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US-India Economic and Financial Partnership



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to the UK

Tribute to
Dr Eli Goldratt

1st M & A
Summit

Cinema &
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JOURNAL OF THE CONFEDERATION OF INDIAN INDUSTRY

Focus on Next Generation of Economic Reforms in India

The high level interactions at the second annual meeting of the US - India Economic and Financial Partnership event underlined the deepening relationship between the two nations and the implications therein for the global economic order

US - India Economic and Financial Partnership



Pranab Mukherjee, Finance Minister of India, greeting Timothy F. Geithner, US Secretary of Treasury, as Meera Shankar, Ambassador of India to USA, looks on

THE TRANSFORMATION OF Indo - US relations over recent decades today encompasses almost all areas of international co-operation. Today's mature and multi-faceted relationship encompasses a range of issues - from geo-political security and scientific and technological co-operation to economic and financial partnerships. It is a 'strategic partnership' that underlines the need for mutual dependence and co-operation between two large democracies in the current globalized political set up. Not surprisingly, the strong ties and the broad-based engagement between the two countries prompted President Obama to deem the Indo-US relationship as one of the 'defining partnerships of the 21st century.'

Mr. Pranab Mukherjee, Finance Minister of India, and Mr. Timothy F. Geithner, US Secretary of Treasury, launched the US-India Economic and Financial Partnership in April 2010 with the objective of strengthening bilateral engagement and understanding on the macroeconomic arena, financial sector and infrastructure-related issues.



Pranab Mukherjee with Chandrajit Banerjee, Director General, CII (left) and Timothy F. Geithner

The second annual meeting of the US-India Economic and Financial Partnership event, jointly organized by CII and the Brookings Institution in Washington DC, USA, on 26 -27 June, continued the financial and economic dialogue between the two countries. The high level interactions underlined the deepening relationship between the two nations and the implications therein for the global economic order.

The conference, organized as a precursor to the second round of US-India financial bilateral talks, began with opening remarks by Ms. Meera Shankar, Indian Ambassador to the US, and Ms. Lael Brainard, Under Secretary for International Affairs, US Department of the Treasury. The high point of the event was a moderated discussion featuring Mr. Pranab Mukherjee and Mr. Timothy Geithner.

Panel discussions through the day-long conference featured prominent Indian and US regulators and finance officials, academics from think tanks and research institutes as well as corporate leaders from India and the US. The topics encompassed the economic and financial landscape in India and the US, the prospects of sustainable economic growth in the context of inflation and key policy choices, new models for infrastructure markets and lessons in deepening access to capital markets.

Tremendous Growth Potential

US – India relations hold tremendous potential. We are just at the starting phase of unlocking this huge potential – economic and financial, observed Mr Timothy Geithner.

Indicating the need for heralding the next generation of economic reforms in India, Mr Geithner said “I think, from our perspective, the key thing is the outlook for economic reform. This is true in the United States – fiscal

and economic reform, but also true for India as well.”

He said India today is reaping the benefits of the path breaking reforms set in motion in the 1990s. “But I think India is at a point now where the future growth would depend on the success of next wave of reforms, not just in the financial sector but also including the financial sector. I think the Indian economy has outgrown the financial system and it has got a huge need for infrastructure financing, capital financing for running business. The success of the Indian economy would depend on the substantial expansion on the success of the next wave of financial reforms. Of course, we hope to be part of that,” Mr Geithner said.

Mr. Geithner clarified that growth in India would be beneficial to the United States too and that the US does not perceive it as a threat in any way; in fact, high growth and domestic demand in India would only imply an expanding market for US exports, he said.

Mr Pranab Mukherjee declared that the Government of India is committed to undertake the ‘constant exercise’ of ushering in the necessary reforms in financial and infrastructure sectors and in taxation. As a result, policy makers in India have heralded reforms in the mutual funds market, insurance sector, banking sectors, pension, etc. Other necessary legislations too are under the serious consideration of the legislature, he said.

Trade Relations

Trade Relations, a key parameter of Indo-US economic ties, hold unlimited possibilities, observed Mr Chandrajit Banerjee, Director General, CII. India is really featuring high in the US Administration’s goals of doubling US exports by 2015. At the same time, India has the aspiration of doubling its exports by 2015. Needless to say, India is also looking at the US in this regard, he said.



R Gopalan, Secretary, Economic Affairs, India



Dr Kaushik Basu, Chief Economic Advisor, India



S Gopalakrishnan, Vice President, CII, and President & CEO, Infosys Technologies



Dr Subir Gokarn, Deputy Governor, Reserve Bank of India



U K Sinha, Chairman, Securities & Exchange Board of India



Lael Brainard, Under Secretary for International Affairs, US Dept. of the Treasury

Growth Trajectory

The economic intelligentsia who attended the event in Washington highlighted India's impressive growth trajectory. Dr Kaushik Basu, Chief Economic Advisor, Government of India, brought home the point that on the back of sound economic fundamentals and game-changing reforms, India's medium and long term growth outlook is robust and would easily stand at above 8%.

He stressed the need for sustaining the growth momentum from the perspective of employment generation, pointing out that a 1% increase in GDP growth would create one million jobs.

Dr. Basu noted that both India and the US share fundamental aspirations in terms of democracy, a vibrant media and secularism, which could translate into mutual economic benefits.

On similar lines, Dr Subir Gokarn, Deputy Governor, Reserve Bank of India, presented the RBI projection for growth during 2011-12 at 8 per cent. Conceding the possibility of a drop in the growth momentum in the short run on account of supply side pressures, he, however, affirmed that long term growth prospects would be robust if inflation was managed efficiently.

Infrastructure Financing and Investment Opportunities

Mr R Gopalan, Secretary, Economic Affairs, Ministry of Finance, India, observed that India's infrastructure financing requirements in the next five years and the up-coming manufacturing policy would facilitate enormous investment opportunities for global investors to the extent of more than US \$ 1 trillion. The National Manufacturing Policy is tuned to create national investment and manufacturing zones with world class infrastructure that would encourage mega investments while there is a sustained and continuous policy churn to resolve impediments in land acquisition, environmental clearances and other clearances, he said.

Deepening the Capital Markets

Mr U K Sinha, Chairman, Securities and Exchange Board of India (SEBI) assured that deepening the capital markets and improving the access to them for financing growth is high on the regulators' agenda. He informed that efforts are being made towards simplification of products and customer convenience so as to improve the reach of capital market products across the length and breadth of India, and particularly in rural areas.



Key Speakers

Speakers at the conference from the US Dept of the Treasury included Mr. Charles Collyns, Assistant Secretary for International Finance; Mr. Barry Gray, Senior Advisor, Office of Technical Assistance; and Mr. Aaron Klein, Deputy Assistant Secretary for Macroeconomic Policy.

From the corporate sector, Mr Ajit Gulabchand, Chairman, CII Urbanisation & Future Cities Council, and CMD, Hindustan Construction Company Ltd; Mr Rajiv Lall, Chairman, CII Infrastructure Council, and MD & CEO, Infrastructure Development Finance Company (IDFC); Mr Nasser A. Malik, MD, Capital Markets Origination, Citigroup Global Markets Inc.; and Mr Michael Hanson, Director and Senior Economist, Bank of America- Merrill Lynch Global Research, addressed the conference. From academia, the conference drew Mr Strobe Talbott, President, Brookings Institution; Mr Kemal Dervis, Vice President and Director of Global Economy and Development, Brookings Institution; and Mr Arvind Subramanian, Senior Fellow, Peterson Institute for International Economics, amongst others.

India-US trade has soared to \$48 billion in 2010 while investments in both directions are robust. Indian companies support some 300,000 jobs in USA. The CII-Brookings Institute Conference advanced the role of the private sector in the US-India bilateral economic partnership, with in - depth discussions on macroeconomics, the financial sector and infrastructure-related issues, to unlock the huge potential in bilateral trade and investment for both economies. The dialogue reviewed economic developments in both countries with a view to elicit synchronized policy actions in the context of the G 20 commitment to strong, sustainable and balanced growth, engaging businesses of both sides in the emerging opportunities in India.

CII Delegation

CII organized a high-level delegation of business leaders to USA coinciding with the visit of the Finance Minister of India to Washington DC. Led by Mr S Gopalakrishnan, Vice President, CII, and CEO and MD, Infosys Technologies, the delegates included Mr Venu Srinivasan, Past President, CII, and MD, Sundaram-Clayton Ltd; Dr Janmejaya Sinha, Chairman, CII National Committee on Financial Inclusion, and Chairman, Asia Pacific, The Boston Consulting Group; Mr Jignesh Shah, Chairman, CII National Committee on Civil Aviation, and Vice-Chairman, MCX Stock Exchange; Mr Ajit Gulabchand, Chairman, CII Urbanisation & Future Cities Council, and CMD, Hindustan Construction Company; Dr Rajiv Lall, Chairman, CII Infrastructure Council, and MD & CEO, Infrastructure Development Finance Company; Mr. Joseph Massey, MD and CEO, MCX Stock Exchange; Ms. Falguni Nayar, CEO & MD, Kotak Investment Banking, and Director, Kotak Securities; Mr. Naresh Takkar, MD & CEO, ICRA Ltd.; Mr. Nasser A. Malik, MD, Citigroup Global Markets Inc New York and Mr. Lamon Rutten, MD & CEO, MCX, among others. ■

Focus: Partnerships
in Manufacturing

CII CEOs Delegation to the UK



MR. B MUTHURAMAN, President, CII, and Vice Chairman, Tata Steel Ltd. and Chairman, Tata International Ltd; led the annual CII CEOs delegation to London, UK, accompanied by 15 senior representatives of Corporate India, from 29-30 June. With a focus on 'Partnerships in Manufacturing,' the delegation met with business leaders, political leaders, academia and think tanks in the UK to outline the next steps towards greater partnerships.

The two day visit commenced with the annual conference on 'UK-India: Next Steps Towards Greater Partnerships,' jointly organized by CII, the Confederation of British Industry (CBI) and the University College, London (UCL).

The UK-India partnership is about strategic partnership and not just about buying and selling transactions, said Lord Stephen Green, Minister for Trade and Investment, UK, at the conference. Cutting edge collaborations are already developing, whether through universities in both countries working together in areas like nano-technology

Key Areas of Partnership

- Manufacturing
- Innovations and Design
- Energy and Clean Technology
- Infrastructure Financing
- Healthcare Services
- Skill Development
- Small and Medium Enterprises

and lightweight materials or Tata's success with Jaguar Land Rover, and their R & D investment in the UK, he observed.

Looking forward to closer partnerships with India which will create jobs, drive trade and secure a prosperous future together, Lord Green stressed that the UK government is committed to innovation, which is why it is investing £ 200 million in new

technology innovation centres across the country. The UK also recognizes the importance of manufacturing as it seeks to re-balance its economy for growth, he said. Lord Green later released a CII - UCL report on 'Partnerships in Manufacturing: Roadmap Ahead.'

Mr Nalin Surie, High Commissioner of India to the UK, said the report contains ten recommendations in line with the areas that the two governments have been looking at. He urged both countries to refocus on manufacturing, especially in the SME and advanced manufacturing sectors, to provide additional employment and sustainability.

Prof. David Begg, Principal, Imperial College Business School; Chandrajit Banerjee, Director General, CII; B Muthuraman, President, CII, and Vice Chairman, Tata Steel Ltd. and Chairman, Tata International Ltd; Lord Stephen Green, Minister for Trade and Investment, UK; Nalin Surie, High Commissioner of India to the UK; Dhruv Sawhney, Past President, CII, and CMD, Triveni Engineering & Industries Ltd; Prof. Michael Worton, Vice Provost, UCL, and Anil Shrikhande, President, Rolls-Royce, India, releasing the report on 'Partnerships in Manufacturing: Roadmap Ahead'



Mr B Muthuraman said India's manufacturing sector is under rapid transformation, and innovation in manufacturing is the way forward. India has become very competitive in low and medium end manufacturing by adopting continuously improving processes, clean technology, just in time management, TPM and so on, he pointed out.

He said manufacturing would be the prominent area of cooperation between India and the UK, with both countries jointly exploring emerging areas in manufacturing and cooperating in new technologies for SMEs. The UK has over the years, developed very good skills in high end manufacturing and advanced manufacturing in the areas of defence, power generating plants and aerospace, all areas where India is seeing huge demand, he said.

The conference featured sessions on 'Partnerships in Innovations and Design', and 'Partnerships in Skill Development'. Mr Adi Godrej, President Designate CII, and Chairman, the Godrej Group, speaking at the session on Innovation and Design, identified Education, Health and IT as the key areas for partnerships in the services sector.

Over 200 delegates from business, government, academia, think tanks and the media, attended the event.



Naushad Forbes, Director, Forbes Marshall; Philip Bouverat, Director, JCB; Rajive Kaul; Past President, CII, and Chairman, Nicco Corporation Ltd; Dr David Clark, Principal Fellow, Warwick Manufacturing Group; Dr Mukesh Aghi, CEO (Asia Pacific), Steria Ltd and Adi Godrej, President Designate CII & Chairman, Godrej Group, at the session on Innovations and Design

Simon Nathan, Sr Policy Advisor, Education & Skills, CBI; Atul Punj, Chairman, Punj Lloyd; Sunil Kant Munjal, Past President CII & Chairman, Hero Corporate Services; Vincent Emery, Vice Provost (South Asia & Middle East), UCL and Suhel Seth, Managing Partner, Counsellage India, at the session on Skill Development





CII Delegation with Rt Hon Dr Vince Cable, Secretary of State for Business, Innovations and Skills, UK

Meeting with Rt Hon. Dr Vince Cable

The members of the delegation met with Rt Hon Dr Vince Cable, Secretary of State for Business Innovations and Skills, UK, to discuss issues of strategic importance for Indian and British industries, post the conference.

Mr B Muthuraman briefed Dr Cable on the discussions at the conference held earlier in the day. While Advanced Manufacturing has a lot to offer, the importance of Small and Medium end manufacturing cannot be overlooked for growth of economies, he said. The key areas of partnership highlighted were

- Increasing partnerships in Healthcare services
- Skills to increase employability
- Wind energy particularly in wind turbines
- Innovative processes
- Clean technology to reduce carbon emissions
- Defence technology.

Dr Cable suggested that UKTI and CII could work together in the area of Clean Technology.

Later in the evening, Dr Cable joined the CEOs and CII's guests at CII's Annual India Reception, and spoke about his great expectations from UK-India business relations.

CII-India Business Forum UK

On Day 2, the delegation met members of the CII-India Business Forum UK, a strong group of CEOs of Indian companies based in the UK. The meeting was hosted by Mr Nalin Surie, High Commissioner of India to UK.

Mr Surie urged Indian companies to exploit the advantages in the UK, including the expertise in UK universities.

Mr Muthuraman listed 3 key strategy points for India in the near future. India, he said, needs

- Strong relations with countries where we can have access to natural resources
- Technology from the UK, while the UK needs India's help to resurrect itself

- Good neighbourly relations for internal security

Mr Adi Godrej said that the problem that India faces is not unemployment but un-employability. To overcome this, he said, CII members are committed to a three point approach

- Skills Development
- Affirmative Action
- Governance

Integrity and Transparency in Governance

A CII-Chatham workshop on 'Integrity and Transparency in Governance' discussed the burning issue of corruption, especially in the light of the UK Bribery Act and the Draft Anti Corruption Bill of India.

Mr. Adi Godrej said the issue of corruption has taken centre stage in India. Efforts are being made to curb and bring down corruption, he said, citing the enactment of the Right to Information Act in 2005, which grants citizens access to government information, and the recent key rulings of India's Supreme Court. However enforcement and due justice still have a fair way to go, he said.

Industry too is working towards increasing integrity and transparency in governance, said Mr Godrej, pointing out that CII has recently set up a Task Force on Integrity and Transparency in Governance. The Task Force will also formulate a Code of Business Ethics for CII Members, he added.

Bribery is bad for business, opined Lord McNally, Minister of State at Ministry of Justice, and Deputy Leader, of the House of Lords. The UK, he said, is keen to see other countries introduce and enforce legislation, in order to raise standards globally.



Lord McNally, Minister of State, Ministry of Justice, and Deputy Leader, House of Lords, UK



Chandrajit Banerjee, B Muthuraman, Sir Roger Carr, President, CBI, and Adi Godrej



B Muthuraman with Gregory Barker, Minister of State for Energy and Climate Change, UK, at the CII India Reception

CII – CBI Ties

The delegation met with Sir Roger Carr, President, Confederation of British Industry, and Chairman Centrica PLC, at an internal meeting of the two organizations, to identify areas of cooperation between CBI and CII.

The mission concluded on a high note with the private reception by Prof. Lord Kumar Bhattacharyya, Director, Warwick Manufacturing Group, for the delegation at the House of Commons. Lord Bhattacharyya's reception has become a much awaited annual event that brings together the delegation members with esteemed members of the British Government, MPs from all parties, Members of both the Houses, and UK Ministers.

The Delegation

The CII CEOs Delegation to UK, led by Mr. B Muthuraman, President, CII, and Vice Chairman, Tata Steel Ltd, and Chairman, Tata International; included Mr. Adi Godrej, President-Designate, CII, and Chairman, Godrej Group; Dr. Mukesh Aghi, CEO, (Asia Pacific), Steria; Mr Subodh Bhargava, Past President, CII, and Chairman, Tata Communications Ltd.; Mr Naushad Forbes, Director, Forbes Marshall; Mr Prashant Jhawar, Chairman, Usha Martin Ltd; Mr Rajive Kaul, Past President, CII, and Chairman, Nicco Corporation Ltd; Mr Sunil Kant Munjal, Past President, CII, and Chairman, Hero Corporate Services Ltd.; Mr Sanjay Nayar, CEO, KKR India Advisors; Mr Deepak Premnarayen, Chairman, ICS Group; Mr Atul Punj, Chairman, Punj Lloyd Ltd.; Mr Dhruv M Sawhney, Past President, CII, and CMD, Triveni Engineering & Industries; Mr Suhel Seth, Managing Partner, Counselage India; Mr Phiroz Vandrevalla, MD & Vice Chairman, Deligenta Ltd and Mr Chandrajit Banerjee, Director General, CII. ■



B Muthuraman; R C Solanki, Chairman, AMG, and Editor, Garvi Gujarat; Dr Vince Cable, and Nalin Surie, at the CII India Reception in London



Peter Luff, Minister for Defence Equipment, Support and Technology, UK; Prof. Lord Kumar Bhattacharyya, Director, Warwick Manufacturing Group, and B Muthuraman

Dr. Eliyahu 'Eli' Goldratt

Genius, Management Guru, Philosopher, Iconoclast...

A Tribute



DR. ELIYAHU GOLDRATT, or 'Eli' as he preferred to be called, passed away on 11 June after battling lung cancer. He was 64.

The inventor and author of the 'Theory of Constraints' was an internationally recognized leader in the development of new business management philosophies and systems. His ideas and concepts are practiced by consultants and educators around the world, and utilized by many of the world's largest corporations, including IBM, Procter & Gamble, AT&T, NV Philips, ABB and Boeing. Unconventional, stimulating, and 'a slayer of sacred cows,' Dr. Goldratt would exhort his audience to examine and reassess their business practices with a fresh, new vision.

Originally trained as a scientist, Eli shot to fame with the release of his first book *'The Goal'* in the early 80s. *The Goal*, which still sells like hot cakes, has been translated into several languages across the world including several Indian languages (Hindi, Marathi and Tamil). A best-selling business textbook written in a novel form, *The Goal* illustrates his celebrated Theory of Constraints (TOC), an overall framework for helping businesses determine:

- What to change —not everything is broken

Dr. Eli Goldratt was an innovative management thinker and practitioner. His Theory of Constraints is a path-breaking management theory aimed at improving business performance by identifying system constraints and de-bottlenecking them.

The Godrej companies have engaged with Dr. Goldratt and implemented TOC concepts in several businesses. The results have been outstanding. We have effectively expanded production capacities with zero capex investment. We have also expanded distribution of our key products in focused geographies without additional marketing investment. Moreover, TOC has given us a completely new perspective in dealing with business issues.

Dr. Goldratt's unique contribution has undoubtedly left a lasting imprint on contemporary management thinking.

Adi B Godrej,

President-Designate, CII, and Chairman, Godrej Group

- What to change to —what are simple, practical solutions, and
- How to cause the change — overcoming the inherent resistance to change.

Dr Goldratt has written numerous books on related topics, including *It's Not Luck* and *Critical Chain*. His latest book, *The Choice*, rapidly became the No 1 best seller in Japan. A frequent contributor to scientific journals, magazines and business publications, Eli Goldratt was the Founder and Chairman of the Goldratt Group (Goldratt Schools, Goldratt Marketing and Goldratt

Consulting), which has taken the Theory of Constraints practices to new heights with 'Viable Vision,' a platform to improve business productivity and profitability. Viable Vision provides the strategy and specific tactics to deliver unprecedented performance and bottom-line results in all aspects of a company's operation.

