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25 years of  
partnership



Confederation of  
Indian Industry

&

WORLD  
ECONOMIC  
FORUM

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We welcome your feedback and suggestions. Do write to us at [communiqué@cii.in](mailto:communiqué@cii.in)

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## CII Chief Mentor Retires



**M**r Tarun Das, Chief Mentor, Confederation of Indian Industry, has retired from CII.

Mr Das, who was the Chief Mentor of CII for the last five years, 2004-2009, was the Director General of CII from 1974 -2004. His tenure saw the rise of CII from a small engineering association to the apex industry organization of India. Mr Das is known to have spearheaded CII to success and the highest recognition over the years.

“Under Tarun’s leadership, CII has been instrumental in managing and initiating changes that shaped the socio-economic environment of the country over several decades”, said Mr Venu Srinivasan, President, CII.

Respected by both industry and government all over the world, Mr Das who turned 70 earlier this year, would spend most of his time now on International Relationship building and matters related to domestic development.

Mr Das stated that “the organisation has the requisite internal strength to move ahead on strategic issues, and, given the unique profile it has from the strong industry membership, I have no doubt that CII would continue to be the single most important point of reference for Industry.” He added that, “my focus as Chief Mentor was to facilitate an effective change process. I was available to the Presidents and to Chandrajit Banerjee who has been the DG, CII since May 2008 to ensure continuity and a smooth transition. I believe we have been able to see through this process of transition smoothly and effectively and have therefore decided to now step down as the Chief Mentor.”



## NDTV Award for Tarun Das

Mr Tarun Das, Chief Mentor, CII, was honoured with the NDTV Profit Business Leadership Award on 26 October this year. The awards were presented by Mr Pranab Mukherjee, Finance Minister of India, in Mumbai.

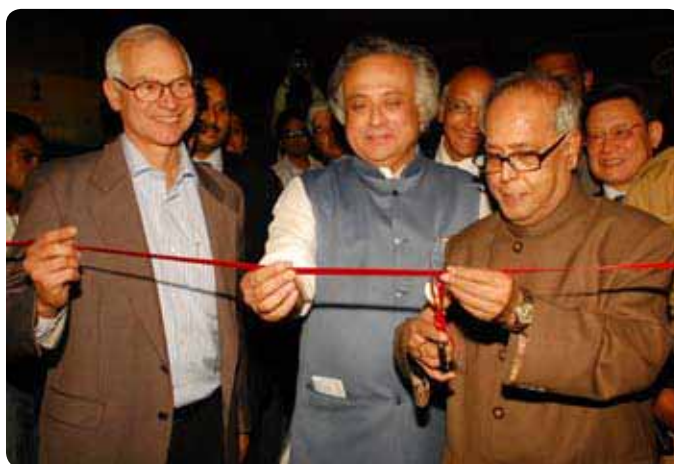
The award was given to the Board of six members which handled the transition of Satyam Computers Limited. Mr Das is a Member of this Board.



**C**limate change is now unequivocally and scientifically proven to be one of the most urgent and critical global challenges with significant local implications. It therefore demands effective local action within the existing as well as evolving global framework. In turn, this pre-supposes that the framework for action in a country needs to be based on the global objectives for climate-friendly, sustainable development.

Technology is not only a critical factor in reducing greenhouse gas (GHG) emissions, it is also fundamental to enhancing existing abilities, and to lowering the costs of reducing these emissions. The broad diffusion of current technologies and the transition to new ones, for example, are expected to improve efficiency in energy use, introduce less carbon-intensive sources of energy, and further develop renewable energy sources. Indeed, the transition to a low-carbon economy, as all previous energy transitions in history, will be driven by cycles of technological discontinuities and innovations.

Climate change issues have come to occupy centerstage



Jamshyd N Godrej, Past President, CII, Chairman, CII National Council on Climate Change and CMD, Godrej & Boyce Manufacturing Co. Ltd, Jairam Ramesh, Minister of State (Independent Charge) Environment & Forests, and Pranab Mukherjee, Minister of Finance

in all local, multilateral, bilateral forums, stated Mr. Pranab Mukherjee, Union Minister of Finance, while inaugurating a two – day **Exhibition on Climate Change: Technology Development & Transfer** on 21 October in New Delhi. “This exhibition will help visitors appreciate the important and crucial role of technology in bringing in this momentous change to protect our earth,”

he said, noting that “we are cautiously but surely changing the strategic landscape in favour of cleaner technologies.” Mr. Mukherjee, who was the Chief Guest for the occasion, stressed on the need to find ways and means of ensuring that the cost of IPR premium on greener and efficient technology is not recovered from developing countries.

