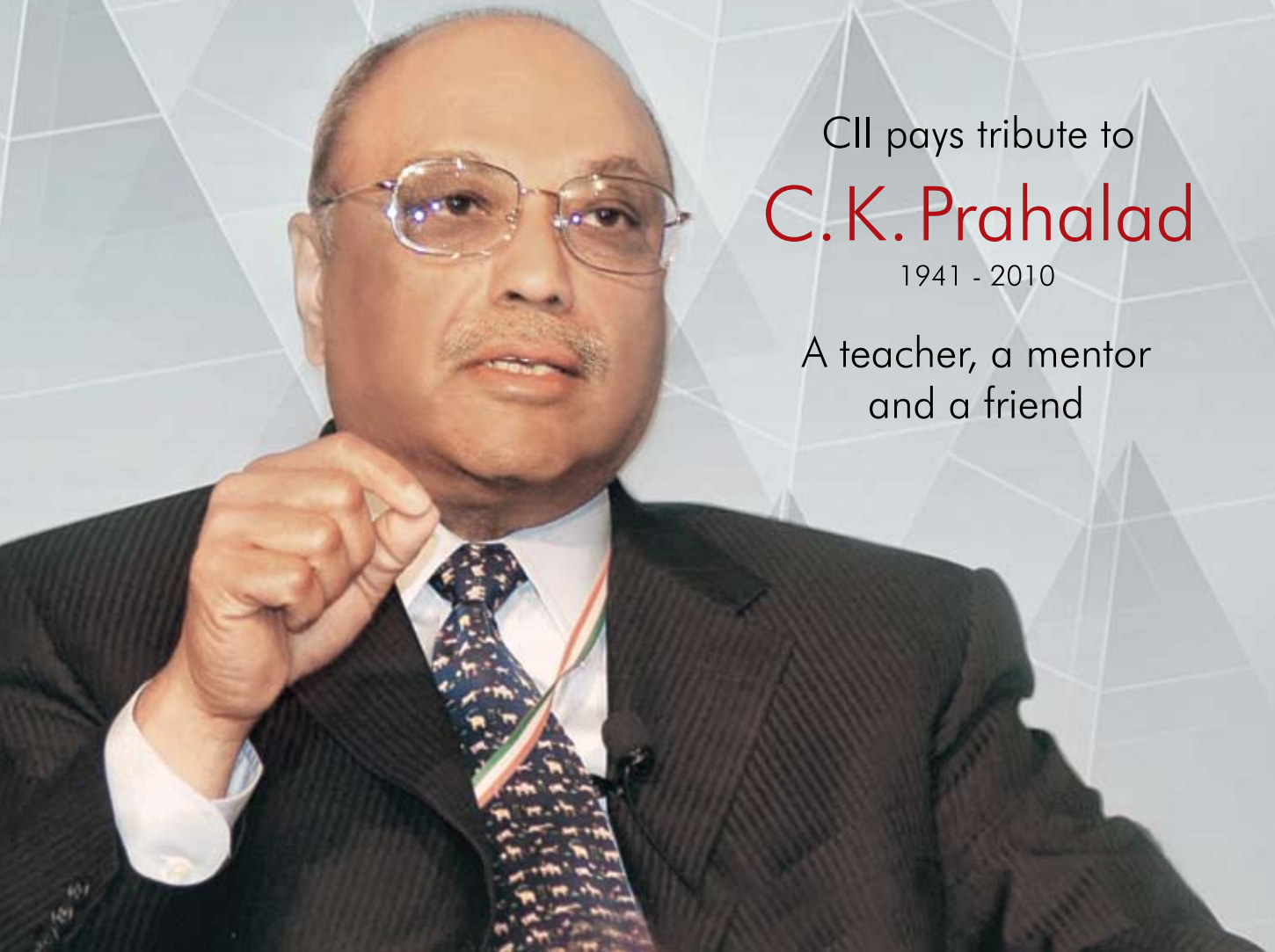


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# CII COMMUNIQUÉ

Journal of the Confederation of Indian Industry

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CII pays tribute to

**C.K. Prahalad**

1941 - 2010

A teacher, a mentor  
and a friend



Indians want to imagine a New India; not just a minor tweaking of the India they see around them. They want an India that is modern, socially equitable, fair and transparent. They want an India full of opportunities.



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- Young Indians
- India & the World
- Regional Round Up
- And all our regular features

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# 'India and Japan to lead Green Revolution in Infrastructure'

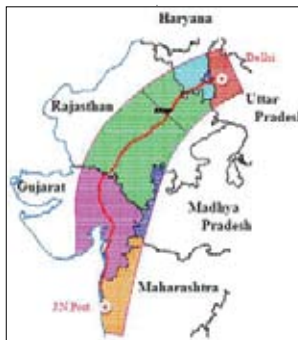


Masayuki Naoshima, Minister of Economy, Trade and Industry, Japan; Anand Sharma, Minister of Commerce & Industry, India; Sunil Kant Munjal, Past President, CII, and Chairman, Hero Corporate Service Ltd and Chandrajit Banerjee, Director General, CII

**INNOVATIONS IN** energy efficiency, recycling and sustainable infrastructure development would serve as a second green revolution for the world and would be the driving force for innovation, declared Mr. Masayuki Naoshima, Minister of Economy, Trade and Industry, Japan. Addressing the CII – Jetro Seminar on **India – Japan Business Opportunities** in New Delhi on 30 April, the Minister said that the Smart Community Initiative, the MoU for which was signed at the seminar, between the Delhi Mumbai Industrial Corridor and Development Corporation (DMIDC) and six major Japanese companies including Toshiba, Mitsubishi, and Hitachi, has the potential to revolutionize infrastructure development and emerge as a role model that can be taken to other parts of the world. India's dynamic middle-class and its young population, Mr. Naoshima said, made the country's potential for growth practically unlimited.

Mr. Anand Sharma, Minister for Commerce and Industry, India said that the Delhi Mumbai Industrial Corridor (DMIC) represented a great opportunity for investment for both Japanese and Indian companies. Japanese firms with their expertise in infrastructure development were particularly well placed to leverage this opportunity, he felt.

Mr. Amitabh Kant, Chief Executive Officer and



Managing Director, DMIDC, said that sustainable infrastructure development with a stress on recycling, waste management, and use of eco-friendly materials was something that countries in Asia, especially Japan, have achieved great proficiency in. Such models were more suitable to India's urgent need for creating an urban infrastructure for millions than western models, which had been devised when both land and natural resources were cheap. The DMIDC looked to creating the cities of the future in India with many central business districts that would be easily accessible, environmentally friendly, and reduce the need for long commutes between work and residential areas, he said.

Mr. H.K. Singh, Indian Ambassador to Japan, said that India-Japan cooperation in infrastructure, especially with reference to the DMIC, would transform India's landscape. The Ambassador expressed confidence that negotiations on the India-Japan CEPA are being given great priority by both governments and are personally being led by the Prime Ministers of the two countries.

In his opening remarks, Mr. Sunil Kant Munjal, Past President CII and Chairman, Hero Corporate Services, described the DMIC as a corridor of opportunities and a great example of the strength of Indo-Japanese bilateral ties. ■



# Annual Monetary Policy 2010-11

The RBI, in its Annual Monetary Policy for 2010-11, increased the policy rates as well as the cash reserve ratio (CRR) by 25 bps each. This is in addition to the earlier increases of 25 bps in the policy rates and 75 bps in the CRR

**CII HAS** been highlighting the need for moderation in monetary tightening, given the need to support growth through the availability of funds at a reasonable rate. CII is therefore satisfied with the measured and calibrated approach taken by the RBI.

The Annual Statement highlighted three major factors that would guide monetary policy in the coming year: the growth outlook, inflationary pressures and the need to accommodate high government borrowing.

On the growth front, the RBI believes that the recovery is now firmly in place, creating a need to normalize policy instruments in a calibrated manner. On inflation, RBI has indicated that it is getting generalized and is no longer driven entirely by supply side factors. While these factors demand that surplus liquidity should be absorbed, the third factor warrants supportive liquidity conditions. This has created a dilemma for the RBI and the need for a fine balancing act.

The Annual Policy also presented the RBI's outlook for growth and inflation over the coming year. The RBI's



## Highlights of the Annual Monetary Policy for 2010-11

- Policy rates raised by 25 bps: Repo rate increased from 5.0% to 5.25%; reverse repo rate increased from 3.5% to 3.75%; bank rate kept unchanged at 6%.
- The CRR of scheduled commercial banks raised by 25 bps from 5.75% to 6% of their net demand and time liabilities effective the fortnight beginning April 24, 2010. As a result, about Rs. 12,500 crore of excess liquidity will be absorbed from the system.
- For policy purposes, the baseline projection of real GDP growth for 2010-11 has been placed at 8% with an upside bias
- Base-line projection for WPI inflation for end-March 2011 has been placed at 5.5%. Monetary policy will continue to condition and contain the perception of inflation in the range of 4.0-4.5 per cent.
- For policy purposes, M3 growth for 2010-11 has been placed at 17%. Consistent with this, aggregate deposits of scheduled commercial banks (SCBs) are projected to grow by 18% and non-food credit of SCBs by 20%.
- Non-food credit and aggregate deposits growth projected at 20% for the current year, up from the earlier projection of 16% for 2009-10.

projection of 8% GDP growth with an upside bias for 2010-11 is in line with the 8 - 8.5% projected by CII. Indeed, even stronger growth is possible if the financial and business environment remains conducive and firms are able to expand capacities at a rapid rate. As for inflation, CII believes that the RBI's baseline projection of 5.5% WPI inflation for March 2011 is achievable with an easing in some of the supply side factors that drove up food prices last year.

## Growth Prospects

According to the recently conducted CII Business Outlook Survey, a majority of the respondents (60%) expect GDP growth in 2010-11 to range between 7.5-8.5 per cent: with 28% expecting the range to be 8.0-8.5%. In spite of some moderation in GDP growth rate for the third quarter of 2009-10, there are increasing signs in recent months of bright prospects for economic growth in the current year. The macroeconomic scenario is now returning to normalcy with both consumption as well as investment demand picking up, as exhibited by a sharp pick up in the consumer durables and capital goods segments of industrial production.

**GDP growth: 2008-09 to 2010-11 E**

	2008-09	2009-10	2010-11 E
GDP at factor cost	6.7	7.2	8.0 – 8.5
Agriculture & allied	1.6	-0.2	2.0– 3.5
Mining & quarrying	1.6	8.7	
Manufacturing	3.2	8.9	
Electricity, gas & water supply	3.9	8.2	
Construction	5.9	6.5	
Industry	3.9	8.2	8.5 – 9.0
Trade, hotel, transport & comm.	7.6	8.3	
Finance, insurance, real estate and business services	10.1	9.9	
Social & personal services	13.9	8.2	
Services	9.8	8.7	9.3 – 9.5

Source: CSO and CII Research

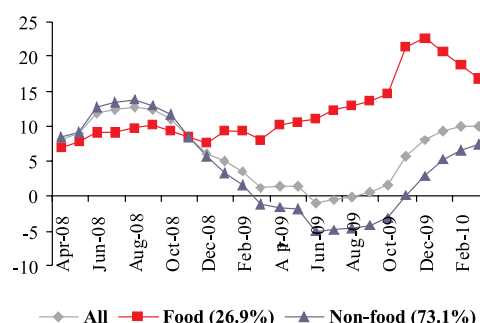
What is more encouraging is that not just growth, but capacity utilization in the industrial sector too, has witnessed a sharp rise in the last six months. According to the CII Business Outlook Survey for April-September 2010-11, 79% of the respondents had above 50% of capacity utilization, of which 45% had above 75%. The prospects for the next six months (H1 2010-11) look brighter with 89% expecting above 50% capacity utilization, of which 57% expect it to be above 75%.

Although agricultural sector growth has been subdued in 2009-10, it is expected to pick up in the current year assuming a normal monsoon and a good rabi season. Service sector indicators are also showing a smart recovery.

## Inflation

Inflation continues to remain the prime source of concern for the economy, as WPI inflation printed at 9.9 per cent in February and March 2010. However, some changes in the drivers of inflation have become apparent. In the past few months there has been some moderation in food inflation, which has so far been the prime driver of rising inflation. Food inflation – including both primary food articles and manufactured food products – peaked in December 2009 but still contributes over 50% of the current rate of inflation. The rising trend in non-food items in the WPI basket is largely

### WPI inflation (food and non-food)



Source: Office of Economic Advisor

### Other Regulatory and Developmental Policy Announcements

- Banks to switch over to the system of Base Rate from 1 July, 2010.
- To introduce Interest Rate Futures on 5-year and 2-year notional coupon bearing securities and 91-day Treasury Bills.
- To permit recognised stock exchanges to introduce plain vanilla currency options on spot US Dollar/Rupee exchange rate for residents.
- A reporting platform for secondary market transactions in CDs and CPs to be introduced.
- A Working Group to be setup to work out the modalities for an efficient, single-point reporting mechanism for all OTC interest rate and forex derivative transactions.
- To put out a discussion paper marshalling the international practices, Indian experience and also the ownership and governance guidelines for considering additional banking licenses to private sector players by end-July 2010.
- To prepare a discussion paper on the mode of presence of foreign banks through branch or wholly-owned subsidiaries (WOS) by September 2010.
- A Working Group to recommend a roadmap for the introduction of a holding company structure to be constituted.
- Annuities under build-operate-transfer (BOT) model in respect of road/highway projects and toll collection rights in some situations to be treated as tangible securities subject to certain conditions.
- Treat Core Investment Companies having an asset size of Rs.100 crore and above as systemically important core investment companies. Such companies will be required to register with the Reserve Bank.

being driven by increases in global commodity prices, particularly of fuels.

The RBI's Annual Policy Review has projected inflation at 5.5% for the current year. Going forward, three major uncertainties cloud the outlook for inflation. First, the prospects for the monsoon in 2010-11 are not yet clear. Second, crude prices continue to be volatile. Third, there is evidence of demand side pressures building up. Recent developments since the RBI released its Annual Policy suggest that a moderation in inflation is likely sooner rather than later. The India Meteorological Department has forecast a normal south west monsoon for the current year while global commodity prices, including those of crude oil and metals have declined, as the Greek debt crisis has led to concerns about the pace of the global economic recovery. Thus, we may see some softening in prices in the coming quarter.

### Developmental Policies

Over the last several years, the Reserve Bank has undertaken a wide range of financial sector reforms to

improve financial intermediation and maintain financial stability. The Reserve Bank has taken some more steps in its Annual Policy Review to improve the efficiency of the financial sector and financial markets, while maintaining financial stability.

In particular, RBI has mandated banks not to insist on collateral security from MSEs (micro and small enterprises) in case of loans up to Rs 1 million as against the present limit of Rs 0.5 million. This will ensure enhanced credit flow to MSEs and scale up their operations. One other significant change announced by the Central Bank is related to the classification of infrastructure bonds, whereby banks are allowed to classify their investments in non-SLR bonds issued by infrastructure companies and having a minimum residual maturity of seven years under the held to maturity (HTM) category. This would incentivise banks to invest in such bonds. Moreover infrastructure loan accounts classified as sub-standard will now attract a provisioning of 15.0 per cent instead of the current 20.0 per cent. ■

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# C.K. Prahalad

1941-2010

## The Man The Vision The Legacy



**THE DEMISE OF PROF. C.K. PRAHALAD**, Paul and Ruth McCracken Distinguished University Professor at the Ross School of Business, University of Michigan on 16 April in San Diego, USA sent waves of shock and dismay across the management world.

Described by The Economist as 'the most creative management thinker of his generation', Coimbatore Krishnarao Prahalad's concepts such as 'core competencies', 'strategic intent' and 'co-creation' have been adopted as management mantras by top companies across the world.

Perhaps his most enduring contribution will remain the concept of the 'bottom of the pyramid'. By viewing the poor as a formidable opportunity, he brought them into the strategic space for corporate managers and helped in their integration into the formal market. This simple but powerful concept has revolutionized private sector participation in poverty alleviation, and redefined the power of innovation. It is already resulting in the development of new products and new





strategies for meeting the felt needs of the poor.

Pro Prahalad enthusiastically believed in India's potential and was willing to devote extraordinary time and energy to turning potential into actuality. His indefatigable and unceasing efforts presented a new perspective on India to the world and succeeded in placing India at the centre of attention of global business.

Prof Prahalad was among the first to recognize and publicise the vast innovation in business models and social transformation taking place in India. He believed that India could be a laboratory for the world, that experiments in business and social entrepreneurship that were successful in India could be scaled up and replicated across the developing world. Speaking on his vision for India@75 across the country with CII, he made us believe that it could be achieved, that no task was impossible, no target too distant.

An outstanding, inspirational and lucid speaker, Prof Prahalad could compress complex ideas into simple words. His powerful messages and infectious enthusiasm excited listeners, whether they were government officials, social workers at a UNDP conference, or top corporate leaders. As a teacher of strategy at the University of Michigan, he mentored and energized hundreds of students who incorporated his principles into their daily work. Most important, he was always approachable and affable, always generous with his advice and suggestions.

For CII, Prof Prahalad was a true friend, mentor and guide. Two years ago, CII launched 'India@75' with him on 8 May 2008. His message and words had a powerful impact on the elite audience present that day. Since then, he personally participated in nine interactions, which included chief ministers, administration officials, business, civil society and students, to spread the message. He also addressed all seven Manufacturing Summits organized annually by CII and helped disseminate world-class management practices in India.

CII has internalized the dream to turn his 'vision for India' into a reality. He made CII think, through his vision, of its work in almost all spheres and guided it to add new dimensions to existing efforts. His ideas will continue to lead CII's aspiration to contribute effectively to society and industry. CII was truly fortunate to have experienced Prof Prahalad's boundless genius and affection at close quarters.

"While we will miss him and always feel the void that he is leaving behind, we must work on the great ideas, thoughts and strategy that he has given to CII. These strategies and ideas, I think, are his very special and treasured gift only to CII," says Mr Chandrajit Banerjee, Director General, CII.

# The

In September 2007, CII in partnership with the Ministry of Overseas Indian Affairs, organised the first mini Pravasi Bharatiya Divas outside India, in New York, to mark India's 60th year of independence. At a luncheon session there, Prof CK Prahalad delivered an inspirational address that radically changed India's perceptions about herself. Laying out a comprehensive vision for India@75, i.e. in circa 2022, Prof Prahalad proposed innovative new thoughts for achieving stretch targets. He made us believe that we could do it. A summary of that memorable presentation...

Prof Prahalad began by saying that while India has a lot to celebrate at 60, accomplishments are in the past. Leadership is about the future, about change and about hope.

India@75 can actively shape the world order through its economic strength, technological vitality and moral leadership. In 2022, it has the potential for the largest pool of trained manpower, leaders in industry and commerce, 10% of world trade, global innovations through new business models of low capital intensity, focus on the Bottom of the Pyramid as a source of innovations, flowering of art, science and literature, and for becoming a new benchmark for coping with diversity and a new moral voice for the world.

To do this, India would have to balance aspirations and resources which is the essence of entrepreneurial transformation. The mismatch of aspirations and resources creates innovations. India should get more for every rupee spent or change the game to its advantage.



# Vision

India@75

Secondly, it has to imagine 'there' before it can get it. It needs to 'fold the future' rather than extrapolate from the past in small clear steps.

Third, it must focus not on best practices but on 'next practices'. This implies amplification of weak signals. Incrementalism will not get us there and a radical rethink is needed. The key will be a shared commitment to goals. A distinct point of view about opportunities needs to be developed.