Eli's approach to managing businesses was unconventional, and based on 'Cause and Effect.' He believed that human-based systems are an essential part of nature, and hence the rules that govern nature also apply to human beings. He always strove for the development of the 'pocket of sanity' in human relationships. A staunch believer of the Socratic way of teaching, Eli used the Socratic technique to unravel his revelations.

Over the last four decades, Dr Goldratt traveled extensively across the world to deliver his thoughts on TOC to benefit businesses worldwide.

His four basic beliefs that

- Reality is exceedingly simple
- People are good
- There are no conflicts in reality
- Any situation, no matter what, can be substantially improved

have become the foundation pillars of the TOC philosophy.

During the recent global slowdown, he took it as his personal mission to travel across the world (including several Indian cities) to convince audiences that 'Recession' was a wrong understanding of the prevailing reality. Rather, he logically explained how demand was likely to bounce back in a short while, and there was no need for knee-jerk reactions from companies such as laying off their workforce, etc. His prediction was indeed accurate, as the developments of recent months have shown.

Dr Goldratt's TOC concepts are profoundly applicable to personal life and in resolving personal conflicts, as much as to businesses, cutting across the boundaries of country, culture, and language. One of his recent innovations was a holistic method to judiciously intertwine various solutions to deliver exponential bottom line results to companies.

Eli leaves behind a huge treasure trove of knowledge for the TOC community and the world to use. He often said that his personal goal was to enable 'the world to think'. He did that, exceedingly well. And, through the rich legacy he leaves behind, will continue to do so.

CII will especially miss Dr Goldratt.



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Remembering Eli...

**Chandrajit Banerjee,
Director General, CII,
recalls CII's long and
fruitful relationship with
the Management Guru**



In November 1999, CII's Quality Summit presented the Theory of Constraints to Indian Industry by inviting Dr Eli Goldratt to India. His hour-long address in New Delhi was powerful, loud and clear. Eli Goldratt and his Theory of Constraints gradually gained popularity after that.

We had met Eli in his home in the Netherlands three months earlier, to invite him to address the Summit, as he was particularly insistent that if we needed him in India, we would need to convince him 'why' we needed him. That meeting lasted five hours, followed by an evening meal. Selling India to him was easy.. the next step was selling TOC to India ...

Eli invested in India based on his faith and belief in the Indian corporate sector. He believed that Indian CEOs have a high degree of commitment based on a long term vision and are willing to work very hard for at least two to three years to transform their companies through TOC.

The TOC is a new way of thinking, consistent with Total Quality Management. Indian Industry, which was already practicing TQM, found it relatively easier to adopt this concept. Eli worked with some of our large member companies and made a big impact. These companies believe that turning to TOC made a huge difference! Eli was motivated to spend even more time in India.

He spent good quality time in India to develop capacity: publishing and releasing books, selling videos, creating net-based services leading to successful companies

and TOC champions... He also conducted public seminars and worked with companies to help in the contextualization of TOC for India. He appreciated and respected Indian values and culture and evolved solutions that would work for India. Under Eli's guidance, some of the world's best TOC experts also worked in India to create 'TOC learning and practicing companies.'

A decade later, in 2009, Narayan Sethuramon, Managing Director, WS Industries, brought CII and Eli together for a three day seminar 'Now and in the Future' in New Delhi. CII partnered with Goldratt Consulting for the seminar, and with the Tata Management Training Centre for promoting TOC training programmes and events.

Each of his seminars became a book launch event, as he wrote everything that he experienced, and felt that would help people get better insights into solving their problems.

In the last few years, there was urgency in him. Conscious of the fact that most people in his family did not survive beyond the age of 60, once he reached that age, he started preparing for the end. Even when he was dying, every conscious moment was spent at his computer, working on his two books. He called people whom he wanted to teach whatever he had not been able to do, to his death bed. Eli refused to take chemotherapy, because he wanted his mind to be focused and clear. He did not stop smoking his pipe, although he was battling lung cancer, to keep his mind functional and focused till the end – so that he could continue to share his ideas!

CII salutes Eli, the teacher, and believes that the spark he lit will continue to glow...Our President, Mr Muthuraman, and President Designate, Mr Adi Godrej, had approached Eli to seek some of his time and help to set up a new initiative, the 'TOC Club India,' to help spread TOC to the non-corporate sector – schools, entrepreneurs. The CII Institute of Quality intends to take this idea forward in the days to come.



Now and into the Future

Eli Goldratt presented a spectrum of ideas and suggestions on 'Growth with Stability' in his special three-day workshop conducted in February 2009. We share some highlights...

The financial crisis triggered in the USA in 2008 led to a meltdown across the globe. India, though less impacted than many other countries, saw lower growth rates in the manufacturing sector in the last two quarters of 2008, as compared to the previous year.

To assist member companies cope with the situation, CII, in association with Eli Goldratt and Goldratt Consulting, organised a three-day workshop 'Now and Into the Future – Growth with Stability' conducted by Dr. Eli Goldratt for participants from diverse manufacturing companies across India on 21-23 February 2009 in New Delhi.

Eli believed that the real constraint in companies was management bandwidth. Striving to constantly activate all the resources all the time is not a recipe for effective operations. A priority system for the shop floor



Dr. Eli Goldratt, conducting a workshop in New Delhi

is required. 'Buffer-management' is the most appropriate priority system. To start with, a good way could be to choose a time buffer equal to half the current lead time. The relationship between sales and production must be tightened.

Making Companies Grow

Dr Goldratt suggested that companies should plan their growth according to the growth in real wages and not the growth in GDP. Today's needs have to be totally acknowledged by the client. Growth has to be accompanied by higher stability.

Making Improvements in Operations

- Improvements must take only months to implement, not years.
- Resolve the conflict of short-term vis-à-vis long-term improvements, as there is none.
- Focus should be on improving flow through operations. Abolish local efficiencies and recognize that flow concepts are universal, but application has to be customized for each environment. In doing so, one must balance flow, and not capacity.
- Solutions are simple. Avoid complexity.
- TQM, TPM, TPS and Six Sigma are useful but not adequate to address the issues holistically.
- Investing in improvement generates cash ten times faster than cutting costs.

Overcoming Obstacles

- Obstacles of mind :
 - I don't have enough brain-power
 - Reality is complex
 - Tendency to blame people
- Emotions and logic need not contradict each other.
- I will not sacrifice anybody for my goal, but I will not sacrifice my goal for anybody.
- In an organization, responsibility and authority have to match perfectly.
- 70% of the sentences with 'because' used today are wrong.
- Toyota hired 6000 retired people as mentors to maintain the DNA of its Toyota Production System (TPS).
- Humans have two gifts or abilities:
 - To generate patterns, rules etc.
 - To understand reality through cause and effect

Improvements in Project Environment

- Touch time in projects is higher relative to lead time, as compared to manufacturing.
- Projects are huge 'A' type structures.
- Projects have higher variability.
- The problem in projects is inflation.
- Standard rule is to reduce the number of open projects by 25%.
- A system has to be put in place to ensure that every due date commitment is given based on the yet un-allocated capacity of the bottleneck.
- Bad multi-tasking is most damaging in managing a company.
- The reduction of 'bad multi-tasking' immediately reduces the touch time.
- Set reasonable priorities: the laying out of priorities by top management is usually not efficient.
- Most delays in a project do not delay the project.
- The problem is that 'safety' is put at the task level.
- All safety should be put only at the 'project level.'
- It is a mistake to think that the project will finish on time by finishing each of the tasks on time.
- Parkinson's Law: 'Work expands to fill the allotted time.'
- The project buffer should be one-third of the total lead time.
- The priority is now set by how much of the task is consuming into the project buffer.
- Real completion is measured by how much of the critical chain is done.
- In a project environment, typically after implementing TOC, lead times are cut by 30% and OTD goes to around 95%

Dr. Eli Goldratt in his book *'The Critical Chain'* explained how these elements work in a real business environment.



Arun Bharat Ram, Past President, CII, Chairman, CII Education Council, and Chairman, SRF Ltd, with Dr. Eli Goldratt

How can we see the opportunities?

- Put your goal in life higher than your impression of your father's goal in life.
- Eli's initial goal was to 'teach the world to think.'
- Description of 'good luck' is 'Preparation meets Opportunity.'
- Description of 'bad luck' is 'Reality meeting Lack of Preparation.'
- There is a parade of opportunity constantly going past your nose.

Products & Markets

It is time to develop new products at the pace the market wants! Do we sense these changes in the markets and in our customers? Is our

marketing suggesting new offers at the same pace?

- The lifetime of golf clubs is 3 months.
- Development time of new products is too long.
- Today, companies develop more than one generation of the same product at the same time.
- When market life becomes less than total supply time, obsolescence increases.
- When obsolescence increases, retailers ask for rebates which reduce the margins of the manufacturer.
- In a Make-to-Stock (MTS) environment, who creates the low price in the market?
- Work on customer consumption on a replenishment basis.
- Excess capacity has to be converted into sales.
- Mining equipment is now being sold on a 'pay per metric tonne extracted' basis.
- Any machine which costs more than US\$50,000 can be sold on this basis.

Attention Owners and CEOs!! Where do we begin?

- Plan your company's growth according to growth in real wages and not growth in GDP.
- The needs of your products and business have to be totally acknowledged by the client.
- Growth has to be accompanied by higher stability.
- Stability has to be increased first so that the buy-in of everyone is obtained.
 - Stability of operations
 - Stability of sales
 - Stability of everything
- The first action has to be to increase stability while building the base for higher profits.
- A company must achieve Viable Vision in four years or less. One indication of this is a company achieving the impossible at least twice within 4 years, while increasing its stability.
- Company's resources:
 - Top management bandwidth
 - Middle management stamina
- We are limited only by what do we want to do, not what can we do!
- Take prudent risks, not real risks.
- Strategy is the answer to the question 'what for?'
- Tactic is the answer to the question 'How?'
- It is not at all important what the CEO thinks. What is important is what the people think that the CEO is thinking.
- Any competitive edge is only for a window of time.
- Toyota has proven operational excellence to be a superior competitive edge. Today they are reshaping their future.
- Capacity expansion to be done only when the company's lead times are more than industry lead times.
- In a base growth scenario, don't try to increase selling prices.
- Enhanced growth is 'evolution,' not 'revolution.' It is building on the steps and actions taken during base growth.
- Clients will pay for Rapid Response because they are being secured.

Book launch: 'The Choice'

CII organised an exclusive session on the occasion of the release of Dr. Eli Goldratt's book 'The Choice' on 20 February 2009 in New Delhi. The release was attended by eminent people from politics, government and industry.

Ms D Purandeswari, Union Minister of State, HRD, and Mr. Ajay Shankar, then Secretary, Directorate of Industrial Planning and Promotion, (DIPP) Union Ministry of Industry and Commerce, addressed the event.

Giving a new perspective to the then prevailing global financial crisis, Dr. Eli Goldratt endorsed 'Cause and Effect' as an analytical tool and suggested that companies should minimise the effects of recession by addressing concerns in their operating mechanism which may range from supplier apprehension to maintaining sufficient inventory stocks.

People in India should not worry as India is emerging as a strong consumer nation. India has entered into a consumerist spiral which will take the nation into the future, he had said.



D Purandeswari, Union Minister of State, HRD, releasing 'The Choice', with Dr. Eli Goldratt and Narayan Sethuramon, MD, WS Industries Ltd.



Implications of the Retail Fuel Price Hike

THE GOVERNMENT HOPES to cut down its ballooning subsidy bill with the recent price hike, but this step is likely to take inflation back into double digits again.

In an attempt to mitigate the impact of rising international crude oil prices and cut down the under recoveries of oil companies, the Government of India hiked the price of diesel by Rs 3 per litre, LPG by Rs 50 per cylinder and kerosene by Rs 2 per litre on 24 June. This implies an increase of 9% in the price of diesel, 16% in kerosene, and 14% in LPG, respectively, over the previous price. Earlier, in May, the Government had increased the price of petrol by Rs 5 per litre, or 9%.

International crude oil prices have spiraled up in the last one year. The Spot FoB price went up from US\$ 72.65 per barrel in June 2010 to US\$ 112.44 per barrel in June 2011; implying an increase of more than 50%. However, prior to the recent hike, petrol prices had increased by just 13% and kerosene by 3% since June 2010, whereas LPG prices remained constant and diesel prices in fact declined by 6% since June 2010.

Price Hike since June 2010

Petrol	23%
Diesel	3%
LPG	14%

Latest Price Hike since Previous Revision

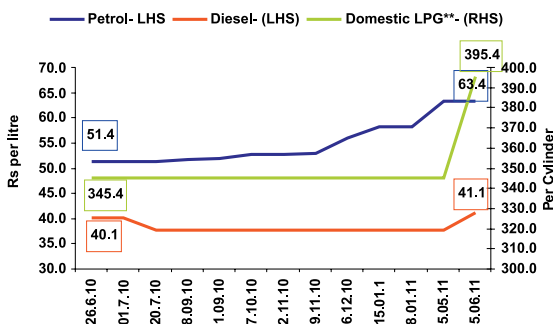
Petrol	9%
Diesel	9%
LPG	14%

As a result, oil companies had been incurring huge losses in order to bear the burden of international crude price increase. In 2010-11, the under recoveries of oil companies were around Rs 214 per day translating into Rs 78,000 crore for the whole year. Of that, they received support of around Rs 41,000 crore (nearly 52%) from the government. However, this year, the daily under recovery is already Rs 460 crore per day. For the year 2011-12, under recoveries are expected to be Rs 170,000 crores. Fifty percent of this would imply an additional subsidy support of Rs 85,000 crores, which is not feasible in the present circumstances. According to some estimates, every incremental US\$10 per barrel increase in crude oil price has the potential to increase the subsidy burden by around Rs 27,000 crores in FY2011.

Union Budget 2011 had assumed the overall subsidy bill to fall by 12.5% and had budgeted a fall of 9.1% in fertilizer subsidy and a huge 38.4% fall in petroleum subsidy. However, this appears unrealistic given the present situation. In his Budget speech, the Finance Minister had already stated that government would avoid issuing bonds in lieu of subsidies to oil and fertilizer companies. Thus, all subsidy-related liabilities will come under fiscal accounting, which would have serious implications for the fiscal health of the economy.

The government has also granted duty reductions due

Revision in Retail Selling Prices of Sensitive Petroleum Products in New Delhi



Source: PPAC

to which it will incur a revenue loss of an estimated Rs 49,000 crore. It has entirely eliminated the customs duty on crude oil, reduced the customs duty on products to the corresponding extent and drastically reduced the excise duty on diesel.

Latest Retail Price Hike and Revision in Duties

	Revisions	Impact
Customs Duty		
Crude Oil	Reduced from 5% to nil	Revenue loss of Rs 26,000 crore
Petroleum products	Reduced by 5%	
Excise Duty		
Diesel (HSD)	Reduced from Rs 4.60/litre to Rs 2/litre	Revenue loss of Rs 23,000 crore
Retail Price		
Diesel	Increased by Rs 3/litre	Reduce the under-recoveries of Oil Marketing Companies by Rs 21,000 crore
PDS Kerosene	Increased by Rs 2/litre	
Domestic LPG	Increased by Rs 50/cylinder	

Source: MoPNG Press Release, 24 June, 2011

Government hopes to cut down its ballooning subsidy bill with the recent price hike which is understandable in the present macro-economic conditions. However, diesel accounts for 40 % of petroleum product demand in India and is the most widely used transport fuel, in addition to fueling tractors and irrigation pumps for farmers. Thus, with inflation in India above 9 % and diesel price up by nearly 8 % on the year, the inflationary implications of the diesel price hike are unavoidable. Broadly, with inflation currently at around 9 %, the hike in prices is likely to take inflation back into double digits again.

There are also concerns that inflation would further induce RBI to raise the repo rate by 25-50 basis points. Given that it has already been raised 10 times since March 2010, there are fears of a significant risk to growth. However, it is likely that the RBI would have already factored in an increase in retail fuel prices in its earlier decisions, so that the current hike is not likely to have an additional impact on monetary policy. ■

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Tax Issues in Cross Border Transactions: M&A and Transfer Pricing

WITH MOST GLOBAL MNCs and big Indian companies operating across continents, many of the M&A deals require efficient structuring and knowledge of the complex regulatory environment prevailing in different countries. The conference on **‘Tax Issues in Cross Border Transactions: M&A and Transfer Pricing’** on 2 June in Mumbai examined the multiple tax issues faced in the domain of M&A and transfer pricing. It is an area which requires special attention, especially in the backdrop of efforts to curb black money outflow.

Mr. S. Mahalingam, Chairman, CII National Skill Development Council, and CFO, Tata Consultancy Services, urged the Income Tax Department to introduce Advance Pricing Arrangements and Safe Harbour Provisions so that transfer pricing litigations and contentious adjustments to the tune of over Rs 20,000 crores are reduced. He also expressed concern over the General Anti Avoidance Rules (GAAR) in the Direct Tax Code, which could again lead to a lot of litigation, and emphasized that corporate tax payers were looking for certainty.

It is the responsibility of the transfer pricing department to protect India’s tax base and prevent any shifting of profits outside India, observed Mr. R. N. Dash, Director General, International Taxation, Union Ministry of Finance. He assured that the power of survey



P. P. Srivastava, Chief Commissioner of Income Tax, Mumbai; S. Mahalingam, CFO, Tata Consultancy Services, and R. N. Dash, Director General, International Taxation, Union Ministry of Finance



given to transfer pricing officers would be used cautiously by the tax department, and the income tax department would adopt international best practices. The role of the administration should be transparent, with continuous engagement with tax payers, to ensure that strict action is taken against those indulging in malpractices, he observed.

Mr. Dash said that in order to curb the menace of black money, the Government is in the process of establishing treaty protocols with some of the tax havens, and the conditions are being revived to

exchange tax information. Having already established treaties with Singapore and Mauritius, the government is in the process of concluding such pacts with eight other countries, he said.

Mr. P. P. Srivastava, Chief Commissioner of Income Tax, Mumbai, advised corporate and tax professionals to be careful while preparing financial statements. Advising Chartered Accountants to ensure that the accounts of companies are not fudged, Mr. Srivastava admitted that many issues related to international taxes are yet to be settled.

Pointing out that as much as 70 per cent of the world’s transfer pricing litigations emanate from India, Mr. Ketan Dalal, Executive Director, Tax & Regulatory Services, PricewaterhouseCoopers, expressed concern over the magnitude of tax issues in India relating to cross border transactions. ■

1st National M&A Summit

Creating A Facilitative Regulatory Environment

The M&A Summit discussed the impact of the changing regulatory landscape while learning from India's largest acquisitions for maximum value creation

**M E R G E R S A N D
A C Q U I S I T I O N S** (M&A) are one of the largest contributors to the Indian growth story. CII organized its first '**National M&A Summit**' on 23 June in Mumbai to discuss a facilitative regulatory landscape that would provide further impetus to M&A, and share best practices in global M&A transactions. The day-long Summit discussed the impact of the changing regulatory landscape while learning from India's largest acquisitions for maximum value creation.

Talking about the changing governmental and business models in the country, Mr D K Mittal, Secretary, Union Ministry of Corporate Affairs, (MCA), described M&A as an integral part of the ecosystem for the functioning of a free economy. Explaining that in India regulation of M&A is done under a few fundamentals, he said that the Government has been careful not to put any

M&A: The Prevailing Scenario

A total of 1,131 M&A deals were announced in India between April 2010 and March 2011, with a cumulative disclosed value of US\$62 billion. This reflects a significant increase of 60% over FY10, which recorded 1,385 deals with a disclosed value of US\$39 billion.

Few but large deals are back: FY11 is seeing increased deal value and large billion-dollar deals (12 as against just 3 in FY10), despite a reduced number of deals. This can be primarily attributed to a significant rise in valuations in the Indian market due to ascending market capitalization. Easy access to financing, as well as ample liquidity, have facilitated an increase in deal sizes.

Resurgence of cross-border deals: Nine of the top ten deals announced in FY11 are cross border in nature. India clocked 552 cross-border deals worth US\$52.4 billion, reflecting a significant 84% share of the total deal value in FY11. Inbound deal activity constituted a 68% share, and outbound deal activity constituted a 32% share in terms of deal value.

Natural resources rule: Of 12 billion-dollar deals, 7 were recorded in the natural resources sector — 5 in oil and gas, and 2 in metals and mining, primarily because of rapidly increasing commodity prices. The two sectors cumulatively accounted for approximately 49% of the total M&A deal value in FY11. Financial services, retail and consumer products, technology and industrial products were the most active sectors in terms of deal count. Together, they accounted for approximately 44% of all deals in FY11.

Source: CII-E&Y paper: Transactions 2011 – Setting the stage for the next era of M&A

restriction on acquisition by Indian corporates outside India. The Securities and Exchange Board of India (SEBI) and the Competition Commission of India have norms to regulate the takeover of Indian companies by foreign companies, where capital is much cheaper. The idea is that regulation should not be restrictive or destructive and that the regulatory framework should have a soft landing, which the Government has been able to achieve, he stated.