Mr. Jairam Ramesh, Union Minister of State (Independent Charge), Environment and Forests, who gave the vote of thanks, said that this was just the beginning and a lot more needs be done in the area of climate change.

Mr. Sha Zukang, United Nations Under-Secretary-General for Economic and Social Affairs, emphasised that technology will be absolutely essential to humanity’s



Mohamed Nasheed, President, Republic of Maldives with Tarun Das, Chief Mentor, CII at the Exhibition on Climate Change: Technology Development and Transfer

response to climate change just as it is essential to social and economic development. He congratulated India for its leading role in technology innovation and its efforts to advance the development and adoption of new and cleaner technologies, and the impressive growth in recent years of its renewable energy industries.

“Businesses that imbibe sustainability and innovation are the ones that are going to win in future. Indian industry looks forward to partnering with the government for the success of the missions of the NAPCC. We are here to promote and champion green businesses,” said Mr. Jamshyd N Godrej, Past President, CII, Chairman CII National Council on Climate Change, and Chairman & Managing Director, Godrej & Boyce Manufacturing Co. Ltd. He shared that over 350 companies are signatories to the CII-Code on Ecologically Sustainable Business Growth.

Earlier, welcoming the participants, Mr. Vijai Sharma, Secretary, Ministry of Environment and Forests, said that India was organising this exhibition to promote and give momentum to climate friendly technologies.

With participation from 70 organizations including the biggest private sector and public sector companies, civil society and research organisations in India, as well as leading international players, the exhibition showcased many recent innovations in clean technology, renewable energy technologies,

energy efficiency and green buildings including major products and services displayed included heat reflective glass, lacquered glass, frosted glasses, CFBC boilers, industrial heat exchangers, photovoltaic technology systems, photovoltaic electricity generators, high-power ultrasonic (HPU) applications for food and beverage processing, pressure independent balancing cum control valves, carbon finance and technology services, biomass cooking stoves, solar lanterns, solar mobile phone chargers, fuel-less water pump sets, solar water pump sets, solarroofs, solareflect (solar reflecting coating for walls), low VOC paints, advanced compact fluorescent lamps (CFLs), tubular lamps, energy efficient street lighting solutions, white lighting solutions for road lighting, environment friendly mirrors, solar thermal absorber, SPV water generator and biocube-biodiesel processing units, etc.

The exhibition was visited by many dignitaries including Mr. Mohamed Nasheed, President of Maldives, and Lord Philip Hunt, Minister of State, Department of Climate Change and Energy, UK. Ministers from several developed and developing countries including Afghanistan, Nepal, Bhutan, Pakistan and Poland, as well as senior officials of the Indian Government and heads of Indian industry also visited the exhibition.

This unique event presented an excellent opportunity for not only developed countries to offer low carbon technologies and services to India and other developing economies, but also for developing countries to showcase their innovative achievements in clean technology, renewable energy technologies, energy efficiency, green buildings, and many other areas related to climate change mitigation and adaptation.



Khimj Vagjiani, CEO Solar Gem (Solar Technologies), Sean Starmer, Science Counsellor, Department of Industry, Innovation, Science & Research, Australia and Rebecca Ball, Trade Commissioner, Australian Trade Commission

# 25 Years of Partnership: CII and WEF in India

The unique institutional partnership between CII and the World Economic Forum is today 25 years strong, sustained through the epochal transformation of the world order and the economic changes in India. If India is now on the action agenda of every major multinational company in the world, much of the credit devolves on the CII-WEF partnership





**T**he unique partnership between the World Economic Forum and the Confederation of Indian Industry, has sustained over three decades, amidst the epochal transformation of the world order, international business, and the economic changes of India.

The exceptional joint venture has brought about a greater understanding of India and Indian industry to the rest of the world. It was a catalyst in the opening of the Indian economy to the outside world, and helped evolve the blueprint for the growth and development of India over the years.

