Yaakob, Minister for Domestic Trade and Consumer Affairs, said inflation is expected to slow further in the coming months as the government kicks in its planned spending on subsidies to keep food prices low.

- India is keen to sell small nuclear reactors to Malaysia and other friendly developing nations looking to produce electricity cheaply.

- Malaysia-based healthcare provider, Columbia Asia Sdn Bhd plans to add 13 new medical centres to its existing 5 facilities in India.

- Prime Minister Najib Razak has scrapped ownership limits for overseas companies in 27 sectors within the services industry, including a requirement for 30% equity ownership by ethnic Malays, in a bid to boost foreign investment as well as to augment the proportion of GDP derived from the services to 60% from 55% in 2008. According to government sources, 11% of the 50.1 billion ringgit of approved investments in the services sector last year were foreign applications. The government expects the \$181 billion economy to expand 1% this year or shrink the same amount at worst. Economists are anticipating a larger contraction.

- Malaysia will allow 5 international law firms with expertise in Islamic finance to practice in the country.

- Prime Minister Najib, who is also Finance Minister, said Malaysia will issue 9 new banking and insurance licences between now and 2012, and raise foreign equity thresholds from 49% to 70% in investment banks, Islamic banks, insurance companies and takaful (Islamic insurance) operators, in a bid to liberalise the financial services sector. Foreign banks in Malaysia will also be allowed to establish new branches and have greater flexibility in expatriate hires. Labuan-based offshore holding companies and financial institutions will also be enabled to operate in Kuala Lumpur.

- Mudajaya Group Bhd's 80% owned MIPP International Ltd has secured a US \$721.41 million engineering and procurement contract from Chennai-based RKM Powergen P Ltd for an independent 360mw coal-based power plant in Chhattisgarh. Mudajaya has a 26% stake in RKM, which is the special purpose vehicle undertaking the IPP project.

Singapore

- Singapore's Ministry of Trade and Industry expects GDP to contract by 6%-9% in 2009, lower than the contraction of 2%-5% forecast in January. The revised projections take into account the economy's sharp deterioration in the first quarter, and weak global outlook.
- Singapore's non-oil domestic exports (NODX) declined by 17% in March as shipments to all its top 10 markets fell, with the exception of China and Hong Kong. The largest contributors to the decline were the US, EU and Japan. Singapore's trade promotion agency has revised downwards its projections for total trade growth and NODX growth in 2009.
- The Monetary Authority of Singapore eased its monetary policy on 14 April, a move that economists estimate has devalued the Singapore dollar by about 2%.
- Real estate investment trusts in Singapore and Australia will be the first in the Asia Pacific region to recover from the economic slowdown on their ability to secure funding from banks, according to the Sydney-based Trust Company's annual survey.
- GMR International has set up a regional headquarters in Singapore to spearhead efforts to develop infrastructure projects in Southeast Asia and Australia, particularly in the energy sector. The Singapore unit is headed by former Temasek Holdings executive, Mr Ng Quek Peng. GMR's current Asian operations outside India include power generating plants in the Philippines and Australia.
- Healthcare services provider, Pacific Healthcare Holdings, signed franchising agreements for two new medical centres in Karnataka in April. Two more franchised centres are expected to be established by May, taking the number of franchises of its joint venture company, Birla-Pacific Med Spa, to five. Birla-Pacific also runs three specialist medical centres in Mumbai.
- Integrated ornamental fish provider, Qian Hu Corporation, has entered into a joint venture with Chennai-based distributor of aquarium accessories, M/s Star Agencies to manufacture, distribute and export aquarium accessories.
- The Singapore Exchange launched the world's first cleared over-the-counter (OTC) iron ore swaps contract on 27 April, bringing the massive market closer to floating prices, doing away with the traditional annual contracts based on prices set once a year. The size of each iron ore swap contract is 500 tonnes.
- Singapore Telecommunications received the Government of India's approval to offer long-distance services and has set up a venture with Bharti Airtel and

Leela Lace Software Solutions to provide communications and internet services in the country. Bharti will own a 9.9% stake in the venture.

- Raffles Education Corporation and India venture partner, Educomp Solutions, will jointly invest \$1 million in a third college, in Bangalore, offering advanced diplomas in design-related, tourism and management courses. The other colleges are in New Delhi and Mumbai.

Study mission of INSEAD students

Dr Patrick Turner, Affiliate Prof of Entrepreneurship, and 15 MBA students from the INSEAD campus of Singapore and France visited New Delhi on 27 - 28 April on a study mission to India. The visit showcased India's entrepreneurial explosion; how India's policies will shape the enterprises to be founded in India over the next 10 to 20 years, etc. The students got an opportunity to interact first hand with Government, industry and the social sector to under the kind of opportunities India will offer.

Thailand

- Exports, which make up about 70% of the Thai economy, fell for a fifth straight month in March by 23.1% on weakened global demand for automobiles, electronics and rice. Imports in March slid 35.1% as manufacturers scaled back buying components used in export production. The trade surplus in March narrowed to \$2.1 billion from a \$3.58 billion excess a month earlier. According to a ministry statement, Thai shipments overseas fell 21% in the first quarter this year, versus growth of 21% a year earlier.
- Thai consumer prices fell for a third month. The price of crude oil, which has fallen by 52% in the past year, was the key factor dragging consumer prices into negative territory. Thailand's core inflation index (which excludes fresh food and fuel) rose 1.5% from a year earlier, matching economists' predictions.
- The Bank of Thailand cut its key interest rate by 25 basis points to 1.25% on 8 April to prop a worsening economy – its fourth reduction since December 2008. The latest cut comes as Thailand confronts a growing risk of deflation and escalating political tension.
- Fitch Rating cut Thailand's currency debt by a level to 'BBB' from 'BBB+', citing civil unrest, while the local-currency issuer default rating was cut to 'A-' from 'A'. Standard & Poor lowered Thailand's local-currency rating to A- from A, and Moody's Investors Service said it may reduce the foreign-currency rating.
- Industrial output fell for a fourth month in February,

as collapsing exports prompted manufacturers to reduce output and hold orders for raw material.

- Thailand's Board of Investment is expecting a 38% shortfall in its Baht 650 billion investment target for this year as investors hold off projects in the light of political unrest in the country and the global recession. Finance Minister Korn Chatikananij says the political situation may cause Southeast Asia's second largest economy to shrink as much as 5% this year. The government expects the resulting lower tax revenue to crimp public spending.

- The Bank of Thailand may start granting new banking licenses to overseas lenders in 2013. The proposal is part of a new financial development plan awaiting approval from the finance ministry. If approved, the plan may also allow overseas lenders already operating in the Kingdom to add branches as early as this year. New licenses for restricted services including micro finance, Islamic banking and trust banks may be granted as early as 2011. [There are currently 14 commercial banks operating in Thailand.]

The Philippines

- The Philippines cut its GDP forecast for 2009 to 3.1% - 4.1% from 3.7% - 4.4%, based on falling exports. Exports which make up 40% of the Filipino economy tumbled in February y-o-y. The government now anticipates a 13% -15% drop in exports, while imports could fall 12% to 14% in 2009.