Mr Mittal said his Ministry was aligned to the needs of the corporate sector and one of its key jobs is to bring harmony among various regulators and reduce the problems faced by business. On the issue of reporting structures by different regulatory agencies, he said the MCA, SEBI and RBI are on the same page in terms of reporting requirements, and if anything is changed, it will be changed for all three. He gave the assurance that

corporates will not have multiplicity of reporting formats.

Mr Mittal said that competition laws are also applicable to government institutions and PSUs. A committee to draft a national competition policy has been set up and a draft will be up for review soon, he said, adding that Parliament would review the Companies Bill in the monsoon session.



Adi B Godrej, President Designate, CII, and Chairman, Godrej Group, **Ranjan Biswas**, National Leader & Partner, Transaction Advisory Services, Ernst & Young, **D K Mittal**, Secretary, Corporate Affairs; and **Zia Mody**, Chairperson, CII M&A Forum, and Founder & Sr Partner, AZB & Partners, at the 1st National M&A Summit in Mumbai

Addressing the Valedictory Session, Mr. Anurag Goel, Member (Combinations), Competition Commission of India (CCI), said the CCI recognizes and realizes that merger, acquisitions and JVs are an extremely important tool for economic growth that needs enabling and facilitation. The CCI is proactive in scrutinizing mergers with a positive outlook where they look to partner with Indian industry. Urging industry to come forward and tell CCI how the two can cooperate, he stressed that partnership and trust between the two is vital.

Putting Indian business into global perspective, Mr. Adi Godrej, President Designate, CII, and Chairman, Godrej Group, said the 20 years since liberalization have seen the competitive frames of reference overturned. Indian companies today have to compete with the best in the world. In an interconnected world, businesses have to think big, act fast and transcend geographic boundaries by M&A, to stay globally competitive, he said. Yet, Mr Godrej advised caution considering that over 50% of all mergers in the nation

had failed to achieve their stated objective and have lost money. Hence, unless there was a strategic need for M&A, there was no sense in going for the same, he said.

Calling for legitimate regulation of M&A without it being restrictive or bureaucratizing the process, Mr Godrej voiced industry's fears about the impact of merger control

regulations; the statutory time limit for M&A approval, which at over 7 months is one of the longest in the world; alignment of multiple regulations to ensure that companies are not inconvenienced by varying standards; etc. Pointing out that Indian companies would need high inflow of capital to build scale rapidly and compete successfully with MNCs, he sought further liberalization of policies in key sectors like insurance, multi-brand retail and real estate.

Ms. Zia Mody, Chairperson, CII M&A Forum, and Managing Partner, AZB Partners, applauded the consultative approach adopted by the MCA and CCI in finalizing combination regulations.

Mr. Mittal also released a special Summit theme

paper: 'Transactions 2011 – Setting the stage for the next era of M&A' jointly developed by CII and Ernst & Young. The paper analyzes the current M&A environment, innovative deal strategies, the impact of regulatory intervention and capital availability, and avenues of investment and optimization, while mapping the latest transaction statistics and trends.

The Capital Agenda: Building Competitive Advantage	
<p>Preserving</p> <p>Stress and distress — e.g., liquidity issues and turnaround plans</p> <ul style="list-style-type: none"> • Customer and supplier analysis • Preserving tax assets and minimizing costs • Refinancing or restructuring debt, equity and other obligations • Dealing with stakeholder relationships and pressure • Dispute resolution 	<p>Optimizing</p> <ul style="list-style-type: none"> • Optimizing asset portfolio • Delivery of synergies and effective integration • Improving working capital and releasing cash • Optimizing capital structure • Optimizing tax and corporate structure
<p>Investing</p> <ul style="list-style-type: none"> • Acquisitions and alliances • Planning and structuring transactions to optimize stakeholder return • Focused due diligence to mitigate risk and drive value • Asset valuations • Cost- and tax-efficient structures 	<p>Raising</p> <ul style="list-style-type: none"> • Fundraising (equity and debt): IPO readiness, rights issues, PE, private placement and capital markets • Optimizing funding structures • Asset divestment • Infrastructure projects • Cost- and tax-efficient structures

Source: CII-EY Paper Transactions 2011 – Setting the stage for the next era of M&A

Sector-wise M&A Outlook

Oil and Gas: Abuzz with game-changing deals: Outbound rush expected to continue. On the inbound front as well, India's spiraling energy needs present lucrative opportunities for global oil companies.

Metals and mining: Globetrotting for resources: Outbound M&A activity expected to continue with its current momentum. Consolidation in the sector is expected to continue driving domestic deal activity.

Telecommunications: Activity in promising segments: The recent implementation of mobile number portability is expected to fuel the tariff war. Consolidation could become imperative. DoT's upcoming release of the New Telecom Policy is expected to ease M&A norms and bring significant policy changes around spectrum fees, licence renewals and licence conditions.

Pharmaceuticals: Action on all fronts: Expected to see increased inbound deal activity. Overseas companies could complement their Indian counterparts by providing R&D capability and financial muscle, while Indian companies looking to divest their non-core divisions could capitalize on the robust valuations that these pharmaceutical majors offer. Domestically, M&A is expected to be driven by consolidation as companies become increasingly interested in acquiring manufacturing assets to tap economies of scale or enter niche areas for specific capabilities.

Financial services: Banking on consolidation: RBI's discussion papers on issuing licences to corporate houses looking to set up banks, and on the presence of foreign banks in India, favour the wholly-owned subsidiary route of operating in India, over the present route of operating through branches. Some substantial action is expected to be taken on these discussion papers resulting in increased competition. Banks are expected to look aggressively at branch-network expansion and boost their pan-India presence by buying out smaller banks.

Technology: First mega deal in the sector: IT companies are expected to acquire companies with specific capabilities in different streams. Mid-sized Indian IT companies, which are finding it difficult to grow, could well be the potential targets for foreign as well as domestic players. Further, global IT majors with limited presence in India could explore acquisitions in the Indian market for less expensive alternatives. On the outbound side, the rising debate over outsourcing in the US could compel Indian IT players to seek strategic acquisitions across Europe and the Asia-Pacific region and, thus, reduce their dependence on the US.

Retail and consumer products: Continued deal-making: Expansion of India's burgeoning middle class with its high consumption capacity has attracted many multinational companies to India. This trend is expected to continue. One could see intensified action on the outbound deal activity front as well.

Diversified Industrial Products (DIP): Rebound in cross border deals: Inbound activity is expected to maintain its current momentum. On the outbound front, companies are likely to try and strengthen their presence in developed markets and acquire companies with advanced equipment or manufacturing bases. Domestically, power companies may take the vertical integration route acquiring businesses in the cables and wires or transformers segments.



Source: CII-EY Paper: Transactions 2011 – Setting the stage for the next era of M&A

Whistleblower Helplines: A Tool for Good Corporate Governance



Whistleblower Helplines not only act as an effective internal early warning system for organizations to detect and check malpractices, but also help create a non-threatening environment for persons to report activity detrimental to the organisation's interests

THERE CAN BE no denying the fact that the most common method of detecting occupational fraud or unethical behaviour within an organization is feedback or a tip-off from an employee, customer, vendor, associate or anonymous source, as they are usually the first ones to perceive it. The other is by default or accident-which is often too late, resulting in loss of reputation, credibility and confidence in the organization.

Corruption, unethical behaviour and fraud do not occur in vacuum. There are people who know what is going on but choose to remain silent. If such people break their silence and report fraud by relaying the information to the key personnel within the organization, then the exposure of the organization to potential financial loss, criminal proceedings, litigations and adverse publicity can all be checked.

No matter how much the HR Department might want to believe to the contrary, perhaps the single biggest deterrent for people who wish to expose wrong-doing within their organization is the fear of recrimination post revelation of their identity. This is precisely the reason why a secure and confidential whistleblowing system is essential to enable stakeholders to easily communicate their concerns with their top management.

Whistleblower Helplines not only act as an effective internal early warning system for organizations to detect and check malpractices but also help them create a non-threatening environment in which anyone who perceives any activity detrimental to its interests feels free to report it. By opening an additional channel of communication, they complement the internal and external audit system and strengthen the existing system of checks and balances within the organization. More importantly these helplines augment the organization's internal risk radar and help it capture and mitigate risks.

Besides, by demonstrating a willingness to listen, the organization not only nurtures a business culture of honesty, integrity and compliance which is recognized as a key driver of brand, reputation and performance, but also conveys the message that it takes fraud and misconduct seriously.

While many organizations have framed whistleblower policies, most of them require the whistleblower to first disclose his identity and then assure him of protection. It is debatable as to whether such a condition actually encourages or, to the contrary, ends up deterring whistleblowers. Organizations fail to realize that given the various modes of communication and different forums available today, one cannot possibly prevent or prohibit anyone from reaching out and expressing concerns externally or anonymously. Thus it is in their interest if whistleblowers express their concerns internally through an institutionalized mechanism so that they can check the situation before it spirals and affects their reputation and bottomline. Instead of shying away from receiving information, organizations ought to strengthen their information receipt and processing systems.

The possibility of receiving a 'flood of information' ought not to deter an organization from being receptive. This concern must give way to confidence in the ability to sift through the information and identify what is meaningful. A friendly whistleblower policy aided by a secure and confidential helpline and a sensitive processing mechanism are vital for effective proactive vigilance and also a visible manifestation of the organization's commitment towards transparency and good governance. ■

This article was contributed by Amit K Paul, Founder of the Corporate Whistleblower Initiative-India's first web-based helpline for receipt of confidential information from stakeholders, www.cwiportal.com. The views expressed are the author's. He can be reached at amit@akppartners.com

CII MSME Mission Explores Opportunities with USA

A 12 MEMBER MSME delegation, led by Mr Uday Kumar Varma, Secretary, Micro, Small and Medium Enterprises (MSMEs), and Mr Ramesh Datla, Chairman, CII National MSME Council, visited the United States during 20 - 24 June. The mission was a giant leap in sectorally connecting Indian MSMEs with their counterparts in USA,



Members of the CII SME delegation with **Francisco Sanchez**, Under Secretary, US Department of Commerce, (seated, left) and **Uday Kumar Varma**, Secretary, MSME, India (seated, right)

Earlier, during a meeting with the CII delegation, Ms Meera Shankar, Indian Ambassador to the United States, urged MSMEs to create projects in the US markets to effectively leverage the vast financial resources available there. With the US economy looking promising after the 2008 economic crisis, the time is ripe for

to explore commercial opportunities between them. The programme was jointly coordinated and supported by the Embassy of India in USA, CII, and the Ministry of MSME. The delegates, from across the country, had interests in Information Technology, Defence, Homeland Security and Clean Technology.

In Washington DC, the delegation met with Mr. Francisco Sanchez, Under Secretary, US Department of Commerce, and Ms Karen G Mills, Administrator, US Small Business Administration, and apprised them about the need to create an institutional mechanism between US and India for small businesses. Such a mechanism, they said, would engage CEOs from midsize companies in each country to work towards facilitating a policy-enabling environment for SMEs, highlight the concerns of MSMEs in USA and India, leverage technology and sourcing, find opportunities for bilateral commercial engagement, and, as well, strengthen global supply chain management systems.

Indian MSMEs looking to acquire (or otherwise build relationships with) foreign firms in order to leverage their market network and business relationships, she felt. Another reason for acquisition might be for getting access to IPR and technology (including factory floor processes and quality control). Strategic acquisition of the foreign firm's human resources and skills, or embedded privileged access to procurement (government or with specific private firms) and natural resources could be other objectives for acquisition, she added.

Indian mid-sized firms are yet to significantly engage with their counterparts in more advanced countries, given their lack of risk taking ability, information, and the capacity for managing global engagement in a sustained

manner, said Mr Uday Kumar Varma. The Indian government is giving serious thought to facilitating the acquiring of firms abroad, and Indian medium sized industries would gain the most from such facilitation, he added.

Mr Varma said a comprehensive



Members of the CII MSME delegation with **Meera Shankar**, Ambassador of India to the United States, and **Uday Kumar Varma**, in Washington DC

programme to identify and help acquire US SMEs by Indian mid-sized firms would be a win-win for both parties, and will be possible once an institutional mechanism is set up between MSMEs in the two countries. India's national manufacturing policy envisages the setting up of a special fund to help Indian firms acquire firms abroad with specifically these objectives, he added.

Mr Ramesh Datla, Chairman, CII National MSME Council, noted that US MSMEs have long expertise in their domestic market, and Indian MSMEs are already looking to invest/acquire them as they develop supply chains linking India and the US. Such JVs and acquisitions are helping Indian firms to build on their US partners/acquisitions business networks and get a better idea of product development for the US market, he observed.

The contribution of MSMEs in trade engagement as well as cross border M&A is increasing. Involving companies from both sides will help in achieving bilateral trade targets. CII is strongly in favour of constituting an MSMEs CEO Forum to address the specific needs and interests of small and mid sized companies, said Mr Gurpal Singh, Deputy Director General, CII.

The CII delegation, during their visit to Washington DC, also met with Mr Aaron Brickman, Director, Invest America, Ms Holly Vineyard, Deputy Assistant Secretary, US Department of Commerce, Mr. Joe Bhatia, President & CEO, ANSI, Mr. Mark Pearl, President & CEO, Homeland Security and Defense Business Council. They also visited the US Green Building Council and the International Finance Corporation.

MSME Conclave: Challenges & Sustainability

FINANCE, MARKETING,

Exports, Technology, Quality, and Skill up-gradation, are the major challenges facing the MSME sector, which is considered the backbone of industrialization in India. To brainstorm and discuss these challenges, the CII Himachal Pradesh State

Council organized the MSME Conclave with the theme '**Challenges and Sustainability**' on 17 June in Baddi, Himachal Pradesh. The Conclave was organized jointly with the BBN Industries Association.

Mr Virbhadra Singh, Union Minister for MSMEs, and Mr Kishan Kapoor, Minister for Industries, Himachal Pradesh, participated in the Conclave, which was attended by more than 150 MSME representatives from throughout the state.

Mr Singh accepted the long-pending demand for setting up a Tool Room for skill development, and sanctioned a Tool Room to be established with 90% funding by the MSME Ministry to a maximum limit of Rs. 9.0 crore, with the remaining 10% to be borne by industry through a Special Purpose Vehicle. Land for this was committed by the State Government.

Mr Singh also spoke about the implementation of the Credit Linked Capital Subsidy scheme for assisting MSMEs for technology upgradation. The scheme provides 15% capital subsidy on institutional loans up to Rs one crore. To facilitate credit for MSMEs, he said that



Rajiv Malhotra, Chairman, CII HP State Council; Virbhadra Singh, Union Minister for MSME; and Kishan Kapoor, Minister for Industries, Himachal Pradesh, at the MSME Conclave in Baddi

the government is implementing the Credit Guarantee Scheme which covers up to 85% on collateral-free credit facility for loans up to Rs 100 lakh to ensure better flow of credit, by minimizing the risk perception of financial institutions in lending without collateral security.

The Conclave was also addressed by Ms Harinder Hira, Additional Chief Secretary, Industries, Himachal Pradesh, and Dr Shyam Aggarwal, Development Commissioner, Union Ministry of MSME. Mr Raman Saluja, Chairman, Regional Committee on MSME, CII (NR), Mr Rajiv Malhotra, Chairman, CII Himachal Pradesh State Council, and Mr Arun Rawat, President, BBN Industries Association, and Convenor – MSME Panel, CII Himachal Pradesh, also spoke.

There were thorough discussions on financing and credit ratings with representatives of the country's leading financial institutions and rating agencies. The Conclave also featured presentations by representatives of the National Institute of Design, highlighting the importance of design, and describing the Design Clinic Scheme for MSMEs, initiated by the Union Ministry of MSME.

Connecting Women Entrepreneurs

THE INTEGRATION OF women into Global Value Chains (GVCs) is integral to the growth of MSMEs, and is in line with the practice of Diversity and Inclusivity being implemented by businesses across the globe, said Dr Shyam Agarwal, Additional Secretary and Development Commissioner, Union Ministry of Micro, Small and Medium Enterprises (MSMEs). However, there should be no compromise on quality and merit, and these would always stand above gender in any business or an economic decision, he declared, at the Conference on **Connecting Women Entrepreneurs**, organised by CII in New Delhi on 8 June.

Dr Agarwal said his department was fully committed towards facilitating the growth and development of women-owned enterprises, and explained how the implementation of various schemes (for capacity-building, strengthening of database and advocacy by industry/enterprise associations, etc) was actually aiding this process.

Mr Rakesh Rewari, Deputy Managing Director, Small Industries Development Bank of India (SIDBI), said that small businesses are a good source of innovation, creativity, competitive pricing and quick and agile business practices. Buying from women-owned businesses unlocks not only women's potential, but also the potential of corporations and governments, he said.

Ms Elizabeth Vazquez, President & CEO, WEConnect International, observed that Supplier Diversity is being implemented by corporations because the age-old systems, where the 'large' buy from the 'large,' have left almost no place for smaller vendors to compete. Many large corporations now have a supplier diversity programme to be more competitive, with more dynamic and innovative supply options, thereby reducing costs and demonstrating return on investment. Corporates which are serious about encouraging Women Owned Enterprises (WOEs) into their Global Value Chains, commit a certain percentage of their annual procurement



Elizabeth Vazquez, President & CEO, WEConnect International; Rakesh Rewari, Dy. MD, SIDBI; Dr. Shyam Agarwal, Addl. Secretary & Development Commissioner, MSME; Ramesh Datla, Chairman, CII National MSME Council, and Gural Singh, Deputy Director General, CII

to their Supplier Diversity and Inclusivity programme. The diversity spend is tracked by the corporates, and even mentioned in their annual reports, she added.

Earlier Mr Ramesh Datla, Chairman, CII National MSME Council, said that in consonance with CII's theme of 'Business for Livelihood,' its agenda for MSMEs this year would focus on Suppliers Diversity and Inclusiveness, which was in line with the CII sub-theme of Affirmative Action for the year. He said the participation of women in supply chains introduces new competition to existing suppliers. Including women-owned businesses in this arena brings particular value, as women make the majority

of consumer decisions and understand market requirements, he said.

Mr Gural Singh, Deputy Director General, CII, explained that that the objective of the conference was to inspire corporations and governments to adopt inclusive procurement



Ritu Raina, General Manager, Bharti Walmart; Saagarika Ghoshal, CPO, Reliance Entertainment; Jayashree Satagopan, Vice President – Interventional & Surgery, GE Healthcare, and Anupama Arya, National Co-Chair, CII Young Indians

practices, in light of the Draft Procurement Policy of the Ministry of MSME. With the economic slowdown causing a rethink in global sourcing, the time is ripe to embrace supplier diversity, in particular sourcing from women as vendors, he added. This conference was also a forum bringing together corporate, government and opinion leaders committed to empowering women through trade, he said.

The deliberations during the conference focussed on topics such as: The Business Case for Supplier Diversity and Inclusion in India, Draft Procurement Policy for MSMEs - Creating Business Opportunities for Women Entrepreneurs, and Empowering and Integrating Women as Vendors in Global Value Chains. ■

Food Processing Industries: Issues & Concerns

CEOs of the Indian Food Processing Industry participated in an interactive session with Mr. Ashok Sinha, Secretary, Food Processing Industries, on 22 June in New Delhi. The key issues discussed related to

- Efficient supply chain management
- Development and



Ashok Sinha, Secretary, Food Processing Industries, with Piruz Khambatta, Chairman, CII National Committee on Food Processing Industries

strengthening of food park models

- Encouraging backward linkages
- Priority Sector Lending
- Capacity-building and skill development
- Development of efficient R&D centres
- Tax relaxation for the Food Processing sector.

Session on Food Regulatory Issues

CII's National Task Force on Food Regulatory Affairs organized an Interactive Session with Mr V N Gaur, CEO, Food

Safety & Standards Authority of India (FSSAI) on 22 June in New Delhi.

The deliberations highlighted the need to institutionalize a consultative mechanism for Industry's periodic engagement with the FSSAI, considering their scientific knowledge and expertise, especially after the Supreme Court's directive on excluding industry experts from scientific panels.

CII urged the FSSAI to adopt a defined procedural framework for bringing in new regulations and standards; and provide a feedback window on the basis of acceptance/rejection of Industry recommendations to ensure transparency in the regulation making process.

Other key issues put forth to Mr Gaur included:

- Developing a comprehensive manual for sampling and protocol of analytical methods
- Reviewing Schedule 4 relating to GMP/GHP under FSS Regulations to make it practical and implementable
- Reviewing the requirement of analyzing all chemical



V N Gaur, CEO, FSSAI, and Vivek Bharati, Chairman, CII National Task Force on Food Regulatory Affairs, and Executive Director, Pepsico Holdings India Pvt Ltd

and microbiological contaminants on a monthly basis

- Multiplicity existing within various ministries, especially on issues related to amendments leading to labeling changes
- Urgent need to initiate work on pending CCFS approvals.