### The Beginning

The World Economic Forum was started in 1971, the brainchild of business professor Klaus Schwab from Switzerland. Beginning as the European Foundation for Management, the Forum, by the end of a decade, became a meeting ground for top businessmen and political leaders as well as intellectuals and media. Increasingly, the meetings debated the state of the global economy and the way to alleviate age-old scourges such as poverty. Since the WEF was impartial and apolitical, its deliberations and suggestions were perceived as objective and unprejudiced by policy-makers. As its influence on policy matters across Europe and USA grew, the Forum expanded its horizons. It looked at China in 1979. Next, India was a natural choice.

In the 1970s, India's economic growth had been dented by diverse crisis situations, such as the 1971 war with Pakistan, drought, and the declaration of internal emergency in 1975. The later part of the decade saw several changes in government and, consequently, economic policy. In this uncertain atmosphere, GDP growth hovered near the average of 3.5% per annum that the country had achieved since Independence.

For private enterprise, the environment for doing business was restricted by the Government's preoccupation with establishing the foundations for basic and heavy industries, in a socialist form of development that gave primacy to the public sector. Private companies had to obtain licenses for manufacturing new products or expanding existing factories in order to ensure equitable distribution of scarce resources.

A foreign exchange shortfall made the country increasingly isolated from the rest of the world. The lack of an industrial base to produce exportable goods meant that imports were totally prohibited or canalized through government agencies, or possible only through a long and cumbersome licensing procedure. Overseas companies





were discouraged from doing business in India.

As private industry benefited from the public sector base of heavy industries, a large and diversified industrial sector gradually evolved, albeit protected from the rest of the globe. But a few intrepid industrialists were beginning to look beyond the borders...

India began changing in the early 1980s. A new government was taking steps to relax the industrial licensing regime, and new Industrial Policy Resolutions had been announced, making expansion for private enterprise somewhat easier. The WEF felt the time was right to make a beginning in India. But India's complex systems were proving a hurdle.

Nevertheless, when Rajiv Gandhi, then General Secretary of the Congress Party – and the son of the Prime Minister, visited Geneva in August 1984, WEF made a special effort to meet him. When the idea of holding an India Meeting was mooted, he was fully in favour of it and, in fact, committed to requesting the Prime Minister to inaugurate it. When the first India Meeting was held on 15-16 April in 1985 in New Delhi, just a few months after Rajiv Gandhi was elected Prime Minister after the assassination of his mother, he delivered the inaugural address!

Holding the first meeting was not an easy task for the Forum. Uncertain of the ins-and-outs of India's complex functioning, the Forum needed a partner to support them with the right kind of skills for their international business members and help bring in a fair representation of the top business and political leaders from India. For the first meeting, the four prominent chambers of commerce and industry in India partnered with WEF, with the understanding that WEF could select one of these associations as its long-term India partner, depending on its initial experience. The smallest of these was AIEI, now CII.

The first WEF India Meeting was well-attended by 200 or so companies from across the world. For Indian corporates who had little interaction with the outside world and faced many regulations in traveling abroad, this opportunity to discuss issues concerning India and get outside perspectives was unprecedented.

By the next year, the WEF selected its new India partner: AIEI, which had now changed its character to become the national-level Confederation of Engineering Industry (CEI). This association, being small and relatively new, had a new approach to doing business: it was more efficient and streamlined, with a keen desire to engage

with the rest of the world, and it was full of fresh ideas. Most of all, its secretariat was headed by the dynamic Tarun Das, who believed strongly in India's global integration. Das became WEF's closest ally and friend, sharing its objectives and philosophies, and extending generous and unlimited help.

### The First Years of Partnership

The two organisations thus embarked on a journey that would celebrate 25 years of partnership over a quarter-century where much changed in the global economy and India.

There were cataclysmic changes in the world order: the Berlin Wall was pulled down, integrating East and West Germany. The vast empire of the Soviet Union splintered into pieces, bringing down the Communist system of political and economic governance. Oil prices surged during the Middle East conflict and terrorism became a threat to business all over the globe.

Meanwhile, India was beginning to present a new face to the world. New thoughts were introduced in technology, education, and private enterprise. Slowly, the controls on industry and imports were relaxed, allowing greater freedom of choice to industrialists, even while the licensing system and import restrictions continued to be in place. As the economy responded, the rate of growth of GDP shifted from 3-4% to 6%.

The second India Meeting in 1986, was as successful as the first. But in 1987, the mood again turned somber, as drought and a consequent downturn in the growth rate dashed the expectations of business for continued high reforms. But CEI remained active in pushing ahead the agenda for reforms, working with policy-makers to bring about changes in the business environment that would support the new generation of industrialists.