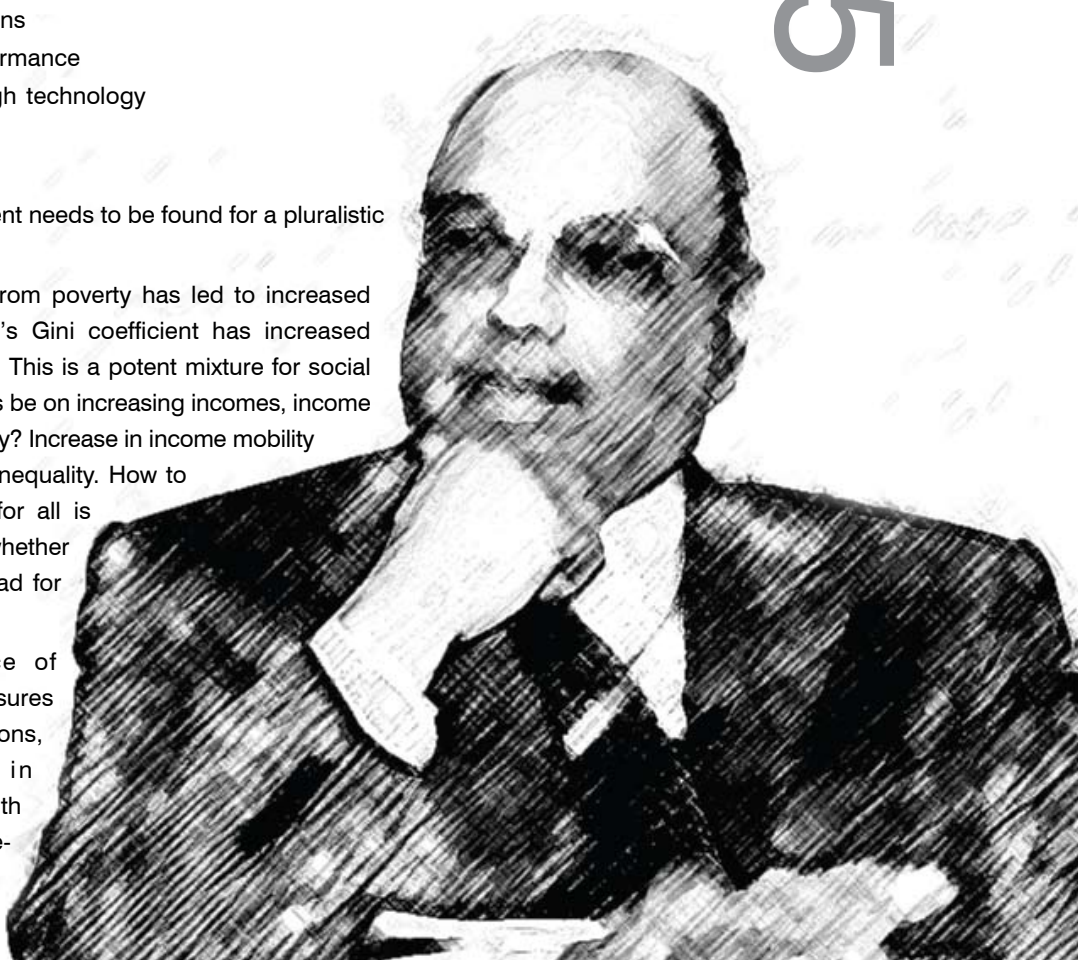
The agenda for this will be about the issues that are emerging:

- income inequality rather than poverty
- income levels to lifestyles
- universality of aspirations
- impacts on price performance
- universal access to high technology
- straddling the pyramid
- environment.

A new model of development needs to be found for a pluralistic country such as India.

A rapid movement away from poverty has led to increased income inequalities. India's Gini coefficient has increased and its HDI ranking is 121. This is a potent mixture for social revolution. Should the focus be on increasing incomes, income mobility or income inequality? Increase in income mobility is the antidote to income inequality. How to make globalization work for all is the question, rather than whether globalization is good or bad for the poor.

There is an emergence of urbanization, lifestyle measures and universality of aspirations, and rapid increase in income and aspirations with dramatic changes in price-performance levels. Price performance envelopes are changing faster than



expected due to better technology, leading to a changing value equation between BOP, middle class and rich. This can lead to explosive growth in market size, and access to high technology for all. Thus scale, focus on costs, access to new markets and technical insights create the emergence of a new social compact for business – this involves collaboration with civil society.

Creating the conditions for growth – India ranks low in the corruption perception index, which is linked to purchasing power parity. HDI is also linked to PPP. Thus human development is about less corruption in deployment of resources. Good governance leads to higher incomes. The focus on individual rights rather than group rights leads to rapid economic development. In 2022, India should have a per capita income of \$25000 PPP and rank 20 in HDI and 7.0/10.0 in Corruption Perception Index.

The prerequisites for this are change in mental models, data-driven not dogma-driven debate, individual rights rather than group rights, principles rather than rituals, treatment of corruption as treason, focus on performance and accountability, and focus on imagination rather than resources.

Coming to environment, sustainability is multidimensional, including energy, waste, water, etc. The poor are the most affected by environmental degradation. The ecosystem provides provisioning, regulating and cultural artifacts of nature. Degradation is increasingly visible in India. Poverty alleviation is not possible without sustainable development. Current development models are not relevant and emerging markets must become a source of innovations.

The dominant themes for companies in the future will be market based solutions, social equity in development, rule of law, scale, price performance levels, and ecologically sustainable development. We must embrace the imperatives of poverty alleviation.

The sandbox of economic development is constrained by these themes. They must not be violated. The accountability of performance is universal, resting on business, politicians, civil society, and bureaucrats.

In 1989, Prof Prahalad had predicted that China, India and Brazil would have global companies, and this has happened. The poor of India are ready for the new journey, but are the leaders ready? Transformation requires imagination, passion, courage, humanity, humility, intellect and finally, luck!

# The

Prof CK Prahalad's Vision for India@75 is best expressed in his own words.

In this foreword to the CII-Yi-BCG report on 'India@75: The Peoples' Agenda,' Prof Prahalad shared his thoughts on the progress made thus far, and the challenges ahead. Some excerpts:

As I write the foreword to this report by CII-Yi-BCG on India@75: The Peoples' Agenda, I am filled with optimism and hope. When I took the opportunity at the India@60 celebrations in New York to outline my ideas for India@75, little did I imagine the impact it would have on a cross section of Indians.

The CII and Yi leadership have accepted India@75 as their agenda. They have made hundreds of presentations to various groups. So did I from schools to political leaders and senior secretaries to the government. BCG moved the agenda further by organizing a large number of workshops and conducted interviews with a wide spectrum of individuals and organizations. They also worked with State level India@75 teams. As a result, India@75 has been stress tested as much as any idea in recent times in India.

Over 21 states have India@75 documents representing their priorities. 5,500 people in more than 120 seminars around the country have debated the idea of India@75. They include students, farmers, poor and the rich, rural and urban, politicians, industry and religious leaders as well.

There is a singular message that is loud and clear from all Indians, all ages, all geographies and all income and educational classes. India@75 can now be truly called the 'People's Agenda.' Indians want to imagine a New India; not just a minor tweaking of the India they see around them. They want an India that is modern, socially equitable, fair and transparent. They want an India full of opportunities. They want to dream. They want to work hard to make it a reality.

# Legacy...

Five themes are consistent and stand out from all these interactions. They are:

**1. Education is a top priority for all people.** They want high quality education and are willing to make sacrifices to get it for their children. They want fair access and at affordable prices, not reservations and sub-standard education. They want to compete. One young woman said: "Give me a fair chance and access; I don't need reservations. I can compete.". This attitude at the heart of rural India is so energizing. There is a clear focus on "fairness, not favors." There is a clear focus on rights of individuals and individual accomplishment; not group rights.

There is also a great desire for English education. English education is often a code word for quality, employability, and access to higher educational opportunities. They

recognize that English opens up new opportunities for them. A sweeper in Bengaluru knows that English and software (computer education) can get a new opportunity for her children. No need to convince her. She wants it. Just make it available. The fact that 35% of Indians are illiterate (meaning that they cannot write a simple passage in any language) and less than 15% get a high school diploma is a scorecard that India can ill afford to live with any longer.

**2. Corruption is seen as a major corroding influence.** In all interviews and workshops, pervasive corruption was seen as a cancer eating away at the very vitality of India. This, participants overwhelmingly agreed, is the real impediment to what India can be. Corruption affects all; not just the people who want to win big government contracts. Getting a birth certificate, a license, and a land

## India has the world's largest pool of trained manpower

- India has the potential to build a base of 200 million college graduates (~16%)
- Additionally, India should build a workforce of 500 million certified and skilled technicians (~40%)
- Implicit in this future is universal literacy. This must happen for vision to succeed

## India becomes the home for at least 30 of the Fortune 100 firms

## India accounts for 10 per cent of global trade (Indian exports/World exports ~1.35%)

- India must become connected with the rest of the world
- This is a critical step in influencing others and the basis of learning from others

## India becomes a source of global innovations

- New businesses, new technologies and new forms of businesses

## India focuses on the Bottom of the Pyramid as a source of innovations for the world

- Create leaders in Health, Education, Energy, Transportation, Sustainable Development for all

## India has a flowering of Arts, Science, Sports and Literature

- Why can't India have 10 Nobel Prize Winners?

## India has a renewal of Agriculture to reach world class productivity levels

## India has 500 world-class cities through planned urbanization

## India becomes the new moral voice for people around the world

- India as a country where Universality and Inclusiveness is widely practiced
- India becomes the most benchmarked country for its capacity to accept and benefit from its diversity.

India@75



record, getting food from the government store, service from a public health clinic are all points of corruption. All contacts with the government remind people of the problem. Because it is so pervasive a whole generation of people have grown up thinking that that this is how "life is or can be." They cannot avoid it. They understand its corrosive influence on all aspects of their lives. Call it poor governance or call it corruption, it is alienating people from their government, its institutions (police, judiciary, administration) and may lead to civil unrest. The Naxalite problem in 170 out of 520 districts of India has its roots in this form of injustice. Seen in this light, corruption is a national security issue.

**3. Infrastructure is pitiful.** This should come as no surprise to anyone. Everyone can see poor roads, poor quality of water, untreated sewage, overcrowded cities and slums, power shortages, no power, no access to clean energy and badly maintained schools and clinics. Everybody is affected by it. The sheer callousness with which infrastructure development is treated is amazing. Corruption makes it worse. The questions for all of us are: Is infrastructure a problem of resources or its efficient deployment? How much does infrastructure impede India's progress? Imagine if infrastructure – power, roads, education or health are deployed with the same efficiency as cell phones. The face of India and pace of its development can change dramatically. Further, if 30 people migrate from villages to cities every minute, we need new cities to accommodate three hundred million Indians who will live in cities in 2030. Urbanization of India is in progress. Are we planning 500 new cities over the next 15 years? Why not?

**4. Sustainable development is the key.** Everyone recognises that already our natural resource systems are fully stressed. Water is scarce; not just availability but quality as well. The people of India recognise that our natural endowments are not unlimited- forests, fisheries, or quality of clean air. Businesses and government, civil society organisations and citizens are ready for the government to act - on water management, clean air, pollution, deforestation, planned cities, and moving away from a fossil fuel economy. A combination of regulation, incentives, public education and private sector initiatives is called for.

**5. Innovation is the key to progress.** Almost all interviewed agree that innovation is at the heart of India's progress. Existing ways of doing business will not get us there. We need new institutional forms, new

and advanced technology deployment, and a new approach to gain alignment of goals at the national and state levels. The British built the existing institutions to manage a colony. The system was oriented toward administration and status quo. We need to rethink institutional arrangements that are development oriented and modern. Whether it is e-governance, private public partnership, or more of Panchayati Raj, India must decentralize decision-making, hold people accountable and become more transparent. Institutional forms that impede these are "anti developmental." Innovation in how we manage our way to India@75 is crucial.

In India@75, I developed an economic development sandbox - the non-negotiables that we must all agree to. They are fairly obvious and are worth repeating here. The non-negotiables are that we must

- become market based (transparent)
- become socially equitable (inclusive)
- focus on rule of law and individual rights (not just rights of groups which continuously fragment our people and politics)
- develop global scale (to cover a large population)
- accept the need for new price-performance relationships or significantly improved value (to ensure access and affordability for all)
- become ecologically sustainable.

If we accept these constraints and innovate within that framework, we would have moved India forward dramatically.

The voice of the people of India is clear and unambiguous. They have shown their appetite for change. At a minimum they want better and more education, less corruption, an infrastructure that works and institutional innovations that can support it. Needless to say, each state has its own priorities, as it should be. We need to capture the moment. The process of socializing the concept of India@75 and working with state level planners and a large cross section of society must now translate into a standing group of volunteers who will work full time - a India@75 Peace Corps – if you will. We need young people with passion, dedication, and a willingness to devote a few years of their time to build a new India: the India@75.

I do hope that together we can work to realize the dreams of millions of Indians who struggle with hope and belief that tomorrow will be better than today. The poor are ready for the journey. It is now up to the elites to deliver. ■



**INDIA REQUIRES** high growth in manufacturing to meet her employment imperatives and also to ensure sustainability of her exciting growth story. The discussion paper on the National Manufacturing Investment Zone (NMIZ) policy, without losing sight of practicalities in the existing socio-economic and political setup, provides a clear roadmap for the manufacturing sector to serve as an engine of economic growth, with inclusiveness. By proposing to develop quality physical infrastructure, a progressive exit policy, structure to support green technologies, appropriate investment incentives, and business-friendly approval mechanisms, it aims at providing a new lease of life to the manufacturing sector in the country.

India's strong economic growth since the 1990s has primarily been driven by the services sector, manufacturing at best keeping pace with the expansion of the overall economy. The share of manufacturing in GDP has continued to hang at around 16 percent for the last two decades, greatly limiting employment creation. This is undoubtedly a matter of grave concern for India with its huge population. According to an estimate, 650 million people in the country constituting around 61 percent of the population are in the working

## Unleashing Manufacturing Potential

The discussion paper on the National Manufacturing Investment Zone (NMIZ) policy, released by the Department of Industrial Policy and Promotion, is a serious attempt by the government to provide a much-desired boost to growth in the manufacturing sector

age group of 15-59 years. It is estimated that 200 million more Indians will enter the job market in the next 15 years. Inclusive growth will be possible only if all workers have access to opportunities for employment and entrepreneurship.

As the share of agriculture shrinks, it is incumbent on the manufacturing sector to open up job opportunities for less skilled workers who cannot be easily absorbed in the services sector. Second, a healthy growth of manufacturing is critical for creating a large production and consumption base within the economy. Further, as productivity of manufacturing is higher than in agriculture, facilitating the shift of workers to the sector will propel growth as well. It is in this backdrop that the discussion paper proposes

to push up the share of manufacturing in GDP to 25 percent and double employment in the sector by 2022. Without a focused policy, it would be nearly impossible to raise the manufacturing share in GDP in a given time frame.

The challenges facing the sector are many. The three most severe challenges relate to infrastructural bottlenecks, procedural issues, and labour laws. Lack of quality and quantity of infrastructural facilities is an issue affecting our cost competitiveness adversely vis a vis our

competitors. While efforts are being made to improve the state of infrastructure in the country, shortfalls continue to be major and many, relating to power, roads, water or others. In case of power, for instance, uninterrupted and sufficient power supply at reasonable rates continues to remain a dream for a majority of the manufacturers.



While proposing to ease the labour laws within the specified zones, the discussion paper also emphasises providing a safety net to protect the interests of workers. At the time of the closure of the unit, for instance, a mandatory requirement is proposed under the Industrial Disputes Act to pay compensation

The cumbersome procedures, which manufacturing has to contend with currently, impose heavy transaction costs. According to a report by the World Bank, starting a business in India, on an average, requires 12 procedures and 34 days, whereas in New Zealand it would have been done in day with just one procedure. Similarly, insolvency here takes on an average 7.9 years, compared with merely 1.7 years in OECD countries. Further, registration of property in India may take around 55 days and 10.6% of the value as registration charges; comparing unfavorably with China where it can be done free of cost in merely 29 days.

Rigidity in labour laws has restricted development of a mass manufacturing base that can provide millions of new job opportunities for the less skilled. Complexities in laying-off excess labour during slack time have encouraged outsourcing of certain jobs to the informal sector. Manufacturing has perforce shifted to capital-intensive rather than labour-intensive production means, unable to utilize India's biggest asset. While the consequences of rigid labour laws on manufacturing growth as well as employment are well understood, modifications have eluded the nation so far.

The proposed manufacturing policy is an endeavor to free manufacturing units in NMIZ from these restrictions and reduce transaction costs, thereby offering Indian manufacturing a chance to greatly raise employment in the organized sector.



equivalent to 15 days' average pay for every completed year of continuous service or part thereof in excess of six months. The paper also proposes several measures to ease the process of closure of a unit in NMIZ. Reflecting a forward looking approach, the discussion paper lists numerous measures for developing green technology, such as low interest loans, research support etc that can enable India to become a global leader in green products.

One may argue why such benefits should be limited to units located only in zones and not to others. Though it is highly desirable to have such facilities pan out at the country level, it may not be readily feasible. In India, we are still spending a very low proportion of our GDP on infrastructure and the state of infrastructure is far below world-class standards. Raising infrastructure standards across the country would take many years. It is, however, much easier to do so in select pockets, especially when the state governments themselves have shown interest. Similar challenges would arise with respect to addressing other issues like procedural delays, labour laws, water shortages etc. The cluster approach for manufacturing development has been successfully followed by other countries such as China which have a reasonably good state of business environment. This approach has potential to succeed in India too, if implemented and directed properly.



## Share of Manufacturing in GDP

Since the early 1980s, India's average annual output growth has shown remarkable improvement (see Table), driven by a surge in services and pick up in manufacturing growth. This improvement has noticeably changed the composition of India's GDP. From around 1980 to 2005, the share of the services sector - trade, finance, business - and other services has risen from 38 per cent to 54 per cent, while the share of agriculture, forestry and fishing has halved to 20 per cent.

### Sectoral Composition of GDP & Employment Growth

Sector	Total	Agriculture	Industry	Services
Output Growth: 1973-1983	4.2	2.9	5.0	5.2
Output Growth: 1983-2005	5.8	2.8	6.2	7.4
Employment Growth: 1973-1983	2.2	1.4	4.3	4.1
Employment Growth: 1983-2005	2.1	1.3	3.6	3.7
Share of Total in 2005: Output	100	20	26	54
Share of Total in 2005: Employment	100	57	19	25

Only the share of India's industry sector, consisting of mining, manufacturing, construction and utilities, has changed little at 25 per cent. However, India's share of manufacturing, at just over 15 per cent, falls short of most other Asian economies, particularly China and Korea, with which it is often compared.

The CII-BCG Report on Manufacturing notes that 'India's manufacturing sector has grown one of the fastest in the last 10 years, behind only to China. However, its share in GDP is one of the lowest among its peers. In terms of focus on green products and technologies, China is way ahead of India. As part of its five-year plan 2010-2016, the Chinese government is planning to generate 15 per cent of its energy requirement from renewable sources by 2020.'

India's growth story has been based largely on domestic consumption as against China's, where manufacturing exports contribute significantly to GDP. In the last 10 years, China's manufacturing GDP has grown

at a CAGR of 10.3 per cent driven by exports (which grew 21 per cent during this period). India, on the other hand, has grown by 6.8 per cent.

Dr. V. Krishnamurthy, Chairman, National Manufacturing Competitiveness Council (NMCC) feels that, "For a country like India, the share of manufacturing should be 35 per cent of GDP. Today, it is only at a level of 15 - 16 per cent. This means that manufacturing activities are at a low level resulting in reduced employment opportunities, reduced availabilities of goods for export, and increased costs. A new manufacturing policy would make everyone sensitive to these issues, and would increase the efforts to produce more in India. The policy would also indicate ways to make the Indian manufacturer grow faster and competitive, with stress on increased local manufacture and value addition."