CII National Committee on Sugar

For the first time, CII has constituted a National Committee on Sugar, chaired by Mr Ajay S Shriram, Chairman & Sr. MD, DCM Shriram Consolidated Ltd.



The basic objective of the committee is to streamline all policies related to the sugar industry for the best advantage of farmers, industry and consumers, and to ensure a buoyant growth to the sector. The committee, comprising around 30 CEOs from the sugar industry, met for the first time on 29 June in New Delhi to discuss key issues in the sugar industry and chalk out an action plan for the year.

Some of the key issues discussed were raw material prices and availability, sales volume and selling prices of sugar, stocking of sugar, levy obligations, packaging material, export - import of sugar, ad hoc control, cash flow planning, and so on.

Strategies for Indian Dairy Sector

Milk production witnessed a significant growth of 4.5% per annum after Operation Flood, making India the largest producer of milk in the world. As per the Economic Survey 2011 of the Government of India, the production of milk in India for 2009-10 (provisional estimate) is 112.5 million tonnes. Dairy as an economic activity now fits in most appropriately into the country's strategy for increasing food production, rural employment and equitable distribution of income. The dairy sector contributes around 7% of GDP, and 19 million people are directly and indirectly involved in dairying for employment and livelihood.

The sector is characterized by very small dairy producers owning one to three milch animals and is largely a rural based activity. Dairying is based on family labour, crop residues and natural grasses and is mostly a supplementary source of income to producers. Around 750 lakh rural families are engaged in dairying activities.

To deliberate on issues related to the Indian Dairy Sector, the CII National Committee on Dairy, chaired by

Mr M K Jalan, Chairman, Keventer Group, organized an interactive session with Mr B Prashant Kumar, Director, Animal Husbandry & Dairy Development, Government of India, on



24 June in New Delhi. Mr Kumar gave a brief of the various government schemes available in the Dairy sector. It was agreed that there is a critical need to create publicity across the country, around the various schemes.

Some of the other issues deliberated were increasing

production and productivity; need for investment in dairy infrastructure; breed improvement through availability of quality feed; animal safety, milk safety standards, trade, etc.

The session, which was attended by around 30 CEOs in the Dairy Sector from across the country, provided a platform for the industry and government officials to discuss much-needed reforms for the sector.

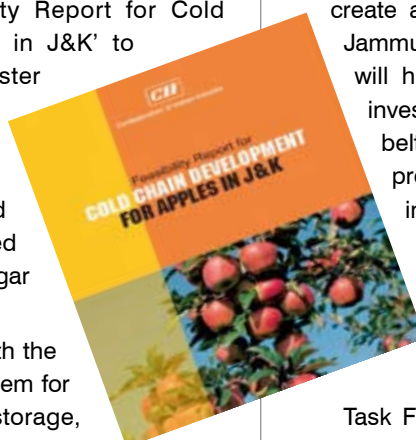


M K Jalan, Chairman, CII National Committee on Dairy, and Chairman, Keventer Group; **Krishan Goyal**, Co-Chair and Promoter, Modern Dairies; and **B Prashant Kumar**, Director, Dept of Animal Husbandry & Dairy, Govt of India

Cold Chain Development for Apples in J&K

CII has presented a 'Feasibility Report for Cold Chain Development for Apples in J&K' to Mr Omar Abdullah, Chief Minister of Jammu & Kashmir. A CII team, led by Mr B Thiagarajan, Chairman, CII National Task Force on Cold Chain Development, and President, Blue Star Ltd, presented the report to Mr Abdullah in Srinagar on 17 June.

The report has been prepared with the objective to create a modern system for procurement, processing and storage, supported by refrigerated logistics, to



create a cold chain infrastructure in the State of Jammu & Kashmir. The infrastructure so developed will have a multiplier effect on inviting private investment in cold chain projects in the apple belt of the state. Three projects have been proposed, one each in Anantnag and Sopian, in the heart of the apple orchards, and a market hub at Jammu.

CII also suggested to the Chief Minister to create a small Core Group comprising 3 members from the State Government, and 3 members from the CII National Task Force on Cold Chain Development, to take the project forward. ■

SAMVAAD CBFC 2011

Cinema and
Certification

Prithviraj Chavan, Chief Minister of Maharashtra (centre) with Pankaja Thakur, CEO, CBFC; Rakeysh Omprakash Mehra; Mukesh Bhatt; Yash Chopra, Film Makers; Amit Khanna, Chairman, CII National Committee on Media & Entertainment and Chairman, Reliance Entertainment; Ramesh Sippy; Shyam Benegal, Film Makers; Leela Samson, Chairperson, Central Board of Film Certification; Shabana Azmi; Kashi Shantaram, Rituparno Ghosh, Film Personalities, and Rajiv Takru, Additional Secretary, Ministry of I&B

THE CENTRAL BOARD of Film Certification (CBFC) and CII jointly organised **Samvaad CBFC**, an interactive session on Cinema and Certification, on 14 June in Mumbai. The conference brought together doyens of the Indian film industry, including Yash Chopra, Ramesh Sippy, Shyam Benegal, Mahesh Bhatt, Mukesh Bhatt, Shabana Azmi, Prahlad Kakkar, Anurag Kashyap, Rituparno Ghosh, Rakeysh Om Prakash Mehra, Sudhir Mishra, Mita Vashishth, and Akbar Khan, amongst others, along with representatives of civil society.

The CBFC online system of application was inaugurated by Mr Prithviraj Chavan, Chief Minister of Maharashtra, who was the chief guest. The system enables producers to apply online for the Film Classification Certificate. Mr Chavan asserted that the Maharashtra Government would work with the film fraternity. Welcoming the CBFC initiative to sensitize and familiarize its regional officers towards appreciation of world cinema, he suggested that Samvaad could be institutionalised into an annual event.

Ms Leela Samson, the new CBFC Chairperson, promised to bring in more transparency in the Board's operations to usher in a change from film certification to classification,

which would enable film makers to reach out to a target audience group. Applying for classification of a film would soon be possible online in various regional centres of the country, she said. Ms Samson said that CBFC is also looking at introducing a new fee structure for documentary films and guidelines which are different from feature films. She also called for interactive and candid discussions on the finer sensibilities of our multicultural society, without curbing artistic expressions and creative freedom.

Mr Rajiv Takru, Additional Secretary, Union Ministry of Information & Broadcasting, said that the Ministry would consider the CBFC chairperson's view of changing the Central Board of Film Certification to the Indian Board of Film Classification. The changes envisaged in the Cinematograph Bill aims that films be certified according to content so that they are viewed by different age groups or under parental guidance for those age groups, rather than the censor, cutting and deleting scenes.

The interactive session deliberated on the much-needed changes to be adopted in the Cinematograph Bill 2010, to be tabled in the monsoon session of Parliament. A majority of the film makers favoured self regulation

rather than censorship of films by CBFC. They also made it clear that once the film is certified and cleared by CBFC, the film should not succumb to external forces while being released in theatres.

Mr Amit Khanna, Chairman, CII National Committee on Media and Entertainment, pointed out that the Censor Board has to be proactive, calling for a complete rehaul of the decision-making process at CBFC.

Industry veteran Yash Chopra wanted societal changes to get reflected in CBFC's film certification process.

The key issues in focus included:

- CBFC move from certification to classification: Classification is about identifying, recognizing and catering to the needs of different audiences that will help



Eminent film-makers Yash Chopra; Rakeysh Omprakash Mehra; Ramesh Sippy, and Shyam Benegal, at Samvaad

the film industry reach out to its target consumers

- Corrective measures to check the growing trend of violent and sexually explicit content in regional cinema

Such changes and steps by CBFC will educate audiences about the medium and enable them to accept the art better, besides making them better aware of global cinema, it was felt. ■



Confederation of Indian Industry

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JMAC
JMA Consultants Inc.

Lean Manufacturing Certificate Training Workshop

11th – 17th September 2011: JAPAN

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

Workshop Features:

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

Plant Visits:

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



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Email: ranjit.bhandari@cii.in Web: www.cii-iq.in

CII-Avantha Centre for Competitiveness for SMEs



CII-AVANTHA
Centre for Competitiveness
for SMEs

CII President visits Centre



B Muthuraman, President, CII, and Vice Chairman, Tata Steel Ltd, & Chairman, Tata International Ltd; and **Chandrajit Banerjee**, Director General, CII, on a visit to the Centre in Chandigarh

Mr B Muthuraman, President, CII, and Vice Chairman, Tata Steel Ltd, and Chairman, Tata International Ltd, visited the CII-AVANTHA Centre for Competitiveness for SMEs, in Chandigarh on 28 May. Mr Chandrajit Banerjee, Director General, CII, accompanied the President. Describing his visit, Mr Muthuraman said, "I am happy that I came here. The kind of work the Centre is doing for SMEs is very good."

HR Mission to Gurgaon

The Centre organized a one day HR Mission for SMEs

on 31 May to observe the best HR practices being followed in Maruti Suzuki India Ltd, (JD Power Award Winner) and Jay Bharat Maruti Ltd (Best Supplier Award Winner). The senior management of both the companies showcased their innovative and successful HR practices through presentations and interactive sessions to the team of 20 mission members from companies across the country. The mission-members also visited the plants.

Energy Audit

A four day energy audit was carried out from 13-16 June at the Exedy India Ltd plant in Greater Noida. The audit team found that various heaters and motors remain in operation throughout, although the process runs for 50% of the time. Improvement for control on motors and heaters, requiring very low investment was suggested. Also, the plant team was facing the problem of a very hot environment near the furnace. The root cause of the high temperature was identified and corrective actions were suggested. Successful trials were undertaken for direct reduction of energy consumption through voltage optimization of facility, electrical distribution system, etc.

The recommendations for energy saving, which are already being initiated by the company, could lead to financial saving of more than Rs 50 lakhs. ■



HR Mission Members in Gurgaon

Developing Global Food Sector Suppliers

Food Safety Model 2011 Revisions

WITH THE IN-BUILT competitive edge of wide availability of raw material, land, skills, manpower and entrepreneurship, the opportunity for the Indian food sector to become the food factory of the world has greatly widened, bringing with it the need for the speedy implementation of a comprehensive Food Safety Model, befitting global suppliers.

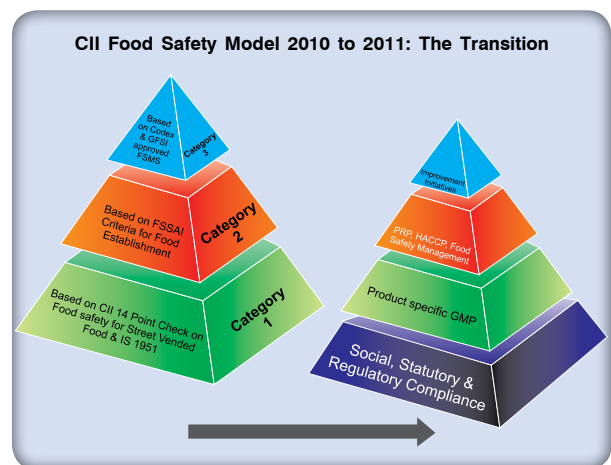
A select team from the CII Institute of Quality (CII-IQ), under the guidance of Mr Uttam Chatterjee, Chairman, CII Expert Group of Food Safety and Quality (FSQ), has been brainstorming on the elements required to evolve the revised CII Food Safety Award Model 2011.

Food Industry Requirements

A revised model is needed to address the speedy implementation of the following three aspects:

1. Customised criteria for each of the identified categories
 - Food processing companies, restaurants and their kitchens, hotels, catering, institutional canteens, food courts, meat shops, sweet shops, food retail, confectioneries, vending and dispensing, street vendors
2. Assessment of Capability as Global Suppliers
 - For each criterion, globally endorsed key Food Safety practices and sector-specific Good Manufacturing Practices, relevant and impending statutory and regulatory requirements of India's Food Safety and Standards Act (Rules and Regulations) together with excellence criteria, and social compliance, need to be incorporated as easy to understand check points which could be utilised for self -assessment as well as external recognition through a national award
3. Promotion of the Model
 - Continue to enhance promotion of this Model through a self assessment kit and the CII Award process
 - Assessment criteria will be customised based on

the nature of the business and segmented by size, thus providing the opportunity of 12 Awards (for Small, Medium and Large), and various levels of certificates of recognition as decided by the jury.



CII Food Safety Model 2011

Having a defined scope of Food Safety and keeping the industry and global requirements in mind, the CII Food Safety Model 2010 has been revised to CII Food Safety Model 2011. While the 2010 checklists were broad in scope and were based on the GFSI Guidance Document food safety practices only, the 2011 model addresses comprehensive requirements to create global Indian suppliers. Besides including key social compliance and improvement initiatives, the 2011 checklists for assessment are far more exhaustive, and have been developed based on GFSI approved Food Safety Standards.

Self-Assessment Kits: Checklists for Internal Use and External Recognition

Comprehensive checklists comprising pre requisite programmes, HACCP, food safety management system structure, improvement initiatives, statutory and regulatory requirements, social compliance for all criteria (1, 2A/2B,

3 for large and SMB organisations) have been developed. Training on these has been launched.

These checklists, being exhaustive Self Assessment Kits on Food Safety, also provide an opportunity to companies to seek

national recognition through the CII National Award for Food Safety.

Building Capability of Food Safety Assessors

CII is developing a pool of Food Safety Assessors among industry experts, with exposure to implementing global food safety and quality standards. These would serve as in-house resources for the industry, through a tried and tested model of participating in external assessments in applicant units of the CII National Award for Food Safety.

CII-IQ conducted the first 'CII Food Safety Assessor Training Workshop' in New Delhi on 19-20 May, to



"CII has taken this mammoth task of rolling out Food Safety Awards at a national level. It is not merely an exercise of recognizing the best in class, but the hard work that goes behind this great initiative of identifying and training the auditors from the industry on a single platform and motivating them to participate in the project. Also greatly appreciable is the maturity the award process itself has undergone within one year of its launch."

Seema Atreya, VP, Haldiram's
(Senior Assessor, CII National Award for Food Safety 2010)



Assessor training programme in progress in New Delhi

launch and promote the initiative across the country and develop a wider pool of assessors. Forty four Assessors from industries like Aditya Birla Retail, Amrit Foods, Bhavan's Research, Britannia, Haldiram's, Eastern Condiments, Kellogs, Kraft, McDonalds, Marico, Metro Cash and Carry, NSF Safety & Certification, PCI, Perfetti, Pernord Ricard, Tasty Dairy, and Tata Global Beverages attended the workshop.

The workshop was repeated in Bangalore and Mumbai on 26-27 May and 9-10 June respectively.

Award Schedules

The site visits for the CII National Award on Food Safety have been scheduled for July and August 2011. The Award announcement has been planned during November 2011.

For further details, please contact anju.bist@cii.in or refer to CII-IQ website www.cii-iq.in





Confederation of Indian Industry



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**Forthcoming Programmes
July - August 2011**

20-21 July, Nasik
**Workshop on Assessment for
Business Excellence for Small and
Medium Businesses**

21-23 July, Bangalore
**Six Sigma Green Belt Certificate
Course (2 Modules)**

1-5 August, New Delhi
**QMS Lead Auditor Course for
ISO 9001: 2008**

3-4 August, New Delhi
**Workshop on New Product
Development for Food Industry**

9-12 August, Chennai
**Lab. Mgmt. System & Internal Audit as
per ISO/IEC 17025: 2005**

11-13 August, Delhi
**Assessor Training programme for
Healthcare Excellence Model**

17-18 August, Bangalore
**5th National Conference and
Competition on Six Sigma**

18-19 August, New Delhi
**Two-day Intensive Workshop on
Quality Function Deployment**

For further details, please contact:
k.ganeshan@cii.in



Visit us at : www.cii-iq.in



CIHTC Centre of Excellence
for Sustainable Development

Business Leaders Programme

THE SUSTAINABLE WAY of doing business is fast becoming business-as-usual. Sustainability challenges are the biggest opportunities on offer, and companies need to reflect this in their business strategies. These challenges, however, demand a radical shift in corporate roles and responsibilities.



Prof. Stuart L. Hart,
Cornell University
USA

A group of 15 senior executives representing diverse sectors attended the 4th edition of the **'Business Leaders Programme'** organised by the CIHTC Centre of Excellence for Sustainable Development in association with the Johnson School Centre for Sustainable Enterprise at Cornell University, USA, from 21-24 June in Noida. The programme emphasized the alignment of sustainable business with business strategy and helped the participants define priorities to build both sustainability and business value.

This prestigious senior executive education programme was led by internationally renowned Prof. Stuart L. Hart, Samuel C Johnson Chair in Sustainable Global Enterprise, and Professor of Management, Cornell University. One of the world's top authorities on the implications of environment and poverty for business strategy, Prof Hart, with the late Dr. C.K. Prahalad, also wrote the path-breaking article, 'The Fortune at the Bottom of the Pyramid' on how business could profitably serve the needs of the poor.

The participants worked with Prof. Hart to identify the key sustainability strategies required for long-term business success. The group learned about the latest sustainability tools including product stewardship, stakeholder engagement, green leap, and embedded innovation, blending rigorous strategic logic with the 'view from the sustainability lens.' They were challenged to look beyond low-hanging fruits - environment-friendly processes, community relations, and supply chain management - to identify new markets in clean technology and the bottom-of-pyramid, to develop a sustainable value portfolio for their businesses.

The programme started with a moderated discussion on how business can help create stakeholder (societal) value. The group discussed the evolution of the sustainable



S. Sivakumar,
Chief Executive - Agri
Businesses Division,
ITC Ltd

enterprises of the 21st century, and Prof Hart explained the concept of 'Triple Bottom Line.'

The corporates were encouraged to develop a vision not only for what the company is trying to address and how they relate it to sustainability, but also for where the most appropriate markets can

be found. The un-met needs of those at the base of the economic pyramid may present the best opportunity for firms to define a compelling trajectory for future growth.

'The Great Convergence' concept, explained Prof Hart, recognises that successful BoP strategies must be environmentally sustainable.

During the 'learning team' sessions, participants mapped the sustainability portfolios of their own businesses, identified the gaps, and designed strategic initiatives, which were presented on the final day. With the help of facilitators, the teams tried to connect the dots and view the sustainability framework through the business lens. They provided value portfolios of various sectors, and also analysed a case study of Tata Nano on the Sustainable Value Framework.

The sharing of experiences brought out the conceptual linkages between renewed vision, existing capabilities, and strategic initiatives. Each participant had a clearly defined area of expertise, which made it easier to define the 'business case' for sustainability, and their Sustainable Value Portfolio.

The Business Leaders Programme equipped the group with practical knowledge along with modern-day tools and frameworks to turn strategic ideas into actions for creating sustainable business. In order to examine the best practices of some of the world's most sustainable companies,

a session with guest faculty was organized, wherein Mr. S Sivakumar, Chief Executive, Agri Businesses Division, ITC Ltd and Vice Chairman, ITC Infotech Ltd, described the company's globally acknowledged e-Choupal initiative. This unique business model synergies long term shareholder value creation with enhancing societal capital. ■



Participants at the Business Leaders Programme

CII Sohrabji Godrej Green Business Centre

Green Power 2011

The 10th edition of Green Power, held on 7 - 8 June in Bangalore, focused on the Renewable Energy policy in India. The aim was to attract more corporate investments in the RE sector, and explore financing mechanisms and latest technologies on green power generation.

Material Cost Management

A seminar on Material Cost Management was organised by the CII-Total Cost Management (TCM) Division on 14 June in Chennai. The seminar discussed the economics of material management, concept of design impacting the material cost, and methodology of operations impacting the consumption pattern of materials.

PaperTech

The Centre, jointly with the Indian Paper Manufacturers Association, organised the 5th edition of PaperTech 2011 on 24-25 June in Hyderabad. The inaugural session was marked by the release of a Best Practices Manual, 'Pulp & Paper industry –Volume 4,' a compilation of over 35 best practices implemented by the sector.



K S Kasi Viswanathan, Chairman, PaperTech 2011, and Dy MD, Seshasayee Paper & Boards Ltd; **Madhukar Mishra**, President, Indian Paper Manufacturers Association, and MD, Star Paper Mills Ltd, and **T S Appa Rao**, Principal Secretary, and CIP, Industries & Commerce, Andhra Pradesh

South Korean Ambassador visits Centre

Mr. Kim Joong – Keun, Ambassador of the Republic of Korea, visited the Centre on 22 June. He was escorted on a Green Building tour and was briefed on the energy efficient, eco-friendly and sustainable features of the Centre.