In 1989, amidst fractious domestic politics, the economic agenda languished. The WEF, though keen to maintain its links with the country, found no scope in holding a meeting in India. Instead, a meeting with the then Minister of Finance, SB Chavan, was organized in Geneva. Once again, with CEI's help, a delegation of Indian industrialists accompanied the minister. Several top bureaucrats also joined the delegation, indicating a rejuvenation of interest in engaging with the world.

In 1990, the WEF returned to India for its annual meeting. The event was well-established on the event calendar of international and Indian businesses, with its trademark comfortable and easy discussions, candid views and wide perspectives, sharp insights and forecasts, carefully



nurtured and cultivated by CEI and WEF. As the 1990s progressed, such a platform of two key believers in the India story would prove to be crucial for the cataclysmic changes that were about to descend on the economy.

### The story from 1991

In 1991, Dr Manmohan Singh took over as Finance Minister at a time when the country was facing severe pressures on external debt and public finances. In July 1991, a sweeping set of measures dismantled the entire industrial licensing regime, opened sectors reserved for the public sector, and allowed foreign companies greater freedom to enter India.

Foreseeing these impending changes, CEI once again reconfigured itself to meet the coming challenges. Already a significant player in the industrial scenario and emerging as a major supporter of the reform agenda, the CEI in 1992 became the Confederation of Indian Industry (CII), representing all industry sectors, including services and non-engineering streams. CII took on the tasks of providing inputs to help shape policy, explaining the changes to a reluctant section of industry, and assisting companies to adapt to these changes. Global integration of Indian industry was a central focus, well in sync with its endeavors with WEF.

Since 1991, India's reform agenda has continued unabated with different governments at the central and state levels. The reform process includes monetary and fiscal policies, trade and foreign investment, infrastructure upgradation, technology, and sectoral policies. External integration has been a central facet of the overall endeavour.

The years since 1991 have proved that the Indian polity cannot be ignored while framing policy, which is as it should be in a mature and vibrant democracy. What is undisputed now is the fact that inclusive development and economic growth are the top priority for whichever government is in the saddle, whether at the centre or in the states.

These reforms accelerated India's pace of development. India, from 2003 to 2008, witnessed close to 9% average annual growth, the second-fastest among major economies after China. With extraordinary success in IT and IT-enabled services, telecommunications, automobiles, petroleum products, and many others, India is today a valuable member of the global economy, with trade in goods as much as 35% of its GDP and high investments from overseas.

The transformation was not easy for sheltered Indian companies. Within an unbelievably short time-span, the

new realities compelled them to rapidly restructure, adapt to global quality standards, and upgrade technology and management systems. But with remarkable tenacity and determination, Indian companies achieved global standards of efficiency and productivity within a short period. As liberalisation progressed, they became global champions, striding confidently into the world of international business.

WEF and CII played a key role in this dramatic transformation. From 1989 to 1994, their strengthened partnership and close collaboration set the foundations of the world's engagement with India.

During this period, the annual India conference served as a reference point for both international industry and domestic policymakers. It became the place for multinational companies eager to do business for India, and for Indian companies keen to establish new ventures. At the same time, the recommendations of the conference helped shape the direction of the reform process.

New ideas continued to shape the format of the meetings. State chief ministers were invited both to the India forum and the Davos Meeting. Neighboring countries also were invited. The idea of themes for each meeting was also introduced. The 1999 theme of 'India in the 21st Century: A Global Player' might have been thought ambitious at the time, but has proved to be prophetic!

### A new India Emerges

In 1999, India unleashed a new wave of reforms, giving confidence to global investors. The Indian economy opened further, with FDI limits coming down in various sectors, and Indian companies were allowed to invest overseas.

The 2000 meeting, had, for the first time a session on HIV/AIDS, which first raised the issue in India at a respected forum. The India Business Trust for HIV/AIDS is now a nodal point for industry's engagement in this arena.

The reforms agenda is now firmly in place, with a series of policies to encourage entrepreneurs and ease the manner of doing business in India, and restoring confidence that India is set firmly on the path of global integration.

The WEF-CII partnership has expanded into many directions. Besides the India Economic Summit, a number of other events too have been institutionalised and are held on a regular basis. Several CII members have been co-chairs at the Davos meeting and attend



regional events of WEF. The India focus in the Forum's activities has gained prominence due to its strong collaboration with CII. In fact, WEF has no similar institutionalized partnership with any other organization in the world, making this a unique endeavor.