Mr B. Muthuraman, Vice Chairman, Tata Steel, says, "The manufacturing sector in India has to evolve as the key driver of the economy and employment in order to ensure that India's growth process is sustainable and inclusive. While there are multiple examples of global leadership in the sector, this has to be a more pervasive phenomenon. We need to create greater scale and depth, with deep integration through the value chain. In this context CII's work with the Government to create a conducive National Manufacturing Policy assumes special significance."

Challenges abound with respect to manufacturing for small and medium enterprises too. Although Indian MSMEs are a diverse heterogeneous group, they all face some common problems that include

awareness and accessibility about modern technology; high interest rates; availability of raw material at competitive costs; trained and skilled manpower; and inadequate infrastructure facilities such as roads, water, electricity etc.

In 2005, the National Manufacturing Competitiveness Council drafted a National Strategy for Manufacturing, for increasing the share of manufacturing in India's GDP and for securing a larger share



of the global market. The strategy covered 13 areas:

1. Enhancement of government focus on manufacturing imperatives and competitiveness
2. Creating conditions for the growth of the manufacturing sector
3. Lowering cost of manufacture
4. Investing in innovations
5. Strengthening education and training
6. Adoption of best practices in manufacturing
7. Right market framework, competition and regulations
8. Promotion of small and medium industries
9. Enabling public sector manufacturing industries to meet competitive market conditions
10. Infrastructure development
11. Firm level competitiveness
12. Role of state governments
13. Creating a monitoring mechanism and measuring performance.

All eyes are now on the proposed new manufacturing policy to take Indian industry to the next level.

### Main Features of NMIZ Policy

The discussion paper on the National Manufacturing Investment Zones (NMIZs) policy mainly aims at raising the share of manufacturing in GDP to 25% and doubling the size of employment in the sector by 2022. Both are critical for meeting the objective of double-digit economic growth with inclusive growth.

The paper lays down a clear roadmap for achieving this objective by proposing setting up of NMIZs across the nation with features including quality physical infrastructure, a progressive exit policy, structure to support green technologies, appropriate investment incentives, and business-friendly approval mechanisms.



- An area would be specifically delineated for establishing NMIZs, which would include a processing area, associated logistics and a non-processing area to include residential, commercial and other social and institutional infrastructure. These Zones may cover one or more Special Economic Zones, Industrial Parks & Warehousing

Zones, Export Oriented Units, DTA units. All the benefits available under the relevant legislation or policy will continue to remain available to NMIZs units.

- Internal infrastructure of the NMIZ will be built and managed by a developer, or a group of co-developers. The external linkages will be provided by the Central and the concerned State governments. The users of external as well as internal infrastructure will pay for its use, except to the extent that the government supports the service through budgetary resource.
- The NMIZ would be developed and managed by a Special Purpose Vehicle (SPV), with delegated authority for issuing necessary clearances.
- Central government would invite and approve proposal for development of NMIZs and monitor the progress of environmental and other clearances. It will ensure the availability of external physical infrastructure linkages to the NMIZs including Rail, National Highways, Ports, Airports, and Telecom, in a time bound manner. This infrastructure will be created/upgraded through Public Private Partnerships to the extent possible.
- The state government would be responsible for provision of land, initial funding of the land cost, power, water, state road, sewerage treatment, hospitals, safety and environmental concerns, etc. It would



identify a suitable site, prepare the proposal and seek approval. It would offer incentives in the form of a moratorium of all municipal and other local taxes for 10 years to both developers and units. The state government would also constitute a body to monitor, review and appraise the

functions and the performance of NMIZ, besides addressing the functional issues concerning stakeholders.

- DIPP will be the nodal department for NMIZs. A High Powered Committee will scrutinize applications, monitor and expedite the progress of implementation of NMIZ projects.

- The SPV, headed by a CEO with sufficient autonomy, will be empowered to issue/ expedite approvals and pre approvals. The SPV will prepare a detailed master plan consisting of a regional development plan specifying land use and zoning for processing and non-processing areas.

- The Developer - Government, private or PPP, would develop, build, design, organize, promote, finance, operate, maintain or manage a part or whole of the infrastructure and other facilities in NMIZ. It would be selected by SPV through a transparent mechanism. The required land within NMIZ will be made available to the developer by the State Government, through the SPV.

- Any business that wishes to set up a unit in NMIZ for the purpose of manufacturing, stocking, logistics and utilities with local linkages, and for which a site is available as per the approved detailed Master Plan, would seek approval from the SPV.

- A unit located in NMIZ, whether in SEZ or elsewhere, may produce / export goods and services except those prohibited either for manufacture or export under the EXIM Policy or any other Act in force.

- The Labour Laws may be made more flexible by reviewing issues such as employment of women in three shifts, temporary status of employees, flexibility to downsize, number of hours per shift, social security scheme for the work force etc. Wherever application of labour welfare legislation is suspended or diluted, an alternative safety net will be put in place to safeguard the interest



of labour by SPV.

- Closure of a unit in NMIZ would be made easier by settling the dues of labour in time. For settling labour dues independent of other creditors claim a sinking fund could be created for each NMIZ to be maintained by SPV and built through a contribution out of the profits of all units in NMIZ. Alternatively, the

companies in NMIZ will be obliged to take a job loss policy from any insurance company. There would be a fast mechanism for settling the assets of a sick company so that they are redeployed for production.

- At the time of the closure of a company, there would be mandatory requirement under the Industrial Disputes Act to pay compensation which shall be equivalent to fifteen days' average pay for every completed year of continuous service or any part thereof in excess of six months. To ease the burden of payment to labour at the time of closure of unit, a job loss policy would come handy. Under this, the asset stripping of the entity will not have to wait until the payment has been made to labors.

- Green Technologies will special feature of NMIZs, with a host of incentives to support and invest in green products and green units.

- Some special tax incentives could include be provided to certain NMIZ industries having very import dependence.

- The SPV will continuously review the requirement of skilled manpower and take necessary steps to meet the demand for skills at various levels. A training centre for the zone would be set up as a PPP initiative with courses being tailored to the demand of specific industries in the zone. Trained personnel

would then be placed suitably in these units. Appropriate technical assistance tie-ups for the centre with agencies abroad would be facilitated for state-of-the-art training infrastructure and curricula. ■





# Is Greater FDI in Defence Needed?

**RECENT REPORTS** indicate that the government is now considering increasing the limit on Foreign Direct Investment (FDI) in the defence sector up to 100 per cent, though there has been no formal communication from the government on this. Indian industry has been asking for the limit to be raised from 26 per cent to 49 per cent. The annual Economic Survey too had recommended increasing the limit on foreign investment in defence industries to 49 per cent, and had suggested that FDI of up to 100 per cent be allowed on a case-by-case basis in high technology, strategic defence goods, services and systems.

India was the world's tenth highest military spender in 2008, according to research by the Stockholm International Peace Research Institute. India currently relies on the public sector, ordnance factories and on large scale imports to procure the bulk of its defence-related equipment.

The Indian government's stated aim is to procure 70 per cent of its defence requirements from indigenous sources by 2020. Towards this end, in a landmark policy change, India opened its defence sector in 2001 to the private sector. The government permitted 100 per cent equity with a maximum of 26 per cent FDI component, both subject to licensing.

According to the policy directive of 2002, licences for the production of arms and ammunition would be issued by the Department of Industrial Policy and Promotion Ministry of Commerce and Industry, in consultation with the Ministry of Defence, whereas all FDI cases would be considered by the Foreign Investment Promotion Board. But it is the Ministry of Defence which would have the final say as regards procurements, sales and exports (even for non-lethal items).

Not surprisingly, only a few private sector companies entered the sector: L&T, Mahindra Defence Systems (MDS), Kirloskar and Bharat Forge. The response of foreign investors was also tepid. A few foreign invested joint ventures did come up, between MDS and BAE Systems, the UK's largest defence firm, to produce vehicles and artillery equipment, the Italian helicopter firm AgustaWestland tie-up with Tata Sons to build a final assembly line for helicopters in India, and Larsen & Toubro Ltd with European Aeronautic Defence and Space Company N.V. for defence electronics...

Clearly, some changes in policy were required. In November 2009, India changed a provision in its procurement procedures to encourage joint ventures between major Indian and foreign defence companies. The new law incorporated in the Defence Procurement Act aims to make the industry more transparent and promote joint ventures or co-production arrangements for big foreign original equipment manufacturers (OEMs) with domestic firms. The Request for Proposals (RFP) would be henceforth be issued to Indian industries having requisite financial and technical capabilities to absorb technology and undertake indigenous manufacture through transfer of technology. The Ministry of Defence would share a 15-year Long Term Acquisition Plan with Indian firms to enable them to work out technological requirements and build in-house capabilities to meet future defence needs.

But some questions remain: One, will increasing the limit of FDI for the defence industry spark off genuine interest among foreign companies? Two, will it enable Indian firms to get the much needed defence technology? Three, how will it impact the growth of the indigenous defence industry? CII Communique spoke to two experts in the subject to get some answers.

## Time to Revisit the Policy

Major General Mrinal Suman,  
AVSM, VSM, PhD



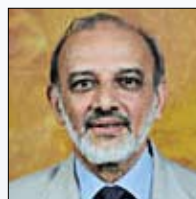
In a landmark policy change, the defence industry was thrown open to the private sector in May 2001 (Note 4 of 2001 Series). The Government permitted 100 per cent equity with a maximum of 26 per cent FDI component, both subject to licensing. Subsequently, the DIPP issued detailed guidelines, after consultations with the Ministry of Defence, for the issuance of licences for the production of arms and ammunition in January 2002 (Note 2 of 2002 Series).

However, things with regard to FDI have not progressed the way the Government had hoped. There has been a total lack of enthusiasm on the part of foreign investors. As is well known, the upper cap of 26 per cent dissuades prospective investors as they get no significant control of the enterprise. Additionally, foreign investors are bound by strict capacity/product constraints. They are provided no purchase guarantee and have no open access to other markets (including exports).

FDI is not just a question of getting funds, but access to the latest technologies. FDI pre-supposes a long-term commitment and lasting relationship between the foreign and local industries. It sets in motion a chain reaction wherein it upgrades local technology which in turn attracts more FDI with higher technology, and the cycle goes on. This is of vital importance to the defence sector which is highly capital intensive and undergoes rapid obsolescence of technology.

Attractiveness of a nation for foreign investments in any sector is judged by its 'FDI Confidence Index'. Any nation that covets FDI in defence has

## Technology is the Key



Rajendra Abhyankar,  
former Ambassador and Chairman,  
Kunzru Centre for Defence Studies  
& Research, Pune

In considering the future growth and direction of India's defence production industry we must look at the current level of threat perception, the evolving security scenario, our current defence capability and the level at which we want to pitch our preparedness. This is as far as external defence is concerned. Add to this the increasingly specialised needs of internal defence. Reports that much of the equipment of our Defence Forces is obsolete add to the concern. We need to take a holistic view of our defence production industry, keeping in mind the needs of our external and internal defence, both on grounds of scale and economics and inter-operability.

In contrast, it is estimated that the Chinese military prowess is four times ours and growing. As for Pakistan, once the US forces have withdrawn from Afghanistan, our neighbour will be left with residual 'orphaned' equipment from that war since the US tested technologically sophisticated defence equipment such as laser guided weapons and unmanned offensive platforms on the Afghan-Pakistan border, we can assume that the Pakistan Army as well as para-military and irregular groups have gained familiarity with their use.

In bringing our defence equipment up to the desired levels, we have both a problem of quantity and of quality, but technology remains the key. Without equipment which technologically matches, if not better, that of our adversaries, the other two dimensions are of no consequence. Our record so far in bringing in advance defence-oriented technology in the country has not been encouraging. While denial of this technology has been one factor, our inability



to project itself as a lucrative and safe destination for investment. For that, adequate freedom must be provided to a foreign investor to cater to market dynamics, albeit within the broad regulatory policy framework. Restrictions on capacity should be relaxed so as to promote economies of scale, thereby reducing India's procurement price as well. Exports should be encouraged to ensure economic viability of an enterprise as also to offset outflow of foreign exchange through repatriation by foreign investors.

Most importantly, FDI cap should be raised to 100 per cent, opposition on the grounds of security notwithstanding. This single step will address all apprehensions of prospective investors and convince them that their genuine commercial interests would remain safe. At present, India is procuring weapon systems produced/ integrated abroad. How then would India's security get threatened if the same weapon systems are produced/integrated in India? As regards dependability during crisis situations, no foreign investor can risk loss of his total investment by shutting down his production facilities. As a matter of fact, indigenous production will insulate India from unilateral imposition of embargos on supply of essential spares by whimsical foreign governments.

FDI is a need-based concept. The host nation needs funds and technology for its accelerated growth while a foreign investor is guided purely by economic considerations. It has to be appreciated that no foreign investor is going to part with his closely guarded technology unless he has adequate control over the enterprise and is assured sufficient autonomy. Raising the cap to 100 per cent will make India an irresistible FDI destination. Therefore, India needs to revisit and rationalize the policy.

or unwillingness to absorb it has been another.

So far, the DRDO has apparently been sparingly importing high technology, choosing to develop much of it indigenously. Laudable though these goals are, it has prevented us from taking advantage of the leap-frogging in technology development that we have seen internationally. The result is that by the time we introduce a new indigenously manufactured product in the armoury it is already behind time.

The requirement today is as much for technically updated equipment as for getting it in the shortest possible time. The government took a major step eight years ago in allowing private sector industry in defence, albeit subject to licensing and approvals. While some corporates responded positively to the challenge, the opacity of procurement procedures still deters others from taking fuller advantage of this opening for the country. Even more unproductive has been the existing low FDI cap on defence sector projects. It has meant that very little high technology has come in so far. It is axiomatic that no foreign technology provider is going to transfer technology if his stake in the venture is 20 per cent or marginally more.

Much has been said about raising the FDI cap in private sector defence projects. It is unarguable that the FDI cap must be raised for us to benefit from new technology - yet the key has to be technology. We need to decide and list the essential technologies needed to beef up our security and defence forces

and let that guide the FDI cap decision. For listed technologies the cap should be such as to ensure that we get what we want at competitive prices.

The possibility of differentiated caps for listed and non-listed technologies may also be worth considering.

Finally, in order to deal with issues relating to probity in defence deals, especially involving the private sector, it may well be necessary to appoint a Regulator to monitor and certify new projects. ■







# Towards Opening Up Multi-brand Retail

**THE GOVERNMENT** has recently started discussions between concerned ministries about opening up multi-brand retail to foreign direct investment (FDI). Current FDI norms prescribe a ceiling of 51 per cent for single brand retail but do not allow foreign firms to run multi-brand stores. The policy allows 100 per cent FDI only in cash-and-carry of wholesale trading.

The Economic Survey 2009-10 made out a strong case for opening up multi-brand retail to FDI. Improving the investment environment would require 'FDI in multi-format retail, starting with food retailing,' it said, adding that initially the FDI could be allowed subject to the setting up a modern logistics system, perhaps jointly with other organised retailers. 'A condition could also be put that it must have (say for five years) wholesale outlets where small, unorganised retailers can also purchase items (to facilitate transition),' the Survey said.

Says Mr Kishore Biyani, Group Chief Executive Officer, Future Group, "India is still in the nascent stage of organised retailing and is constantly evolving. I believe that consumption will be the next big driver of India's economic growth. Consumption demand for value-added products distributed by modern retail is helping new entrepreneurs develop businesses, creating more jobs and boosting income levels that in turn helps grow domestic consumption and growth."

India's retail industry has huge growth potential. The retail business is estimated to grow at 13 per cent per

annum to US \$590 billion by 2011-12, according to a study conducted by the Indian Council for Research on International Economic Relations (ICRIER). The key factors driving growth in retail industry are India's demographic profile, increasing consumer aspirations, growing middle-class incomes and improving demand from rural markets.

According to Mr Thomas Varghese, Chairman, CII National Committee on Retail, and Chief Executive Officer, Aditya Birla Retail Ltd, "Retail is the largest employer in the services sector in India. Modern retail has already created close to 700,000 jobs in the last few years, with the potential to create as much as 6.5 million jobs by 2018. It is currently reaching out to almost 600 towns and touches the lives of more than 50,000 villages in various formats and forms."

India's retail business may be large but is mainly served by small family-owned retailers, and organised retailers account for only a tiny part of India's total retail trade. The interest of large Indian business houses and foreign retailers stems from the fact that organised retail industry, which currently accounts for only 5.5 per cent of total retail industry, is expected to increase its share to 10 per cent by 2012, and India currently does not have many big retailers.

## Policy on Foreign Investment in Retail

It will come as a surprise to many that, prior to 1998, India actually permitted foreign investment in retailing. As early as 1993, Nanz of Germany launched its supermarkets

though a joint venture with Goetze. Unfortunately, because the range of products available in India in the 1990s was limited, the supermarkets did not do well and Nanz closed its operations in 2001.

In 1996, Dairy Farm International formed two joint ventures with the RPG group to operate a supermarket chain called Foodworld and Health and Glow. However, Dairy Farm later parted company with RPG, which reverted to the Spencer brand.

Around 1998, the government, under political pressure from the Left parties and the small retailers, reversed its policy and stopped approving foreign investment in pure retailing. Since then, the Indian government has moved slowly and cautiously in opening up retail trade to foreign investment.

A key policy decision was to liberalise wholesale trade for FDI. In 2003, the government permitted up to 100 per cent foreign equity in “cash and carry” operations. In January 2006, the government took the next incremental step and allowed FDI up to 51 per cent with prior government approval for retail trade in single brand products, subject to the following conditions:

- Products sold should be of a single brand only
- Products should be sold under the same brand internationally
- Single brand product retailing would cover only products which are branded during manufacturing.

Following this policy announcement, several foreign single brand retailers have made investments through joint ventures with Indian partners.

UK-based retail major Mothercare received government approval to pick up a 30 per cent stake in a joint venture with DLF Brands, the retail management arm of realty giant DLF.

Mothercare has already set up several single brand stores in the country.

In April 2008, the Marks and Spencer Group announced an agreement to enter into a joint venture with Reliance Retail, part of the Reliance Group, to establish Marks & Spencer as a major retail brand in India. The new joint venture would operate Marks & Spencer stores in India selling clothing as well as homeware.

In December 2008, Reliance Retail and Pearle Europe JV launched the optical retail chain Vision Express joint venture for eyewear with world class shops across the country. Several leading luxury goods retailers such as LVMH, Lladro Commercial of Spain and high-end perfumes brand Chanel SA have also set up retail joint ventures in India.

In all, the government has cleared over 51 FDI proposals for single-brand retail which include Zara (with Trent), Giordano, Armani (with DLF), Cartier, Lerros, Puma, Nokia, and Fendi. Government also considered entry of multi-brand retail in specified sectors such as electronics and sports goods, but a decision on this is pending.

### Alternative Entry Channels

Despite restrictions on foreign direct investment in retailing, a number of foreign retailers have used various modes of entry



to operate successfully in India.

**Wholesale Cash and Carry Operation:** Up to 100 per cent foreign equity is permitted for wholesale trading or what is called cash and carry operations. In wholesale trading, a company can sell goods to retailers, industrial, commercial and institutional users, but not directly for personal consumption. The first to use this route was Germany's Metro Cash & Carry GmbH, which set up a large outlet in Bangalore in 2003 and has followed it up with distribution centres in Hyderabad and Mumbai. In latest, Walmart also chose this route for its joint venture with Bharti Enterprises. For the time being, Bharti is to own the chain of front-end retail stores, while the two firms will have an equal share in a firm that will engage in wholesale, logistics, supply chain and sourcing activities. This is seen as a preliminary step by Walmart pending the removal of all restrictions on FDI in retail trade.

Tesco has followed suit and joined hands with Tata's for a 50:50 joint venture for cash and carry and a franchisee agreement for the front-end.

