



Confederation of Indian Industry



CII Theme Note 2019-20
Competitiveness of India Inc.
India@75: Forging Ahead

India is the fastest growing major economy in the world and is expected to continue its journey on an upward trajectory even amidst rising global uncertainties, as it marches forward to complete 75 glorious years of Independence. Backed by a rich demographic dividend and a strong entrepreneurial culture, it is set to become an innovative, technology driven and a more equitable and sustainable nation by 2022, as envisioned by India@75.

India's growth is dependent on the competitiveness of Indian industry which is the chief growth engine of the economy. India Inc.'s productivity and capability to 'do more with less' is intrinsic to India achieving its goals as envisioned under India@75. For 2019-20, CII is thus taking up the theme of **Competitiveness of India Inc./India@75: Forging Ahead**.

Economy

India is the third largest economy in terms of purchasing power parity and fifth largest in nominal terms. It is expected to post strong growth and grow by 7.5% in 2019 and expand further by 7.7% by 2022, supported by a stable macroeconomic environment and strong structural reforms. India is now set to become a US\$5 trillion economy in the next five years and Indian industry will remain the principal growth engine for achieving this target.

As a key partner in India's national development, the Confederation of Indian Industry (CII) is committed to promoting the growth of the Indian Industry and is dedicated to driving the country's development across sectors. It helps industry power India's evolution and empower its citizens by generating incomes and livelihoods.

As India prepares to celebrate its 75th anniversary as an independent nation, several imperatives for the economy gain significance. Taking cognizance of the rapidly changing global landscape, Indian Industry must prepare a growth strategy that will catapult the economy to the next wave of growth.

Jobs and livelihood creation would assume the highest priority, given the rapid evolution of technology and advent of Industry 4.0. More importantly, as agriculture remains the predominant sector, achieving higher productivity in the sector along with establishing the rural-urban connect is a critical objective for the evolving structure of the economy.

Equally, industry and services must receive strong attention in order to fire growth on all cylinders. Competitiveness of Indian Industry must continue to be built up, both through national competitiveness as well as competitiveness of enterprises.

With this backdrop, the focus for Indian Industry during 2019-20 will be on five priority areas which would enable the country to stay on a solid growth track. Building on the priorities of the earlier themes, CII in 2019-20 will work on the theme of **Competitiveness of India Inc./India@75: Forging Ahead** with five sub themes as mentioned below.

Employment Generation

Generating more and better livelihoods is central to India's development trajectory, necessitating new ideas for agriculture, manufacturing, infrastructure and services. While on the one hand, enterprises must be adequately empowered to create jobs, on the other, building the talent of India's human assets is an imperative.

A strong manufacturing sector underpins the endeavor for creating employment opportunities. Ease of doing business, labour regulations, access to finance, and right sectoral policies would contribute to a conducive ecosystem for growth and job creation.

Technology is evolving at a rapid pace with digitization, Artificial Intelligence, Blockchain, 3D Printing, Robotics and Automation, collectively referred to as 4.0. Hence, the focus will be on creating next-gen manufacturing, which will also usher in high productivity in the sector along with creating more jobs. The export endeavor will be emphasized along with promoting labour-intensive sectors.

Employment generation in the agricultural sector is essential to raising incomes of farmers. The right agri-marketing strategies such as electronic national agricultural markets, transforming rural haats into vibrant agri-produce markets and building farmer producer organisations are key for ensuring higher incomes for farmers. Farmers will also be linked with enhanced technology, mechanization, and better seeds and inputs.

In the services sector, employment opportunities across sectors such as healthcare, tourism, entertainment and media, financial services, education and so on bear huge potential. The objective will be to ensure the best conditions for these sectors to expand rapidly.

Infrastructure plays a dual role in both creating jobs in the construction sector and in connecting workers with job opportunities. In this, the digital infrastructure can play a huge role and will be boosted along with transport, communication and energy facilities. Public-private partnerships and financing will be taken up strongly.

The areas of focus would be on planned urbanization and ensuring movement of workers from less productive primary to secondary and tertiary sectors of the economy. Additionally, adequate housing and infrastructure in the right urban areas must be prioritized to enable productivity gains from migration.

The skill development endeavor has now gathered pace and must be accelerated, including by leveraging the industry linkage

Rural-Urban Connect

As the main occupation for Indians, the agriculture sector faces a conundrum of rising productivity and falling incomes. Opportunities in key areas such as horticulture, fisheries, poultry, and livestock in an organized manner can add to jobs. A major focus would be food processing, particularly in the rural areas.

Off-farm employment can be generated in the rural areas by linking urban areas with the agricultural economy. Cold chains, warehousing, and transport connectivities will be taken up.

Agri exports is an area of huge opportunity as India can tap overseas markets and ensuring standards, certification and skill development will be taken up along with state level agri export policies. The natural produce economy of organic and heritage produce can also be tapped to be a job generator.

Energy Security

Energy security and efficient consumption of energy resources is critical for attaining sustainable development. India's rising import bill is an area of concern and thus the primary focus will be on effectively managing energy use with growth and reducing India's oil intensity.

Other priority areas would be to develop high grade energy infrastructure, such as energy ports, pipelines, refineries, etc. that are well equipped to face climate extremes. Focus on innovation and new technologies in the energy sector is also critical for creating necessary storage facilities. Additionally, access to finance and investments in cost effective technologies is also an essential requirement.

India is committed to strengthen and promote its renewable energy programme and Indian Industry will further this agenda by engaging with relevant stakeholders, prioritizing policy reforms, promoting energy efficiency initiatives and encouraging investments in efficient energy technologies.

Environmental Sustainability

India has taken a conscious lead in combating climate change and meeting the sustainable development goals. However, given the range of environmental problems - from water conservation to waste management - providing solutions for a sustainable living and quality of life is critical for achieving continuous growth.

Ensuring an environmentally sustainable future for the country will be a key priority for Indian industry given the rising challenges from a variety of environmental issues and its adverse consequences for a developing nation.

Under its theme of environment sustainability, through its various centers of excellence, CII will be committed to the areas of promoting clean air and electric vehicles, environment conservation and forest protection, and reducing CO₂ emissions through green practices and businesses.

Governance

Governance will be an overarching theme in all areas of engagement for Indian Industry. Given its all-pervasive-nature, corporate governance will remain an all-important role with focus on developing innovative governance practices, setting standards and evolving best practices.

CII has been and will continue to be actively involved in representing industry issues and initiating constructive dialogue among the relevant stakeholders. Emphasis would be on promoting better risk management practices, ensuring transparency and greater stakeholder engagement.

CII is already a forerunner in all the five thematic areas. It will continue to strengthen its support and scale up its activities in all these areas for unleashing the true potential of the Indian economy.



Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government, and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895, India's premier business association has around 9000 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from around 265 national and regional sectoral industry bodies.

CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, healthcare, education, livelihood, diversity management, skill development, empowerment of women, and water, to name a few.

As a developmental institution working towards India's overall growth with a special focus on India@75 in 2022, the CII theme for 2019-20, **Competitiveness of India Inc./India@75: Forging Ahead** emphasizes Industry's role in partnering Government to accelerate India's growth and development. The focus will be on key enablers such as job creation; skill development; financing growth; promoting next gen manufacturing; sustainability; corporate social responsibility and governance and transparency.

With 65 offices, including 9 Centres of Excellence, in India, and 10 overseas offices in Australia, China, Egypt, France, Germany, Singapore, South Africa, UAE, UK, and USA, as well as institutional partnerships with 355 counterpart organizations in 126 countries, CII serves as a reference point for Indian industry and the international business community.

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