Kim Joong – Keun, Ambassador of the Republic of Korea, at the CII-Sohrabji Godrej Green Business Centre, Hyderabad

IGBC Chapter in Coimbatore

CII-IGBC launched its 12th Chapter in Coimbatore on 24 June. The CII-IGBC chapters facilitate faster and wide spread of green building concepts to the key stakeholders and provide a platform for networking and cooperation at the regional level. The chapters also interact with the government and urban development agencies to facilitate adoption of green buildings.

IGBC local chapters in Ahmedabad, Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai, Pune, Kochi, Goa and Vadodara spread the IGBC vision at the regional level.

CII-Israel Joint Declaration

A joint declaration between CII and the Ministry of Industry, Trade and Labour, Israel, on cooperation in Water Management and Technologies was inked on 28 June in Hyderabad.



S Raghupathy, Executive Director, CII Godrej GBC, and **Oded Distel**, Director, Israel NewTech, inking the Joint Declaration, as **Maheedhar Reddy M**, Minister for Municipal Administration & Urban Development, Andhra Pradesh; **Mouneer Agbariya**, Counselor – Economic Affairs, Embassy of Israel; **Yithak Kiriati**, Director, Agrotechnology, Water & Environment, The Israel Export & International Cooperation Institute, and **M K Patodia**, MD, GTN Industries, look on

was present on the occasion.

Mr S Raghupathy, Executive Director, CII Godrej GBC and Mr Oded Distel, Director, Israel NewTech, signed the Joint Declaration.

The Joint Declaration aims to facilitate

- Promotion of business opportunities
- Business missions
- Exchange of best practices
- Partnerships in major events related to water conservation and management
- Cooperation activities in the field of water technologies

CII-Suresh Neotia Centre of Excellence for Leadership



Project Management Certification Workshop



Project Management certification is considered one of the most demanded credentials for managers in technology and systems driven operational processes. A certification workshop, with elements like Project Analysis, Project Mapping Techniques, PERT, CPM and Project Risk Analysis, was conducted from 2-4 June.

Workshop on OSHA: Job Safety & Hazard Analysis



Occupational health and safety (OSHA) programmes identify hazards and measure health and safety perils, set compatible safety controls in place, and provide recommendations on avoiding accidents to management and employees in an organisation.

The OSHA workshop, held on 16 -17 June, offered an in-depth exposure to strategy, with tactics like selecting the job to be analyzed, breaking the job down into a sequence of steps, identifying potential hazards and determining preventive measures to overcome these hazards.

Six Sigma Certification Workshops

Associated with manufacturing, specifically statistical modeling of manufacturing processes, Six Sigma is a business management strategy aiming to optimise output and ensure error-free production by identifying and eradicating the causes of errors. It uses a set of quality management methods, including statistical methods, creating a special infrastructure of people within the organization (Black Belts, Green Belts, etc.). Six Sigma Certification workshops help companies implement Six Sigma processes in their organizations and foster quality optimisation across verticals.

Held on 18 and 25 June and 2 July, this workshop, had tool kit-based features such as Root Cause Analysis, DMAIC, Design Approach, Deming Cycle, PDCA (Plan-Do-Check-Act) Applications and Statistical Approach in Optimisation for Business Paradigms. It covered CTQs and VOC (Six Sigma Customer Excellence Model), SIPOC Model, Process Mapping (As-Is Process), Data Attributes (Continuous Versus Discrete), Poka Yoke (Mistake Proofing), Failure Modes and Effects Analysis (FMEA) and Cause and Effect Analysis (Ishikawa).

Production & Operations Management Toolkit



Operations Management ensures long-run success of the organization through the efficient utilization of resources. It requires an optimal mix of both strategic and tactical skills. Specifically designed for middle to senior level executives, the workshop, held from 22-24 June, covered topics like Capacity Planning, Breakeven Analysis, Forecasting, Aggregate Planning, Tactical Scheduling, Location Strategies, Inventory Management, Design of Goods and Services, Short Term Scheduling, Johnson's Rules, and more.

Strategic CRM

Customer Relationship Management has attained the role of a strategy aimed at managing a company's overall interaction with the customers, clients and sales prospects. From re-attracting former customers to building a new client base, well developed and implemented CRM can greatly reduce the costs of marketing and client service by empowering person-to-person interactions, as well as using technology to organize, automate, and synchronize business processes.

Designed particularly for middle to senior level customer support and marketing managers in Retail and IT, this certification programme held on 28-29 June, offered intensive exposure to CRM Concepts, Application Area of CRM, E-CRM and Microsoft Dynamics through hands-on training on the software. ■

CII-Naoroji Godrej Centre of Excellence

Competency-based Interviewing Skills

This programme, held on 3-4 June, provided participants with the knowledge and skills to conduct an effective interview using the 'Behavioural Model' approach.

It covered the assessment and selection process, hiring strategies, types of interviews, competency-based selection, interviewing skills, behavioural assessments, reference checks, etc.

A good number of Line Managers and HR Managers who are responsible for talent acquisition programmes in their organizations attended the programme.

Achieving Excellence From Within

The workshop on 'Achieving Excellence from Within - Capability Enhancement and Growth Through Self Discovery,' held on 7 – 8 June, addressed executives across hierarchies, who are aiming for excellence, and are keen to enhance their personal productivity and that of their team members. The objective of the workshop was to 'delve deeper into one's self, discover the source within and leverage it' to excel both as a professional and as a person.

Faster New Product Development

The New Product Development & Commercialization (NPD&C) process has assumed greater strategic importance as competition intensifies, technology gets upgraded and product half-life gets drastically reduced. Compressing NPD&C lead time is the key to competing successfully. A programme held on 10 – 11 June discussed:

- Innovation and NPD
- Concept of customer value and the Stage & Gate Process
- Deploying the "QFD Tool' to get customer voice into your product
- Applying project management tools
- Lean Thinking in new product introductions
- Understanding Cost of Delay
- Partnering with suppliers
- Experience
- Compressing NPD & C time: pitfalls and specific steps to improve individual / team performance

Project Planning Management & Control



WMG Module on 'Project Planning Management & Control'

CII, under its partnership with the Warwick Manufacturing Group, now known as WMG, University of Warwick, UK, organised a specialised module of 5 days duration, conducted by faculty from WMG, on 13 – 17 June.

The module treated the management of 'projects' in the widest context of organisational activity with specific (limited) objectives and time scale, and constraints. It encompassed both product development and 'change' projects, indeed, any sort of project. It provided an appreciation of the issues and current techniques for successful project planning and control. It provided some coverage of the place of project teams in the organisation, and looked briefly at the 'soft skills' required of the Project Manager, structured around a practical computerised simulation exercise performed by the delegates in teams. However, the main focus was on the 'hard skills' of Project Management including project definition; work-breakdown structures; estimating; scheduling; networking, critical path analysis; budgeting and costing; monitoring; reviewing and controlling. It placed heavy emphasis on 'Earned-Value Monitoring and Control' and 'Project Risk Management.'

Honing Procurement Negotiation Skills



At the programme on Procurement Negotiation Skills

The programme, held on 17 – 18 June, focused on benchmarking procurement competency. It discussed how to:

- Reduce/slash the overall delivery time
- Demarcate the areas of responsibilities between the buyer and vendor
- Reduce/slash time involved in the formalities of quality and quantity check, delivery and payment follow-up time and the like
- Rate performance and give points for vendor performance and rank their position.

It also discussed steps to enable a vendor to become 'vendor-stakeholder' of the company.

The participants were middle-level purchasers from all segments and sectors of industry like manufacturing, selling and buying, inventory management, logistics players, airlines, as well as cargo handling units (sea,

air and surface mode) and major courier transporters.

Customer Relationship Management

Customer Relationship Management (CRM) is a combination of Business Process and Technology that seeks to understand a company's customers from multiple perspectives to competitively differentiate a company's products, services and solutions. The CRM programme on 23 – 24 June covered topics which were useful to all functional disciplines in a company.

Lean Accounting

Lean accounting is a mechanism for measurement in Lean enterprises. It enables bridging the gap between the initiatives and the reporting mechanism for sustainability. The programme held on 24 – 25 June shared the basics of Lean Thinking, as well as the role of Cost Information System and Cost Measurement, with senior management officials from operations and finance.

Emotional Intelligence

The workshop held on 28 – 29 June was designed to help managers understand the important Emotional Competencies of Self Awareness, Self Management, Understanding and Handling People, and use them in day-to-day activities to bring about excellence at work and at home.

Managing Risks and Uncertainties in Projects

The programme, held on 30 June – 1 July covered different aspects of Project Management, to facilitate better planning and execution of projects. ■



COMMUNIQUE

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INVITATION FOR BIDS

IFB No. 01/JTC/IFB/Cameroon-Nigeria/2011 May 2011

FEDERAL REPUBLIC OF NIGERIA,
REPUBLIC OF CAMEROON, ECOWAS/ECCAS/CEMAC

Design & Build

A NEW TWO LANE BRIDGE OVER THE CROSS RIVER AT THE CAMEROON/NIGERIA BORDER (EKOK/MFUM) with APPROACH ROADS

- This Invitation for Bids follows the General Procurement Notice for this project that appeared in UN Development Business Issue No.733, 31 August 2008. The Federal Republic of Nigeria and the Republic of Cameroon has received loans from the African Development Fund toward the cost of the Transport Facilitation Programme on the Bamenda – Mamfè – Ekok - Abakaliki – Enugu Road Corridor and it intends to apply part of the proceeds of this loan to payments under the contract for Design & Build of A New Two Lane Bridge over the Cross River at the Cameroon/Nigeria Border (Ekok/Mfum) with Approach Roads - Contract No. 01/JTC/Cameroon-Nigeria/2011. Any payments made under the proposed contract will be subject, in all respects, to the terms and conditions of the D&B and related documents, including restrictions on the use of ADB funding and conditions to the disbursement.
- The Design & Build (D&B) bridge project includes a new Two Lane Bridge over the Cross River of approx length 276 m with approach roads (single carriageways of approx. 1.5 km length) on either side of the bridge. The width of the bridge carriageway should not be less than 11.0 m.
Two types of bridge design are proposed as the main works and these are:
Alternative A: Pre-stressed Concrete continuous Box Girder (Integral or Semi-Integral) Bridge type with Approach Roads or
Alternative B: Suspension or Cable-Stayed Bridge with Approach Roads
The contract completion duration is 18 months.
- The Employers represented by the Road Sector Development Team (RSDT) now invite sealed bids (“Bids”) from eligible and qualified entities (“Bidders”) to provide the design-build referenced above (the “Works”), which is being offered as a fixed price contract. Bidding will be conducted through the international competitive bidding procedures specified in the current African Development Bank’s Rules of Procedure for Procurement of Goods and Works and is open to all bidders from eligible member countries as defined in the Rules.
- The Bidding Documents consist of the following:

Part 1 – Bidding Procedures:	Section I - Instructions to Bidders (ITB)
	Section II - Bid Data Sheet (BDS)
	Section III - Evaluation & Qualification Criteria
	Section IV - Bidding Forms
	Section V - Eligible Countries
Part 2 – Employers Requirements:	Section VI – Requirements
Part 3 – Conditions of Contract & Contract Forms:	Section VII - General Conditions of Contract
	Section VIII-Particular Conditions
	Section XI -Contract Forms

- Interested eligible bidders may obtain further information from and inspect the bidding documents at the Road Sector Development Team at the address stated at end of this document commencing **May 31, 2011 from 09.00 to 16.00** hours local time during working days.
- A complete set of bidding documents in English language may be purchased by interested bidders on the submission of a written application to the address below and upon payment of a non-refundable fee of Naira 10,000.00 or its equivalent in an acceptable convertible currency (USD, GBP, Euro CFA). The method of payment will be by Bank Draft or Certified Cheque. The set of bidding documents will be handed over upon receipt of payment.
- Bids must be delivered to the address below by 14.00 hours local time, **August 31, 2011**. All bids must be accompanied by a bid security amounting to Naira 60 million or an equivalent amount in a freely convertible currency. Late bids will be rejected. Bids will be opened in the presence of bidders’ representatives and anyone who choose to attend at the address below on **August 31, 2011 at 14.15 hours local time**.
- Bids shall be valid for a bid period of one hundred eighty (180) days after Bid Opening.
- Post-qualification will be based on meeting all the following minimum pass/fail criteria regarding the Applicant’s **general and particular experience** (successful experience as a main or principal contractor in the execution of at least two projects of a similar nature and complexity comparable to the proposed contract within the last five years), **personnel** (the Applicant must have suitably qualified personnel with a min experience of 12 years in the execution of similar works) and **equipment capabilities** (the Applicant should own, or have assured access through hire, lease, purchase agreement or other means to key items of equipment in full working order, and **financial position** (the Applicant shall demonstrate that it has access to, or has available, liquid assets, lines of credit and other financial means to meet the construction cash flow).
- Clauses relating to Preference for Domestic or Regional Bidders are not applicable

The Unit Manager,
Road Sector Development Team (RSDT)
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Knowledge & Innovation Initiatives



Biotechnology

India Pavilion in BIO 2011, USA



Dr MK Bhan, Secretary, Biotechnology, India, inaugurating the India Pavilion at Bio 2011 in Washington DC, USA

Dr. M K Bhan, Secretary, Biotechnology, India, inaugurated the India Pavilion at the BIO exhibition in Washington DC, USA, on 29 June. The Pavilion was jointly organised by CII and the Association of Biotechnology Led Enterprises (ABLE) with the support of the Department of Biotechnology.

Mr Arun Kumar Singh, Deputy Chief of Mission, Embassy of India in the United States, Dr Rajesh Jain, Chairman, CII National Committee on Biotechnology, and Joint MD, Panacea Biotech Ltd, and many other dignitaries were present at the inauguration.

The BIO International Convention is the world's largest annual event for countries to showcase their



Arun Singh, Deputy Chief of Mission, Embassy of India, **Dr MK Bhan**, **Dr Vijay Chandru**, President ABLE, & Chairman and CEO Strand Life Sciences Ltd, and **Dr Rajesh Jain**, Chairman, CII National Committee on Biotechnology, and **JMD**, Panacea Biotech Ltd, releasing the India Pavilion Exhibitor Catalogue at Bio 2011

biotechnology strength to attract global players for partnership, investments and business development.

India put up a great show at the exhibition, with the participation of many industries and state governments. The India Pavilion drew immense interest among the global biotech players for collaborations.

The yearly exhibition was preceded by CII's 10th Biotech Mission to US. About 45 Indian delegates participated in the mission, jointly led by Dr Bhan and Dr. Jain. The delegation had the opportunity to visit premier institutions like NIH, University of Maryland, John Hopkins University, etc, and had fruitful interactions and business meetings.

Innovation

Global Innovation Index 2011

The Global Innovation Index 2011, a CII and INSEAD



Dr. Naushad Forbes, Chairman, CII Innovation Council, and Director, Forbes Marshall Inc.; **Lynn St Amour**, President/CEO, Internet Society (ISOC), **Dr. Francis Gurry**, Director General, WIPO; **Prof. Rolf-Dieter Heuer**, Director General, European Organization for Nuclear Research (CERN), **Prof. Leonid Gokhberg**, First Vice-Rector, Higher School of Economics (HSE) and Director, HSE Institute for Statistical Studies and Economics Knowledge, and **Prof. Daniele Archibugi**, Technology Director, Italian National Research Council, and Professor of Innovation, University of London, at the launch of Global Innovation Index 2011 in Geneva

GII 2011 Ranking (Top10 and India)

Country	Global Innovation Index 2011	Innovation Output Sub-Index	Innovation Input Sub-Index	Innovation Efficiency Index	Global Innovation Index 2010	Global Innovation Index 2009
Switzerland	1	2	3	12	4	7
Sweden	2	1	5	6	2	3
Singapore	3	17	1	94	7	5
Hong Kong (SAR)	4	12	2	66	3	12
Finland	5	6	6	35	6	13
Denmark	6	7	7	47	5	8
United States	7	5	11	26	11	1
Canada	8	10	8	54	12	11
Netherlands	9	3	16	13	8	10
United Kingdom	10	9	10	50	14	4
India	62	44	87	9	56	41

less, as well as those that lag behind in fulfilling their innovation potential, which means the ratio of the output score over the input score. Three BRIC countries are among the Top 10 on Innovation Efficiency.

India ranked 62 in the overall innovation Index this year, compared to its last year’s position of 56. Switzerland topped this year’s ranking, gaining three spots from its position in last year’s GII, with Sweden and Singapore in the 2nd and 3rd positions, respectively. This year’s Top 10 list is dominated by Europe with six countries and includes Hong Kong (4th), the United States (7th) and Canada (8th).

study on ranking countries on innovation, was released in Geneva on 30 June for the year 2011. The study is an annual effort to analyze different enablers for policy makers and other stakeholders like industry and institutions to evaluate their actions and impacts vis-a-vis other nations.

Created in 2007, the GII examines how countries leverage their enabling environments to stimulate innovation results. Five pillars constitute the innovation input sub-index: institutions, human capital and research, infrastructure, market sophistication and business sophistication. The innovation output sub-index is composed of two pillars: scientific outputs and creative outputs.

From an Innovation efficiency index of 101 in 2010, India has improved its ranking to 9th this year. Overall contribution by input factors—political stability, regulatory environment, human capital, research and development, infrastructure, market sophistication and business sophistication—coupled with an improvement in scientific and creative output, has led to this stupendously high efficiency index for the country.

In terms of the Innovation Efficiency Index, the report highlights those countries that achieve more from

China is the only emerging economy to have reached the Top 30 on the GII (29th).

Dr. Naushad Forbes, Chairman, CII Innovation Council, and Director, Forbes Marshall, said, “Today the whole world is talking about innovation in all forms starting from industry to government to society. After the recent economic slowdown the focus has shifted clearly towards the developing regions not only in terms of a booming potential market but also as a hot spot for frugal innovations. Measuring this shift is important to know how we are doing, GII is a starting point to do that and unquestionably in the right direction.”

Mr Soumitra Dutta, Roland Berger Professor of Business and Technology at INSEAD, and editor of the study said, “Innovation is critical to driving growth in both developed and emerging economies, especially during a time when the global economy is still in a state of recovery.”

Apart from CII, this year the other three knowledge partners in GII are Alcatel-Lucent, Booz & Company and the World Intellectual Property Organisation (WIPO). ■



Development Initiatives

Affirmative Action

India's growing economic prowess can only be celebrated when all its citizens can be part of the success story. CII, has since 2007, been committed to encouraging industry members to adopt the CII voluntary code of conduct on Affirmative Action. This is integral to the organization's vision of a society that is more equitable and cohesive.

Amara Raja Batteries Limited

Amara Raja Batteries Ltd. (ARBL), an Amara Raja – Johnson Controls Company, that is a technology leader and a large manufacturer of lead acid batteries for both industrial and automotive applications, has undertaken to improve the quality of life of those from socially disadvantaged sections of society by up-skilling and continuous training employees to enhance their capabilities and competitive skills.

The ARBL employee workforce profile for the last 3 years is presented in the table below:

Percentage of SC / ST Employees

January 2008			January 2009			January 2010		
Total Head Count	SC/ST	%	Total Head Count	SC/ST	%	Total Head Count	SC/ST	%
1766	233	13.1937	2030	256	12.6108	2559	373	14.576
245	11	4.4898	327	17	5.19878	404	21	5.19802
208	25	12.0192	269	25	9.29368	324	32	9.87654
172	15	8.72093	249	32	12.8514	324	43	13.2716
135	2	1.48148	222	7	3.15315	197	15	7.61421
81	6	7.40741	154	6	3.8961	36	8	22.2222
2607		11.2006	3251		10.5506	3844		12.7992

The composition of SC / ST employees at various levels of the company's hierarchy is:

A.	Management Staff	33
B.	Non-Technical Staff	13
C.	Technical Staff	21
D.	Workmen	360
E.	Others / Management Trainees	05

Education & Training for Employability & Entrepreneurship

A complete transformation of villages by encouraging inclusive growth continues to be the focus area of the group. Keeping in perspective that 54% of India's population is youth, the group has invested in providing employable skills with value based education and on the job training.

Till 30 April 2011, a total of 1463 unemployed rural youth had undergone quality training under this scheme of the company. Of these, 1393 have been employed by Amara Raja itself in various departments.

Currently, 1364 unemployed youth are undergoing training under the ARTS scheme in the company. Of these, 320 trainees belong to SC/ST communities.

Education

As a part of its Corporate Social Responsibility, the company provides education facilities at the primary and secondary level by establishing fully equipped education institutions in remote villages in the vicinity of company premises. One such institute is at Karakambadi and the other at Petamitta, in Chittoor District of Andhra Pradesh. A total of 850 students study in these institutions, 261 at the secondary level and 589 at the primary level.

As part of its Affirmative Action initiatives, the company has provided 100% concession in tuition fees to 20 students belonging to SC /ST communities.

To develop the skill levels of the employees, training programmes are being implemented as per the directions of the Government of Andhra Pradesh. At present, three SC candidates are undergoing apprentice training in the company.