**Franchising:** Till 2005, franchising was the preferred mode of entry for foreign retailers. For setting up franchising operation, foreign players were only required to take permission from the Reserve Bank of India (RBI). The route was considered cost-effective and several foreign clothing brands made their initial forays into the Indian market through this route. Marks and Spencers first entered India through a franchise agreement with Planet Retail. It currently has 14 franchise stores in India. Mothercare also operates in India through an agreement with Shopper's Stop, under which it runs around two dozen outlets at the Raheja Group promoted large format stores. Shoprite, the South African retail store chain, has a franchise agreement with Nirmal Lifestyle, an Indian mall developer, to run its stores. Mango's entry was facilitated by Major Brands (I) Pvt. Ltd and it has stuck to an exclusive retail format through franchises in each city.

**Fast Food Chains:** Pizza Hut, Dominos, Subway, TGIF and McDonalds— have successfully entered the Indian market using the master franchise route. Pizza Hut, the flagship brand of Yum! brands has 143 franchised outlets in over 38 cities in India. Marrybrown, a Malaysian company with the MGM Group of Companies as the master franchisor, has 31 units. Subway, with 165 units aims to have 250 by the year-end, occupying a leading position among the top international brands.

More recently, Argos has teamed up with Indian firms Shopper's Stop and Hypercity Retail India to launch the Hypercity Argos retail concept. Shopper's Stop operates 22 department stores in 11 Indian cities while Hypercity

Retail opened its first food and general merchandise store last year.

**Manufacturing:** Foreign retailers that set up manufacturing facilities are allowed to retail their products in the domestic market. Manufacturers are allowed to sell products to Indian consumers through franchising, local distributors, existing Indian retailers or company-owned outlets. One of the largest retailers in India is Bata. Benetton, which has a manufacturing unit in India, also retails through exclusive shops, as do Lacoste, Nike, Reebok and Timex. Consumer electronics manufacturers such as Sony, LG, Samsung and Nokia have exclusive retail shops in the major cities.

**Direct Selling:** Direct selling companies like Amway, Tupperware, Oriflame and Avon, which have set up contract manufacturing facilities and brought in foreign investment and technical knowhow have been allowed to operate in India. They do so very successfully with Amway's turnover reaching over Rs 1000 crore.

**Fuel Retailing:** In 2002, the government opened retailing of transportation fuels - motor spirit and high speed diesel - to private and foreign players. However, only companies that have made an investment of Rs 2000 crore in exploration and production, refining pipelines or other terminal infrastructure are eligible for retailing rights. Shell, which has invested in an LNG import terminal at Hazira and in petroleum ventures, is so far the only international oil company to enter the Indian retail market. Shell has set up around 74 outlets mainly in the southern and western states of India.

## The Outlook

Big retailers such as US-based Walmart, France's Carrefour, UK's Tesco and Germany's Metro AG, all of whom currently operate cash-and-carry ventures due to the existing FDI policy, are for opening up front-end retail.

However, even as some sections of the government have been mulling this, a Parliamentary panel has opposed the entry of large foreign companies into this unorganised sector, which provides employment to millions. There is a fear among small retailers that the entry of organised retailers--Indian and foreign--will put them out of business. However, as the ICRIER report points out, organized retail will create new job opportunities, strengthen the supply chain and add productivity and efficiency to the retail markets. It will also lower costs for consumers and increase incomes for producers. Government would need to take a decision on the matter, and effectively manage the transition to higher share of organized retail, with larger participation of reputed overseas players. ■



# Taking CII's Agriculture Agenda Forward



Rakesh Bharti Mittal, Chairman, CII Agriculture Council, and other Council members submitting the Recommendations of the CII-J&K Task Force on Agriculture to Omar Abdullah, Chief Minister of J&K, and his officials, in Jammu

focuses on agri inputs; research and extension; supply chain management; market linkages; land aggregation; and other regulatory issues.

Mr. Basu indicated that some suggestions of CII can be taken up in the short to medium term action plan of the Government. These include Subsidy through input stamps; KVKs in PPP

mode; Uncapping subsidies on micro & drip irrigation; Model Land Leasing Act; Suggestions on Terminal Market Development Complexes; NCCD and its charter; Retail and Supply Chain etc.

## Meeting with Omar Abdullah

A business delegation led by Mr. Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture and Vice Chairman and Managing Director, Bharti Enterprise Ltd met with Mr. Omar Abdullah, Chief Minister of Jammu & Kashmir, and senior officials of the J&K Department of Agriculture on 21 April in Jammu.

The meeting was held to discuss the initiatives and action plan on the CII-Government of J&K Task Force on Agriculture. The discussion covered issues of Supply Chain Linkages, Land Lease Issues, Training of Farmers, Mobile Soil Testing Labs, Need Gap Analysis for Value Addition in Agri and Food, and Investors Meets in Agri and Food Processing.

## 'An idea to Rejuvenate Indian Agriculture'

CII members led by Mr. Rakesh Bharti Mittal met Mr. P K Basu, Agriculture Secretary, on 6 April in New Delhi to present **Agri Renewal Mission: An Idea to Rejuvenate Indian Agriculture**. The mission mainly

## Farewell to T Nanda Kumar

Mr Rakesh Bharti Mittal, hosted a dinner to bid farewell to Mr. T Nanda Kumar, Former Agriculture Secretary, on 23 April in New Delhi. The dinner was attended by eminent members of industry as well as senior officials from the Ministry of Agriculture.



Rakesh Bharti Mittal presenting a memento to T Nanda Kumar, Former Agriculture Secretary



CII Agriculture Council Delegation, led by Rakesh Bharti Mittal presenting the CII Agenda on Agriculture to P K Basu, Agriculture Secretary

## Tractors Manufacturers Association

The Tractors Manufacturers Association held its 22nd Annual General Meeting on 23 April in New Delhi. Mr. Rohtash Mal, Executive Director and Chief Executive Officer, Agri Machinery Group, Escorts Ltd. was elected President of the TMA.

# Indian Financial Markets Growth Engine Among Emerging Markets

**A CONFERENCE ON 'Indian Financial Markets: Growth Engine Among Emerging Markets'** in Singapore on 16 April showcased the country's

impressive range of investment opportunities. Highlighting the fact while the contours of the global financial sector changed during 2008 - 2009, the Indian economy, and particularly the financial sector showed resilience and depth, the Conference acknowledged that pragmatic legislative, regulatory and institutional reforms have sustained the development of the Indian Financial Markets.

Mr C B Bhavé, Chairman, SEBI, who was the Chief Guest, invited foreign companies to list on Indian stock exchanges and said that the Regulator would encourage foreign companies' listing through the IDR route. Referring to recently filed prospectus for Indian Depository Receipts by a foreign bank, Mr Bhavé said he was positively hopeful about the efficiency of Indian markets. He also underscored the importance of efficiency in markets, saying that efficiency in markets and ensuring equal treatment for different classes of investors are very high on the Regulator's agenda. Mr Bhavé also announced that the time taken to list shares from the date of closing of public offers would be gradually reduced.

The inaugural session of the Conference was also addressed by Dr. T C A Raghavan, High Commissioner of India in Singapore, Mr. Jignesh Shah, Chairman, CII Task Force on Indian Financial Markets, and Mr. Praveen



Uday Kotak, Executive Vice Chairman & MD, Kotak Mahindra Bank Ltd and C B Bhavé, Chairman, SEBI at the Session on Capital Markets

Kadle, Managing Director and Chief Executive Officer, Tata Capital.

The plenary sessions revolved around the roadmap for global

markets and India and the realm of opportunities that India offers in the short and medium term. The speakers agreed that a strong regulatory environment, continuous monitoring of credit worthiness of members and state of art technology would be crucial facilitators for growth of Indian financial markets.

## CAPITAL MARKETS

In an exclusive closed door session on '**Capital Markets: Financing India's Growth**' in Mumbai recently, leading market players and industry participants deliberated on the way forward for imparting momentum to the growth of the Indian Capital Markets. The chief guest at the Session was Mr. C B Bhavé.

Senior representatives from banks, capital advisory firms, investment banks, stock exchanges, asset management companies, stock brokers, private equity and law firms participated in the discussions which primarily revolved around strengthening the institutional framework of the Indian Capital Markets including promoting investor education and financial literacy, developing the secondary bond market etc.

The session was chaired by Mr. Uday Kotak, Executive Vice Chairman & MD, Kotak Mahindra Bank Ltd. ■

# Trends in Office Automation & Imaging Products



**OFFICE AUTOMATION & Imaging (OA&I)** products are recognized as the key to increasing personal and organizational productivity, as they improve the quality of work, speed-up decision making, and manage the workload more efficiently.

Digitisation has reconfigured Office Automation in India. Multi functionality, networking, software application etc are changing the way the documentation process can be managed to enhance office productivity. The demand for solutions with more web, digital content management and localization is growing. The National e-Governance Plan (NeGP), which is aimed at 'Making all Government services accessible to the common man in his locality, through common service delivery outlets and ensure efficiency, transparency and reliability of such services at affordable costs to realize the basic needs of the common man' is expected to be a major demand driver.

The CII National Seminar on **Office Automation & Imaging Sector: Status, Trends & Opportunities** on 21 April in New Delhi provided a platform for interaction between the major users and representatives of leading industries on the trends and opportunities in the sector.

Mr Kensaku Konishi, Chairman, CII Office Automation & Imaging Division, and President & CEO, Canon India Ltd said that workplace technology, which started as a productivity and business tool, has evolved into a high priority requirement and is now a prerequisite for doing business. While the industry is committed to delight the user, at the same time it is conscious of its social responsibilities towards minimizing e-waste.

Dr B K Gairola, Director General, National Informatics Centre, brought out the need for providing connectivity to 70% of the population who do not have access to cyber space. Creation of G2X interfaces, improvements



Kensaku Konishi,  
Chairman, CII OA  
& I Division, and  
President & CEO,  
Canon India

in efficiency, accountability and transparency of government processes, empowering citizens and meeting the national objectives of digital inclusion are the key to e-Governance, he said. Pointing out that growth in future would be fueled by ICT application in rural areas, he said this would require low cost scaled down products offering the essential product functionalities with focus on standardization and interoperability.

Mr Anurag Goyal, Director (e-Governance), Department of Information Technology, highlighted the Government's initiatives in e-Governance. He shared the need for recognizing changes taking place in our work approach at three levels: Human, Workplace and in the Government.

Mr M Raman, Director General, S&D, Ministry of Commerce, observed that persistent demand for faster decision making, improved response time and transparency in government and businesses is driving the demand for Office Automation & Imaging. He shared that the Government is the single largest customer of these systems and the challenge in the faster adoption is the procurement procedures. He stressed the importance of IT asset life cycle management to extend the usable life of products.

Mr Alok Bharadwaj, Senior Vice President, Canon India Ltd, in his concluding remarks, brought out the importance of this sector in the networked Government, networked Society and the networked Economy. He drew attention to the correlation between ICT integration in the economy and the growth of GDP.

The conference featured two panel discussions: 'Documentation Management -Status and Trends', and 'Emerging Opportunities in Digital & Physical Imaging Application'.





**LM THAPAR**  
Centre for Competitiveness  
for SMEs



## SME Clusters for Competitiveness

'Clustering for Competitiveness' is a unique approach propounded by CII for Indian SMEs to attain excellence and becoming world class. The efficacy of this approach is supported by the success stories emerging out of the over 150 clusters run so far by CII and its strategic partners, impacting more than 2000 SMEs.

The CII L M Thapar Centre for Competitiveness launched four clusters at different locations this month.

### Mumbai

A cluster of 12 vendor companies of Godrej Interio Division, Mumbai, was launched on 7 April. The cluster companies are mainly engaged in sheet metal and furniture products, and are located in Maharashtra and Gujarat

### Mohali

The Godrej Appliances Division at Mohali, Punjab, manufactures refrigerators and compressors. A cluster of 8 of their vendor companies engaged in Injection moulding process was launched on 31 March.

## Bangalore



Launch of CII-ABB Vendor Cluster at Bangalore

A cluster of 10 vendors Companies of M/S ABB Ltd, Bangalore, was launched on 6 April. ABB is a leader in power and automation technologies. It deals in power products, power systems, discrete automation and process automation.

### Ahmedabad

KHS Ahmedabad is a joint venture company with KHS Maschinen Anlagenbau AG, a unit of Klockner Werke AG of Germany. They manufacture state-of-art high speed bottling line/packaging plants comprising of bottle washers, filters pre-mixers, cap-sealers, labeling machines etc. A cluster of 16 vendor companies was launched on 27 April.

## Soweto looks to India for MSME learnings

Soweto, known for its strong resistance to the apartheid regime in the years gone by, is looking to build the Small and Medium enterprises (SMEs) in the area to arrest the flight of capital to the more prosperous and commercially advanced parts of South Africa. The urban area, which is part of the city of Johannesburg in the Gauteng province, has a relatively high incidence of poverty. Mr Thami Mazwai, Director, Centre for Small Business Development (CSBD), Soweto Campus of the University of Johannesburg, believes that providing spurs to SMEs in Soweto will facilitate job creation and address poverty issues.

In an interactive session with CII members in New Delhi on 23 April, Mr Mazwai said that learnings from India would be useful to foster MSME development in his country. He said a global SME conference is being planned in Soweto in March 2011, where SME leadership from different parts of the world would be

invited to share their growth experiences, with particular focus on small scale manufacturing.

It was suggested that the Centre could leverage the capacity of the CII LM Thapar Centre for Competitiveness (CFC) and other CII Centres for Excellence for training their trainers, to enhance the competitiveness of SMEs in Soweto.



Dr Thami Mazwai, Director, CSBD, Soweto Campus of the University of Johannesburg, at a meeting in New Delhi

# CII-Godrej Green Business Centre

## Save Energy Now



James Quinn,  
Team Leader,  
US Dept. of  
Energy Industrial  
Technology  
Program

The Centre and the US Department of Energy jointly organised two workshops on the 'Save Energy Now initiative for Industry' on 13 April in Kolkata and on 16 April in Ahmedabad.

The Industrial Technologies Program (ITP) is the lead Government Agency of USA responsible for improving energy efficiency in the largest energy-using sector in the United States.

Working with industrial partners, ITP helps develop, demonstrate, and deploy innovative technologies that enable industry to reduce carbon emissions while enhancing competitiveness.

Save Energy Now is a national initiative of the Industrial Technologies Program (ITP) to drive a 25% reduction in industrial energy intensity in 10 years for the US.

Save Energy Now energy assessments have helped US manufacturing facilities save an average of \$1.4 million, or 8% of their total energy costs.

The workshops aimed at helping Indian companies to identify key opportunities for savings by focusing on energy-intensive systems such as process heating, steam, pumps, fans and compressed air.

The workshops also created a platform for information dissemination about the various resources available with the USDoE.

## Environmental Mission

A two-day Environmental Mission visited four companies located in and around Mumbai on 22 - 23 April:



K K Gadeock,  
PPP Expert,  
Ministry of Urban  
Development



Environment mission members at Cadbury India Ltd

Mahindra & Mahindra, Cadbury India Ltd, Mumbai Waste Management Ltd, and the Soonabai Pirojsha Godrej Marine Ecology Centre.



Mission members at Mahindra & Mahindra

## Water Management Beyond the Fenceline

On 29 April, the Centre jointly with the Global Water for Sustainability (GLOWS) organised a Workshop on Water Management Beyond the Fenceline (Public Private Community Partnership Approach) in New Delhi. The workshop continued the initiative of the Centre and GLOWS in organising multi-level training programmes over the last one year. Nearly 250 professionals were sensitized on various aspects of PPCP across the country.

The CII Water Institute has also developed a Guidebook on PPCP in Water, based on the experiences gained from the implementation of PPCP projects in the water sector.

In its last leg of the GLOWS programme, representatives from the Government, industry, NGOs, academia and water professionals attended the workshop to share their suggestions in further shaping up the Guidebook.

The Guidebook aims to be instrumental in motivating industrial houses to forge PPCP alliances not only for addressing the infrastructural deficit in the water sector but also in ensuring the effective management of one of the scarce natural resources.

This programme followed four earlier training programmes conducted in New Delhi, Hyderabad, Kolkata and Coimbatore. These training programmes provided a common platform for stakeholders to share their insights and thoughts for facilitating and exploring PPCP opportunities in the water sector.

## CII-Suresh Neotia Centre of Excellence for Leadership



### Workshop on Managerial Effectiveness

A myopic perception of one's role in an organisation inhibits the manager's as well as the company's growth. To be able to perform to full potential, a manager needs to understand the strategic orientations of the organisation; the effect of the market changes on the business unit and also how the various verticals in a company ought to work to deliver value to stakeholders.

The workshop on Managerial Effectiveness conducted on 8 April in Kolkata looked to enhance managerial skills by focusing on employee development, refining dialogue skills, constructive feedback, better utilization of time and an effective approach to problem-solving.



Workshop on Managerial Effectiveness

### Customer Service Excellence

In today's competitive business environment, the customer is most definitively the King, and organizations vie for his/her complete attention and loyalty. The workshop on Customer Service Excellence held on 17 April in Kolkata looked at ways to move to 'customer delight' from 'customer satisfaction'. It analyzed why the service that the customer receives varies with the service that we give each other as internal customers and the reasons why companies fail to satisfy customers.

### Finance for Non-Finance Managers

Comprehension of financial matters for non-finance persons in an organisation has become essential in today's competitive business environment. The Workshop on Finance for Non Finance Managers on 22-23 April in Kolkata explained financial terminology, measuring business performance, financial evaluation of capital projects, costing for decision making and optimizing

use of resources. The workshop also highlighted how day to day operations affect working capital and the need to focus on value drivers of business to improve performance.

### Zero Defect Through Statistical Techniques

Productivity enhancement and elimination of defects through statistical techniques matches perfectly with a business organization's tenets of cost cutting and increasing profits. A seminar on Producing Zero Defect through Statistical Techniques on 29 -30 April in Kolkata showed how SPC and QC tools can lead to a significant improvement in the percentage of value added time, reduction in defects, associated costs and timescales, to boost profits, without the addition of new machinery and human resource. The seminar also discussed the four essentials of TQM and the concepts of achieving optimum quality, reliability, cost, time to market and customer satisfaction.

### Leadership Skills for Frontline Managers



Workshop on Leadership Skills

Enhancing productivity becomes imperative to ensure a higher return on investment, achieve higher profits and to increase earnings per share. An

assurance of productivity on the shop floor, or in offices however, is dependent to a large extent on what the employees do, rather than what machines do.

The workshop on Leadership Skills for Frontline Managers and Supervisors in Kolkata helped participants understand and develop leadership skills to handle employee relations issues proactively and efficiently, with the right balance of task and people orientation. ■





# Why does **BIODIVERSITY** matter to Business?

**OVER THE** past half-century, heedless human activities have caused an unprecedented decline in biological diversity. Species are going extinct a thousand times faster than the natural rate which is further compounded by climate change. A wide variety of environmental goods and services are under threat, with profound and damaging consequences for ecosystems, economies and livelihoods.

Biodiversity loss and the decline in ecosystem services pose major risks to society including businesses. Hence, it is vital to maintain the healthy balance between rapid development while conserving our rich biodiversity and natural resources.

Globally, enormous efforts have been made so far to significantly reduce the current rate of biodiversity loss. The most important being Convention on Biological Diversity, focusing on conservation of biodiversity, the sustainable use of its components, and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources.

However, unfortunately the unprecedented level of loss of biodiversity still continues. This is a wake-up call that 'business as usual' is not an option. A new vision with increased understanding of the implications of losing biodiversity is required.

The United Nations designed 2010 as the International Year of Biodiversity in order to raise global awareness in many facets of biodiversity and integrate this issue into key political and social processes. The 2010 Biodiversity Target was subsequently integrated into the Millennium Development Goals. The year 2010 represents a real opportunity to boost the prospects for biodiversity and the health of natural systems. It is critically important that stakeholders at all levels should take practical and concrete actions and respond collectively to the

magnitude of the biodiversity crisis on the basis of post-2010 targets to be adopted at COP 10.