In the last few years, the contours of the partnership have included the following dimensions, among others:

### India Economic Summits

The multifaceted annual themes of the India Economic Summit each year reflect the political and economic developments in India, presciently ahead of the curve, and often nudge the trend of economy into specific directions.

For example, in 2000, the theme 'Leveraging Knowledge for Growth: India on the Move' was selected when the Indian IT sector was barely on the horizon. The sector's phenomenal growth since 2000 has made India the world's largest software services exporter.

Similarly, the 2002 theme of '8% Growth for 20 Years – How?' came when India was suffering severe drought in years and pessimism on future prospects was high among economists and industrialists. The GDP grew at 8.8% for the next five years!

In 2005, the India Economic Summit recognised the vast potential of the young demographics of the country and felt that a 'young and resurgent India' could truly change 'regional and global strategies.' By 2008, amidst the global economic crisis, 'Securing India's Future' became a concern. Optimism resurfaced in 2009, with discussions for a 'Resilient India.'

At each of the meetings, the issues selected cover not only emerging sectors such as IT, infrastructure, innovation, financial markets, etc. but also India's position in the world, inclusive growth, the rural economy, and social development. Some of the key innovations have included developing scenarios for India, Town Hall type of meetings, smaller sessions focused on issues such as water management. A key initiative has been the presentation of the 'Social Entrepreneur of the Year' Award to innovators melding social and business priorities.

The WEF-CII partnership is evident at each meeting of the India Economic Summit. The themes and areas of emphasis are jointly discussed and decided upon. Members of both WEF and CII co-chair the India Economic Summit each year.

### The Davos Meeting

Each year, CII organises a large delegation of ministers,

chief ministers, business leaders, academia, artistes, media and civil society to Davos. A number of sessions feature Indian speakers, providing the perspectives on the world's largest free-market democracy and its economic development. In fact, the Indian contingent is among the largest and most visible at the annual gathering, imparting the country a high profile among the world's top thinkers and leaders.

The vibrant India Reception hosted by CII each year at Davos is one of the most popular and best-attended evening events at the meeting. In an informal setting, those interested in India get to meet the top policymakers and movers and shakers of the Indian economy. The Davos meetings also include India Breakfast Sessions with key India members.

WEF hosts the Raclette Dinners, one of the very few events that it organises exclusively for a country-specific community in Davos during the annual conference.

### Regional and Country-specific WEF Meets

Recognising that India is an important economy for global business, WEF invites speakers from India to attend its various meetings all over the globe. CII arranges and coordinates the visits. Thus, there is usually a window on India at key WEF forums around the world.

### Research and Projects

Two key publications reflecting CII-WEF partnership are 'India and the World: Scenarios for 2025' and 'India@Risk'. For both, CII identified a number of experts and facilitated interaction and discussions with WEF.

The WEF-CII partnership has also helped India be a vital part of many WEF research and projects. Global activities of WEF, such as the Global Competitiveness Report, have a strong India component. This strong participation of India is enabled through the CII network.

### The Future

The exceptional joint venture of CII and WEF presciently raises key issues, intensifying global industry's engagement on India's challenges, and deepening the relationship of Indian and overseas businesses. As India evolves into a global economic power, WEF and CII will continue to strengthen industry's partnership with the country.

The enduring sustainable partnership of these two organisations, which celebrates its silver anniversary this year, has brought a dynamic new India to the centre of global attention. It will now facilitate its exciting ascendance in the global economic community. ■

# 25th India Economic Summit

## India's Next Generation of Growth



Dr Manmohan Singh, Prime Minister of India with Dr Klaus Schwabb, Founder and Executive Chairman, WEF and Chandrajit Banerjee, Director General, CII



Pranab Mukherjee, Finance Minister, India with Chandra Kochhar, Managing Director & CEO, ICICI Bank, India



Indra Nooyi, Chairman & CEO, PepsiCo, USA and P Chidambaram, Home Minister, India

The India Economic Summit commemorated 25 years of active engagement in India this year, with a theme that looked ahead to 'India's Next Generation of Growth.' Organised jointly by the Confederation of Indian Industry and the World Economic Forum every year since 1985, in New Delhi, this special edition of the Summit brought together over 700 business and government leaders, as well as approximately 100 reporting press from major international and influential Indian media organizations, to explore the opportunities and challenges that both the current and future generations of India's leaders will need to address to shape India's future growth.