- The BPO arm of the Essar Group, Aegis, announced completing its integration with NASDAQ-listed PeopleSupport. Aegis-PeopleSupport plans to acquire real estate in key BPO markets in the country like Cebu, and swell its present Philippine headcount of 8,000. Aegis-PeopleSupport clocked approximately \$500 million in revenues last year. It has a global headcount of 32,000.

- Essar is seeking further investments in the Philippines in areas where it already has presence, such as power, telecom and construction. Founder and director, Anshuman Ruia, said Essar had "the resources, the intention and the access" to make significant investments in the country. The company will approach government and industrial groups in the country regarding potential investments.

- Lupin acquired a 51% stake in Multicare Pharmaceuticals Philippines Inc. to mark its foray into the \$2.5 billion

Filipino pharma market. Multicare Pharmaceuticals, which sells branded generics, reported revenue of about \$6 million for the year ended December 2008.

Vietnam

- Prime Minister Nguyen Tan Dung revised Vietnam's full-year growth target down to 5% from 6.5% after the country registered a growth of just 3.1% y-o-y for the first quarter this year. Dung said industrial output, exports, foreign investment and tourism had fallen short of targets in the quarter ending March. His forecast is below the World Bank's projection of 5.5% but above IMF's 4.75% forecast.

- Vietnam's export revenue in the first four months of 2009 was down 0.1% against the same period last year. Products that saw increased shipments overseas include cassava and cassava products, rice, tea, pepper, and garments and textiles. Exports of precious metals and gemstones saw a sudden increase of 40%, raking in \$2.54 billion in revenue, while shipments of rubber, crude, and electric wires/cable shipments abroad declined. Imports in the first 4 months of the year were down 41% .

- Vietnam has raised minimum wage by 20%. The wage hike, effective 1 May, will see the minimum salary raised to 650,000 dong (\$36) per month from 540,000 dong. The government also raised pensions by about 5%.

- From 1 June, Vietnam will allow foreign investors to own a maximum stake of 49% in unlisted joint-stock companies, up from 30% at present. The 30% cap will however be maintained for foreign ownership in domestic banks, both listed and unlisted.

- About 500,000 workers may be laid off this year, according to a government institute forecast. Labour-intensive sectors the processing and exporting enterprises are likely to be hit hardest.

CII Delegation visits Vietnam



Nguyen Trung Tin, Vice Chairman, Peoples Committee of Ho Chi Minh City, with the CII Business Delegation in Vietnam

Mr Syamal Gupta, Chairman, Tata International Ltd, led a CII business delegation to Hanoi and Ho Chi Minh City from 20 – 24 April 2009 to explore business opportunities and to build linkages with Vietnam.

During the five day visit, the delegation met with Mr L T Muana, Indian Ambassador to Vietnam; Mr. Ly Quoc Hung, Director General, Southwest Asia and Africa Dept, Ministry of Industry and Trade; Mr. Ho Quang Minh, Director General, External Economic

Relations Department, Ministry of Planning and Investment; Mr Pham Binh Minh, Vice Minister, Ministry of Foreign Affairs; Mr. Tran Thien Cuong, Director General, International Cooperation Department, Vietnam Chamber of Commerce and Industry; Mr Nguyen Trung Tin, Vice Chairman, Peoples Committee of Ho Chi Minh City; and Dr. Jitendra Nath Misra, Consul General of India, Ho Chi Minh City. The delegation also participated in the 19th Asian Corporate Conference in Ho Chi Minh City.

CIS & Russia

Russia

'Doing Business with Russia'

An interactive session on 'Doing Business with Russia' on 28 April in New Delhi brought together stakeholders in the government and the private sector to understand the economic relationship between India and Russia. Keeping in view the changing world order, the session focused on avenues to enhance bilateral trade and investment.



E Korshunov, Deputy Chief Trade Commissioner, The Trade Representation of the Russian Federation in India, Harish Narula, Co Chairman, CII Russia Committee & President – Corporate, Lupin Ltd and Neeraj Gupta, Jt. Secretary, Commerce, Ministry of Commerce & Industry, India

Mr. E Korshunov, Deputy Chief Trade Commissioner of the Russian Federation in India, noted that in the recent past, trade and economic co-operation between India and Russia has grown, particularly in the areas of Power, Oil & Gas and Energy. He said that besides the Kudankulam Nuclear Power Plant in Tamil Nadu, four other atomic power plants are in the pipeline. Mr. Korshunov also highlighted the importance of business-to-business forums as part of the ongoing programmes under the 'Year of India in Russia 2009'.

Mr. Neeraj Kumar Gupta, Joint Secretary, Ministry of Commerce and Industry, emphasised that India

needs to re-establish itself in Russia as a quality supplier of goods and services. India needs to analyse the import basket of Russia to see where we can gainfully export our products within the Russian Federation and its regions, he said.

Regarding bilateral investments, the Joint Secretary called for cooperation in areas of mutual strength such as metallurgy, high technology goods, infrastructure, construction and agro-processing. He suggested that

Indian companies should look at Joint Ventures with their Russian counterparts. Mr Gupta urged Indian companies to take part wholeheartedly in the business forums to be held in Russia later this year. He also stated that as soon as Russia becomes a WTO member, CECA negotiations would be underway with Russia. Mr. Harish Narula, President, Lupin Group, closed the session by urging Indian businesses to look at Russia as an important market that could open tremendous opportunities for Indian companies.

CII-Russia Committee Meeting

The first CII-Russia Committee Meeting held in New Delhi on 28 April, initiated a discussion on ways and means to engage with the emerging economy of Russia.

Chaired by Mr. Harish Narula, President, Lupin Group, the meeting was attended by members from various



CII-Russia Committee Meeting

sectors. The committee felt that regions such as the Volga, Kazan, Siberia and Bashkortan (an oil rich republic) hold great potential for business opportunities, although certain issues such as banking, security and bureaucratic delays pose some hindrances for Indian business.

In sectors such as biotechnology, nano-technology and high technology research, members underscored the immense intellectual prowess of Russia, which could

be harnessed by Indian companies.

Mr. Sushanta Sen, Principal Advisor, CII, highlighted the areas of cooperation between India and Russia, and asked for suggestions on various programmes to be implemented in India and Russia in 2009.

Mr. Narula closed the meeting with a suggestion on marketing Indian products by emphasising on quality and branding in the Russian Federation's 89 different regions.

Europe

France

Though President Sarkozy managed at the G20 summit to obtain tighter financial sector regulation and targeting of tax havens, the prospects of a prolonged recession threatening social peace and translating into a symbolic anti-government vote in the European parliamentary poll in June are real.

Government & Politics

The public is growing increasingly restive as the government lowered earlier estimates of negative GDP growth of 1.5% in 2009 to a possible 2.5%; it also warned against excessive optimism in interpreting 'green shoots of recovery' reflected in the less than expected fall in consumer spending and a surprising rebound in the business confidence index, after it had sunk to its lowest in 33 years. The number of jobless grew to 2.44 mn, after a year on increase of 22%. The worst affected are the young. Sensing the simmering discontent, Sarkozy has announced a € 1.3bn 'cash for youth jobs' programme. With an eye on the European poll, he also reverted to his popular campaign themes like law and order and immigration control.