To celebrate 2010 as the International Year of Biodiversity, the CII-ITC Centre of Excellence for Sustainable Development, in partnership with Wildlife Institute of India (WII) organised a '**Colloquium on Biodiversity: Earth's Most Valuable Resource – Why does it matter to Business?**' on 27 April in Dehradun. The Colloquium focused and deliberated on two very specific aspects

- Biodiversity: A Business Case
- Sustainable Biodiversity Conservation: A Policy Road Map.

The panelists pointed out that the biggest challenge to biodiversity conservation is that most of the stakeholders do not understand the extent to which they actually

rely on natural resources nor are they aware of the effects of their reliance. The good news, however, is that over the years there has been an increasing interest in environmental issues and more and more companies have started reporting about their environmental impacts. Speakers also deliberated on the specific and significant aspects of Biodiversity as a business case and its conservation policy road map.

The Colloquium was attended by over 150 delegates representing diverse stakeholders from industry, small, medium and large; Central and State Governments – policy makers and regulators; civil society organisations; academia; financial institutions; consultants and media. ■





## 14th Kaizen Conference

# India Inc. Changing with Kaizen

The increased number of entries for the Kaizen Awards indicates that India Inc is well set on its journey of continuous improvement towards operational excellence

**INDIAN INDUSTRY** is back on a roll after a brief hiatus due to recessionary pressures. Industrial growth in the last quarter of fiscal 2009-10 hovered over a robust 9 percent as compared to a dreadful sub 3 percent during the whole of 2009. Estimates suggest that this trend is likely to continue in all sectors during the current financial year.

The TPM Club India organised the two-day 14th Kaizen Conference on 22-23 April in New Delhi, emphasizing how companies can become lean, mean and highly aligned and integrated entities, without radically impacting their human resource base, since India continues to be human capital intensive.

This year, 100 nominations were received under three broad categories: Operator, Manager and Senior Manager, of which 63 were selected. The large number of entries indicates that India Inc is not only alive and kicking, but constantly looking at upgrading the ratings within the industry circle. This year, the jury members had a tough time zeroing in on the top toppers as the gap among the leaders was just a few point. Since the Club's assessment is very rigorous and comprehensive, participating in the

award process in itself is a testimony that the business entity has achieved a certain level of international quality benchmarking.

This year, considering the resurgence of India Inc. where cost rationalizing echoed prominently in all corporate boardrooms, the sessions covered topics such as low cost automation, elimination of minor stoppages, inventory management, defect reduction, customer complaints elimination and equipment-related design changes. Several companies shared their experiences and learnings.

Dr Ashwan Kapur, Managing Director, Uniproducs Ltd, who was the chief guest, said, "Inculcate team spirit and drive business excellence. To build a high performance organisation CEOs should rely on doing more with less and stress on being effective rather than being efficient. This will help grow the organisation at a much faster rate."

Ever since its institution by the TPM Club India, the Kaizen Award has not only grown in stature but also assumed coveted status, denoting that winners have achieved operational excellence in certain processes and are role model companies for others to replicate.



### Kaizen Award Winners

#### Operator Level/Shop floor Kaizen

- 1st: Vardhaman Spinning and General Mills Ltd. (Easy to clean and inspect)
- 2nd: Marico-Goa (Elimination of minor stoppages/MTTR Reduction)

#### Supervisor/Manager Level Kaizen

- 1st: SKF India Ltd. Pune (Low cost automation and productivity increase)
- 2nd: SFL -Autolec Div (Tools, jigs and consumable cost loss)

#### Senior Manager's Kaizen

- 1st IOCL-Guwahati (Equipment related design change)



# Development Initiatives

## RURAL DEVELOPMENT

### Forging Partnerships-Converging Strengths

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has restored vibrancy in agricultural wages and has proved to be beneficial for small agricultural land holders, said Mr. B K Sinha, Secretary, Rural Development, addressing the 2nd National Rural Development Summit; Forging Partnerships-Converging Strengths, in New Delhi, on 12-13 April.

Noting that mechanisms such as Community Managed Sustainable Agriculture (CMSA),



B K Sinha, Secretary, Rural Development; Arun Maira, Member, Planning Commission; Atul Singh, Chairman, CII National Committee on Rural Development & President, Coca-Cola India & South West Asia Business Unit and Chandrajit Banerjee, Director General, CII



Jayant Chaudhary and Manish Tewari, both Members of Parliament, with Atul Singh

enable even a half acre of land to provide sustainability to a family, Mr Sinha said technological breakthroughs that improve agricultural productivity must be encouraged and successful projects should be replicated on a large scale basis, he said. He urged industry to support rural development through technical pursuits, housing, linking landmark infrastructure projects to the grass roots, skills development etc.

Mr. Arun Maira, Member, Planning Commission, said the need of the hour is for education with the right set of skills to foster employability and healthy lifestyles through Public Private People Partnership (PPPP) mode. Though the Government of India has had the largest programme to combat malnutrition, the country has 45% malnourished children. This needs to change if we want population

to be a demographic dividend, Mr. Maira said. He outlined three critical points for improving unsuccessful development practices:

- developing permeable boundaries
- minimizing critical policy rules
- ensuring flexibility and diversity of resources.

Mr. Mohd Haleem Khan, Director General, Council for Advancement of People's Action and Rural Technology (CAPART), said that institutions like SGSY and MGNREGA created by the government can only play their justifiable role if they are integrated within the larger supply chain. Mr. Atul Singh, Chairman CII National Committee on Rural Development & President Coca-Cola India and South West Asia Business Unit, said that agriculture, being largest employer, has a key position in the Indian economy. CII has been swift in joining the Government's endeavor by adopting 236 ITIs and developing them as Centres of Excellence to meet industry's future HR requirements, he added.

Mr. Chandrajit Banerjee, Director General, CII, said that CII, in an effort to increase connectivity to rural India, is putting together a district development vision.

The Summit, organised by CII and the Union Ministry of Panchayati Raj, provided a platform for the private sector to discuss the scope of partnerships amongst various stakeholders and develop a strong value chain.



# Provision of Urban Amenities in Rural Areas

In the belief that a commercially viable approach and efficient delivery systems are the key to effective corporate involvement in rural development, CII organised an interactive session on Implementation of PURA (Provision of Urban Amenities in Rural Areas) in partnership with the Ministry of Rural Development, and Asian Development Bank in New Delhi on 4 May.

Key stakeholders from government, civil society and the corporate sector discussed how the potential of rural India could be realized through a multi-pronged approach that included forging partnerships for livelihood promotion, financial inclusion, developing human resources and utilizing the latest technological advances while at the same time, optimizing natural resources.

“What we need in India is acquired development, not delivered development” said Mr. BK Sinha, Secretary, Rural Development, emphasizing the importance of involving all stakeholders in capacity building initiatives in the rural sector through the PPPP (Public-Private-People-Partnership) route.

“We now realize that it is important that industry make profits out of their initiatives in the rural sector. But we will hold industry accountable to deliver to the same standards as for any commercial enterprise,” said Dr Arvind Mayaram, Additional Secretary, F&A, Rural Development, stating that it was time that industry moves beyond corporate social responsibility. Dr Mayaram said that in government, there was a new understanding that making profits should not be viewed negatively; it was indeed the best way to ensure sustainable development.



Dr D S Gangwar; Pradeep Singh, Vice Chairman & MD, IDFC Projects Ltd; B K Sinha; Dr Arvind Mayaram, and Govind Mohan, Jt Secretary (Infrastructure), Dept. of Economic Affairs, Ministry of Finance



Describing community partnerships as win-win propositions that could lead to the establishment of successful business models, while at the same time improving lives and livelihoods. Mr Govind Mohan, Joint Secretary (Infrastructure), Department of Economic Affairs, Ministry of Finance, said that the way forward was to leverage resources of other entities and not just of the government.

The Session also recognized the need and urgency to identify activities that are commercially viable. Rural tourism and Skill Development are areas where government capital and private sector efficiencies could lead to successful outcomes. Dr D.S. Gangwar, Joint Secretary, Government of India, while extolling the genius of Prof CK Prahalad, spoke about the fortune not just at the bottom of the pyramid, but also ‘for’ the bottom of the pyramid.

The key factors that need to be addressed to unlock the potential of rural India include strategies such as strengthening the National Flagship programmes, ensuring ethical and efficient delivery systems etc.

Earlier, in his welcome address, Mr Pradeep Singh, Vice Chairman & Managing Director, IDFC Projects, shared CII’s initiatives in the rural development sector. He also stated that PURA is a seminal step to unlock the growth potential of Rural India through Public Private Partnerships.

## SKILLS DEVELOPMENT

### Project Swavlamban

## Skilling & Empowering Youth for Self-reliance

CII's Skills Development Initiatives aim to become a catalyst in creating a skills movement in the country, generating social inclusiveness by harnessing India's 'demographic dividend.' Our initiatives focus on aligning industry manpower needs with the skilling initiatives underway, to facilitate businesses to play a proactive role in the community and the environment in which they operate.



A notable example of such a partnership is the CII-Hindustan Petroleum Corporation Limited (HPCL) Project Swavlamban.

HPCL is known for its successful social development initiatives which are part of its CSR strategy, based on the triple bottom line principle: Economic, Social and Environment.



The Swavlamban project, effectively running since 2006, has, in its four phases till date, trained 4000 youth across the country. These candidates are selected from households where the income is less than Rs 10,000 per month. It gives preference to orphan children after conducting a suitability test through basic aptitude and attitude evaluation for the trade. HPCL believes that, in this way, people will be made self-reliant and empowered to live with dignity. The project is running in Chandigarh, Hyderabad, Pune, Dehradun, Rae Bareilly Bhiwadi and Bhatinda.

This project operates on funding as well as employment opportunities to the trained from HPCL, and the expertise

of CII in Skills Development. It is implemented following the key principles defined by CII, which are Independent Assessment, Quality and Competitiveness, Employability, Global Bench-marking, Enabling progression and License to practice. The training standards are internationally benchmarked through CII partners.

Swavlamban has many firsts to its credit. Firstly, the implementation process. Secondly, all initiatives are outcome-oriented, scalable and capable of execution. Thirdly, the varied instinctive talents of students are

channelized into skills which industry needs. Each student carries the institution's imprint of quality, discipline and dedication to work, as also excellence in training and



personality development. Once the training is completed, the youth are offered placement assistance and many are absorbed by HPCL.

The facility of placement assistance is one of the key reasons for the success of a training programme Swavlamban lives up to its name (self reliance): after training, many youth are earning up to Rs 14,000 per month. Most of the training institutes are able to place up to 70 per cent of the students in income generation activities.

Swavlamban is the fruit of the collaborative efforts of CII-HPCL with various institutes for imparting vocational training in skills like plumbing, two wheeler repair and maintenance, retail, including food retail, electrical installation and BPO / call centre work.

Swavlamban exemplifies a successful development initiative which invests in society for skills building through CSR, and has lasting impact as it empowers people.

# Indo-German Managers Training Programme

In a globalizing world of shrinking boundaries, SMEs have a key role in furthering trade, investment and technology links. India and Germany, in a bid to foster economic cooperation between the two countries, have initiated a **Bilateral Business Development Programme** to foster economic cooperation between the SMEs of two countries.

Following the Joint Declaration signed by the Ministry of Commerce and Industry, India and the Federal Republic of Germany, in 2008, CII and InWEnt Capacity Building International Germany organised the 1st Indo-German Managers Training Programme (IGMTP) for 21 senior and middle level SMEs

managers in October-November 2009. This advanced training course for groups of middle and senior level managers focused on practical training and how to do business with Germany, with training in India and Germany.

Buoyed by the success of the programme and the encouraging feedback received from the participants, CII and InWEnt are now organizing the 2nd IGMTP to be held between July – October 2010. The process for applications has already started and will continue till June.

The 1st edition of the programme, which had 117 business meetings in a span of just 30 days, is showing fruit with

business deals now starting to mature. The participants were also greatly inspired by German professionalism, precision and care for detail, as well as their perfectionism,

focus on highest quality levels and R & D. They found a lot to learn from the German work culture, HR practices and aggressive marketing tactics, as well as good visual controls on the shop floor, and utmost priority given to safety and security.

The training encompasses relevant discussions on Macro and Micro Economic Factors, Foreign Trade,

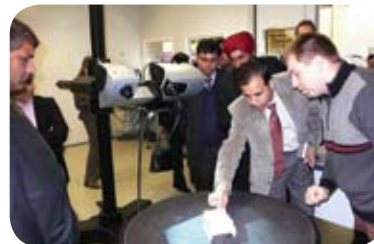
Cross-Cultural Communication, International Economic Relations, WTO and General Agreement on Tariff & Trade (GATT), Leveraging IT,

Negotiation Skills, Costing, Project Management and experience sharing with participants of the previous batch. The modules also trains managers on the legal and practical financial aspects of doing business with Germany with an insight into structures and processes.

CII, which seeks to be a catalyst in the growth story of its members, is delighted to provide its SME members a unique opportunity for fresh learnings, going international and scaling new heights by entering German and European Union Markets.

To know more about the 2nd IGMTP, please visit our website.

<http://www.cii-skillsdevelopment.in/indogerman.htm>





## CORPORATE SOCIAL RESPONSIBILITY

## Canada – India Conclave on CSR

The successful co-existence of Industry, Environment and Society was discussed at a well attended **Conclave on Corporate Social Responsibility** organised by CII and the Canadian High Commission on 30 April in New Delhi.

In a cogent address, Ms Santha Sheela Nair, the Guest of Honour, Secretary, Mines, Union Ministry of Coal and Mines, pointed out that good CSR practices could

be a means of conflict resolution. This was especially true of mining activities as the areas that were rich in minerals were often also backward and poor. The way to overcome a perceived conflict of culture and interest was to devise a CSR strategy that involved the local people from the very beginning. This could involve viewing stakeholders as shareholders. The government was in the process of formulating strategies for effective CSR practices in mining rich areas, she said.

Mr Joseph Caron, High Commissioner of Canada to India, described CSR as a fundamental component



Joseph Caron, High Commissioner of Canada to India; Santha Sheela Nair, Secretary, Mines; and Salil Singhal, Chairman, CII MSME Council & Chairman, Secure Meters Ltd

of contemporary corporate behaviour. He said that Canada had good CSR practices that stemmed from a pragmatic realisation that this was the best way for organizations to work effectively, efficiently and productively.

In his welcome address, Mr Salil Singhal, Chairman, CII MSME Council and Chairman, Secure Meters Ltd, spoke of the urgency with which India needed to

include the poor and marginalized into its otherwise impressive economic growth story.

With representatives of award winning Public Sector enterprises, prominent corporate organisations, NGOs, and activists of the CSO movement all finding a voice, the conclave showcased the many factors required for the successful co-existence of industry, ecology and society and how to move forward on the path to economic growth, job creation and long-term sustainable development in a concerted manner by imbibing these factors into any development model.

## Need for increased awareness about CSR

“Awareness about CSR should start at the school level,” said Dr Wayne Visser. Founder and Director of the think-tank, CSR International, at a lively session on ‘**CSR Around the World**,’ in Gurgaon on 19 April. Representatives of major corporate houses, and NGOs, as also organisations such as Council for People’s Advancement and Rural Technology (CAPART) engaged in the subject with great interest.

Mr Harpal Singh, Mentor and Chairman Emeritus, Fortis Healthcare Ltd, noted that CII had recognized the critical need for equitable, sustainable growth a long time ago. Indian companies such as the Tata Group practiced corporate social responsibility before the term had been invented, he said.

Dr Visser discussed the varied components of CSR such as economics, ethics, legal compliance and



Dr Wayne Visser, Founder & Director Think-Tank CSR International

philanthropy, and pointed out that philanthropy actually comprises the smallest part of CSR while economics was perhaps the most important part of it. He shared research done by Globescan Polls that had rated 21 countries across the globe on various parameters of CSR. In this connection, Dr Visser stated that while CSR in the West was explicit, formalized and institutionalized, in India it was implicit.

Going forward, the role of government in CSR is likely to enlarge, he said. To achieve growth in CSR that is transformational rather than incremental, there is need for creativity, scalability, responsibility, and Glo-cality which translates into thinking global but acting local. In the future, companies would need to realize that they had a responsibility to all stakeholders and not just to shareholders, Dr Visser said.

## NORTH EAST

# North East: a Gateway to East and South East Asia

An international seminar '**From Land Locked to Land Linked: North East India in BIMSTEC**' brought to the fore the hitherto unexplored trajectories of North East India's engagement with the Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation BIMSTEC.

The seminar was organised by CII in collaboration with the Jadavpur Association of International Relations (JAIR), and supported by the Public Diplomacy Division, Union Ministry of External Affairs, the North Eastern Hill University (NEHU) and the Indian Council of Social Science Research - North East Region Council (ICCSR-NERC) on 8-10 April in Shillong, Meghalaya.

The inaugural session highlighted the key issues in India's relations with the BIMSTEC countries, underlining India's diplomatic initiatives under her Look East Policy and her engagement with South Asian neighbors in the BIMSTEC context. Prof. Radharaman Chakrabarti, All India President, JAIR, drew attention to the wide pool of possibilities which North East India had to offer to the overall prosperity of the region. Mr. Dipankar Chatterjee, Chairman, CII, North East Council, said that diminishing borders and increasing interaction between and among states, made the theme of the international seminar truly pertinent. Prof P. N. Ghosh,



Dipankar Chatterjee, Chairman, CII, North East Region and Ranjit Shekhar Mooshahary, Governor, Meghalaya

Vice Chancellor, Jadavpur University, Kolkata, focused on the landlocked nature of the geographical entity of North East India and the possible role it might play in the development of the region around if it is land linked through meaningful policies undertaken not only by

India, but also by the other Asian powers.

After reiterating the strategic significance of India's North East in her foreign policy which been underway since India's instituted its Look East Policy, Dr Shashi Tharoor, then Union Minister of State for External Affairs, gave a brief overview of the policy initiatives being considered by the government, such as a rail link from Manipur to Vietnam, and an optical fibre cable link between Morek in Manipur and Mandalay in Myanmar.

Mr Ranjit Sekhar Mooshahary, Governor of Meghalaya, pointed out that though the North Eastern States together occupy about 8 per cent of the country's geographical area where only 3 per cent of the country's population resides, the region which shares international borders with five neighbouring nations and houses about 200 ethnic groups, languages and dialects. He called for further opportunities to link South East Asia and India under a common framework of FTA and if possible by a common currency system, as in the European Union.

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## AFFIRMATIVE ACTION

In the pursuit of a more equitable society, CII encourages member companies to be proactive in adopting Affirmative Action initiatives that will make a difference to the training and employment opportunities of Scheduled Caste and Scheduled Tribe Candidates. An uplifting example is that of Bannari Amman Apparel.

Bannari Amman Apparel is a professionally managed joint venture company of Bannari Amman Group of India and Brandot International of USA. The Bannari Amman Group manufactures and trades in a diverse portfolio of products. It is also actively involved in the service sector, and has invested in education and healthcare.

### Affirmative Action Initiatives of BAA Employment

- Employs about 1300 socially disadvantaged women.
- Majority (about 65%) of the employees belong to SC/ST.

### Employability

- One month class room training and 2 months on the

job training on employability with wages and benefits.