There is every reason to believe that in time, focused interventions such as these will help match opportunity to capability, offering SC/ST candidates access to employment that requires specialized skills and training. ■



Yi National

The Environment initiative of Yi has played a key role in generating awareness, especially amongst the student community, on significant contemporary environmental issues.



EnYironment website launched by the Yi Vadodara chapter

On the occasion of World Environment Day on 5 June, Yi undertook many activities across its chapters, from Kashmir to Vizag, and from Ahmedabad to Nagaland. These included sessions, panel discussions, cleanliness drives, tree plantation and seed ball making activities. This year, 23 Yi chapters from across the country commemorated World Environment Day and directly impacted more than 13000 people.

Young Indians Coimbatore Chapter, in association with Cognizant Coimbatore, organized an awareness session on 'Saving the Sparrows' on 4 June, as a run-up to World Environment Day.

In Erode, a poster on 'Conserve Water' was released by Mr C Kamaraj, District Collector.



Release of 'Conserve Water' poster in Erode

Yi Goa, in association with the Mineral Foundation of Goa, Department of Forests, and the Vivekanand Environment Awareness Brigade supported a Nature Walk to Savari Waterfalls in Netravali, Sanguem Goa. Around 80 student volunteers from various schools in Goa and other nature enthusiasts trekked up to the waterfall for a clean-up drive. They brought down more than 130 kilos of garbage like plastic bags, wrappers,

pet bottles, plastic cups, plates and containers, glass bottles, beer cans, metal containers and other non-biodegradable waste. The garbage was delivered to a recycling centre in Panjim.



Commemorative signboard installed by Yi members at a waterfall in Goa

Yi Hyderabad celebrated World Environment Day with a unique workshop on 'Building your own Organic Kitchen' at a mango farm on the outskirts of Hyderabad.

World Environment Day celebrations in Madurai, in partnership with Kalyani Associates, Anamalai Agencies and ARAS Appliances (P) Ltd included distribution of stickers and pamphlets on environmental awareness, distribution of tree saplings to automobile dealers, free emission check-up for two wheelers, distribution of jute bags, and an environmental awareness campaign through SMS.

Yi Pune supported the scattering of 50000 seedballs in and around the city.

The Vadodara Chapter launched a website www.enYironment.com. to make people think about issues of environmental importance.

Chapter Round -up

Coimbatore

The Health Platform of Yi Coimbatore facilitated the renovation of the Periapodhu Primary Health Centre in Valanthayamaram on 23 June. The initiative involved providing equipment for the operation theatre and a generator to make it functional without disruption.

On 27 June, Yi, in association with KG Hospital,



CPR & First Aid session in Coimbatore

organized a CPR and First Aid demonstration session for the fire brigade of Coimbatore Region.

A session on 'Grooming of a Military Leader – A Naval Perspective' addressed by Commodore Amar Singh Baghel, Commanding Officer, INS Agrani, and President, Naval Selection Board, on 28 June, gave a detailed explanation about the ethics, values and grooming process that are behind a cadet's growth and evolution into a military officer.

Chennai



Yi members at the Renault Nissan Factory in Chennai

More than 40 members from Yi and CII Chennai visited two automobile manufacturing companies: Renault Nissan & Hyundai Motors India Ltd, on 10 June.

Erode

On 17 June, CII and Yi Erode organised a Best Manufacturing Mission to Toyota Kirloskar Motors and Tata BP Solar Ltd to understand their manufacturing techniques and innovative practices.



Mission members from Erode at Toyota Kirloskar

Goa

On 12 June, Mr. Atul Jadhav, President, Goa Barge Owners Association, addressed Yi members on Team Building and Entrepreneurship.

Mumbai



Albert Almeida, COO, Hungama Mobile, with Yi members in Mumbai

Mr Albert Almeida, Chief Operating Officer, Hungama Mobile, shared his experience on 'Mobile Revolution and Role of Value Added Services,' on 30 June. Hungama's domestic and international mobile business covers entertainment, platforms applications, creating convergence opportunities in media, entertainment and marketing.

Pune

On 7 June Yi Pune organized an orientation session for the students of the Symbiosis Institute of International Business (SIIB).

On 10 - 30 June, a collection drive collected old school books, bags, toys, clothes, etc for distribution to underprivileged children.



Meeran Chaddha Borwankar, Commissioner of Police, Pune

Finally, on 30 June, Ms Meeran Chaddha Borwankar, Commissioner of Police, discussed the role of Police in city-related issues.

Raipur



Cancer Awareness Camp in Raipur

A Cancer Awareness and Check-up Camp was held for industrial workers and staff at RR Ispat Ltd on 10 June.



Asia

China

India-China Bilateral Trade (Jan-May 2011)

Trade	Value	Change
Total trade	\$29.3 bn	Up 17.1%
India's imports from China	\$18.5 bn	Up 24.7%
India's exports to China	\$10.8 bn	Up 6.1%
India's deficit	\$7.7 bn	

Source: <http://www.customs.gov.cn/publish/portal0/tab1/info304902.htm>

Session on China's 12th Five-Year Plan



CII IBF China on 2 June organized an interactive session on China's 12th Five-Year Plan in Shanghai. Ms Mary Boyd, Director,



Mary Boyd,
Director,
Economist
Intelligence Unit,
The Economist
Group, Shanghai

Shanghai Corporate Network, Economist Intelligence Unit, the Economist Group, who was the guest speaker, spoke on important aspects of future development and the impact on key industries that foreign companies are engaged in, in China. Her presentation also focused on the various developmental policies China will adopt during the 12th plan period. Around 50 representatives of various Indian companies attended the session.

6th China-South Asia Business Forum

A CII delegation led by Mr Sandipan Chakravorty, Past Chairman, CII (ER) participated in the 6th South



Sandipan Chakravorty, Past Chairman, CII (ER) speaking at the China South Asia Business Forum at Kunming

Asia Business (CSAB) Forum on 5-6 June in Kunming, Yunnan.

CII, in association with CCPIT Yunnan, organized an exclusive session on 'Doing Business in China' during the meeting. Mr Chakravorty made a detailed presentation on the booming Indian economy and the investment potential for Chinese companies in various sectors in India. He also invited Chinese enterprises to participate in CII's Biz Bridge – the largest engineering and manufacturing trade fair in India's Eastern Region.

Mr I M Pandey, Consul General of India in Guangzhou, suggested that infrastructure, power, and automobiles were some key sectors that Chinese companies could consider for investing in India.

India- China Business & Investment Seminar

The Consulate General of India, Shanghai, jointly with CII and the Municipal Government of Yangzhou, organized the 'India-China Business & Investment Seminar- Opportunities in IT, Engineering & Allied Sectors' on 11 June in Yangzhou, Jiangsu. The seminar gave



Riva Ganguly Das, Consul General of India in Shanghai, with participants at the 'India-China Business & Investment Seminar' in Yangzhou

Chinese companies interested in investing in India an overview of the FDI policy, basic tax and business laws, financing options etc. Ms. Riva Ganguly Das, Consul General of India in Shanghai, led a delegation of 80 participants from more than 50 Indian companies and banks located in the Eastern China Region to Yangzhou. The delegation was received and hosted by Mr. Xie Zhengyi, Mayor of Yangzhou. Senior representatives of Deloitte, State Bank of India, Thermax and NIIT made presentations at the Forum.

Foreign Investment in Real Estate

A total of 23% of foreign investment in China went into the real estate sector in 2010. The ratio of foreign investment in the property sector has remained well above 10% over the past 10 years.

Service Trade

China is drafting a five-year plan to promote trade in its Service sectors, with a projected service trade volume of \$600 billion by 2015. In 2010, China's service trade reached \$362.4 billion, twice that of 2005, and ranked fourth in the world.

China tops in Gold Output

China remains the world's largest gold producer for the 4th consecutive year. Its explored gold reserve ranks third in the world. The world's explored gold reserve is approximately 100,000 tons, of which South Africa, as the world's largest owner of gold resources, has 31,000 tons, Russia 7,000 tons and China 6,328 tons. In 2010, China's gold output reached nearly 341 tons.

Economic Indicators (May 2011)

CPI	Up 5.5% (34-month high)	Retail sales of consumer goods	Rose 16.9% to 1.47 trillion yuan
PPI	Up 6.8%	PMI manufacturing sector	Dropped to 52%
Industrial value-added output	Up 13.3%	Imports (Jan-May)	\$689.412 billion, up 29.4%
Fixed asset investment (Jan-May)	Rose 25.8% to 9.03 trillion yuan	Exports (Jan-May)	\$712.375 billion, up 25.5%
New bank lending	Shrank to 551.6 billion yuan	Total trade (Jan-May)	\$1401.787 billion, up 27.4%
Fiscal revenue	Up 34% to 1.061 trillion yuan	Trade surplus (Jan-May)	\$22.963 billion, down 35.1%
FDI (May)	\$9.225 billion, up 13.43%	FDI (last one decade)	\$653.14 billion, up @9.5% p.a.

Mobile Phone Users

From January to May, China's total mobile phone subscribers increased by 51.1 million, more than half of which came from 3G users, to 910.1 million. The number of 3G subscribers rose by 57% to 73.8 million in the first five months. From January to May, broadband subscribers grew by nearly 10% to 138.5 million, while dial-up users decreased by 129,000 to 5.77 million.

Showbiz Market

A PricewaterhouseCoopers (PwC) report expects China to overtake Germany this year to become the world's third-largest entertainment and media market with spending hitting \$96 billion. Overall spending in China on entertainment and media grew by 13.9% to \$85.5 billion in 2010.

POSCO Plant

South Korea's top steel producer Posco will build a joint-venture plant in China's northeastern province of Jilin to meet the booming demand from the region's auto industry. The new plant, to produce 200,000 tons of auto steel panels annually, will be completed by July 2012.

China Holdings of US Debt

China, the largest foreign holder of US Treasuries, bought more federal bonds in April for the first time since October despite concerns over the US debt level. China's purchases of US debt rose \$7.6 billion to \$1.15 trillion. Japan remained the second-largest foreign buyer of US debt, holding \$906.9 billion at the end of April.

Japan

Jobless Rate Up

Japan's unemployment rate rose in April for the first time in six months, while the nation's factory output posted a weaker-than-expected rebound following the March earthquake and tsunami. The April jobless rate climbed to 4.7% from the March rate of 4.6%. The number of jobless people in Japan stood at 3.09 million in April, down 300,000 compared to a year earlier.

Reconstruction Costs

The central and local governments will need to spend 14 -18 trillion yen over the next 10 years to finance reconstruction following the earthquake and tsunami, according to the Japan Research Institute.

Signs of Recovery

The Japanese economy has been showing signs of recovery three months after the massive earthquake and tsunami, according to Finance Minister Yoshihiko Noda.

"The supply chain (of industrial products) is about to be restored while consumer confidence is on a recovery track," he said.

Wage Cut for Public Servants

The Japanese government has adopted relevant bills for civil service reform, featuring an average annual wage cut of 7.8% until March 2014. If implemented in July, the government plans to allocate some 200 billion yen in expected reduction for the current fiscal year for the reconstruction of areas devastated by the earthquake and tsunami.

Increased Investment in East China

East China's Jiangsu Province has become a popular destination for Japanese investors as they are increasing investment outside the country as part of Japan's efforts to transfer production capacity after the massive earthquake and tsunami. Jiangsu saw the establishment of 80 Japanese-funded businesses with a total investment of \$2.14 billion between mid-March and the end of May, a rise of 31.1% over the same period last year.

NSK Japan's China Investment

Japan's NSK Ltd will invest US\$300 million to build a plant in Anhui province, China, in October 2011, the company's biggest investment in an overseas plant so far. NSK, Japan's first bearing producer founded in 1916, produces automotive products, precision machinery and parts, in 40 manufacturing plants in 12 countries.

Lending Scheme

The Bank of Japan kept its key interest rate unchanged at zero to 1% and expanded a lending programme to bolster the disaster-hit economy. It will offer commercial banks 500 billion yen in new credit as part of a measure introduced last year to fuel economic growth.

Economic Growth Forecast Raised

The IMF raised its forecast of economic growth in Japan for 2012 to 2.9% from an earlier projected 2.1%, expecting a recovery from the March earthquake and tsunami. The IMF also downgraded the forecast for 2011 to minus 0.7% in terms of real GDP.

Current Account Surplus Down

Japan's current account surplus plunged 69.5% from a year earlier in April. While the drop was much smaller than the 80% forecast by economists, it was the smallest surplus for April in 26 years. The surplus in the current account fell to 405.6 billion yen (\$5.0 billion) in April from 1.33 trillion yen a year earlier.

Quake Damage Estimates

Damage to buildings, roads and ports from the large earthquake and tsunami in March is estimated to be at 16.9 trillion yen (\$209.8 billion), according to the Cabinet Office of Japan. Damage to homes and factories is estimated around 10.4 trillion yen, while damage to rivers, ports and roads is expected to be about 2.2 trillion yen.

Republic of South Korea

Hyundai Motor's Indian Market Share

The market share of leading South Korean automaker Hyundai Motor Co. in India rose to the year's high in May on brisk sales of its new passenger car. According to the Korea Automobile Manufacturers Association, Hyundai Motors sold 31,123 cars in India in May, up 14.6% from the same period last year.

Economy to Expand 4.5%

The Korea Institute for Industrial Economics and Trade (KIET), expects South Korea's economic growth to expand by 4.5% in 2011, compared to 6.2% in 2010, as the steady pace of the global economic recovery contributes to more exports.

Exports Up

South Korean exports are expected to surpass the US\$500 billion mark for the first time this year, helped by the steady pace of global economic growth, according to a report of Samsung Economic Research Institute. The report expects South Korea to ship out \$555.7 billion worth of goods this year, up 19.2% from 2010.

Trade Surplus

South Korea posted a trade surplus for the 16th straight month in May, fueled by strong exports of petroleum products and wireless communications devices. The trade surplus was US\$2.2 billion last month.

Current Account Surplus with China

South Korea posted a record current account surplus of US\$52.8 billion with China in 2010 as exports to China hit an all-time high.

Singapore

Mr Tarun Das, Former Chief Mentor, CII, visited Singapore from 13-16 June. During his visit, he had wide-ranging discussions with senior ministers of Singapore including Emeritus Senior Minister Goh Chok Tong, Law and Foreign Affairs Minister K Shanmugam, and Education Minister Heng Swee Keat.

Mr Das also met Mr George Yeo, former Foreign Affairs Minister, Dr TCA Raghavan, Indian High Commissioner to

Singapore, Ambassadors-at-Large Tommy Koh and Gopinath Pillai, Mr S Dhanabalan, Chairman, Temasek Holdings, and Prof Kishore Mahbubani, Dean, Lee Kuan Yew School of Public Policy at the National University of Singapore.

The discussions ranged from exchanging views on

developments in India-Singapore relations and the Indian economy, possible areas of cooperation between India and Singapore, and CII's initiatives in and with Singapore, including the recently-held fourth round of the India-Singapore Strategic Dialogue, among others.

Australia & New Zealand

New Zealand

On his first visit to India, the Rt Hon Mr John Key, Prime Minister of New Zealand, expressed his appreciation for India with its young population, its visionary approach and its attitude of relentless toil. Mr Key, who visited India with a strong

business delegation of 25 Industry captains from different sectors, assured his support in aggressively pursuing the FTA between the two countries by 2012, at a business meeting organized by CII and other industry bodies on 28 June in New Delhi.

Mr Anand Sharma, Union Minister of Commerce and Industry, India, assured Mr Key that his Government believed in partnership. This visit will give a new momentum to the relationship between the two countries, he said, praising New Zealand's prowess in sectors such as Technology and Energy, and its excellent food processing technologies, which could serve as a benchmark for India. Mr Sharma also noted the presence of the huge Indian Diaspora



Anand Sharma, Union Minister for Commerce & Industry, India; **Rt. Hon. John Key**, Prime Minister of New Zealand, and **Ajay Shriram**, Chairman, CII National Committee on Sugar, and Chairman & Sr MD, DCM Shriram Consolidated Ltd, in New Delhi

in New Zealand, and acknowledged the country as a favourite destination for Bollywood, Tourism and Higher Education. India, he said, was battling the challenge of sustaining high level of growth, while coping with climate change, food inflation, etc.

Mr Stephen

Flemming, former New Zealand cricketer, who was also present on the occasion, said cricket has been an adhesive bringing the two countries together.

Mr Ajay Shriram, Chairman, CII National Committee on Sugar, and Chairman & Sr. MD, DCM Shriram Consolidated Ltd, identified areas of collaboration that India and New Zealand need to kick start, such as simplification of rules of investment in non conventional sources of energy; collaboration and technology inputs in agriculture, dairy and development of the wool industry, and research programmes in biotech and bio pharma. The FTA he suggested, should include the services sector and investment in its ambit.

CIS & Russia

Russia

A 22-member CII CEOs delegation, led by Mr B Muthuraman, President, CII, and Vice Chairman, Tata Steel, and Chairman, Tata International Ltd, traveled to Russia for the St Petersburg International Economic Forum 2011. This was the second consecutive year that CII organized the CEOs delegation to the event. Many of the delegation members addressed various sessions of the Forum.

The delegation also participated in the India Russia Business Dialogue on 16 June, wherein discussions were held on economic and commercial



Sergei Ivanov, Deputy Prime Minister of Russia, with **Anand Sharma**, Union Minister for Commerce & Industry, India, in St Petersburg, Russia



Sergei Cherebin, Minister for Economic Development of Moscow Government and **B Muthuraman**, President, CII, and Vice Chairman, Tata Steel, and Chairman, Tata International Ltd

collaborations in specific sectors.

CII, in partnership with the Department of Industrial Policy & Promotion, also organized an Indian Reception for the Forum delegates, which

was attended by about 350 people, representing the governments and industry of both India and Russia. Mr Anand Sharma, Union Minister for Commerce and Industry, India, was the Guest of Honour.

Europe

Slovenia

Mr Borut Pahor, Prime Minister of the Republic of Slovenia, visited India from 13-6 June, with a strong 40 member official and business delegation. This was the first visit of the Slovenian Prime Minister to India since their independence in 1991. CII organized business seminars with Mr Pahor in Mumbai, New Delhi and Bangalore.

Addressing the seminar in New Delhi, the Slovenian Prime Minister invited investments from India in various sectors. "In spite of the global economic crisis, trade between India and Slovenia grew 15 % in 2010 over the previous year, a quarter billion euros of trade should be multiplied," he said.

The Slovenian government is encouraging its businessmen to search for business opportunities in the fast-growing Indian market. "India is Slovenia's second biggest trade partner in Asia," said Mr Pahor.

Ms Preeti Kaur, Union Minister of State, External Affairs,



Borut Pahor, Prime Minister of Slovenia; **Vladimir Gasparic**, Director General, Ministry of Foreign Affairs, Slovenia; and **Banmali Agrawala**, Executive Director - Strategy & Business Development, The Tata Power Company Ltd

urged both sides to identify potential areas of synergies and take bilateral relations to a higher level.

In Mumbai, the Prime Minister of Slovenia addressed an exclusive, high level CII-CEO roundtable to discuss investment and trade matters between India and Slovenia. Over 100 business to business meeting between the Slovenian delegation and top representatives of Indian industry in Mumbai were facilitated.

Latin America & The Caribbean

Trinidad & Tobago

A Business Forum on the 'Role of the Diaspora in Building a New Partnership between India and the Caribbean' was held on 31 May in Port of Spain, the capital of the Republic of Trinidad & Tobago (T & T). A 26-member CII business delegation joined Mr Vayalar Ravi, Union Minister of Overseas Indian Affairs & Civil Aviation, India, to celebrate India Arrival Day in T & T, and attended the Business Forum.

Mr Vayalar Ravi and Mr Stephen Cadiz, Minister of Trade & Industry, T&T, inaugurated the Forum, which had business sessions on investment opportunities between the two countries and the role of diaspora,



Vyalar Ravi, Union Minister for Overseas Indian Affairs & Civil and Aviation, India, with the CII business delegation in Trinidad & Tobago. Also seen: **Malay Mishra**, High Commissioner of India, Trinidad & Tobago, and **Ashook Ramsaran**, Executive Chairman, GOPIO, (3rd and 4th from left respectively)

as well as presentations and factory visits by the visiting Indian delegation. The event was organised

by CII, the High Commission of India, the Overseas Indian Facilitation Centre (OIFC), the India-Trinidad & Tobago Chamber of Commerce (ITTCC), and the Global Organisation of People of Indian Origin (GOPIO).

India, as one of the largest and the most dynamic emerging economies, has proved itself to be a key driver of global growth. Its sustained growth can be attributed to strong service sectors, emerging knowledge spheres, high number of qualified people and a huge young population, said Mr Ravi. He said that globalisation has been one of the major facets of India's growth.

Trade and investments have grown with the rest of the world. Exports of goods and services have both been on the rise.