His resistance to US President Obama's plea for early EU membership for Turkey, despite his co-hosting a successful NATO summit where Turkey is a key member, was a reflection of the widely shared French fear about the internal repercussions of an Islamic state becoming the most populous EU country.

The government also continued its efforts to cap the remuneration and pay-outs to top executives and has forced Medef to establish a Wise Men's Group to look into the question. A new Anti Capitalist Party is increasingly inciting frustrated workers to street protests and direct action like holding executives of foreign companies cutting jobs hostage, to raise the social temperature. There is fear that in the long run, this would discourage flow of foreign investment in France, which

is already rated by a Forbes survey as the country with the heaviest fiscal burden on businesses!

Economy

Pursuing its policy of economic stimulation, ECB cut its leading rate to 1.25%. Government has finally managed to get EU agreement to its reducing the VAT on restaurants from 19.6% to 5.5% from July. This measure to increase consumption by reducing meal prices, and create new jobs in the sector, will cost the exchequer € 1bn annually.

French fishermen, seeking increased fishing quotas, sealed off ports, disrupting traffic to UK. When the EU refused to budge, the helpless French government agreed to consider national compensation to fishermen!

As part of its efforts to increase flow of bank credit to SMEs, the government has taken a strategic stake of 17% in BNP Paribas through its special fund, becoming its largest shareholder.

Business & Industry

French companies hope to get a slice of the € 460bn Chinese plan to stimulate the economy following the Sarkozy-Hu bilateral meeting during the G20 Summit. Piqued by Sarkozy's meeting with the Dalai Lama last year, China had pointedly cancelled an EU China summit during the French EU presidency and omitted France from the itinerary of a high level commercial delegation.

Troubled media service group Thomson agreed to a € 2.9bn debt restructuring with its creditors.

EdF was accused of spying on anti nuclear groups.

CDC, the French government financial institution established in 1816 to help business, recorded its first ever loss.

In a reversal of usual roles, a Chinese court ordered electronics group Schneider to pay € 23mn to a Chinese company for breach of its patent rights.

India

Carmaker Renault, faced with record low sales, announced several economy moves, including a decision to freeze investment in its factory in Chennai and not produce any new line of cars there.

After Indian group Argentum's € 60mn proposed JV with it for a 60% stake fell apart, efforts are on to save auto body maker Heuliez, facing imminent bankruptcy.

A 3 year dispute between JV partners Danone and Britannia over the use of the Tiger brand for biscuits ended with Danone selling its 25.4 % indirect stake for a reported € 150mn to Britannia, ceding it majority control.

The news that Dassault's Rafale aircraft had not been shortlisted by the Indian Ministry of Defence for possible purchase came as a disappointment to Dassault and the French authorities.

Germany

Politics

Germany's next general election may be five months away, but campaigns are already gripping the country. Mr Frank-Walter Steinmeier, the Social Democratic Foreign Minister, launched an early bid to become Germany's next Chancellor.

The start of the race triggered a new phase in Chancellor Merkel's grand coalition as the two parties in the government end four years of forced co-operation and begin to compete for votes.

Mr Steinmeier started his campaign with a tactical shift to the left and hopes to exploit the intense anti-capitalist sentiment generated by the financial crisis.

However both Mr Steinmeier and Ms. Merkel reject growth-boosting fiscal initiatives of the kind undertaken by Britain and USA.

This election is likely not to set Germany on a new path. The opinion polls suggest that after all the insults have been traded, Ms. Merkel and Mr. Steinmeier will end up forming another grand coalition after the election.

Economy

Chancellor Merkel said at the Hanover Trade Fair on 20 April that Germany could be nearing the bottom of its sharp economic downturn and the collapse in demand for German exports could be over by the middle of the year. The speaker of the VDMA federation of equipment manufacturers backed this cautiously optimistic assessment saying the steep drop in orders for German industrial products could be over by mid

2009 as the sharp reduction in inventories and the fiscal stimuli being implemented around the world would have a positive impact on orders.

However, the notion that Germany's steepest economic downturn since the 1930s could soon be history is not widely shared. Economists think industrial inventories remain too high for the German economy to turn around in the near term, despite continued drops in production. Representatives, bankers, economists and trade unionists urged the government to spend € 300 bn over the next three years to prevent depression and to protect 2 m jobs.

The Government's new growth estimate closely matches that of the country's leading economic institutes and is even more pessimistic than most private sector estimates. Germany's economy will shrink 6 % this year. However, the crisis will not hit all economic sectors with the same severity.

Government has decided to help rid the country's banks of toxic assets. A working group is to deliver a draft law setting up the toxic asset scheme. This scheme would allow banks to transfer specific categories of toxic assets to individual 'bad banks' in exchange for a government – guaranteed bond that would require practically no underlying capital. Taxpayers would cover any loss on these assets incurred between the time of transfer and the unwinding of bad banks in 15-20 years.

The German government will fail in its efforts to preserve jobs because it has misjudged the severity and duration of the crisis. Unemployment, currently at 3.6 m, is expected to rise by 1 m this year, close to the post-war record .

The job cuts would be a big political setback for Ms. Merkel, whose crises management has focused heavily on encouraging companies to hold on to staff.

The world could face high inflation when the global economy recovers, experts are warning. Much money is being pumped into the market and capital markets could easily become overwhelmed, resulting in a global period of inflation during the recovery. Germany is not injecting a third stimulus as the government believes it should pull out the billions pumped into the economy.

Business

Automobiles: The German Government trebled the popular car-scrapping bonus scheme to € 5 bn, bowing to pressure from carmakers and consumers. Some critics see the scrapping bonus scheme as a gift by German taxpayers to foreign car makers. Statistics show that up two-thirds of the new cars sold since its

launch were made outside Germany.

One German carmaker, Daimler, is not enjoying the car-scrapping bonus. Reporting losses, it anticipates an expense cut of € 4 bn this year.

Mass-market rivals such as Volkswagen and others have posted less steep falls in sales. Volkswagen even increased its sales in China and in the first quarter had an increase of over 6 %.

After efforts to find an outside investor for Opel, it now seems that Fiat and Magna want to take a major stake. Details are not yet known.

Banks: The government is determined to clean up Germany's banking sector in its efforts to repair the financial system. A bank rescue fund including € 400 bn of guarantees and € 80 bn of capital has already been established. About € 210 bn has been tapped by banks.

A list of banks with more than € 816 bn of toxic assets on their balance sheets was delivered by the regulator

BAFIN to the Minister of Finance. This extraordinary figure highlights the urgent need of state guaranteed bad banks to halt these assets. All the German banks are included besides Deutsche Bank, which has resisted the idea of setting up a bad bank. It is the only German bank to survive intact with 'just € 21 bn' of bad assets. Deutsche Bank reported a profit of € 1,2 bn in the first quarter.