While the mood this year was in part celebratory, it did not divert from the reality of the global economic crisis and its impact on India's remarkable social and economic progress over the past years. At the time of the last India Economic Summit, the world witnessed the unfolding of what is now regarded as the worst financial crisis since the Great Depression. This time, business leaders from around the world found a confident, resilient India, ready to take its place on 'prime time' as one presenter put it, but, at the same, with a sober understanding of its rights and responsibilities as a member of the G20, and an integrated player in the global economy.

Inaugurating the Summit, Dr Manmohan Singh, Prime Minister of India, said India looked to the future with confidence and hope. India should achieve 7% growth next year with a good monsoon, and a target of 8-9% growth in the medium term is eminently feasible, given that our domestic savings rate is now as high as 35% of GDP, said the Prime Minister. With the focus strongly on rapid and inclusive growth, the Prime Minister said sectors like Education and Healthcare in particular, amongst a host of other challenges, required sustained attention and spending. He invited increased private investment and more public – private partnerships in both physical and social infrastructure in the country, and assured the gathering of business from all over the world, of an investor-friendly environment in a number of sectors.

Mr P Chidambaram, India's Minister for Home Affairs, asserted at the Closing Plenary that India had the 'confidence, capacity and capability to meet any threat.'



Ambika Soni, Minister for Information & Broadcasting, India



Anand Sharma, Minister for Commerce & Industry, India



Kapil Sibal, Minister for Human Resource Development, India



Kamal Nath, Minister for Road Transport & Highways, India

## — A Snapshot —

- Theme – India's Next Generation of Growth
- Four Pillars
  - Resilient India
  - A Region at Risk
  - Green Growth and Inclusive Development
  - Tomorrow's India
- 32 public sessions (including 15 plenaries, 14 interactive meets and 3 WorkStudios)
- 30 private events by 20 industry groups
- 780 + registered participants from 560 organisations
- Over 376 foreign (including Indian subsidiaries) and 185 Indian organisations
- 300 + CEOs/board level participants from overseas, 480 from India
- Summit inaugurated by Dr Manmohan Singh, Prime Minister of India
- Indian Public Figures at the Summit
  - Pranab Mukherjee, Finance Minister
  - P Chidambaram, Home Minister
  - Anand Sharma, Commerce & Industry Minister
  - Kamal Nath, Road Transport & Highways Minister
  - Ambika Soni, Information & Broadcasting Minister
  - Kapil Sibal, HRD Minister
  - Dr Montek Singh Ahluwalia, Deputy Chairman, Planning Commission
  - Sam Pitroda, Advisor to the PM on Public Information, Infrastructure & Innovations
  - Jyotiraditya Scindia, Minister of State for Commerce & Industry
  - Shashi Tharoor, Minister of State for Foreign Affairs
  - M Ramachandran, Minister of State for Home Affairs
  - K V Thomas, Minister of State for Agriculture & Consumer Affairs
  - Ajay Shankar, Secretary, DIPP
  - Kiran Walia, Minister for Health & Family Welfare, Delhi
  - Oommen Chandy, Former Chief Minister, Kerala
- Representation from 42 countries
- India Social Entrepreneur Award for 2009 presented to Rajendra Joshi, Managing Trustee, Saath; Brij Kothari, Director, PlanetRead; and Padmanabha and Rama Rao, Co-Directors, RIVER



Rahul Bajaj, Chairman, Bajaj Auto & Member of Parliament, India, and Shashi Tharoor, Minister of State for Foreign Affairs, India



Baba N. Kalyani, CMD, Bharat Forge, India and Jyotiraditya Scindia, Minister of State for Commerce and Industry, India