- More than 2000 women are trained and employed.
- Internally promoted about 70 operatives as Team Leaders through various levels of training in less than one year of Operations.
- Trained 20 fresh ITIs as Machine Mechanics, who were subsequently given employment

### Entrepreneurship

- 2 civil contractors (SC/ST) in Facilities Management, and one Fabricator.
- BAA engaged a number of local civil and electrical contractors during the project stage
- Transport Service Providers – 13 out of 20 owners of vehicles belong to SC/ST. BAA provides transportation facilities to all the employees. Instead of going for a big logistics provider, BAA motivated young men from the area to buy vehicles, making them drivers cum owners of their vehicles. More than 65% of the owners of these vehicles belong to the SC community.
- Indirect employment opportunities for gardeners, drivers, security and house keeping personnel



Confederation of Indian Industry

## 11<sup>th</sup> National Award for Excellence in Energy Management

1-2 September 2010, Chennai

# 2010



**Last date for submission of questionnaires: 30<sup>th</sup> June 2010**

For further details, please contact:

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- ✦ Recognize the achievements of Indian companies for their significant and innovative contributions to industrial energy efficiency
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## Ahmedabad

'Young Entrepreneurs – Growth, Aspirations and Vision for India' was the theme of the Annual Day, held on 9 April. Mr. Madhur Todi took over as Chair, and Mr. Pavit Parekh, as Co-Chair, Yi Ahmedabad.

## Chandigarh

On 5 April, over 100 industry leaders, senior executives and student representatives of various institutions attended a panel discussion on 'Investing in Youth Leadership.' Aimed at empowering the participants with practical knowledge on diverse aspects and the challenges of leadership, the event brought out a number of action-oriented ideas from the eminent panelists from diverse fields. On 5 April, at the Annual Day, Dr. Navita Mahajan took over as the Chapter Chair, and Mr. Sameer Jain, as the Co-Chair of Yi Chandigarh.



Panel Discussion on 'Investing in Youth Leadership' in Chandigarh

On 8 April, Yi Chandigarh organised an industry visit for around 50 students of its Yi Amity Net to the Ranbaxy Lab Ltd at Mohali.



Narain Karthikeyan

## Coimbatore

On 19 April, Yi Coimbatore felicitated Mr. Narain Karthikeyan, who was awarded the Padma Shri, for representing India in motor sports. Mr Narain spoke about the need to focus on the future at a young age and shared his experiences on working his way up to the F1.

## Goa

On 7 April, Yi Goa organised a learning session on Governance with Mr. Blair Costabir, Member CII, Goa Council & Managing Director, GMI Zarhak Moulders Pvt. Ltd. Mr. Costabir highlighted the use of RTI as a powerful tool for getting information from the Government. He appealed to the members to involve themselves in the Institute Management Committees

(IMC) of various ITIs in the state.

## Hyderabad

On 23 April, Mr. Raghuram, Chief Executive Officer, Mohan Foundation Ltd. shared his experiences at Mohan Foundation. The Foundation is the first and only organization in the country which initiated organ donation, and promotes cadaveric organ donations. Daily, 55 people receive organ transplants through this organisation.

## Kolkata

On World Health Day on 7 April, Yi Kolkata conducted a free health checkup programme for around 50 underprivileged children and their mothers at 'Aapne Aap' school in Kidderpore, Kolkata. Food and medicines were distributed.

## Madurai

Yi Madurai celebrated World Health Day with a walkathon to emphasise this year's theme of, '1000 cities 1000 lives.' Mr. Balasubramanian, Inspector General & Commissioner of Police, Madurai, city flagged off the walkathon.

## Mumbai

At the Annual Day on 8 April, Mr. Kamaljit Rastogi the outgoing Chair passed the baton to Ms. Sweta Mangal. The incoming Executive Council for the year was also announced.

## Pune

The Annual Day on 19 April was enlivened by the presence of the humorous and witty MTV video jockey, Mr. Cyrus Broacha. Ms. Rasika Wakalkar took over as the new chapter Chair, with Ms. Padmini Sundaram taking over as the Co-Chair.

On 26 April, Yi Pune organised the valedictory function of the 13th Batch of the Yi PCC LABS (Livelihood Advancement Business School). The entire programme was co-coordinated by the LABS students themselves.



Cyrus Broacha, MTV Video Jockey, at the Annual Day in Pune

# India and the world

## Asia

### China



Seminar on China West – India Economy & Trade Promotion in Xian, China

As part of the 60th anniversary celebrations of the Establishment of India China Diplomatic Relations, the Embassy of India is organising business seminars in various cities of China during the year. The first business event in the series was organised in Xian, with the support of CII and CCPIT Shaanxi on 9 April. The event coincided with the China West Region International Economic Fair.

Dr S Jaishankar, Ambassador of India in China, in his keynote address, emphasized the need for Chinese companies to leverage on the competitive advantages of Indian companies in sectors like IT, pharma and specialized engineering. Madam Li Dongyu, Vice Chairman, Shaanxi Provincial Committee of the Chinese People's Political Consultative Conference, invited Indian companies to better engage with companies in Shaanxi especially in infrastructure, IT and aviation.

CCPIT Shaanxi and CII signed a MoU for further exploring business potential between the two regions. More than 100 participants from Chinese and Indian companies attended the seminar, which was followed by a business networking session.

## Australia

A CII delegation led by Mr. N Kumar, Past President, CII, and Vice Chairman, The Sanmar Group, visited Melbourne and Adelaide, Australia, from 20 - 23 April

2010. The visit coincided with the 'Queens Baton Relay' event in Melbourne, Australia.

CII, along with the Dept. of Innovation Industry and Regional Development, Victoria, and our MoU partners: Australia Industry Group, Australia India Business Council, and the City of Melbourne, organised a business event on 20 April in Melbourne 'Building Business Through Sport.' On this occasion, Mr. T S Darbari, Joint Director General, Organising Committee Commonwealth Games 2010, Delhi, Ms Marion van Rooden, Deputy Secretary, Dept. of Innovation, Industry & Regional Development, Victoria, and Mr. N Kumar signed an MoU for cooperation and bringing business delegations to Delhi during the Commonwealth Games 2010.



N Kumar, Past President CII and Vice Chairman, The Sanmar Group, holding the Queens Baton, along with CII delegates at the "Building Business through Sport" networking event held at Melbourne in Australia

## CIS & Russia

### Kazakhstan

CII organised an exclusive session on 'New Opportunities in Kazakhstan,' with Mr. Kairat Akhmetaim, Charge D' Affaires, Embassy of Kazakhstan, on 16 April in New Delhi. Mr. Karni Singh Bhada from Essar Group, who chaired the session, recalled that the relationship between India and Kazakhstan goes back to the great Silk Route, which passed from China to the western World through the Central Asian region.

Mr. Akhmetaim said that an important mechanism for enhancing bilateral trade between two countries is the India- Kazakhstan Inter governmental commission. Kazakhstan has proven oil reserves of 4.8 billion tonnes, which constitute 3% of global oil reserves. Its proven gas reserves are 3.7 trillion cubic metres. Kazakhstan is also the number one producer of Natural Uranium, producing about 13000 tonnes/year. This year, production is expected to reach 18000 tonnes and by 2015 it is expected to reach 40% of all natural Uranium in the world. Potential areas for India-Kazakhstan cooperation include Energy, Infrastructure, Food Security, ICT, etc, he said, adding that Kazakhstan is looking at India to be one of their main trading partners.

### Russia

CII organised an interactive meeting with Mr. Anil Trigunayat, Deputy Chief of Mission and Commercial Representative Designate, Embassy of India, Moscow, on 7 April in New Delhi. Representatives from the industry, think tanks and academia participated in the meeting. CII members shared their experiences of working in Russia and discussed India and Russia trade relations. It was highlighted that there is a strong need to identify new levels of cooperation by creating a strong image and credibility of Indian products in Russia.

Mr. Trigunayat said that Russia has always been India's strong and supportive partner and it is high time that Indian companies start strategising and specifically identify potential areas of cooperation with Russia. Joint projects could be a way to begin. He also spoke about the need to facilitate free flow of capital between the two countries, noting that Russia is a rich country and opportunities are many. He extended full support from the Indian embassy in Russia to Indian companies in establishing their business in Russia.



Kairat Akhmetaim Charge D' Affaires, Embassy of Kazakhstan with CII members in New Delhi

## Europe

### Germany

The Federation of Germany Industries anticipates that German GDP would grow by 2 %, but other institutes are staying with their earlier forecast of 1.5 %.

The IFO business climate index increased from 98.1 points in March to 101.6 points in April 2010. Germany's manufacturing output has increased, and the service sector too is showing signs of growth.

Export orders, though weak, did show growth in March 2010. The unemployment rate fell in April and remained at 8%.

However, Industry feels that German competitiveness could be put into jeopardy by a shortage of engineers and skilled labour. A report said Germany's job market could be short of almost 3 million professionals, mainly due to the rapidly aging population.



## Banks

A group of German banks is considering a private – sector contribution to the bail-out for Greece. The initiative could involve a contribution of at least € 1 billion.

Germany and France called for an international bank levy as the German Minister of Finance outlined plans for German banks to pay an annual € 1. bn into an insurance fund to cover any future bail-outs.

## Automotive

The Association of the German Car Industry (VDA) has reported a production of 555,000 cars in March 2010, 27 % more than last year. The export of German cars has increased by 51 % in comparison to March 2009: however, domestic sales, with 20,700 cars, showed negative growth of - 15 % in comparison to March 2009.

France and Germany have agreed for a bilateral plan to promote a cross border 'Electro –Mobility' programme. Germany will establish a 'National Platform for Electro-Mobility' which should be granted by a state subsidy of € 0.6 billion.

Daimler and Renault have signed an agreement of wide-ranging strategic partnership based on an equity swap. The joint projects will focus on a small car platform and components for light trucks and electric cars. The net profit of the Daimler Group was reported to be € 612 million after a loss last year.

VW will further strengthen its activities in China and will increase the sales to 2 million vehicles (from 1,1m) by investing € 4.4 billion.

## Energy and Electricals

February's new orders led the German Electrical and Electronic Industry to accelerate their production level by 21%. An increase of 25% in domestic market and 17% in foreign market has been recorded in comparison to last year. Both imports and exports showed a growth of 16 % y-on-y.

The German arm of Suzlon (Repower) gave a positive outlook for its wind-turbine projects and expects an annual growth of 20 % starting in 2011. Growth is expected in off-shore wind-parks.

Missing storage capacity is becoming a problem for renewable energy as the energy flow is not stable due to the fluctuation in power generation. If there is no decisive progress in developing energy storage systems, Germany needs a puffer generating capacity of 28 GW in order to guarantee the availability of electrical energy by 2025.

## Machinery

The German Machinery Industry is optimistic for 2010 despite the decline in exports.

Orders received in March were up by 21 % (domestic + 28 %; foreign + 18 %) in comparison to the same time last year.

# Gulf & Middle East

## Saudi Arabia

CII hosted a business interaction with Prince Salman bin Abdul Aziz Al Saud, Governor of Riyadh, in New Delhi on 12 April. Prince Salman invited Indian industry to invest in Saudi Arabia as it provides security and higher returns on overseas investments.

Mr. R. Seshasayee, Past President CII, said that India sources oil and gas, mostly from Saudi Arabia which is fuelling bilateral economic growth. India's strategic engagement with Saudi Arabia on energy is likely to continue for the foreseeable future, he said, listing ICT, Education, Pharma, and Infrastructure as other areas for cooperation.



R Seshasayee, Past President, CII, & MD, Ashok Leyland Ltd receiving HRH Prince Salman bin Abdul Aziz Al Saud, Governor of Riyadh in New Delhi

## Latin America & Caribbean

### 4<sup>th</sup> India-Latin America and Caribbean Conclave



Jyotiraditya Scindia, Union Minister of State for Commerce & Industry, India and Liliana Perez, Secretary General, Ministry of Foreign Affairs, Republic of Colombia at the Inaugural Session



Francisco Cabrera, Minister of Economic Development, Buenos Aires, Argentina with Aguiar Fabio Fischer de Aguiar, Board Vice President, TCI BPO S/A, Brazil at the session on IT

The Latin America and Caribbean (LAC) region has become an attractive destination for potential investors and multinational corporations in the recent past. This region, which accounts for almost 5 percent of the world trade, has been showing continuously rising trends with India over the last decade. India has always

Indian technology and Latin America's natural and social capital make a great fit. There are compelling opportunities for India to enhance its external trade through geographical and product diversification, with particular focus on the LAC markets. Tourism can play a great role in bringing our cultures together.

**Jyotiraditya Scindia,**  
Union Minister of State for  
Commerce & Industry, India.

enjoyed warm and close interaction with the countries of the region. The two, despite being located at opposite ends of the globe, have significant potential in stepping up economic relations on the foundation of large markets,

complementary economic strengths and common status as rapidly-emerging economies.

CII organised its **4<sup>th</sup> India-Latin America and Caribbean Conclave** on 29-30 April in New Delhi. The conclave was organised in partnership with the Union Ministries of Commerce and Industry, and of External Affairs, and EXIM bank of India. Fourteen LAC countries participated in the event: Argentina,

Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Mexico, Paraguay, Peru, Uruguay, and Venezuela.

The Conclave was inaugurated by Mr Jyotiraditya Scindia, Union Minister of State of Commerce & Industry. Ms Liliana Perez, Secretary General, Ministry of Foreign Affairs, Republic of Colombia, also addressed the inaugural session, while Mauricio Macri, Head of the Government of Buenos Aires, Argentina, addressed the Valedictory Session.

Over the day and a half of the Conclave, over 200 participants, representing the Indian and LAC ministries and government departments, business groups, financial

institutions and social organisations engaged in interactive discussions in sectoral sessions covering Agriculture and Food Processing, Infrastructure, Engineering, Project Management, Logistics and Transportation, IT & ITeS, Pharma, Healthcare and Medical Equipment.

The Colombian government is holding advanced talks with India for signing a Double Taxation Agreement which will provide further impetus for India-Colombia economic relations. There is a need for a free trade agreement as well. Tourism would be a key potential area for both countries to forge partnerships.

**Liliana Perez,**  
Secretary General, Ministry of  
Foreign Affairs, Colombia.

Argentina is creating a mini-Bangalore in the southern part of the capital city of Buenos Aires. TCS was the first company to set up operations in this area and we would like more Indian firms to invest in Argentina. Come to Argentina and look for the opportunities.

**Mauricio Macri,**  
Head of the Government of  
Buenos Aires, Argentina

Regional economic groupings in the LAC region have played a positive role in promoting the overall economic well-being of the region. From the Indian viewpoint, any deep engagement with a sub-regional group like Mercosur,

SICA, NAFTA, will provide a larger market access for key product and services. Mechanisms for financing business partnerships were also discussed in depth.

B2B sessions were an integral part of the programme where projects worth over US\$10 billion were discussed. Also, proposals for M&As with total estimated value of \$283 million were discussed, covering sectors, apart from those included in the sectoral sessions, such as: Sugar, Ethanol, Textiles, Cosmetics and Beauty Products, Herbal Products, Consumer Durables and Kitchenware, Auto Components Chemicals, Construction, Rail Road System, Steel Bridges, Waste Water Treatment, Hospital Infrastructure, Industrial Consultancy, Free Zones, Mining and Mining Equipment, Oil and Gas, Steel, Coking coal, Bio-technology, Tourism & Services, Energy, Electric Equipment, Wood and Furniture, etc.

The CII India-LAC Conclaves have played a catalytic role in cementing many significant project partnerships and joint ventures between businesses in the two regions.

**Shubhendu Amitabh,**  
Co-Chairman, CII LAC Committee  
and Senior President, The Aditya  
Birla Group

### Scintillating Tango

Participants and guests were treated to a superlative Tango dance performance by Jonathan Spitel and Betsabé Flores from Buenos Aires, the current world tango champions. The Tango dance, which originated in Argentina and Uruguay, in 2009 was declared part of the world's "intangible cultural heritage" by UNESCO.



### Paraguay Makes a Debut

For the first time at the Conclave, Paraguay was represented by the participation of two senior business leaders from the country. Mr Genaro Pappalardo, Ambassador of Paraguay in India, said, "Paraguay is keen to build business partnerships with India. After the recent visit of a delegation of business leaders in the agro-chemicals sector, we had two senior representatives from Paraguayan companies participating in the Conclave for the first time to explore business opportunities. Mr Ernesto Ayala Barreto, CEO of Inzucal SA, represents the lime production and transportation and agro-chemicals sectors, while Mr Esteban Guanes, Vice President of Trafosur S.A. represents the heavy electrical equipment sector. Both had very useful meetings and we hope that these discussions would soon result in some form of business tie-ups for these companies." The Ambassador said agribusiness, food production and food processing in Paraguay presented unmatched potential for Indian investment in areas such as production of oil seeds and extraction of edible oils from soy bean, sunflower, sesame, corn, jatropha, etc, while other crops such as wheat, canola, mint, castor seed are also abundant in Paraguay.



Genaro  
Pappalardo,  
Ambassador of  
Paraguay in India



Ernesto Ayala  
Barreto, CEO,  
Inzucal SA

### Argentine Fashion Designer Felicitated

Ms Monica Socolovsky, Argentine Fashion Designer and Entrepreneur, who made her 97th visit to India to attend the Conclave, was recognized at the Valedictory Ceremony



for her promotion of India-LAC business and cultural ties. Ms Socolovsky's faith and spiritual pursuits brought her to India for the first time in 1979. On her return, she started Sathya Fashion, a design company, named after Sai Baba. It is now an established Argentine brand working in art, design and production of women's apparel.



## North America

### Canada

#### G8/G20 Business Summit



Hari S Bhartia, President, Designate, CII, and Co-Chairman & Managing Director, Jubilant Organosys Limited addressing the G8/G20 Business Summit in Ottawa

Mr Hari S Bhartia, President-Designate, CII, and Co-Chairman & Managing Director, Jubilant Organosys Limited represented India at the G8/20 Business Summit on 29 April in Ottawa, Canada. The Summit was attended by CEOs and leaders of industry bodies from 15 countries along with senior officials of the Government of Canada, including Mr Peter Van Loan, Canadian Trade Minister and Mr Stockwell Day, Governor of the Central Bank of Canada and former Trade Minister. The highlight of the Summit was the address by Mr Stephen Harper, Prime Minister of Canada.

Mr Bhartia was a panelist at a session on 'Engines of economic growth: Maximizing opportunities for All' joining leaders from the Federation of Korean Industries, Confederation of National Industries of Brazil, Business Unity South Africa, Australian Industry Group, China Council for the Promotion of International Trade and the Canadian Chamber of Commerce.

The Canada-India Business Council (CIBC) hosted a reception dinner for Mr Bhartia. Mr Bhartia also met with Mr John F Manley, President, Canadian Council of Chief Executives and Mr S M Gavai, the Indian High Commissioner during his visit.

#### Commonwealth Games Roadshows

A 15 member CII delegation, including three senior members of the Commonwealth Organizing Committee, visited Toronto and Ottawa from 13-16 April, for the

Roadshows for the Commonwealth Games 2010. The delegation visited Canada to market the Commonwealth Games and the business activities CII plans to conduct during the Games. Along with business meetings, the delegation participated in the baton related festivities in Toronto and Ottawa.

CII was supported in this endeavour by the Indo-Canadian Chambers, Consul General, and High Commissioner in both the cities.

Amongst the business meetings, the delegation met with members of the Toronto Stock Exchange, Industry Canada (IC) and the Department of Foreign Affairs & International Trade (DFAIT). Dr George Hanus, President and Chief Executive Officer, expressed interest in reviving the MoU with CII, which was signed sometime back.



Preeti Saran,  
Indian Consul  
General to  
Toronto

A luncheon meeting at the Ministry of Economic Development and Trade was very productive, and gave an insight into the opportunities for industry in Canada.

To celebrate the arrival of the Queen's Baton in Toronto, ICCC, CII and CW Games co-hosted a cocktail reception attended by almost 70-80 members of Indo-Canadian Industry, association heads and CW Association members and the baton crew. Mr Trilochan Singh, MP, who was part of the CII delegation, addressed the audience.

An MoU was signed between the CW Games Organising Committee / ICCC and CII, with a two point agenda -

- Market the games and the CII business programmes in their cities/countries
- Bring business delegations during the Games to India.