Ms Kamla Persad Bissessar, Prime Minister of T&T, invited investments from India in Education, ICT, Pharmaceuticals, Sports, Packaging & Printing, Financial Services, and Wellness. Tobago was being developed as a centre for healing, and this would require investments, she added.

Mr Malay Mishra, High Commissioner of India, described the opportunities available for Indian business in T&T.

North America

Canada

CII-OIFC Delegation to Mini PBD in Canada

A six member CII-Overseas Indian Facilitation Centre (OIFC) delegation, led by Mr Deep Kapuria, CMD, Hitech Group, visited Toronto from 8 – 10 June coinciding with the Mini Pravasi Bharatiya Divas. The delegation, in addition to attending the mini PBD, had meetings with CII's MoU partners, the Canada-India Business Council (CIBC) on 8 June and the Canadian Council of Chief Executives (CCCE) on 9 June.

CIBC hosted a reception for the delegation on 8 June, addressed by Mr Arun Maira, Member, Planning Commission. The reception provided a great networking opportunity for the delegation members with Canadian industry. The CCCE hosted the CII delegation on 9 June, with discussions led by Mr Sam Boutziouvis, Vice President, Economics and International Trade, CCCE.

Mr Stewart Beck, Canadian High Commissioner to Delhi, pointed out that Canada-India economic relations are now at their best ever. A CEPA could be a building block in taking Canada-India relations to new heights, and the second round of discussions are scheduled in July 2011. There is a possibility of signing a Social Security Agreement and Foreign Investment Promotion & Protection Agreement (FIPA) soon. He also briefed about the promotion of tourism between two countries and the resumption of a direct Air Canada flight to India. Canada-India cooperation in shale



Dr. A Didar Singh, Chairman OIFC, and Secretary, Overseas Indian Affairs, with **Asha Luthra**, Convener, PBD-Canada 2011



Deep Kapuria, Chairman, Hitech Group, and leader of the CII delegation to Canada with **Sam Boutziouvis**, Vice President, Canadian Council of Chief Executives

gas, agriculture and food processing, supply chain, and the knowledge economy could take economic and business relations to a different level. The discussions also covered nuclear engagement and infrastructure development between the countries.

The Mini Pravasi Bharatiya Divas was inaugurated by Mr David Johnston, Governor General of Canada, and Mr Dalton McGuinty, Ontario Premier, along with Ms Praneet Kaur, Union Minister of State, External Affairs, India, on 9 June in Toronto. Over 550 delegates attended the first such significant conference, focusing on the Indian diaspora in Canada.

The conference was the first of many large events planned for 2011 – designated the Year of India in Canada. CII delegates addressed various PBD sessions deliberating on engaging diaspora youth in Education and Innovation; business prospects of Canada-India trade, and innovation and economic development.

United State of America

Global Partnership Initiative

CII organized a reception for a US delegation led by Mr Kris Balderston, Special Representative, Global Partnership Initiative, Office of the Secretary of State, USA, on 20 June in New Delhi. The discussions revolved around the 'Global Alliance for Clean Cookstoves,' a public-private initiative to improve livelihoods, empower women, and combat climate change by creating a thriving global market for clean and efficient household cooking solutions. The Alliance is seeking partners to provide leadership, funding, expertise, in-kind resources, and/or other support to advance this mission.

CII invited interested representatives from all stakeholder communities to join the discussion and offered full support to this initiative. CII briefed the US delegation about other innovative initiatives including the PPP model focusing on skills through the National Skills Development Corporation, the Shiv Nadar Foundation's project to create entrepreneurship, where corporate houses provide monetary support to young university students to go to nearby villages and guide the villagers to earn their livelihood by becoming self-dependent, solar lanterns, Chotu Kool refrigeration systems, Swachh water purification filters, and others.

Meetings with Mr Robert Blake

CII organized a meeting with Mr Robert Blake, Assistant Secretary for South Central Asian Affairs, US



Kris Balderston, Special Representative for Global Partnership Initiative, US Dept. of State, with Chandrajit Banerjee, Director General, CII

Department of State, on 20 June in New Delhi. Mr Blake was accompanied by Mr. Michael H Fuchs, Special Advisor to the Secretary of State; Mr. Mathew Lowe, Special Assistant to the Assistant Secretary; Ms. Mary Tarnowka, Deputy Economic Counsellor, US Embassy; Mr. Sandip Mehta, US Embassy and Ms. Annaliese Heiligenstein, Economic Officer, US Embassy.

The discussions were primarily focused on West Bengal, where Mr. Blake had earlier addressed CII members, and had meetings with officials in the new West Bengal government. The West Bengal government is seeking help from Bengali expats, for investments and expertise for the state.

Mr Blake noted that building infrastructure and cold chain storage remain on the development agenda. Education and vocational training programmes – following the PPP model, would result in generating jobs for India's soft dividend of young people.

On boosting India-Afpak trade, Mr Blake spoke of reviewing the 'negative list' with Pakistan. India, Pakistan and Afghanistan trade and road linkages could lead to India's trade with Central Asian countries, he said.

Climate Change and Energy

Taking forward the discussions on US-India bilateral cooperation in climate change and clean energy, Track 2 teams from USA and India (New Delhi and Mumbai) got together through a video-conference on 7 June. The video conference was an avenue for informational exchange in anticipation of the next in-person meeting tentatively scheduled for September. The stakeholders on each side gave an overview of recent developments in India and the United States on Climate Change; and discussed priority areas of cooperation in clean technology; adaptation mechanisms and efforts towards improving scientific understanding.

India-U.S News

Wealth Creators: India has emerged among the four fastest wealth creator countries in the world and its growth momentum is expected to gather further steam going forward, according to the annual Global Wealth Report of the Boston Consulting Group. The report lists the US, China, the UK and India as the



Sanjay Budhia, Chairman, CII National Committee on Exports; Beth Payne, Consul General of USA; Robert Blake, Asst Secretary of State, South & Central Asian Affairs, US Dept of State; and R K Agrawal, Deputy Chairman, CII (ER), in Kolkata

nations showing the largest absolute gains in wealth in 2010.

India-US Bilateral Investments: India and the United States have agreed to 'fast-track' technical negotiations for an early conclusion of the bilateral investment agreement they are negotiating.

Cut in Import Duty on American Pistachios: India has agreed to slash duty on import of American pistachio from 30 % to 10 %, according to the US trade office.

Corporate Watch

GE India to invest Rs 700 cr: GE India, the subsidiary of US-based industrial giant General Electric, will invest around Rs 700 crore to set up a multi-product manufacturing facility at Chakan near Pune.

Amul to spread wings: The cradle of India's White Revolution, the Kaira District Cooperative Milk Producers' Union Ltd, or Amul Dairy, plans to enter the US and European markets, by setting up manufacturing bases outside India.

Momentive R&D centre in Bangalore: US-based Momentive Performance Materials Holdings LLC (formerly GE Bayer Silicone), a specialty chemicals and materials company, will open a new regional business headquarters and a global R & D centre in Bangalore.

Aditya Birla - Columbian Chemicals deal: The Aditya Birla Group has acquired the Atlanta-based Columbian Chemicals Company. The acquisition, which catapults the Aditya Birla Group to the world's top carbon black producer, was made at Rs 3937 crore.

NBRI's Global Alliance: The Lucknow-based National Botanical Research Institute has entered into a global alliance with the Indian subsidiary of US-based Proterra International for developing bio-fertilizers from organic waste.

Moser Baer Solar Ltd: Moser Baer Solar Ltd has signed an agreement with Munro Solar for the distribution of its solar photovoltaic modules in the United States.

Aecom Buys Green Building Firm in India: Aecom Technology Corp., a US-based technical and support-services company, has acquired Spectral Services Consultants for an undisclosed sum. Spectral is a Delhi-based mechanical, electrical and plumbing green-building consultant; its projects include Delhi International Airport and the TCS office complex in Ahmedabad.

Mindlance opens Chennai Office: Mindlance, a New Jersey-based IT infrastructure service provider, is setting

up an office at Chennai, as a part of its ongoing expansion in India.

PE Investment: The investment of \$500 million in Indian steel pipe manufacturer Welspun group, by US-based Apollo Global Management, clearly indicates that India is an unavoidable destination for global private equity majors.

Carlyle invests in Visen Industries: International asset manager, The Carlyle Group, has invested \$25 million in emulsion manufacturer Visen Industries through an affiliate.

Foreign investments in Indian MFs: India has allowed foreign investors other than FIIs and NRIs to invest up to \$10 billion in equity schemes of Indian mutual funds. The \$10-billion investment ceiling is meant for a new category of qualified foreign investors or QFIs. These cover individuals, companies and pension funds that are neither Non-Resident Indians (NRIs) nor Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI.

Zydus acquires US pharma co: Ahmedabad-based Zydus Cadila is acquiring a US-based generic pharma company for \$60 million, which also includes purchase of two generic drugs – Micro-K and Potassium Chloride ER capsule products.

Mahindra Aerospace: Mahindra Aerospace Pvt. Ltd is scouting for a technology partner to make aircraft components at its proposed plant in Bangalore. Their focus is on an expedited certification process, equity as well as technical collaboration.

IBF Members In The News

Dr Reddy's Labs: Dr Reddy's Laboratories has launched three generic drugs in the US market. The drugs are used to treat central nervous system disorders and were all approved by the US drug regulator recently.

Jubilant drug discovery pact: Jubilant Discovery Services Inc., a US based subsidiary of Jubilant Life Sciences Co, has entered into a drug discovery alliance with Janssen Pharmaceutica N.V. to deliver preclinical candidates to Janssen. The alliance is set to span an initial period of 3 years and will focus on multiple targets in neuroscience.

TCS to Boost US Staff: Tata Consultancy Services Ltd. expects to hire more than 1,200 Americans this fiscal year through March 2012 to diversify its talent pool as well as counter anti-outsourcing sentiment in the US. Tata Consultancy, India's largest outsourcing company by sales, has nearly 1,900 local employees in the United States.

India REGIONAL R O U N D U P

East

World Environment Day

5 June, Jamshedpur, Bhubaneswar, Balasore



Plantation of saplings in Bhubaneswar

In Jamshedpur, World Environment Day was observed in keeping with the global theme of 'Nature at your Service'. Ms Himani Pandey, Deputy Commissioner of Police, flagged off a walkathon. Tree planting, launch of jute bags to kick start the 'No Plastic' campaign, and the release of a booklet titled 'Facts on Environment' were other highlights of the event.

CII Odisha State Council and Yi Bhubaneswar Chapter organized a 'Plant a Tree- Plant a Life Campaign' and planted more than 100 saplings to mark World Environment Day.

Fifty fruit bearing saplings were planted in the 'Go-Green Campaign' in Balasore.

Bihar

HR Conclave

16 June, Patna

The HR Conclave, with the motto of orchestrating the backbone of a company's profitable improvement by aptly grooming the 'human potential' had Mr Anjani



Anjani Kumar Singh, Principal Secretary, HRD, Bihar; Nirmallya Ghosal, Chairman, CII Bihar State Council; and Dr U K Singh, Director General, IIBM Patna, at the HR Conclave

Kumar Singh, Principal Secretary, Human Resource Development, Bihar, as the Chief Guest.



M V Subbiah, Past President, CII, and Chairman, NSDC

Skill Development: Focus Bihar

23 June, Patna

The Roundtable on Skill Development discussed how Bihar can develop into a major skill empowered territory. Mr Janardan Singh Sigiwal, Minister for Labour Resources, Bihar, was the Chief Guest, while Mr M V Subbiah, Past President, CII, and Chairman, National Skill Development Corporation (NSDC) and Mr Dilip Chenoy, MD & CEO, NSDC, also spoke.

Chhattisgarh

Management with a Difference

14 June, Raipur

A special session on 'Management with a Difference' with Swami Anubhavanandaji highlighted the need and relevance of value-based management in the present complex and fast changing environment.

Jharkhand

Safe Work Culture

10 June, Jamshedpur

The seminar on 'Towards Optimising Safe Work Culture' focussed on Safety, Industrial Hygiene and Job Stress. Experts also gave recommendations on Behavioral Safety, Fire Safety and Road Safety.

Focused Improvement Concept

16 June, Jamshedpur

Kobetsu Kaizen, or the Focused Improvement pillar of TPM, minimizes the types of losses with activities that maximize the overall effectiveness of equipment process and plant. A workshop was held on Bottom Line Improvement through Focused Improvement Concept.

Odisha

Material Planning

10 June, Bhubaneswar

The training programme on Material Planning for

Manufacturing Competitiveness provided participants a better understanding of material management concepts and best practices.

Food Mart

10 June, Bhubaneswar

Food Mart, a Buyer – Seller Meet on Food Processing, focussed on the scope of food processing in India, agro processing, branding, and market linkages. Mr K N Khatai, Commissioner-cum-Director, Directorate of Industries, Odisha, was the Chief Guest.

Interactive Session on Balasore

15 June, Balasore

In an interactive session with Dr A B Ota, Collector & District Magistrate, Balasore, members discussed the overall development of the city.



Dr A B Ota, Collector & District Magistrate, Balasore; and **Arindam Gupta**, Chairman, CII North Odisha Zonal Council

Workshop on Environment Law

24 June, Bhubaneswar

The Workshop on Environment Laws, organised in association with the CII-ITC Centre of Excellence for Sustainable Development, enabled the participants to understand the environment legal requirements and subsequently strengthen their environment compliance status through appropriate implementation.

West Bengal

Interactive Session on Japan

3 June, Kolkata



Ranaveer Sinha, Chairman, CII Eastern Region; **Akitaka Saiki**, Ambassador of Japan to India; and **R K Agrawal**, Deputy Chairman, CII Eastern Region, in Kolkata

Mr Akitaka Saiki, Ambassador of Japan to India, addressed CII members on 'Indo – Japan Strategic Partnership: Towards mutually complementary development.'

North Bengal: Destination Next

4 June, Siliguri



Session on North Bengal in Siliguri

A session on 'North Bengal – The Destination Next' discussed the development and future of North Bengal.

Session with Partha Chatterjee

22 June, Kolkata

Mr Partha Chatterjee, Minister of Commerce and Industry, in the new government of West Bengal, interacted with industry members on creating a long-term strategy for the economic growth and industrial development of the state.



Partha Chatterjee, Minister of Commerce & Industry, West Bengal

Port Infrastructure & Logistics

24 June, Haldia

The seminar on Port Infrastructure & Logistics deliberated on transloading, a procedure through which draft problems can be addressed. Experts at the seminar said that transloading is the future of the Haldia Dock Complex.

Investment Awareness

24 June, Kolkata

The seminar on Investment Awareness deliberated on the Dos and Don'ts for investments in banking, insurance, primary and secondary markets and mutual funds, company deposits, and the buy-back process.

Interactive Session on SMEs

30 June, Kolkata

Mr Lakhsman Guguluthu, CEO, BSE-SME Exchange highlighted the benefits of listing under the BSE-SME platform. He also spoke about Market Maker SEBI Guidelines.

North East

Assam

CII meets Chief Minister

The North Eastern region and Assam are now areas of increasing importance. Two CII delegations called on Mr Tarun Gogoi, Chief Minister of Assam, to congratulate him on his third consecutive electoral victory and to discuss areas where CII could cooperate with the government to work for the development of the state.

On 24 June, a CII delegation led by Mr Nayan Mani Borah, Chairman, CII North East Council, and MD, Oil India Ltd, with other members including Mr Abhijit Barooah, Co-Chairman, CII North East Council, and MD, Premier Cryogenics Ltd, Mr Dipak Chakravarty, Chairman, CII Assam State Council, and MD, Numaligarh Refinery Ltd, Dr Bhupati K Das, Immediate Past Chairman, CII Assam State Council, and Ms Nellie Ahmed Tanweer, Member, CII North East Council, and Managing Trustee, Maria's Public School, met Mr Gogoi.

Mr Borah said that the last decade reflects the growth story of the state and the election results demonstrate the mandate of the people for peace and prosperity. He added that confidence among industry and corporates is high and a stable government will generate greater interest in the state. Being the largest economy in the North East, Assam has to show the way for others to emulate, he said.

Earlier, on 7 June, another delegation, which included Dr Bhupati K Das, Mr Abhijit Barooah, Mr Ashish Phookan,



Tarun Gogoi, Chief Minister of Assam, with (L-R) **Nellie Ahmed Tanweer**, Member, CII North East Council, and Managing Trustee, Maria's Public School, **Indrani Kar**, Deputy Director General, CII, **Abhijit Barooah**, Co-Chairman, CII North East Council, and MD, Premier Cryogenics Ltd, **Nayan Mani Borah**, Chairman, CII North East Council, and CMD, Oil India Ltd, **Dr Bhupati K Das**, Immediate Past Chairman, CII Assam State Council, and **Dipak Chakravarty**, Chairman, CII Assam State Council, and MD, Numaligarh Refinery Ltd.

Chairman, Tourism Panel, CII Assam State Council, and MD, Assam Bengal Navigation, and Mr Anupam Deka, Chairman, MSME Panel, CII Assam State Council, & MD, SRD Group, called on Mr Gogoi in Guwahati.

The Chief Minister emphasized that the state's policy imperatives were based on the concept of inclusive growth. The development of small and cottage industries, and the economic well being of artisans working on bell metal, handicrafts, jewellery, and pottery, was therefore a priority.

The CII delegation apprised Mr Gogoi on the CII theme of Business for Livelihood this year, and assured him of CII's keenness to work with the government on a long-term strategy for sustaining economic growth and driving investment and job creation in the state.

The action areas placed before Mr Gogoi include Health, Education, Skill Development, Entrepreneurship, Manufacturing with a special focus on MSMEs, Infrastructure, Agriculture and Food Processing. The Chief Minister said his government would roll out various initiatives relating to these areas in a phased manner.

North

CII HRM Summit

22 June, Chandigarh

The HRM Summit 2011, themed 'Leading the Next Wave of Growth in India,' discussed the new role of evolving leadership and the need for accelerating the talent in pace with business development. Mr Aquil Busrai, Chairman, HRM Summit, and CEO, Aquil Busrai Consulting, and Group Chief HR Advisor, Jindal



Aquil Busrai, Chairman, HRM Summit, & Group Chief HR Advisor, Jindal Steel & Power



Vinod Sawhny, Executive Director & CEO, Beetel Teletech Ltd

Steel & Power, called for industry-institution collaboration to create quality employable skill power and groom leaders for tomorrow. Mr Vinod Sawhny, Executive Director & CEO, Beetel Teletech Ltd, said that management partnership between organisations and HR managers would enable the transformation of human assets into financial assets reflecting on the company balance sheets.

Edu Summit 2011

29-30 June, Chandigarh

The CII Edu Summit focused on the effective implementation of RTE, strengthening the link between school and vocational education to boost skilled labour input in the economy, and financing models in education. Addressing the conference, Mr Kapil Sibal, Union Minister of Human Resource Development, announced the roll out of the National Knowledge Centre to connect 31000 colleges in the next 2 years. The Centre will also provide 1100 courses, which have already been developed, to the students free of charge, he said. The Minister added that, for school education, a National Mission has been set up, which will use technology to the fullest.

Fully supportive of the CII agenda of agenda of integrating skills with education, Mr Sibal said his Ministry too has initiated the process of developing a National Vocational Education Qualifications Framework (NVEQF) and proposes industrial training courses in 9th and 10th grades in specific subjects.

Emphasizing the need for forging linkages between industry and academia, Mr Vijay Thadani, Chairman, CII Northern Region, and CEO, NIIT Ltd, described CII's forth-coming project - the University-Industry Congress, engaging with Vice Chancellors of 25 Universities. CII would also take delegations to universities in Britain and Australia. On the policy side, CII has submitted its recommendations on two important Bills on Higher Education – the National Commission for Higher Education, and the Research Bill, he said.

Mr Sibal released a report titled 'Catalyzing Growth: Education Sector in the Northern Region' prepared jointly by CII and PwC.

Coinciding with the conference, a two day display provided synchronization between knowledge and application in education, bringing business, academia and students together.

Realty 2011

10 June, New Delhi

The 7th edition of Realty 2011- an International Conference on Real Estate, focused on growing real estate needs, supported by strong macroeconomic fundamentals, which will necessitate additional amount of liquidity into the system. Encouraging small investors



Dr Sudhir Kapur, Chairman, CII NR Committee on Skills & Education; **Harpal Singh**, Conference Chairman and Mentor & Chairman Emeritus, Fortis Healthcare Ltd; **Kapil Sibal**, Union Minister of HRD; **Dhiraj Mathur**, Executive Director, Pricewaterhouse Coopers Pvt Ltd; and **Vijay Thadani**, Chairman CII (NR) and CEO, NIIT Ltd

to invest, mopping up large sums through REITs (Real Estate Investment Trusts) and REMFs (Real Estate Mutual Funds), and use of green technology were key recommendations.