Machinery: The flagship of the German industry received only half the orders in the last quarter as compared to the first quarter of 2008. Production shrank by about 30 %, as most companies are still enjoying a reasonable backlog of orders from last year. The worst situation is seen in the segment of machinery for the steel industry, where demand has dropped by more than 70%.

Steel: ArcelorMittal announced a net loss in the first quarter, of \$ 1.1 bn and has put all its workers in Germany on short-time working terms. Production output has been reduced by 45 %.

SAARC

Strengthening Economic Relationships

India is the only contributor to the SAARC Development Fund. While the mechanism is infamous as an asymmetric funding structure, India is committed to take members of this enterprising institution on the path of development, said Dr Kheya Bhattacharya, Joint Secretary (SAARC), Ministry of External Affairs. She was speaking at a round table discussion on 'Strengthening Economic Relationship in SAARC' on 1 May in New Delhi.

She informed that India is contributing more than \$ 200 million for the South Asia University, the country's first international university, and has put in place maternity, immunisation and child welfare programmes. Various trade facilitation initiatives are also actively undertaken, she said.

India offers tremendous potential for trade within SAARC, said Dr Bhattacharya, noting that, in times of recession, India is the only economy which provides opportunities for exports to SAARC members' merchandise.

Despite the growth in world trade, the SAARC region remains the least integrated region, with member countries accounting for a mere 1.5% of total trade, she said. Intra-regional trade in SAARC is extremely inadequate, and stands at 5%. Potential areas of inter-SAARC trade are services, investment, tourism, agriculture/fisheries, energy, education and healthcare.



Dr Kheya Bhattacharya, Joint Secretary (SAARC), Ministry of External Affairs, S Sen, Principal Adviser, CII, and Amb. Kuldip Sahdev, Former Ambassador of India

However, political patterns emerge as major trade inhibitors, augmented by infrastructure backlogs, formal trade documentation and associated corruption; security associated with cross border movement of goods; heavy domestic indirect taxes imposed, etc.

Ambassador Kuldip Sahdev, Former Ambassador of India, observed that although substantial progress has been made in simplifying procedures and aligning tariffs, India is perceived as a threat amongst the members rather than as an associate. This perception should go, he said, calling for initiatives to capture SAARC as a

vehicle for shaping India as a regional power.

Mr S Sen, Principal Advisor, CII, listed education, infrastructure and connectivity as the major areas of intra-SAARC engagement.

Ties with Maldives

CII organised a luncheon meeting in honour of Mr D M Mulay, High Commissioner of India – Designate to Maldives on 20 April in New Delhi.

Mr Mulay appreciated CII's efforts to promote trade and economic cooperation between India and Maldives, particularly the CII CEOs Mission to Maldives in February this year, and the signing of 15 MoUs with the Government of Maldives.

Mr Mulay assured that he would work to facilitate more Indian exports and more Indian investments in the Maldives, mooted Public – Private – Partnership as the best model for investments.

Maldives is looking at Indian investment in

healthcare, education, IT, tourism, energy, port development, airports, waste management / utilities, infrastructure, and housing.



Chandrajit Banerjee, Director General, CII, with D M Mulay, High Commissioner of India Designate to Maldives (centre) and Amb. Kuldip Sahdev

United States of America

Meeting with Amb. Meera Shankar

CII organized an interactive meet with Indian Ambassador (designate) to the US, Ms Meera Shankar, on 15 April in New Delhi. Amb Shankar shared her views on the overall US-India relationship and the geopolitical dynamics among US-China, US-Iraq and Af-Pak in the present context and also in the long term. Mr Hari Bhartia, Vice President, CII, and Co-Chairman & Managing Director, Jubilant Organosys, chaired the meeting.

The business leaders shared their insights towards building a forward looking and extensive agenda for US-India bilateral engagement. Among the promising areas, from the CEOs' perspective, were IT, ITeS, healthcare, education, defense cooperation, horticulture and IPR.

The business leaders expressed concern over the protectionist sentiment in the US. They also suggested greater interaction and collaboration with the Indian Embassy in the USA through the CII India Business Forum and various other existing CII platforms.



Meera Shankar, Indian Ambassador-Designate to the US, with Chandrajit Banerjee, and Hari Bhartia, Vice President, CII and Co-Chairman & MD, Jubilant Organosys

Session with Amb. Richard Holbrooke

An interactive session was held with an American delegation led by Ambassador Richard Holbrooke, US Special Envoy to Afghanistan and Pakistan, and Admiral Mike Mullen, Chairman of the Joint Chiefs of Staff (CJCS) on 8 April in New Delhi.

Both sides emphasized that the strategic relationship between India and the US extends much beyond Afghanistan and Pakistan, and that a comprehensive framework is required within which the bilateral relationship should operate. The meeting was attended by strategic, political and security experts from both sides.



Tarun Das, Chief Mentor, CII, greets Amb. Richard Holbrooke, US Special Envoy to Afghanistan and Pakistan and Admiral Mike Mullen, Chairman, Joint Chiefs of Staff, USA

CII Chief Mentor visits Washington DC

Mr Tarun Das, Chief Mentor, CII, visited Washington DC from 27-29 April. He met with several senior officials in the Obama Administration and with leaders in the think tank community to discuss issues related to the US India Strategic Dialogue and the US India Japan Trilateral.

Mr Das had meetings with Amb. Ron Kirk, United States Trade Representative; Amb. Richard Holbrooke, US Special Envoy to Afghanistan and Pakistan; Mr Michael Froman, Deputy National Security Advisor; Mr Bill Burns, Under Secretary for Political Affairs, US Department of State; Mr Strobe Talbott, President, Brookings Institution; Congressman Jim McDermott, Amb. Richard Armitage, President, Armitage International; Mr Mike Green, Senior Advisor, Center for Strategic & International Studies and Gen. Brent Scowcroft, National Security Advisor, among others.

India Business Conference

Columbia Business School organised the 'India Business Conference' on 10 April in New York, in view of three major recent events in India: the terror attacks in Mumbai, the Satyam accounting scandal and the splendid success of 'Slumdog Millionaire', which are symbolic of the challenges and opportunities arising in India.

CII supported the conference, which highlighted the key business challenges that need to be overcome to produce sustained consumer driven growth in India and the potential opportunities for those involved. The discussions encompassed issues relating to opportunities for growth in Indian media across the world, the strategic path forward for the Indian pharma industry and newer opportunities for US pharma companies in

India; providing a framework for the current economic climate not as a crisis, but as an opportunity, et al. Mr Joseph Stiglitz, Nobel Laureate and Columbia University Professor, and Amb Frank Wisner, Former Ambassador to India and International Affairs Advisor, Patton Boggs LLP, were among the key speakers.

Opportunities from the Nuclear Deal

The US-India Nuclear Agreement has opened new opportunities for deeper US-India bilateral trade relations. In an attempt to explore the growing market, CII and the Chicago Council of Global Affairs, in collaboration with US India Business Council (USIBC), organized a session on 'Energizing The US-India Commercial Relationship: Opportunities Growing from the Nuclear Agreement' on 15 April in Chicago.