Carlos Ghosn, Chairman & CEO, Renault, France; President and CEO, Nissan, Japan



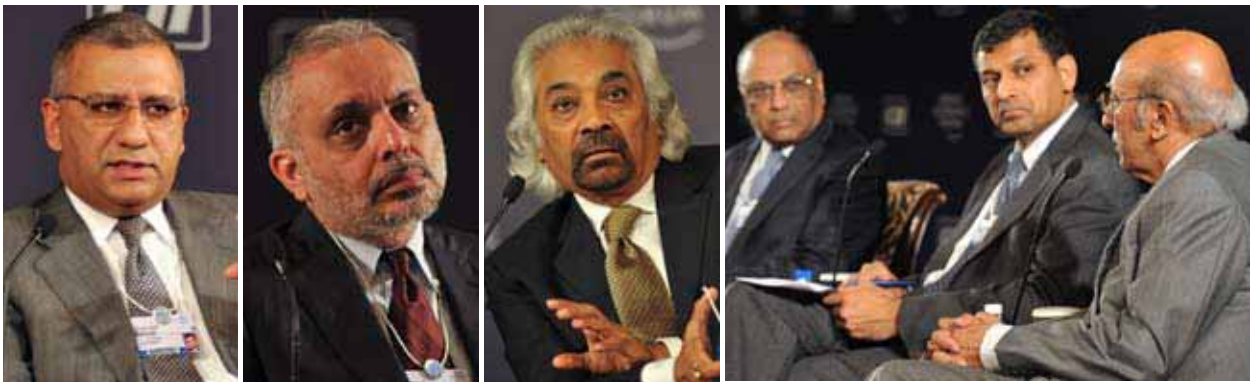
Dr Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, India



Sachin Pilot, Minister of State for Communications & IT, India



William D. Green, Chairman & CEO, Accenture, USA



Shumeet Banerji, CEO, Booz & Company, UK

Hari S Bhartia, Vice President, CII, & Co-Chair & MD, Jubilant Organosys, India

Sam Pitroda, Advisor to the PM on Public Information, Infrastructure and Innovations

Prof. C K Prahalad, University of Michigan, USA, Prof. Raghuram Rajan, University of Chicago, USA and Tarun Das, Former Chief Mentor, CII

Mr Pranab Mukherjee, Finance Minister speaking on the Post-crisis Economic Order, assured that stimuli to domestic demand would continue until developed country economies recover. Noting that the government's three priorities now are investment in agriculture, investment in infrastructure and getting fiscal and monetary policy right, he said the two key drivers of Indian growth are domestic consumption and investment.

Mr Kamal Nath, and Mr Kapil Sibal, Ministers for Roads and Highways, and Human Resource Development, respectively, said that reforms and projects were in place to give India the desired impetus in terms of Infrastructure, Education and Skill Development.

Dr Klaus Schwabb, Founder and Executive Chairman, WEF, pointed out that few countries have the growth potential of India, one of the few economies to have posted positive GDP growth in 2009. With its vast domestic market, comparatively less export dependency and relative macroeconomic stability, India's economy has proven resilient in a challenging global context. Next to its strong economic fundamentals, India's youthful population calls attention to a demographic dividend that could see India become a hub for manufacturing, technological innovation and education, among other things. As India looks to its next generation of growth, critical issues like inclusive development, integration, infrastructure, power, climate change and sustainability would take centre stage, he said.

But, India cannot wait. Speaker after speaker from both India and overseas, from government, industry and civil society, at the manifold sessions held on 8-10 November, stressed that India can only capitalize on its competitive strengths if proverbial challenges – including infrastructural deficits, income disparity and other looming global threats, such as climate change – are addressed. India's aspiration

to emerge as one of the world's four largest economies by 2020 will require coordinated efforts by today's and tomorrow's leaders from government, industry and civil society to upgrade infrastructure, increase educational opportunities, reduce poverty and expand regional cooperation, reiterated the Summit.

The discussions were grouped around four key pillars.

**'Tomorrow's India'** explored how policy makers and CEOs are shaping political, economic and corporate strategies to improve prospects for future competitiveness in the light of India's demographic reality. The sessions included updates on the Commonwealth Games, Financial Inclusion, Tapping Female Talent, the Future of Indian Media and Entertainment, the Aspirations and Expectations of an Impatient India, Next-Gen Healthcare and Making India a Global Manufacturing Hub.

**'Green Growth and Inclusive Development'** discussed growth strategies for eco-efficiency and sustainability, while ensuring equitable distribution of resources amongst all sections of society and across geographies. The sessions here looked at India's Entrepreneurial Eco-system, the Girl Effect, Next Aspirations, Trade and Climate Change, Urban Transportation, Affordable Housing, the Asian Consumer, (R) Urban India, and Indo-vations.