Mr Sunil Kumar Singh, Jt Secretary (Housing), Union Ministry of Housing & Urban Poverty Alleviation, spoke of introducing the single window system, and providing affordable housing for the urban poor, and associated infrastructure. The conference highlighted the need for effective implementation of the Jawaharlal Nehru National Urban Renewable Mission (JNNURM), integrated development of infrastructure services, securing linkages between asset creation and maintenance for long term project sustainability.

A report titled, 'Future Cities- the choices that we make today' prepared jointly by CII and Grant Thornton looked at how Indian cities should address the challenges of sustainable growth, quality of life and climate change.



Anshuman Magazine, CMD, CB Richard Ellis South Asia Pvt Ltd; **Sunil Kumar Singh**, Jt Secretary, Housing; and **Harpal Singh**, Conference Chairman, Realty 2011 and Mentor & Chairman Emeritus, Fortis Healthcare Ltd

Membership Connect

Mr Vijay Thadani, Chairman, CII (NR) traveled to different states in the region to interact with members on state specific issues to set up CII's micro agenda. He shared CII's multi pronged strategy for the year to build a sustainable, futuristic and inclusive North.



Meeting with **Omar Abdullah**, Chief Minister of Jammu & Kashmir

In Jammu & Kashmir, Mr Thadani met Mr Omar Abdullah, Chief Minister, and presented the CII Skills Study report for nine districts in the state. Skilling, Agriculture and Tourism have been identified as three core areas for J&K.

In Himachal Pradesh, Mr Thadani informed members about unique CII services such as the online portal called My CII.

Mr Thadani met with Mr Rajendra Bhanawat, Managing Director, RIICO Ltd, in Jaipur, and identified 5 areas imperative to state growth: state-level reforms; skill development and education; infrastructure; agriculture, and water. Mr Thadani also disclosed that CII will soon set up a skills development centre at Bhiwadi for which land has already been allotted by the government.

CII is setting up four Centres of Excellence on Skills in the Northern Region and five University-Industry Partnerships, including one in Uttar Pradesh, said Mr Thadani, at the interaction in Uttar Pradesh. Meanwhile, the Confederation is starting a skill development programme in association with the British Council and Aditya Birla Group in Sitapur district, to train 1,500 students of industrial training institutes (ITI) students in two years, he said.

Mr Thadani, met with Mr Subhash Kumar, Chief Secretary, Uttarakhand, and discussed the CII agenda in the state.



Vijay Thadani, Chairman CII (NR), with **Subhash Kumar**, Chief Secretary, Uttarakhand

Identifying MSMEs and Competitiveness, Skill Development and Education, Environment, Policy Advocacy and Affirmative Action as the five core areas of work in Uttarakhand, he said the focus would be on rigorous implementation of the price purchase preference policy for MSMEs, linking Uttarakhand to the Eastern Freight Corridor, and creation of Special Tourism Zones.

Sharing the CII agenda with members in Jalandhar and Amritsar, Mr Thadani said CII will set up a Special Task Force for Affirmative Action in Nawanshahr and consider training 1500 underprivileged youth in Punjab in 2011-12. To attract investment into the state, CII is organising 'Destination Punjab' in Amritsar in October 2011, he said.

Chandigarh

Drug Abuse Day

26 June, Chandigarh

CII observed Drug Abuse Day by organizing plays on the disastrous consequences of Drug Abuse at the NGO, Snehalaya, a home for children at risk. The inmates were educated the children about various health hazards and threats of drug addiction. Garments, shoes and sports equipment were also distributed to the children.

Delhi

Meeting with Sheila Dikshit

30 June, Chandigarh



Vijay Thadani, Chairman, CII (NR), with **Sheila Dikshit**, Chief Minister of NCT of Delhi

A CII delegation led by Mr Vijay Thadani, Chairman, CII (NR) called on Ms Sheila Dikshit, Chief Minister of NCT of Delhi. The delegation briefed her on the initiatives planned by CII Northern Region specifically for Delhi. The Chief Minister agreed to form a Joint Task Force with CII to work for the sustainable industrial development of

the state. She also asked CII to organize programmes for SMEs in Delhi.

Haryana

Energy Efficiency

16 June, Faridabad

Haryana has energy savings potential of 622.4 M. Under the CII-BEE series, a workshop on 'Enhancing Competitiveness through Energy Efficiency' shared best practices in the Auto Component sector.

Jammu & Kashmir

Inspiring Young Hearts

17 June, Srinagar

Highlighting the importance of entrepreneurship, interpersonal and communication skills in today's professional world, Mr. Vijay Thadani, Chairman, CII (NR) and CEO NIIT Technologies Ltd. inspired 100 young persons at the Business School, Kashmir University.

Solar Lanterns for Leh Rehabilitation



Senior staff from the MCM DAV College for Women donating 31 Solar Lanterns for Leh Relief Rehabilitation to **RM Khanna**, Past Chairman, CII (NR)

South

Interactive Session with Mr Anand Sharma

3 June, Bangalore

11 June, Hyderabad



RP Singh, Union Secretary, Industry & Commerce; **Anand Sharma**, Union Minister for Industry & Commerce; and **TT Ashok**, Chairman, CII (SR), at the interaction in Hyderabad

The interactive sessions with Mr. Anand Sharma, Union Minister for Commerce & Industry, addressed various issues related to industry and trade. Mr Sharma

Rajasthan

Climate Change & Renewable Energy

16 June, Jaipur

Discussing the modalities of a green and clean India, the conference focused on Climate Change, Renewable Energy and Green Buildings. Dr Jitendra Singh, Minister for Energy, and Mr Ram Lal Jat, Minister of State for Environment and Forest, Rajasthan, the Guests of Honour for the conference, released a report on 'Green Energy less CO2.'



Dr Jitendra Singh, Minister for Energy, Rajasthan

Computer Training for Police Personnel

20 June - 25 June, Jaipur

A week-long basic computer training programme was organised to curb increase in cyber crimes, and credit card and other frauds.

Uttar Pradesh

How to be a Star Performer

24 June, Lucknow

The workshop guided individuals to discover ways to sharpen their abilities and achieve desired results. The purpose of the session was to bring about a behavioral change in managing professional matters which in turn lead to a significant increase in performance and productivity.

expressed concern about the rising food inflation, and called for reinventing Indian agriculture.

Members' Meets

10- 24 June: Bangalore, Mysore, Vishakhapatnam, Hyderabad and Puducherry



Members' Meet in Bangalore

Mr T T Ashok, Chairman, CII Southern Region, shared the various initiatives / activities planned by CII Southern Region during 2011-12, with CII members in different cities across the region.

Session on Japan

16 June, Chennai

Mr Akitaka Saiki, Ambassador of Japan in India, during his visit to Chennai, met CII members to exchange ideas on further strengthening bilateral co-operation.

Andhra Pradesh

Next Gen Finance Leaders

8 June, Hyderabad

The seminar gave an insight on finance-led transformation, and CFO challenges and solutions in the new economy. It also discussed corporate governance in sectors such as IT, pharma and biotechnology.

Delegation to UK

20 – 21 June, Hyderabad

A CII delegation visited the UK. Ms J. Geeta Reddy, Minister of Major Industries, Andhra Pradesh, made an elaborate presentation on the industrial policy initiatives of the state to industrialists in the UK. The delegation visited Brunel University and their innovation centers and discussed possibilities for collaboration. Three trade delegations have agreed to visit Andhra Pradesh to explore investment opportunities in the State.

Session on Republic of Korea

22 June, Hyderabad

Mr. Kim Joong – Keun, Ambassador of the Republic of Korea, described the economic and growth scenario of his country and briefed members on Korean investment and trade.

College Excellence Mission

23 June, Hyderabad

Under the Hyderabad College Excellence Cluster, a mission visited ITW and Mahindra & Mahindra, to showcase the best practices of the manufacturing industry to college faculty.



Mission members at ITW India

Conference on Mining

24 June, Hyderabad



P. R. Naik, Executive Director, BEML; G. Srinivas, Jt Secretary, Mines; Jay Galla, Chairman, CII Andhra Pradesh; and Tushar Pandey, Group Executive VP & Country Head, YES Bank

The conference, organized in association with the Government of Andhra Pradesh, focused on the opportunities available in the state for the industries associated with the mining sector. Mr G. Srinivas, Joint Secretary, Union Ministry of Mines, shared the new policy of the Government to improve and reduce the country's dependence on import of cooking coal.

Karnataka

The Women Context

7 June, Bangalore



Srilatha Batiwala, Scholar Associate, Association for Women's Rights in Development; Priya Chetty-Rajagopal, Convener, WBLF, and VP & Partner, Stanton Chase International, and Meena Ganesh, MD and CEO, Pearson Education Services

The launch of 'The Woman's Room', organized by the Women Business Leaders Forum (WBLF) on 'The Women Context – Definition of Happiness and Success,' debated and deliberated on the changing definition of happiness and success in today's fast paced world.

Conference on XBRL

24 June, Bangalore

XBRL (eXtensible Business Reporting Language) has emerged as a popular and effective alternative for reporting and analysis in a number of countries, and implementations are growing rapidly around the world. The conference on XBRL discussed the future of financial reporting and analysis in India.

Kerala

Kerala Rubber Convention-2011

14 June, Kottayam

The conference, with the theme of 'Sustainable Rubber

Manufacturing & Processing' discussed the Kerala Rubber Convention that would create a platform to showcase technology, ideas and solutions in rubber processing stages and help rubber planters, MSMEs, regional and national players to attain sustainability and competencies.

Puducherry

Meetings with Government

6 -8 June, Puducherry

A CII team led by Mr T T Ashok, Chairman, CII, Southern Region called on Mr. N Rangasamy, Chief Minister, Puducherry, and Mr. R Chandramohan, Chief Secretary,



N Rangasamy, Chief Minister, Puducherry, with **T T Ashok**, Chairman, CII, Southern Region; **Meenakshi Kumar**, Chairman, and **K S Shetty**, Vice Chairman, CII Puducherry

Puducherry, on 7 June to submit a report on the medium term agenda for the development of Puducherry. The report covers key areas like industrial estates development and allied infrastructure, private investment promotion, special incentives for MSMEs, market development and promotion, human resource development and labour reforms, power reforms, urban renewal, governance, and a revenue model for the state under the GST regime.

A day earlier, on 6 June, CII members met Mr R Chandramohan, to discuss the constitution of a Consultative Committee to give inputs to the Government of Puducherry for the new industrial policy 2012.

On 8 June, CII met Mr G Malar Kannan Labour Commissioner, Puducherry, to discuss skill development and employment generation.

Tamil Nadu

Retaining Tamil Nadu's Edge

16 June, Chennai



R Dinesh, Vice Chairman, CII Tamil Nadu; **T T Ashok**, Chairman, CII Southern Region; **C. Shanmugavelu**, Minister for Industries, Tamil Nadu; and **N K Ranganath**, Chairman, CII Tamil Nadu

The roundtable discussed the key findings of the CII - McKinsey & Co. study on 'Retaining South India's Edge in India's Growth Story.' Thiru C. Shanmugavelu, Minister for Industries, Tamil Nadu, said the State Government would come out with a sector-specific industrial policy to accelerate growth and place Tamil Nadu in the forefront of development.

Tamil Nadu Manufacturing Outlook

29 June, Chennai

The session gave members an opportunity to interact with top manufacturing industrialists from sectors such as auto & auto components, pumps, textiles, MSME, leather, electronics and education. The session deliberated on how Tamil Nadu can retain its competitive edge through quality, design, innovation and next practices.

Zones and Districts

Chennai

Green Walk

5 June, Chennai

The Green Walk on World Environment Day was flagged off jointly by Ma Subramanian, Mayor, Corporation of Chennai and Dr Vikram, Film Actor.

Finance for MSMEs

16 June, Chennai



Seminar on Finance for MSMEs

The seminar reviewed and analyzed the finance availability and funding opportunities for MSMEs.

Lean Manufacturing

21 June, Chennai

26 June, Coimbatore

The workshops created awareness on the powerful concepts of lean system thinking, and the use of its tools for business growth.

Coimbatore

Best Practices Mission

20 May, Chennai

A CII mission visited Hyundai Motor India Ltd & Schwing Stetter India Pvt Ltd to understand their best manufacturing

and supply chain management systems. The participants also gained a thorough understanding of the Just in Time Technology (JIT) implemented by Hyundai Motors.

Session on VAT

24 June, Coimbatore

The session focused on eligibility to credit and utilization under Tamil Nadu VAT and CENVAT regulations, refund schemes for exporters of goods and services and operational challenges, current controversies relating to credits and practical watch points.

Erode

Manufacturing Mission

17 June, Bangalore

The Mission to Toyota Kirloskar Motors & Tata BP Solar Ltd, Bangalore, gave members an opportunity to understand the latest manufacturing techniques.

Karur

Dyeing and Processing Park

14 June, Karur

The interactive session was held to understand the feasibilities of setting up a Dyeing and Processing Park in Karur.

CII Green Walk

19 June, Karur

The Green Walk created awareness about environment issues amongst the general public, and the 'Go Green' concept.

Madurai

Manufacturing Excellence Mission

21 June, Madurai

The mission visited Fenner (India) Ltd & TVS Srichakra Ltd to understand their manufacturing excellence practices.

Mysore

Meeting of Zonal Past Chairmen

15 June, Mysore

The meeting deliberated on a wide range of issues ranging from industrial development to MSME schemes to CSR activities and more.

Thoothukudi

Smart Logistics Strategies

28 June, Thoothukudi

The workshop explored smart logistics strategies to

help industries handle the various issues related to logistics.



Krishnamachari Srikkanth,
Chairman,
National Senior
Cricket Selection
Committee

Trichy

Session with Kris Srikkanth

24 June, Trichy

The session with Kris Srikkanth, Chairman, National Senior Cricket Selection Committee and well-known former cricketer, inspired students to be innovative, passionate and positive to be successful and attain their dreams.

Quality in Education

24 June, Trichy

The session with the CII Institute of Quality highlighted the fundamental standards to be maintained by educational institutions in order to build their reputation.

Creative Schools, Developed Nation

24 June, Trichy



Session on 'Creative Schools'

The session on 'NextGen Teaching in Schools' apprised school principals and faculty members in and around Trichy about the need for imparting new technology in schools.

Vishakhapatnam

Session on Direct Tax Code Bill

2 June, Visakhapatnam

The session on Direct Tax Code Bill discussed the possible impact of DTC when implemented.

Ties with USA

6 June, Visakhapatnam

An interactive session with Ms. Katherine Dhanani, US Consul General, Hyderabad, discussed trade and investment between the industries in USA and Visakhapatnam.

West

Goa

Improving Process

15-16 June, Panaji

The process approach, process-oriented organization structure, functional oriented organization structure, concept of efficiency and effectiveness, were discussed, explained and clarified with examples from the Production, HR and Finance functions by Mr P K Bandopadhyay, Faculty, Goa Institute of Management.

Gujarat

Investment Opportunities in Canada

3 June, Vadodara

Mr Hart Kaminker, Canada-based Barrister and Solicitor, described the issues related to setting up a business under the Investor Program (a new Canadian Government initiative) and identified various business opportunities in Canada.

Interaction on Mining & Labour Safety Act

7 June, Ahmedabad

The Parliamentary Standing Committee on Mines & Labour Safety Act invited suggestions from the mine owners on the Amendments in the Mines Bill 2011, which would be examined by the Committee for necessary alterations, if any.

Workshop on Corporate Etiquettes

8 June, Bhavnagar

The workshop updated representatives of industries in and around Bhavnagar about the etiquettes followed by different countries.

Seminar on Exports

22 June, Bhavnagar

The seminar updated industries in and around Bhavnagar about important issues relating to exports, the government perspective on export, avenues for finance, and logistics for export.

Maintech 2011



At the Inaugural session of Maintech 2011

24 June, Vadodara

Maintech discussed how critical industrial tools like bearing,

pumps, turbines, etc can be made greener and more environment friendly, to meet the emission norms prevalent across the globe. The focus of the conference was on Proactive Maintenance practices related to Bearing.

CII-IBM Faculty Development Programme

15, 20, 28 June, Rajkot, Surat, Vasad, Mehsana

Faculty Development Programmes (FDPs) were conducted in colleges of various cities of Gujarat, such as Rajkot, Surat, Vasad(Vadodara) and Mehsana. The training programmes trained the faculties to operate the relevant software, giving the institute a platform for collaboration with IBM and other institutes.

Madhya Pradesh

Energy Management

3 June, Bhopal

The training programme imparted awareness about how to achieve and maintain optimum energy procurement, and how to minimize energy costs/waste without affecting production and quality.

Session on Defence Procurement

9 June, Indore

The exclusive interaction with Rear Admiral A K Verma VSM, Additional Director General, Quality Assurance, brought the Directorate of Quality Assurance (DQA), (Warship Projects), DGQA, New Delhi, and CII members together to identify emerging demand for defence equipment, and also to update members about the vendors registration procedure, quality parameters, procurement and inspection procedures, payment terms, etc.

Industrial Motivation Campaign

15 June, Chhindwara

The campaign was held to identify and motivate traditional / non-traditional entrepreneurs with potential for setting up MSMEs, to lead them towards self-employment. Mr M L Belwanshi, Acting General Manager, District Industries Centre, described the Madhya Pradesh Government schemes for entrepreneurs as well as for self employment. Mr V P Shukla, District Programme Officer, KVIB, Madhya Pradesh, spoke on the Prime Minister's Employment Generation Programme.

Biomass Energy Systems

28 June, Indore

The workshop on 'Non-Baggasse based Cogeneration for Solvent Extraction Plants' was held to encourage the deployment of biomass energy systems in industry as an

alternate to thermal and electrical energy requirements and also to understand the policy initiatives of the state / central government to promote biomass based cogeneration as an alternative mode of energy generation in industry.

Maharashtra

9th MRM – National Hybrid Cluster

3 June, Pune

Eight companies participating in the Hybrid Cluster are experiencing extraordinary results after successfully completing 1S, 2S and Total Employee Involvement (TEI) practices. This session, attended by representatives of all the eight participating companies accompanied by their respective department heads of Quality, focused on Quality Assurance (QA) and Quality Control (QC).

CII – IIT Industry-Academia Collaboration

9 June, Mumbai

CII, in collaboration with IIT, organized a seminar on Industry-Academia collaboration, with a fine focus on R&D. Scholars interested in industry collaboration for their research, presented their work to an industry panel comprising of companies from different areas of specialization.

Mutual Fund Summit 2011

22 June, Mumbai



H N Sinor, Chief Executive, Association of Mutual Funds in India; **Milind Barve**, Chairman CII Mutual Fund Summit 2011, and MD, HDFC Asset Management Co. Ltd; **Gautam Mehra**, Executive Director, PricewaterhouseCoopers Pvt. Ltd; and **U K Sinha**, Chairman, SEBI

The Mutual Fund Summit 2011 covered a wide range of topics like Distribution Strategies and Regulations, Changing the Face of the Mutual Fund Industry, Exploring New Frontiers, The Domestic and International Landscape, Fostering Growth of the Mutual Fund Industry, and the Way Forward. Inaugurating the Summit, Mr U K Sinha, Chairman, SEBI, also released the CII-PwC Report on 'Indian Mutual Fund Industry – Distribution Spectrum and the Changing Business Environment.' The Summit also included an exclusive CEOs' Interactive Roundtable on 'Opportunities and Challenges: The Road Ahead for the Mutual Fund Industry.'

Conference on Logistics

24 June, Nagpur

With the theme 'Moving ahead the logical way,' the conference underscored the need for infrastructure development to push the growth engine of logistics industries in the Vidarbha Region. The conference focused on Nagpur as the next logistical hub. Despite excellent multimodal connectivity by air, rail, and road with all parts of India, Nagpur still it has a long way to go to achieve optimization of logistic cost to come to the level of developed economies.

Real Estate Conclave

24 June, Mumbai



Anuj Puri, Chairman, CII Real Estate Conclave, and Country Head, Jones Lang LaSalle; **Ajay Piramal**, Chairman, Piramal Group; **Adi Godrej**, President Designate, CII, and Chairman, Godrej Group; and **Firdose Vandrevala**, Chairman, CII National Committee on Real Estate & Housing, and CMD, Hirco Developments Pvt Ltd

The Conclave aimed to identify the steps that need to be taken to decisively integrate the Indian real estate growth story into the global script. A report, 'Indian Real Estate – Charting a Global Course: The Essential ecosystem for a Sustainable Future' was released at the event.

BANKing TECH Summit 2011

28 June, Mumbai



Robert L Lattimore, Executive Director, PricewaterhouseCoopers Pvt. Ltd; **N Chandrasekaran**, Chairman, BANKing TECH Summit 2011 and CEO & MD, Tata Consultancy Services Ltd; **Dr K C Chakrabarty**, Deputy Governor, RBI; and **Praveen Toshniwal**, Chairman, CII Western Region

The 6th edition of the BANKing TECH Summit was inaugurated by Dr K C Chakrabarty, Deputy Governor, Reserve Bank of India, who also released the CII – PwC Report on 'Changing Rules of the Game through Technology.'