Amb. Thomas Pickering, Vice Chairman, Hills & Company and Retired Sr. Vice President, International Relations, The Boeing Company, gave an overview of the US India relationship, focusing on the commercial aspect. Mr Scott Bayman, former President and CEO, General Electric India, Senior Director of Stonebridge International, LLC, and Chairman, Stonebridge India, highlighted the benefits of the nuclear agreement. The session, which was moderated by Mr Marshall Bouton, President, CCGA, emphasized the importance of utilizing the opportunities arising from the nuclear deal, especially at a time of economic slowdown in the US. The session also discussed ways to address the challenges which prevent American companies from taking full advantage of the opening up of India's energy and defense sectors.

President Barack Obama and Prime Minister Manmohan Singh

The G-20 Summit in London on 2 April formed the backdrop to the first bilateral meeting of President Barack Obama and Prime Minister Manmohan Singh. President Obama said, "The United States sees India as a global power and a critical partner in helping to deal with the challenges of the 21st century - everything from climate change to poverty to trade to science and innovation."

President Obama praised Prime Minister Singh's role in the G 20 proceedings, highlighting his leadership that has put India "along a path of extraordinary economic growth that is a marvel for all the world."

Even as the world grapples with the economic slowdown and financial crisis, Mr Obama said leaders must not lose sight of the challenges posed by climate change. India has understandable concerns that international efforts to reduce carbon dioxide emissions could hinder its



President Barack Obama and Prime Minister Manmohan Singh, meeting for the first time at the G-20 Summit in London

efforts to extend the benefits of economic development to millions of its citizens.

President Obama and Prime Minister Singh also discussed ways to expand counterterrorism cooperation between India and the United States. The countries share concerns about violence emanating from extremist safe havens along the Afghanistan-Pakistan border and beyond.

US-India: Bilateral Update

- **H-1B and L-1 Visa Reform Act:** Assistant Senate Majority Leader Dick Durbin and Senator Chuck Grassley have introduced legislation to reform the H-1B and L-1 guest-worker programmes to prevent their abuse and protect American workers. Indian policy makers have expressed concern over the details of this seemingly protectionist move, which is in contrast with President Obama's stand at the recent G-20 Summit.
- **Silicon Valley pushes for H-1B visas:** Reflecting the mood of Silicon Valley, prominent media outlets from California have come out openly in support of the H-1B work visas and opposed increasing the 'hire Americans' call in the United States.
- **US Support for India on WTO Tariff Cuts:** A report of the WTO estimated a global tariff cut of \$150 billion through conclusion of Doha Development Round. The US has supported India's request to seek details on estimated tariff savings amount.
- **Climate Change:** The Indian Prime Minister's special envoy on climate change, Mr Shyam Saran, is seeking partnership with the US to collaborate on renewable energy, covering different technological pathways and focusing on green technologies and product development.

- **Maryland India Office:** During a Maryland India Business Roundtable event, Maryland announced the re-opening of a foreign office in India to build on both regions' strengths in biotechnology, aerospace and defence.

- **Levy on Indian Shrimp Removed:** The US Customs & Border Protection has fully withdrawn the customs enhanced bond requirement imposed in 2004. The latest notification is in line with a WTO ruling in favor of India and Thailand in 2008.

- **Microsoft-HCL Tie-up:** Computer giant Microsoft has signed a US\$ 170 million five year contract with India's HCL for outsourcing work for its online business productivity suite. HCL will provide 600 employees to support the contract. Nearly 250 workers have already begun work on the project.

- **Sikorsky enters India:** US based Sikorsky Aircraft Corporation delivered its first commercial helicopter to a Mumbai-based corporate signifying their formal entry in India. The company is looking at making India the hub to cater to the South Asian market, after forming a joint venture with the Tata Group to manufacture helicopter cabins in India.

- **Grad School Applications Decline:** The council survey of US institutions, which fielded more than 400,000 applications in all, showed that applications from India fell 9%.

US Economy / Policy Watch

- **US Gross Domestic Product:** US Real GDP decreased at an annual rate of 6.1% in the first quarter of 2009, following a decrease of 6.3% in the fourth quarter of 2008. Consumer spending grew 2.2% and personal income rose 6.2%.
- **US International Trade Deficit:** Trade deficit in February declined 28.3% to \$26.0 billion, down from \$36.2 billion in January. Exports rose 1.6% while imports shrank 5.1%.
- **American Clean Energy and Security Act:** Congressmen Henry Waxman and Edward Markey have introduced a climate change legislation which focuses on mandating a percentage of energy generation through renewable resources; promoting biofuels and electric vehicles; increasing energy efficiency in homes, appliances and transportation; setting greenhouse gas emission standards; creating green jobs and exporting green technologies; and for the first time, putting a cap on carbon dioxide emitted from power plants and factories in the US.



India

Regional round up

east

Chhattisgarh

Credit- related Issues & Recession

1 April; Raipur

An interactive session with Mr. P. Ramesh Kumar, Industry Secretary, SLBC, discussed credit related issues in the period of recession. Issues relating to fluctuating PLR rate of banks, additional capital requirement loan to MSMEs, margin money, packages and incentives were discussed during the session.

Jharkhand

Supply Chain Performance

23 – 24 April; Jamshedpur

The session on 'Supply Chain Performance Analysis and Metrics' identified the various techniques and significant nuances in selecting the appropriate metrics for proper supply chain performance assessment.

Orissa

Pension Scheme

2 April Bhubaneswar

An Interactive Session was held with Mr. P K Udgata, Regional Provident Commissioner, and Mr. J Tobias, Regional Provident Fund Commissioner II, Government of India.



P K Udgata, Regional Provident Fund Commissioner, and J Tobias, Regional Provident Fund Commissioner II

Watercon

30 April; Bhubaneswar



Ajit Tripathy, Chief Secretary, Orissa

"WaterCon: Unveiling Challenges" discussed ideas on water management. Mr. Ajit Tripathy, Chief Secretary, Orissa, who was the Chief Guest, stressed on Public Private Community Partnership (PPCP) on water and watershed management to meet the growing needs of the people, farms and industry.

West Bengal

Members' Meet with President, CII

7 April; Kolkata



Mukul Somany, Chairman, CII (ER), Venu Srinivasan, President, CII, Chandrajit Banerjee, Director General, CII, and Kurush N Grant, Deputy Chairman, CII (ER)

Mr Venu Srinivasan, President, CII, interacted with the members of the CII Eastern Region during his first visit to the region after taking over President, CII. Mr Srinivasan explained the CII theme for 2009-10, India@75: Economy, Infrastructure and Governance.

Assessment for Business Excellence

6 – 9 April; Kolkata

An assessor training workshop on 'Assessment for Business Excellence' aimed at developing skills for assessing the effectiveness of various management approaches and their deployment for achieving Business Excellence.

Interaction on the Global Recession

16 April; Kolkata

In an interactive session, Mr Satish C Gupta, Chairman & Managing Director, United Bank of India, discussed the Global Recession and its impact on the Indian Economy.