Indian business delegation with Canadian industry and government officials at the Ministry of Economic Development in Toronto

## United States of America

### Shaping our Post-Crisis World



Dr Montek Singh Ahluwalia, Deputy Chairman, Planning Commission; Timothy Geithner, US Treasury Secretary and Tarun Das, Former Chief Mentor, CII

CII organised a session with Mr Timothy Geithner, US Treasury Secretary and Dr Montek Singh Ahluwalia, Deputy Chairman, Planning Commission of India on 6 April in New Delhi. In the session moderated by Mr Tarun Das, former Chief Mentor, CII, Mr Geithner pointed out that India and the US have remarkably few challenges and a lot of opportunities. The two economies need to effectively collaborate in addressing the challenges and taking advantage of emerging opportunities. On the issue of outsourcing, the Secretary clarified that President Obama's focus was on strengthening domestic capabilities within the US economy in the light of the global crisis, not against outsourcing per se. However, there is a defensive imperative to establish internal confidence and eliminate economic insecurity. The US is making persistent efforts to expand trade despite local pressures arising from the slowdown and job losses, he said.

Dr Ahluwalia acknowledged that revitalization and stability of the US economy is essential for India's return to 10% growth. He also said that India has liberalized its foreign investment regulations in most sectors, except a few sensitive areas, and is on course to promote Indian investment abroad. India and the US could partner well on infrastructure expansion, he suggested. At the end of the well-attended session, Mr Das presented Mr Geithner an autographed bat of Sachin Tendulkar, one of the finest cricket players of India. Mr Geithner said that this was perhaps the best gift he had received in public office!

### Roundtable with Minister Kamal Nath

CII organised a roundtable meeting with Mr. Kamal Nath, Minister for Road Transport and Highways, India, on 7 April in New York. The meeting was attended

by stalwarts in the US infrastructure sector who are interested in investing in India's infrastructure boom.

The Minister said that India is developing 35 airports around the country and large metro systems in Chennai, Hyderabad and other cities. India's 1.3 million km road network carries 75% of passenger traffic. In addition, 75,000 km of National Highways cater to 60% of passenger and goods traffic. Stating that India needs to build 20 km of roads every day to cater to its needs in road transport, he said that currently, 20,000 km of work, worth \$50

billion is in progress. All terms of qualification for tenders in this sector are transparent and are available online. The government is also working on enabling legislation for its highways programme, he said. Mr Kamal Nath emphasized that India is currently creating more jobs in USA than the other way around, however, investment needs to be a two-way street.



Rajat Gupta, Senior Partner Emeritus, McKinsey & Co; Kamal Nath, Minister of Road Transport & Highways, India; and Banashri Bose-Harrison, Minister Commerce, Embassy of India in Washington DC

### Sessions on 'India 2039 – An Affluent Society in One Generation'

CII organized a series of discussion sessions, themed on the thought-provoking book 'India 2039-An Affluent Society in One Generation' from 11-16 April in Bengaluru, Kolkata, Patna and Chandigarh. The Author, Mr Harinder Kohli, also CEO, President & CEO, Centennial Group, elucidated that India's economic successes are due primarily to its dynamic and competitive private sector and the "can-do" spirit of the newly confident middle class and youth, despite significant failures of government on many fronts.

This book presents the major issues, challenges, and choices before India today, to be resolved so as to maximize the prospects of our upcoming generations

enjoying the fruits of an affluent society. It is time to transform the country's institutional, administrative and governance systems at all levels. The basic premise of this book is that India can indeed be a growth marathoner, but it must understand the world it is in, and will be operating in, and the changing shape of its economic footprint. It must start to put in place the institutions and policy frameworks consistent with a move from poverty to affluence in one generation. However, development should be done more responsibly.

CII regional and state offices facilitated the discussion sessions in all the cities.



Session on 'India 2039 – An Affluent Society in One Generation' in Bengaluru

### Taking India-US Relationship to New Heights

CII organised a session with Mr Thomas Donohue, President and CEO, US Chamber of Commerce, on 13 April in New Delhi, to strengthen Indo-US business ties.

Mr Praful Patel, Minister of Civil Aviation, India, spoke of the enormous opportunity that India presents in infrastructure development. Mr Venu Srinivasan, President, CII, emphasized the growing share of Indian investments and jobs created in the US economy. Job creation is high on the agenda of both the US and India, he stressed.

Mr Donohue called for collaborations on innovation, and infrastructure "to bring efficiencies and productivity to each other's economies – through India's innovative value-adding IT industry and US's strength in the retailing, logistics, education sectors. Let us bring our most talented people together to invent and apply technologies that can address the food, water, health, environmental and security needs of our people" he said. In this context, the US Chamber, the US India Business Council and CII have a critical role to play in deepening commercial linkages and friendship ties between the two countries, he added.



Thomas Donohue, President and CEO, US Chamber of Commerce; Praful Patel, Minister of Civil Aviation; and Venu Srinivasan, President, CII

### The Challenge of Inclusive Growth

On 13 April, Mr. Tarun Das, former Chief Mentor, CII, delivered a talk on 'Undercurrents in the Indian Polity: The Challenge of Inclusive Growth' at the Brookings Institute, Washington DC.

Mr. Das talked about the major developments in India that are not immediately obvious on the surface, but will shape India's growth in the coming years. The government has an important role to play in development initiatives, he said, explaining that much new legislation in India, such as NREGA, Right to Information, etc amounts to a comprehensive social reform agenda. However, given its poor track record in execution, Government is now turning to civil society and the private sector. Industry has great capacity for implementation and management of programmes while NGOs are connected locally. CEOs from the Indian private sector are joining the Government – this is unprecedented move, he said, observing that such cross-sectoral partnerships will change the way social sector programmes are run and conducted.

India's goal of skilling 500 million young people, first articulated by Prof. C K Prahalad, led to the National Skills Development Corporation. Indian industry is providing innovative solutions and low cost products to millions of people at the lowest economic rung. Rural areas are being transformed by technology, television, telecom, and IT, connecting them to the mainstream economy. The education sector is being opened up to the private sector and companies are tying up with domestic and international universities for research and collaboration. Through mobile clinics, tele-medicine etc., affordable and quality healthcare is reaching people across the country. Today there is an implosion of the





Stephen P. Cohen, Senior Fellow, The Brookings Institution and  
Tarun Das, Former Chief Mentor, CII

entrepreneurial spirit in India. SMEs in India will play a big role in the coming days and it would help to connect SMEs in both India and US.

India needs a different model of development – neither capitalist, nor socialist – a mixed model that will take India to 10% growth. There is a new confidence in India - the idea that Indians can take on the world - a heartening phenomenon that is fundamentally changing the way Indians view themselves, and their position in the world. At the end of the day, it is our people—our human resources, that will drive future growth, he said.

### Meeting with US Deputy Secretary of State

CII organised a luncheon session with Mr James B Steinberg, Deputy Secretary of State, USA (also serving as the principal Deputy to Secretary Clinton) on 21 April in New Delhi. The interaction with Indian corporate and thought leaders explored the current status of educational exchanges, reform issues and opportunities to increase future engagement.

The discussions encompassed cooperating on a common accreditation framework for mutual recognition of the respective accreditation bodies, contributing to the vocational education and training policy, collaborating in course development, structuring faculty and student exchange programmes between Indian and US universities and private sector participation in the education sector. They also talked at length about the need and prospects for capacity building. Brainstorming of ideas led to the germination of new areas in which the two countries could work together, such as effective use of technology in facilitating distance learning programmes.

Participants on the Indian side expressed that so far Indo-US collaboration in education has been ad-hoc and need based. However, going forward, it would be helpful to begin institutionalizing the partnership in areas



James Steinberg (center), US Deputy Secretary of State with  
Chandrajit Banerjee, Director General, CII and Vijay Thadani,  
CEO, NIIT

of mutual interest and identify priority sectors like green technology, innovation, etc.

### Suzlon's LEED India Platinum Award

CII organised a dinner reception on 29 April in Washington DC to celebrate Suzlon's success in achieving the highest green building rating level in the world - the LEED India Platinum award (for Leadership in Energy and Environmental Design) for its 'One Earth' recently commissioned global headquarters. Amb. Meera Shankar, Ambassador of India to the United States, on behalf of the India Green Building Council (IGBC), presented the award to Mr Tulsi Tanti, Chairman and Managing Director, Suzlon Energy.

CII has been at the front of promoting LEED standards in India, which specify stringent norms for green, energy-efficient and high-performance buildings. Suzlon's 'One Earth' campus is among the first 100 sites in India to receive LEED certification. Developed on an area of 41,000 sqm, with a capacity to house 2,300 people, One Earth is a 100% renewable energy-powered campus,



Meera Shankar, Ambassador of India to the US, awarding the LEED India platinum certification to Tulsi Tanti, CMD, Suzlon Also seen: Chintan Shah, Vice President, Suzlon Energy; Kiran Pasricha, Deputy Director General, CII; Jitendra Tanti, MD, Synefra and Chris Smith, COO, US Green Building Council

with in-house recycling plants, daylight and occupancy sensors, efficient ventilation systems, storm and rainwater management systems etc. US government agencies, corporate leaders, academics and media, who attended the event, were highly appreciative of the efforts of Indian industry in meeting the challenge of climate change as an opportunity and innovatively pursuing the path of sustainable development.

## IBF NEWS

### Dr Reddy launches hypertension drug

Pharmaceutical firm Dr Reddy's Laboratories Ltd has launched a generic version of Swiss pharmaceutical

firm Novartis International AG's hypertension drug in the US.

### SBI may raise rates

State Bank of India, the country's top lender, may raise its lending and deposit rates in a couple of months, said its Chairman O.P. Bhatt.

### TCS joins the IT party

India's largest software exporter Tata Consultancy Services (TCS) joined rival Infosys in signalling an improving environment for the \$60 billion IT industry, as increased spending from top customers such as Citibank and General Electric boosts profits.

## United Kingdom

### 'Doing Business with India'

The CII-India Business Forum, UK, organised a panel discussion on 'Doing Business with India' in Manchester on 20 April, in cooperation with the North West Development Agency and the UKTI. This was the first of a series of such discussions to be held across the UK during the year, to discuss and share experiences and disseminate information on 'Doing Business with India'. The CII-India Business Forum, UK, is a group of leading Indian companies in the UK with the High Commissioner as its Patron.

Despite travel severely disrupted by the volcanic ash spewing out of the Icelandic mountain, and many participants being held up by the cancelled flights, there was a large group of interested local business participants, clearly showing the interest between India and UK.

Presenting the Government of India's latest Trade and Investment policies, Mr Anil Verma, Minister Economic, High Commission of India, UK, said "Doing Business with India is the most profitable strategy that a business person can think of today." Speaking about the trade between the two countries and the huge opportunities still untapped despite historical relations, Mr Verma stressed the need for diversifying UK's export basket to India to include technology and design increasing the intrinsic value of the exports.

Mr Farokh Engineer, the legendary Indian cricketer and now a business consultant encouraging business between India and UK, spoke about the bond between the UK and India, and shared his experiences of working in the UK, encouraging businesses in UK to look at the huge

opportunity that India presented.

In the panel discussion, members of the IBF, Mr Tarun Gulati, Chief Executive Officer, UTI International; Mr Amit Dev Mehta, Vice President, Tata Capital Ltd; and Mr Chris Parsons, Chairman India Practice, Herbert Smith LLP, answered a number of questions raised by the participants on business with India. The discussions ranged from policies to legal aspects, finding a business partner in India, entry level procedures for the Indian market, financing, bidding for projects, cultural aspects, perceptions about India etc to very specific queries on sector investments including energy, waste management, water management, technology and healthcare services. Mr Anil Verma also participated in the Q&A session responding to queries of government policies and various opportunities for investing in India.

Mr David Walter, CEO of Photolink Creative, a media and branding company that is successfully doing business in India, shared with the participants his experiences of doing business with India. Mr Walter advised the participants to be open, friendly and reach out to Indian counterparts. He said that Indian business leaders are very helpful and the market is competitive, giving enough space to all entrants. Find the right partner and then the going is smooth, he said.

The session was moderated by Mr Graham Phillips, Managing Director, The Marketing Group & Strand Technology, Cheshire. The session was chaired by Mr Sunil Mohindra, Senior Partner, Mohindra Maini LLP and hosted by Mr Sean MsGonigle, Assistant Chief Executive, Manchester City Council.

# India REGIONAL R O U N D U P

## East

### World Health Day

7 April, Kolkata,  
Jamshedpur

On World Health Day, CII Eastern Region conducted a health check – up programme for underprivileged children and their mothers at ‘Aapne Aap’ school in Kidderpore.



Health check-up programme  
in Kidderpore, Kolkata

CII Jamshedpur Zonal Council and the Corporate Sustainability Services, Tata Steel, also organised a Health Camp for 100 underprivileged persons. Free medicines were distributed.

## Bihar

### Interaction with the Labour Minister

7 April, Patna



A N Singh, Minister of Labour Resources, Bihar, with CII members

CII Bihar State Council is partnering the Department of Labour, Bihar, in the modernization of ITIs in the state. As a preliminary step, CII Bihar State Council organised an interactive session with Mr A N Singh, Minister of Labour Resources, Bihar, and senior officials of the department. The session was followed by a visit to the ITIs in Digha and Muzaffarpur.

### Road Show on Food Processing

9 April, Madhubani

CII Bihar State Council organised a road show on

the Food Processing Policy of Bihar in association with IL & FS at the district level for 150 farmers in Madhubani.

## Chhattisgarh

### Interactive Session on France

13 April, Raipur



Interaction on France

Mr Jean-Louis Rysto, Consul General of France in Kolkata, discussed mutual business opportunities between French and Chhattisgarh companies with CII members in Raipur.

### CSR Conclave

18 April, Raipur

CII, in association with India CSR organized the first CSR Conclave in Chhattisgarh. Dr Wayne Visser, CEO, CSR International, and Professor at Cambridge University, UK, stated that awareness about Corporate Social Responsibility is increasing among Indian corporates. He argued that CSR is an integral part of corporate governance and should not be considered separately.



Dr Wayne Visser,  
CEO, CSR  
International

## Odisha

### Spouse Programme

16 April, Bhubaneswar

To build rapport amongst CII members' families, CII Odisha State Council organized a Spouse Programme during the 2nd CII Odisha State Council meeting. "Theme dressing" was the main attraction of the event.





At the Spouse Programme in Bhubaneswar

## Interactive Session on Labour

30 April, Bhubaneswar

An interactive session with the Labour Commissioner of Odisha provided a platform for a face-to-face dialogue with senior officials of the Labour Department on the labour related problems faced by industries.

## West Bengal

### Session with Ambassador of Taiwan

5 April, Kolkata

Mr Wen Chi Ong, Ambassador of Taiwan to India, participating in a discussion on 'Doing business with Taiwan' said that Taiwan is planning to open a trade office in Kolkata by 2011 to facilitate business dealings between the two nations. He said that Taiwan's FDI in India has increased over the years and an increasing number of Taiwanese companies are showing interest in the computer, telecommunications, electronics, chemical and other industries in India.

### Role of Trade Unions

9 April, Kolkata

CII West Bengal State Council organised a round table on 'Role of Trade Unions for Industrialisation' with Mr Partha Chatterjee, Leader of the Opposition, West Bengal. Mr Chatterjee said that management and trade unions should work hand in hand to facilitate



Kurush Grant, Chairman, CII (ER); Partha Chatterjee, Leader of the Opposition, West Bengal; and R K Agrawal, Chairman, CII West Bengal State Council

better productivity, thus ensuring a win-win situation for both stakeholders.



Asok Bhattacharya, Minister, Municipal Affairs & Urban Development, West Bengal

### Siliguri as a Tourism Hub

10 April, Siliguri

Mr Asok Bhattacharya, Minister, Municipal Affairs & Urban Development, West Bengal, was the Chief Guest at the seminar to unveil the potential of Siliguri as a tourism hub. Ms Gangotri Dutta, Mayor, Siliguri Municipal Corporation, also addressed the gathering.

### Session on Israel

13 April, Kolkata



Sandipan Chakravorty, Past Chairman, CII (ER); Mark Sofer, Ambassador of Israel to India; and Viresh Oberoi, Chairman, International Trade Task Force, CII (ER)

CII Eastern Region organised a breakfast session with Mr Mark Sofer, Ambassador of Israel to India. Mr Sofer spoke about closer ties between the two nations in terms of water technology, alternative energy, agriculture, food processing and home land security. He also expressed the need to strengthen business ties between Israel and West Bengal in food processing technology, bio medical technology, water and energy.

### Session on Turkey

21 April, Kolkata



Ravi Chaudhry, India Representative, Turkish Prime Minister's Office & Chairman, Cemex Consulting Group; Levent Bilman, Ambassador of Turkey to India; and Kurush Grant

In an interactive session, Mr Levent Bilman, Ambassador of Turkey to India said that India and Turkey are recognised as the two most rapidly growing countries, with a huge potential for mutual business linkages.

## CII – WBUT Soft Skill Training Programme

28 April, Kolkata

CII Eastern Region has launched the Industry-University Consortium for knowledge partnership to enhance the employability of students. A consortium was formed with major IT players in the region, to take this initiative forward to inculcate employable skills in students passing out of universities. The launch of the CII – West Bengal University of Technology( WBUT) Soft Skill Training



Kurush Grant, Prof. Sabyasachi SenGupta, Vice-Chancellor, WBUT; and Alok Mookherjee, Chairman, Education & Skill Development Subcommittee, CII (ER)

Programme saw the unveiling of the CII – WBUT Soft Skill Training Manual.

## Water Conclave 2010

29 April, Kolkata

The Water Conclave 2010, with the theme of Ensuring Water Security through Sustainable Development, was a consultative forum for deliberations on issues related to Water. A Knowledge Paper on Water Management was released at the forum.



S B Ganguly, Chairman, Environment Sub-committee, CII (ER); Mustaq Birader, Deputy Head of Mission, British Deputy High Commission; and Kurush Grant

## North

### Chandigarh

#### Meeting on Chandigarh

20 April, Chandigarh

A CII delegation led by Mr R M Khanna, Chairman, CII Northern Region met Mr Shivraj Patil, Governor, Punjab, and Administrator, UT Chandigarh, to apprise him on CII's work on the Chandigarh specific Smart Energy Campaign and road show to promote energy friendly measures. They also discussed the integrated development of



Michael Carter Trade Commissioner, Australian Trade Commission

Chandigarh and surrounding areas, and a comprehensive 'vision' for Chandigarh.

#### Business ties with Austrade

22 April, Chandigarh

CII Northern Region and Austrade signed a MoU to encourage bilateral trade / investments and provide business development opportunities to the industry based in North India

at a seminar on 'Doing Business with Australia.' Mr Michael Carter, Trade Commissioner, Australian Trade Commission announced Austrade's local presence by having a representative based in Chandigarh.

### Himachal Pradesh

#### Effective Stores & Inventory Management

23 April, Chandigarh



Workshop on Effective Stores and Inventory Management

The workshop on Effective Stores and Inventory Management was based on the theme of Inventory reduction and lean management practices as the most important approaches for achieving cost reduction and better financial management.



## Jammu & Kashmir

### Industrial Tour for MBA Students

10 April, Jammu



MBA Students at Berger Paints Ltd, Samba

The CII J&K State Council organised an industrial visit for the MBA students of the Priyadarshini Institute of Management, Jammu, to Berger Paints India Ltd at the Industrial Growth Centre, Samba. The students were acquainted with the organizational structure, production processes, functioning of various technical departments and the measures taken to preserve the environment.

### Environmental Health & Safety for Industry

22 April, Srinagar

CII J & K State Council, in collaboration with CII-ITC Centre of Excellence of Sustainable Development, organised a workshop on Environmental Health & Safety (EHS) – Best Practices to sensitize industry on environmental performance, work safety and protection of their health in a typical work place scenario.