Managerial Leadership

24 – 25 April; Kolkata

The workshop on Managerial Leadership was held with the objective of making leaders out of managers in senior positions.

Workshop on Adult Literacy

30 April Kolkata

A training workshop on adult literacy was held in Haldia to develop trainers who would be instrumental in the fight against illiteracy in the region. Prof Ajoy Bhar, Head, Department of Business Administration, Haldia Institute of Technology, presided over the workshop.



Chandigarh

CII calls on Gen Rodrigues

2 April: Chandigarh



Gen. S.F. Rodrigues, PVSM VSM (Retd.) Punjab Governor & Administrator, Chandigarh, UT, with a CII-IT Cluster Delegation

Members of the CII Chandigarh IT Cluster met Gen (Retd) S F Rodrigues, PVSM, VSM Governor, Punjab, and Administrator, Chandigarh, at the Punjab Raj Bhawan to strategize an actionable agenda for the sustained development of IT sector in the region.

Gen (Retd) S F Rodrigues offered to engage CII members in the e – governance and e sampark projects. He proposed forming a core group with representatives from the Chandigarh Administration and CII, and urged the corporate sector to adopt a pro - active approach to empower less privileged people through training and upgrading their skills.

Airport Infrastructure

21 April: Chandigarh



Suneel Dutt, Airport Controller, Civil Air Terminal, Chandigarh interacting with Industry representatives

Mr Suneel Dutt, Airport Controller, Civil Air Terminal, Chandigarh, discussed issues related to infrastructure development of Chandigarh Airport with CII members. He requested the members to route their cargo business through the newly-started cargo division at Chandigarh Airport.

Delhi

CII calls on CEO-Delhi Jal Board

8 April: New Delhi

A CII delegation comprising Mr Vipin Sondhi, Managing Director & CEO, JCB India Ltd; Mr Vikram Bakshi, Managing Director, Connaught Plaza Restaurants Pvt Ltd and Ms Rumjhum Chatterjee, Chairperson (DSC) & Managing Director (Capacity Building), Feedback

Ventures Ltd called on Mr Ramesh Negi, CEO, Delhi Jal Board, to discuss ways to further consolidate work in the area of water and explore new initiatives at the state and regional level.

Haryana

Blood Donation Camps

2 April: Gurgaon & 29 April: New Delhi

More than 50 workers from Hero Corporate Services Ltd and its subsidiary companies participated in the voluntary blood donation camp held in collaboration with the Indian Red Cross Society and Indian Business Trust for HIV/AIDS, in Gurgaon.

Another camp, at the facility of InTouch Solutions Pvt Ltd in Naraina, New Delhi, saw more than 50 employees contribute towards the noble cause.

Interaction with Industry Associations

29 April: Gurgaon

CII organised a meeting with select industry associations of Haryana to discuss important issues of concern for industry. These ranged from scarcity of power, scarcity of skilled manpower, ambiguity on PF and on minimum wages, and simplification of tax procedures, to prior information of notifications issued by the Government. Other major issues of concern were related to infrastructure, where the associations suggested preparing recommendations that could be taken up with senior bureaucrats. The associations also asked CII to take up the issues of Estate Management Procedures, and guidelines for CLUs.

Representatives from Faridabad Small Industries Association, Chamber of Industries of Udyog Vihar, Gurgaon Industries Association, Confederation of Commerce & Industry- Jagadhri, Rohtak IDC Industries Association, Manufacturers Associations - Faridabad, Rewari Chamber of Commerce, Sonapat Industrial Association, and Kurukshetra Industrial Association, participated in the meeting.

Himachal Pradesh

Transaction costs in Imports & Exports

22 April: Parwanoo

A Session on 'Simple ways to reduce transaction costs in Imports and Exports' was addressed by Mr M S Dhillon, Joint Director General of Foreign Trade, who described the various export promotion schemes and the proper channels to go for these schemes. Mr Anil Sehgal, Chairman, CII Himachal Pradesh State Council,

highlighted the high transaction costs and time involved for exports from India, as compared to other Asian countries, and called for EDI connectivity and online licensing to save time and reduce costs.

Jammu & Kashmir

Building HIV / AIDS Awareness

18 April: Jammu

The CII J&K State Council, in collaboration with the Baribrahmana Industrial Association and the J & K State Aids Control Society organized an HIV / AIDS awareness programme for industrial workers in Baribrahmana. The session sensitised the workers on the dangers of HIV / AIDS and motivated them to donate healthy blood.

Excellence for School Education

25 April: Jammu

A workshop on Education Excellence for Schools, conducted jointly with the CII institute of Quality, exposed senior academic staff to Total Quality Management (TQM) in education.

Punjab

Roadmap for Development

3 April: Ludhiana & Amritsar

In his first interaction with members in Ludhiana after taking over as Chairman, CII (NR), Mr Harpal Singh announced a Joint Core Group with participation of local industry, senior officials from Administration and prominent social members of the city to strategise the growth trajectory of Ludhiana. Mr Vikas Garg, Deputy Commissioner, Ludhiana, called for solutions such as MRTS to meet traffic congestion.

Mr. Harpal Singh, Chairman, CII Northern Region, also met members in Amritsar discuss to focused city development. The formation of a core group to drive this agenda was announced.

Interactive Session on Income Tax

3 April: Amritsar

In an interactive session, Mr Vimal Gandhi, President, Income Tax Appellate Tribunal, spoke to around 60 representatives from various industries in the Amritsar and Batala Region to discuss their issues.

Rajasthan

Quality Mission

29 April: Jaipur

A 37 member Quality Mission visited National Engineering Industries (NEI) Ltd & Bosch Ltd to understand their practices for quality management.

Uttarakhand

CII Delegation calls on Governor

7 April, Dehradun



B L Joshi, Governor, Uttarakhand, receiving the Vision 2022: Uttarakhand Document

A CII delegation led by Mr Rakesh Oberai, Chairman CII Uttarakhand State Council, called on Mr B L Joshi, Governor Uttarakhand, to update him on the recently prepared Vision 2022: Uttarakhand

ITI Upgradation

15 April, Dehradun



Dr Dilbagh Singh, Secretary Labour, Employment & Training, Uttarakhand, with CII members

CII members who have adopted ITIs under the PPP scheme in Uttarakhand met with Dr Dilbag Singh, Secretary Employment and Training, Uttarakhand, to discuss issues related to ITI, Mussorie, such as inadequate infrastructure, and staffing.

Meeting with Principal Secretary, Finance

20 April, Dehradun

Mr Rakesh Oberai, Chairman CII Uttarakhand State Council met with Mr Alok Kumar Jain, Principal Secretary, Finance, Uttarakhand to discuss issues related to VAT, withdrawal of new rates for Bar License Fee in Uttarakhand and the forthcoming State Budget.

Fuel Conservation & Environment

24 April, Dehradun

An Industry Meet, Induction Meet and Session on Fuel Conservation and Environment Sustainability was held to create awareness about the need and impact of Fuel

Conservation and Environment Sustainability, to enable dialogue between various stakeholders on improving the employability in and around Selaqui Industrial area, and to increase the CII membership base in Uttarakhand.

Uttar Pradesh

Young Talent of the Year

16 April, Lucknow

A debate competition for the 'Young Talent of the Year 2009' on the topic "Will Facilitation of Industrial Development Lead to Fulfilling the State Objective: 'Sarvjan Hitaay, Sarvjan Sukhaay'?" drew forth virgin ideas from young people. The team from Babu Banarsi Das National Institute of Technology and Management was the winner while WLC College India, Lucknow Campus and IILM Academy for Higher Learning were the runners-up.

Enhancing Employability

18 April, Lucknow

A Roundtable discussion on 'Enhancing Employability through Skill Development in Knowledge Economy' had IIT Roorkee as the Knowledge Partner. The session was

held to enable industry share its concerns for trained manpower in diverse disciplines; and for academia to understand industry's needs for technical manpower. Mr V K Sharma, Infrastructure & Industrial Development Commissioner, Uttar Pradesh, was the Chief Guest while Mr Alok Ranjan, Principal Secretary, Vocational Training & Technical Education, UP, and Prof Prem Vrat, Vice Chancellor, Uttar Pradesh Technical University, were Special Guests. The discussions examined the skill gaps in sectors like agri, food processing, manufacturing, tourism, hospitality, health and IT.

Trade Fairs

Kitchen Concepts

1-4 May: Chandigarh

Kitchen & Beyond 2009, an annual exclusive exhibition on modern kitchen concepts featured varied options for healthier, more attractive and user-friendly kitchens.

Coollex 2009

1-4 May: Ludhiana

Coollex 2009, an exclusive exposition on air conditioning and refrigeration, was inaugurated by Mr Vikas Garg, DC, Ludhiana.



India
Regional round up

south

US Congressional Delegation

16 April: Chennai

A visiting US congressional delegation shared best practices on the latest IPR trends and Media and Entertainment Sector. Ms Shobana Kamineni, Past Chairperson, CII(SR), highlighted the need to work with the US to adopt innovative techniques for enforcing IPR Laws. Congressman Berman called for enhancing the trade relationship between the two countries.

Manufacturing Study Mission

17 April: Chennai

A Manufacturing Competitiveness study mission visited Brakes India Ltd and Rane Brake Linings to understand how companies continually take costs out of their manufacturing system and also implement innovative manufacturing practices such as autonomous maintenance and kaizens.

University-Industry Consortium

20 April: Madurai

A workshop for college principals was held to make them fully aware of the training modules and methodology to nominate faculty from their colleges to undergo 'train the trainers' training in imparting soft skills, and avail certification from CII.

Subsequent to the workshop, a training programme for the second batch of faculty was held to help them handle/integrate soft skills into their teaching methods. This in turn would help the students hone key skills to enhance their employability.

Business Opportunities in Europe

21 April: Chennai

Conducted with UNIDO, Wallonia Export & Investment (AWEX), and Logistics in Wallonia, the seminar highlighted the various opportunities for Indian companies in expanding their business by setting up distribution



Seminar on 'Exploring Business Opportunities in the European Market'

and marketing centres in the Wallonia region, to tap the European market. Mr Michel Kempeneers, Head-Asia Pacific, AWEX, and Mr Paul Struman, Logistics Expert, AWEX, presented the advantages of the Wallonia region.

Achievement Motivation

8 April: Puducherry

24 April: Madurai

The programme on Achievement Motivation covered topics such as Definitions and Theories of Motivation, Hierarchy of Needs – Abraham Maslow, Exploding Mental Blocks, Altering Perceptions & Re-programming our Minds, Power of Positive Thinking, Synergy and Group Dynamics, Setting and achieving Goals, and Quality, Excellence and Success.

Andhra Pradesh

Workshop on 5S, Lean & Six Sigma

11 April: Hyderabad

The workshop created awareness on 5S, Lean and Six Sigma methodologies, which help enhance the profitability of manufacturing service organisations.

Karnataka

Best Manufacturing Practices

21- 24 April: Bangalore

A series of workshops cum factory visits to three companies: Tata BP Solar, Bangalore, and Titan Industries and TVS Motor, both in Hosur, was organised to disseminate best manufacturing practices amongst member companies.

Engaging Persons with Disabilities

27 April: Bangalore

The in-house presentation programme presented an opportunity for companies in Bangalore to have experts visit and talk to their HR teams to share the different options of engaging with Persons with Disability. The presentation was made by Disability Forum Member Ms Shanti Raghavan, Founder, Enable India.

Kerala

ITIs – PPP Scheme

20 April: Thiruvananthapuram

The workshop, organised in co-operation with the Directorate of Employment & Training, Department of Labour, Kerala, discussed implementation of the PPP scheme to improve Government ITIs across Kerala. Mr Meenakshi Kumar, Managing Director, UK Gems India Ltd, Puducherry, made a detailed presentation on the implementation of PPP scheme and the contents of the Blue Book.

CEO's Retreat

25 – 26 April: Kochi

The retreat featured sessions on Orbit-shifting Innovation and Busting Innovation Myths; Global Turbulence and its implications for India; the role of the private sector in attracting investments in Kerala, etc. A talk on Obesity and Healthy Food Habits was also included in the programme.

Puducherry

Risk Mitigation & Insurance

21 April: Puducherry

This workshop extended support for insurance servicing, management and claims settlement for the Small and Medium Enterprises (SMEs) that are often neglected by insurance companies and intermediaries.

Doing Business with Australia

23 April: Puducherry

The seminar explored business opportunities between Puducherry and Australia in various sectors. It specifically highlighted Australian expertise in infrastructure, building and construction, healthcare, information technology, education and training, retail, and food and beverages. Mr Aminur Rahman, Australian Consul General and Trade Commissioner for South India, Australian Trade Commission, described how Australia can provide value-added competitive solutions in both traditional and emerging sectors for business in Puducherry.

Tamil Nadu

SME Manufacturing Excellence Mission

28 April: Chennai

An SME mission visited Hyundai Motor India Ltd and Technical Stampings Automotive Ltd to understand their business excellence models and benchmark the best practices followed by them.



Manufacturing Excellence Mission members in Chennai

Member Fellowship

2 April: Chennai

The Member Fellowship Evening featured a session with Prof Nirmalya Kumar, London Business School, who is co-author of the book 'India's Global Powerhouses.' Prof Kumar said Indian companies with a global presence face two main challenges - the challenge of talent and lack of materials'. Quoting examples of Indian companies going global, he asserted that the mindset for innovation was different from the mindset for efficiency.

Zones

Coimbatore

Session on Factories Act

28 April: Coimbatore

Mr P Subbarayan, Vice President, Coimbatore – Nilgiris Employees Association discussed Labour Laws as well as the Factories Act, and its recent amendments.

Madurai

World Health Day

7 April: Madurai



Commemorating World Health Day

On World Health Day, posters were released on the safety of health facilities and the readiness of health centers for treating people in emergencies.