### Industrial issues in J&K

27 April, Jammu



S S Slathia, Minister of Industries & Commerce J&K, with Harinder Mahajan, Chairman, CII J & K State Council

A CII delegation led by Mr Harinder Mahajan, Chairman CII J&K State Council, met Mr S S Slathia, Minister for Industries & Commerce, J & K, to discuss industrial issues and VAT related concerns in the state.

## Rajasthan

### Neuro Linguistic Programming

1 April, Jaipur

A workshop on 'Neuro Linguistic Programming -



Workshop on Neuro Linguistic Programming

The Latest tool to Unleash the Excellence Within', highlighted the potential of NLP to improve the performance at work.

### Energy Efficiency Workshops

17 April, Jodhpur

23 April, Alwar



Energy Efficiency Workshop in Alwar

CII and the Bureau of Energy Efficiency (BEE) jointly organized workshops on energy conservation to promote energy efficient practices in various industry clusters and units. The focus sectors were Limestone, Engineering industry, Guar-Gum and Handicraft.

## Uttar Pradesh

### Technical Seminar on Concrete Roads

1 April, Lucknow



Seminar on Concrete Roads in Lucknow

CII Uttar Pradesh State in association with the State Government organised a technical seminar on 'Concrete Roads: Focusing on City Roads, Rural Roads & Technology' to promote the use of concrete to build urban and rural roads. Mr Ravindra Singh, Principal Secretary, PWD, Uttar Pradesh, Mr T Ram, Engineer-in-Chief (Devpt) and Head of Department, PWD, Uttar Pradesh, and Mr Deepak Kumar, Commissioner, Uttar Pradesh Housing Board, presented the state government's perspective.



## World Health Day

7 April & 21 April, Lucknow



Round table on Health

On World Health Day, CII Uttar Pradesh State initiated a consultative discussion on the Health Sector to advocate a holistic approach and inter-sector collaboration to address health issues.

A Roundtable on Health, on 21 April, with medical and social sector experts sensitized industry workforce and the public on the myths and misconceptions associated with health issues saw the participation of 20 professionals from various medical sectors as well as social activists.

## Coollex – 2010

April 16 - 19, Lucknow

COOLEX – 2010, an exposition on air conditioning and refrigeration in its 13th edition this year, was inaugurated by Mr Anup Mishra, Infrastructure and Industry Development Commissioner, UP.



Anup Mishra, Infrastructure and Industry Development Commissioner, UP, inaugurating Coollex 2010

## National Conference on Climate Change

21 April, Lucknow



At the National Conference on Climate Change: Alok Ranjan, Principal Secretary-Environment, UP, Anil Kumar Misra, Chairman, UP Pollution Board, Nakul Dubey, Minister, Environment; UP, Veena Upadhyaya, Director General, UP Academy of Administration & Management, and Jayant Krishna, Chairman, CII UP State Council CII Uttar Pradesh State Council, in association with the Directorate of Environment, Uttar Pradesh, organised a National Conference on Climate Change – Response & Action: Promoting the Carbon Market. Mr Nakul Dubey, Minister, Environment; Uttar Pradesh, and senior government officials from the UP Government participated in the conference.

## Interactive Session with Key Bureaucrats

26 April, Lucknow



Atul Kumar Gupta, Chief Secretary, UP, Alok Ranjan, Principal Secretary, Environment, UP, Anup Mishra, Infrastructure and Industry Development Commissioner, UP, and Dr JN Chamber, Principal Secretary, Excise & Export Promotion, UP

On his maiden visit to the city, Mr Vijay K Thadani, newly elected Deputy Chairman, CII Northern Region, had an informal interaction with senior officials of The Uttar Pradesh Government. He met Mr Atul Kumar Gupta, Chief Secretary, Mr Anup Mishra, Infrastructure and Industry Development Commissioner (IIDC), Ms Vrinda Sarup, Principal Secretary, Technical Education, Mr Alok Ranjan, Principal Secretary, Environment, and Dr JN Chamber, Principal Secretary, Excise & Export Promotion.

## Uttarakhand

### IT Enabled Single Window System

15-16 April, Dehradun

CII Uttarakhand, in collaboration with KPMG, initiated an Assessment Report on IT Enabled Single Window System in the State. Meetings were held with Mr P C Sharma, Principal Secretary, Industrial Development, Dr Ajay Gairola, Member Secretary, Uttarakhand Environment Protection and Pollution Control Board, and Mr S C Nautiyal, Additional Director Industries, Directorate of Industries, on the needs and expectations of the various stakeholders. District Industry Centers in Dehradun and Roorkee were visited to study various application forms, reporting and record maintenance formats etc. The report would define the project vision, objectives and scope for an IT enabled Single Window System.

### Outreach Programme for Members

20 April 2010, Selaqui

CII Uttarakhand visited Marico Industries Ltd at Selaqui, Dehradun to discuss issues pertaining to Selaqui Industrial Area, such as Infrastructure, Power and Connectivity, and explore possibilities of engagement.

## South

### Doing Business with the Netherlands

8 April, Chennai



Session on Netherlands

The seminar with the Netherlands Business Mission helped discuss the business opportunities in India in sectors such as agro, automotive and biotechnology. The other areas which Dutch companies could lend its expertise were identified as water management, infrastructure, life sciences & health, logistics and creative industry.

### Interaction on Turkey

19 April, Chennai



Interaction on Turkey

The CEOs interaction with Mr Levent Bilman, Ambassador of Turkey was organised to identify opportunities for bilateral business ties. Sectors for mutual cooperation identified were Infrastructure, Automotive, Agriculture & Food Processing; Mines & Minerals; Manufacturing, ICT, and BPO.

### Conference on Cyber Security

24 April, Chennai

With cyber attacks and cyber terrorism looming large, the conference discussed the greatest emerging cyber threats, covering topics such as Banking, Finance, IT, Security Surveillance, Cyber Crimes, Digital Evidence, Cyber Forensics, Cyber Policies & Laws, Cyber threats on



Conference on Cyber-security in Chennai

Military, Industrial, Commercial & Societal establishments and the emerging Security Challenges in the 21st century.

### Employee Volunteering Programme

26 & 27 April, Kancheepuram

"Stop in the name of Earth" is an animated, activity based advocacy initiative on environment by CII in an effort to connect with the younger generation. Under this initiative, an E-module training session was organised for 130 teachers from government schools



Master trainers from the Kancheepuram District being trained on the Environment e-module

in Kancheepuram district to increase awareness on Global Warming, Effects of Environmental Pollution and Protection of the Environment. These 130 teachers would in turn train other teachers from their respective blocks and thereby help reach out to all government schools in the district.

## Andhra Pradesh

### Manufacturing Mission to Chennai

7 - 8 April, Chennai

A study mission on best manufacturing practices



Mission members at Saint-Gobain Glass India Ltd, Chennai

for member companies from Andhra Pradesh visited Hyundai Motor India Ltd, Saint-Gobain Glass India Ltd, Orchid Chemicals & Pharmaceuticals Ltd and Lucas TVS Ltd to equip themselves on world class practices adopted in these organisations.

## Investing in Tatarstan

10 April, Hyderabad



Meeting with Zilya Valeeva, Deputy Prime Minister of Tatarstan

In an interactive meeting with CII members, a visiting Tatarstan delegation led by Ms. Zilya Valeeva, Deputy Prime Minister, Republic of Tatarstan, elaborated on the investment opportunities in that country.

## CII - Tata Docomo Cricket Cup 2010

13 March – 17 April, Hyderabad

The month long corporate cricket cup tournament of CII Andhra Pradesh ended with the finals played between teams from Deloitte and Karvy. Karvy clinched the title



Komati Reddy Venkat Reddy, Minister for IT&C, Youth Services & Sports, Andhra Pradesh, with the winning team from Karvy

with a convincing performance. Mr. Komati Reddy Venkat Reddy, Minister for IT&C, Youth Services & Sports, Andhra Pradesh, awarded the winning team.

## Karnataka

### Annual Day of TQM Forum

17 April, Bangalore

The CII Karnataka TQM Forum for Organizational Excellence, in its 16th year, marked its Annual Day with an address by Mr Ramesh Swamy, Trustee, SGBS Trust, on 'Challenges faced today with Youth -The way forward to create Inclusive Growth.' The forum launched the Unnati programme to impart vocational training



CII Karnataka TQM Forum Annual Day

to make socially underprivileged youth and school drop-outs employable. The Unnati model is replicable with the vision to reach one million youth by 2020.

## Meeting on ESI

1 April, Bangalore



Dr C S Kedar, Director General, ESI Corporation addressing

The CII Karnataka Chairman, Mr Aroon Raman and Vice Chairman, Mr S Chandrashekar, along with representatives from member companies met with Dr C S Kedar, Director General, ESI Corporation, to discuss the recent policy initiatives relating to ESI as well as other issues in employee health insurance.

## Business Opportunities with Jiaxing, China

9 April, Bangalore

The visit of Mr Sixing Yu, Vice Chairman of the Standing Committee of Jiaxing Municipal People's Congress and the accompanying 13 member delegation, provided an opportunity to explore mutual areas for exports and business development.

## Kerala

### Simple Ways to Make Your Customers Happy

30 April, Thrissur

The seminar covered topics such as How to Sell, How to Serve and How to Satisfy the customers, for 69 senior executives from member companies.

## Puducherry

### Industrial Cluster in Karaikal

5 April, Puducherry

The meeting discussed the modalities of various job works to be outsourced by BHEL, Trichy by setting up an industrial cluster in 550 acres of land in Karaikal. Mr V Vaithilingam, Chief Minister of Puducherry, Mr E



Valsaraj, Minister for Industries, and key government officials participated in the meeting.

## Job Opportunities Session

18 April, Puducherry



V. Vaithilingam, Chief Minister of Puducherry, issuing an appointment letter to a student, as Meenakshi Kumar, Vice Chairman, T Rajarajan, Past Chairman, and M S Vijayaraghavan, Chairman, CII Puducherry, look on

A total of 241 students from various Government Higher Secondary Schools in Puducherry attended this session to learn about the job opportunities in member companies under different trades.

## Using One's Inner Potential

21 April, Puducherry

The programme helped participants realize the hidden powers within themselves and the methods to unleash it. The sessions covered How to attract success, Good communication skills, Attitude correction for better interpersonal skills, Creating and leading an effective team, and Creating a 'comfort zone' for the mind to learn and perform effectively.

## Tamil Nadu

### Emerging Entrepreneur Awards

18 April, Chennai



Dr M K Stalin, Deputy Chief Minister, Tamil Nadu, with the award-winning entrepreneurs

Celebrating the Spirit of Entrepreneurship in Tamil Nadu, the awards have been initiated to nurture, cherish and recognize the "cream of the cream" of emerging

entrepreneurs who would scale up to be national and global players in the next two decades. The first edition of the awards received overwhelming response with close to 170 entries from across Tamil Nadu, from which 24 entrepreneurs were shortlisted as finalists, and 9 received awards. Dr M K Stalin, Deputy Chief Minister of Tamil Nadu presented the awards.

## Study Mission on Employee Involvement

21 April, Chennai

The mission to Carborundum Universal Ltd & Ashok Leyland Ltd provided member companies in Tamil Nadu an opportunity to benchmark some of the best practices in Total Employee Involvement.

## Zones

### Coimbatore

#### Session with Singapore Minister

23 April, Coimbatore



S Iswaran, Senior Minister of State for Trade and Industry, Singapore, addressing a session in Coimbatore

Mr S Iswaran, Senior Minister of State for Trade and Industry, Singapore, along with a delegation, visited Lakshmi Machine Works, KPR Spinning Mill Private Ltd and PSG College of Technology. Addressing a meeting, Mr Iswaran urged institutions in Coimbatore to focus on R & D to attain international standards.

### Karur

#### SEDEX & C-TPAT

5 April, Karur

The awareness programme highlighted the requirements of Supplier Ethical Data Exchange (SEDEX) and Customs Trade Partnership against Terrorism (C-TPAT) and its benefits to exporting units in Karur. The programme helped members understand the importance of SEDEX and C-TPAT in building cooperative relationships that strengthen and improve overall international supply chains.

## Madurai

### Water Management

6 April, Madurai

On World Water Day, the session based on the theme 'H2O – A Healthy Perspective' covered the latest trends, techniques and the best practices in Water Management, Water Conservation, Water Management and Water Treatment.

### World Health Day

7 April, Madurai



World Health Day 2010 in Madurai

Celebrating World Health Day, a Walkathon was organized to emphasize the theme of "1000 cities, 1000 lives" which aims for 1000 cities to open up public spaces to health and identify 1000 success stories of health champions in their cities.

### Doing Business with Africa

15 April, Madurai



Session on Doing Business with Africa

The session with Mr Mehreteab Mulugeta, Minister Counsellor, Economics & Business, Embassy of Ethiopia, gave members in Madurai valuable information on business opportunities in Africa.

## Workshop on Team Building

20 April, Madurai

The workshop focussed on the Importance of team building, characteristics of successful teams, identifying barriers to team effectiveness, overcoming barriers. Participants at the programme helped understand how effective teamwork can produce incredible results.

## Finance for Non-Finance Managers

23 April, Madurai

The objective of this training programme was to update the non financial managers on finance and Investment decisions and how to generate wealth for the firm.

## Mysore

### Air Connectivity for Mysore

15 April, Mysore

The meeting with Jet Airways was held to initiate a dialogue with the service providers, airport users and the government on the need of air connectivity and appraise them on the business potential of projecting Mysore as an investment destination.

## Thoothukudi

### Mission to Karikal Port

24 April, Karaikal



Delegates at Karaikal Port

The mission to Karaikal port was organized for members to study the potentials and port growth strategies.

## Trichy

### Management Challenges of Growth

8 April, Trichy

Dr M B Athreya, Founder & Advisor of Athreya Management Systems, speaking on 'Management Challenges of High Growth Decade' advised organizations to focus on Personal Social Responsibility (PSR) and ethics, rather than concentrating more on CSR and business.

## Leadership and Team Building

16 April, Trichy

The workshop was organised to remove visible and invisible barriers to performance, and build a "cohesive and performing team" to improve business results and improve team and organisational performance through strategic planning, organisational redesign and problem solving

## Vijayawada & Visakhapatnam

### Quality Concepts for Business Excellence

10 April, Vijayawada

The session highlighted how adopting the concepts of 5S Management, Kaizen QITs and Quality Circles would enhance team work in projects related to waste management, process improvement and process cycle reduction.

### Members Meet

27 April, Visakhapatnam

The members meet apprised members on the services offered by CII and explained CII's agenda at the National, State and Zonal levels for the year 2010-11. The work plan of CII Andhra Pradesh was also presented to the members.

### Interactive session on IT& ITES

27 April, Visakhapatnam

In an interactive session, Ms. Ratna Prabha, Principal Secretary, IT & Communication, Andhra Pradesh, highlighted the government policies for promoting IT and ITES companies in the state and addressed queries raised by members.



Ratna Prabha,  
Principal  
Secretary, IT &  
Communication,  
Andhra Pradesh

### CII Membership Road Show

30 April, Visakhapatnam

The road show in Kakinada helped promote the various services offered by CII to industry members in Visakhapatnam. The programme reached out to 55 participants from various industries. The participants also had the opportunity to interact with Mr M Ravichandra, District Collector, East Godawari District who was the chief guest at the road show.



RVS Raju, Vice Chairman, CII Vizag Zone; M Ravichandra, Collector, East Godawari district; and Capt. Sriram Ravi Chander, Chairman, CII Vizag Zone

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## West

### Gujarat

#### Business Opportunities in Nanotechnology

2 April, Vadodara

The 8th edition of the Business Opportunities seminar explored emerging opportunities in Nanotechnologies with specific focus on Composites and Polymer Compounding.

#### Clean Technology for Sustainability

17 April, Ahmedabad

Clean Technology was selected as a Focus Sector for the Vibrant Gujarat: Global Investors Summit being organized by the State Government in January 2011. A seminar was organized to generate awareness on Cleaner Technologies amongst industries, to improve efficiency, increase production and distribution and improve products and processes –all with a reduced carbon footprint.

#### Opportunities in Defence Sector

20 April, Ahmedabad



Saurabh Patel, Minister, Industries, Gujarat, addressing the Seminar

The seminar, to create awareness about Defence Joint Ventures and partnerships, was organized in preparation to the forthcoming Vibrant Gujarat: Global Investor Summit.

#### Logistics & Supply Chain Conference

23 April, Vadodara

The conference highlighted the major logistics and supply chain bottlenecks faced by user industries and involved the service providers in working out hands on strategies to address them. A CII- Deloitte report

on 'Optimizing inbound and outbound Logistics' was released at the event.

### Madhya Pradesh

#### Good Production Practices

29 April, Gwalior



Training programme on Good Production Practices

The training programme was held to enhance good production practices and encourage world class manufacturing practices in organisations. The focus was on controlling waste by applying 3M & 5S concept, Process Simplification (Kaizen), Process Flow (Flow Manufacturing) & Daily Work Management.

### Maharashtra

#### Industrial Maintenance Expo Road Show

7 April, Pune

The Road Show on Industrial Maintenance Expo 2010 focussed on Maintenance, Service and Care to enhance productivity and reduce downtime for a better growth. Mr J P Nayak, Chairman, IMX Expo and Member of Board

of L&T, said the Expo would be an important forum for the latest developments in the Maintenance & Repairs Segment.



Road Show on Industrial Maintenance Expo 2010

## Estonia-India business Seminar

8 April, Mumbai

Ms Ene Ergma, President of Riigikogu, Parliament of Estonia, accompanied by a political and business delegation visited Mumbai to showcase the business opportunities available for Indian companies in Estonia.

## Producing Zero Defect Products

9 April, Pune

The mantra of Quality today is "Quality as described by the customer at the lowest cost". This implies a change from reduction of Quality defects to elimination of Quality defects, said the seminar on 'Producing Zero Defect Products using Structured QM Methodology.'

## Industry led Models for Improving our Cities

10 April, Pune

In pursuance to the India@75 agenda on Inclusive Urbanization, workshops have been scheduled in six cities to evangelize the concept of industry getting involved in the improvement of their cities.

Mr. Gopal Srinivasan, Chairman & Managing Director, TVS Capital Funds Ltd, and Mr. Ravichandar, Managing Director, Feedback Consulting, the pillars behind the city connect models in Chennai and Bangalore led the discussions.

## Logistics mission to Africa

18-24 April

CII WR Logistics Sub Committee led the second in the series of the Trade and Investment missions to



CII delegation with Uilika Nambahu, the Mayor of Walvis

South Africa, Mozambique and Namibia. The delegation had fruitful interactions with the Durban Chamber of Commerce, Durban Investment Promotion Agency, South African freight forwarders associations, Walvis Bay Corridor Group, and meetings with several hi-profile businessmen and government officials.

## Investing in Indonesia

22 April, Mumbai

The Business Forum was held to promote investment opportunities. In Indonesia. Mr Darmawan Djajusman, Deputy Chairman, Indonesia Investment Coordinating Board (BKPM) addressed the business forum.



Darmawan Djajusman, Deputy Chairman, BKPM

## Interaction on Argentina

27-28 April, Mumbai

CII, in cooperation with Tata Consultancy Services, organized an exclusive interaction with Mr Mauricio Macri, Chief Minister of Buenos Aires, Argentina, and the accompanying delegation. Mr Macri said the upcoming Buenos Aires Technological Park would be a platform for Indian companies to set up their operations and explore joint ventures in areas such as IT and ITes services, video games and contact centers.

## 22nd QC Circle Convention- National Final

29 April, Aurangabad

The winners of the 22nd QC Circle Convention, National Final were circles from Tata Steel Ltd, Jamshedpur, Hi-tech Arai Ltd, Madurai and CavinKare Pvt Ltd, Haridwar.



QC Circle Convention National Final winners – 'Tata Shaktee' from Tata Steel Ltd, Jamshedpur