Dr S M Sivakumar, Dean, Madurai Medical College and Government Rajaji Hospital, Madurai, emphasized that the PPP model is the need of the hour in the healthcare sector.



Sankara Narayanan,
Assistant Commissioner,
Central Excise &
Customs

Central Excise, Customs & Income Tax

15 April: Madurai

The session with Mr Sankara Narayanan, Assistant Commissioner, Central Excise & Customs and Mr ALKB Chand, Commissioner pertaining to central excise, customs and income tax.

Madurai Heritage Walk

19 April: Madurai



At the Heritage Walk

Coinciding with World Heritage Day, CII organised a walk, along with Intach and Travel Club, to highlight the importance of preserving heritage spots, and to promote Madurai as destination for both domestic and foreign tourists.

Mysore

Corporate Governance

25 April: Mysore

The session on Emerging Corporate Governance Standards with Mr Datla Hanumantharaju, President, ICSI, highlighted the changes required to safeguard the interests of stakeholders while facilitating growth aspirations.

Mr V C Davey, Registrar of Companies, Karnataka, spoke on MCA-21, India's largest e-governance initiative by the Ministry of Corporate Affairs and a mission project under the government of India's national e-governance plan.

Trichy & Karur

Press Meet

21 April: Trichy

The press meet discussed the work plan for the year 2009-10. Based on the theme 'Developing Central Tamil

Nadu: HUB Trichy', CII Trichy Zone would leverage the potential of the districts of Central Tamil Nadu for holistic and inclusive growth, said Mr Leo Ananth J, Chairman, CII Trichy Zone.

Business Transformation

24 April: Karur

The seminar discussed business transformation and the rules and regulations for converting a partnership business into a private limited company, as well as the financial / tax benefits of becoming a private limited company. The New Form of LLP (Limited Liability Partnership) and its benefits were also discussed.

Visakhapatnam

Session with US Consul General



Cornelis M Keur,
Consul General,
American Consulate
General, Hyderabad

23 April: Visakhapatnam

The session was conducted to deliberate on issues relating to Indo-US trade relations and the impact of the global recession on the US and the Indian economy. Mr Cornelis M Keur, Consul General, American Consulate, Hyderabad, said that increasing ties between India and US would be beneficial for both countries.



India
Regional round up

west

Gujarat

CII Membership Road Show

Vittal Udyognagar, 1 April

The roadshow was held to reach out to members and prospective members, to sensitize them about the large bouquet of services offered by CII in Gujarat and more specifically, in Vadodara. The road show also gathered members' suggestions and advice towards strengthening the activities of CII in Vallabh Vidyanagar and surrounding areas.

Contracts: Drafting and Management

Vadodara, 4 April



Utkarsh Jani, Partner, JuriFin Allianz, and Atul Garg, Chairman, CII Gujarat Zonal Council

The workshop, conducted by Mr Utkarsh Jani, a noted lawyer in the Gujarat High Court, provided hands-on exposure to the processes of smart drafting and efficient ways of executing a contract, covering contract formation, execution and arbitration.

Laser & Allied Technologies

Ahmedabad, 14 April

The seminar, an Initiative of the CII Gujarat Task Force on Techno-Entrepreneurship to promote entrepreneurship in the State, covered Applications of Lasers in diverse sectors.

Foreign Trade Policy, Customs, & Taxes

Vadodara, 16 April

This session was specifically designed in the context of the three stimulus packages recently announced by the Government of India in the form of various incentives and tax relaxations Mr TNC Rajagopalan, Managing Director, Exim Enterprise, discussed the medium and long-term implications of the recent changes announced in various indirect taxes.

Launch of CEO Network Series

Vadodara, 24 April

The Network Series kicked off with a discussion on 'Global Financial Crisis - Its Ripple Effects and how the World and India are grappling with it'. The series will provide opportunity to the CEOs and Directors of various large and medium scale companies in the state to share experiences and compare notes, while positioning Vadodara as an ideal business destination in Gujarat.

Interaction with UKIBC Officials

Ahmedabad, 28 April

Ms Sharon Bamford, CEO, and Mr Adrian Mutton, Country Head, UK India Business Council (UKIBC) met

CII members to understand the business potential in Ahmedabad and Gujarat for different sectors and the opportunities that UK companies can tap. The interaction was a follow up to the exhaustive report by Business Advisory Services Co. of India, on the potential of Tier – II cities in India.

Madhya Pradesh

Workshop on Social Accountability

Indore, 16 April

The workshop created awareness about the significance and benefits of Social Accountability 8000:2008.

Maharashtra

Delegation from Maldives

Mumbai, 3 April

CII facilitated the visit of the Maldivian delegation by organizing a meeting with senior officials of Export and Import Bank of India (EXIM Bank) to explore the possibility of establishing a tie-up with EXIM Bank of India to enhance Indo-Maldives trade relations. Mr Ibrahim Hussain Zaki, Special Envoy of the President, And leader of the delegation, affirmed that Maldives is looking forward to forge greater ties with India.

Medi Tech Summit 2009

Mumbai, 10 April



At the Medi Tech Summit 2009

Technology will play a significant role in the healthcare industry across the globe, more so in India where it's still in its nascent stage, said speakers at the Medi Tech Summit 2009, chaired by Mr A Vaidheesh, Managing

Director, Johnson & Johnson Medical, India.

Dr Laxman Prasad, Advisor – Technology Development, Department of Science & Technology, said, “we must move ahead together to enhance the entire healthcare industry.”

Sustainability – Going Green

Pune, 16 April

The session titled ‘Sustainability – Going Green’ emphasized that all companies should place environmental sustainability at the centre of their business strategies, as this will be the key to success in the 21st century and beyond.

Empathy in Business

Mumbai, 28 April

Mr Dev Patnaik, Founder and Principal, Jump Associates, an innovation strategy firm, and author of the book ‘Wired to Care’, shared some valuable insights in an interactive session. The book says organizations of all kinds prosper when they tap into a power each of us already has: empathy, the ability to reach outside of ourselves and connect with other people. When people inside a company develop a shared sense of what's going on in the world, they see new opportunities faster than their competitors, says the author.

Interaction with President, CII

Mumbai, 22 April

Mr Venu Srinivasan, President, CII, made a presentation on the Outlook for the Indian Economy and the Industry as well as CII's initiatives to stabilize the current economic scenario. He emphasized that the focus areas of CII would be on reviving the Economy, fast tracking Infrastructure and improving Governance, in addition to India@75.

The interaction enabled members to voice their queries and concerns on issues such as Power, VAT, skill development, labour reforms and policy matters and suggestions on the steps that CII ought to be taking.



Pramod Chaudhari, Chairman, CII Maharashtra State Council & Executive Chairman, Praj Industries Ltd, Arun Nanda, Deputy Chairman, CII (WR) & Executive Director, Mahindra & Mahindra Ltd, Chandrajit Banerjee, Director General, CII, Venu Srinivasan, President, CII, & Chairman, TVS Motor Company Ltd, and Dr Naushad Forbes, Chairman, CII (WR) & Director, Forbes Marshall Pvt. Ltd.