**'A Region at Risk'** examined the threats to India's growth that need to be prudently managed to ensure social and economic stability, environmental stability and regional co-operation. Here, the sessions featured updates on Agriculture, Energy, Resuscitating the flow of Private Capital and Pandemic Preparedness, with discussions also on Opportunities Ahead for Growth, and Maintaining Balance in the Post-crisis Economic Order.

**'Resilient India'** looked at the economic and political factors that are underlining India's continuing growth amidst the global slowdown. Besides Updates on the Economy,



Venu Srinivasan, President, CII, & Chairman, TVS Motor Company Ltd, and Chandrajit Banerjee



Anand Sharma with the winners of the India Social Entrepreneur Award

Infrastructure and Education, the sessions assessed India's level of global economic engagement, Responsible and Collaborative Political Dialogue, Redesigning How India will shape Future Global Co-operation, and charted a roadmap for the Next Generation of Growth.

The Summit concluded that India's aspiration to emerge as one of the world's four largest economies by 2020 will require coordinated efforts by today's and tomorrow's leaders from government, industry and civil society to upgrade infrastructure, increase educational opportunities, reduce poverty and expand regional cooperation.

### Moving Forward...

At the Valedictory Session of the Summit, the six Summit Co-Chairs reviewed the discussions of the past three days and how to move forward on an agenda to drive 'India's next generation of growth,' the theme of the meeting. To achieve India's ambitious growth agenda, its leaders must be held accountable, Mr Chidambaram observed. "The problems are not growing faster than our capacity to find solutions," he contended. "Where the gap is growing is in accountability. We are not holding people accountable."

On the need to address the country's poor infrastructure, **Mr Carlos Ghosn**, Chairman and Chief Executive Officer, Renault, France; President and Chief Executive Officer, Nissan, Japan; Member of the Foundation Board of the WEF, said that the government simply needs to execute its plans, including the objective of building 20 kilometres of roads a day. "The millions of new jobs won't happen if the roads are not done," he reckoned.

Speaking on empowering women and educating girls, **Ms Indra Nooyi**, Chairman and Chief Executive Officer, PepsiCo, USA; Global Agenda Council on the Role of Business, called for relevant government

ministers to meet with business and civil society leaders to make the issue a priority. "This is no longer a nice-to-have, it is an economic imperative," she remarked.

India has to be more effective in addressing its demographic challenges, especially its "youth bulge" and mobilizing its abundant human resources to ensure that growth is inclusive. "There is a very large problem of execution," said **Mr Shumeet Banerji**, Chief Executive Officer, Booz & Company, United Kingdom. "If demographic bulges are not educated, that could lead to dislocation and instability." In particular, India must address its skills deficit, the Co-Chairs agreed.

For **Mr Baba N. Kalyani**, Chairman and Managing Director, Bharat Forge, India, an urgent priority is to bring energy to the 400 million Indians without access to it. This will have to be done in an environmentally responsible way, he said. He also stressed the importance of innovation. "India's advantage is its ability to innovate especially at the low end to produce low-cost products that bring the price point down. This will propel Indian manufacturing forward."

**Mr William D. Green**, Chairman and Chief Executive Officer, Accenture, USA, agreed. "There is really an opportunity to take talent the country has and deploy it towards innovation. The world is desperate for new business models – how to do things more efficiently. Green manufacturing is something the country can focus on and specialize in."

Considering all the challenges discussed during the Summit, **Ms Chandra Kochhar**, Managing Director and Chief Executive Officer, ICICI Bank, India, concluded: "The irony is that each one of these issues can turn into an opportunity or a bottleneck. If we don't invest in infrastructure, for example, it will be a bottleneck to our growth." ■



**T**rade relations between India and Europe go back more than two millennia. Roman coins found at the ancient South Indian port of Arikamedu highlight the antiquity of commercial relations between the sub-continent and Europe. The European Union (EU) is India's largest trading partner with USD 72 billion in two way trade in 2008 accounting for over 17% of India's total trade. Both exports and imports have shown a healthy growth in recent years, and overall trade relations have remained robust despite the global slowdown. The EU is also the largest direct investor in India.

While the overall picture looks good, trade between EU and India still remains below potential. There are some well known bottlenecks: Indian exporters face significant non-tariff barriers in the EU market, especially in agriculture and marine product exports. Another area of concern for Indian exporters is specific tariffs that can be quite high for some exports.

Trade in services remains another area where the economic engagement between India and the EU is far below expectations. India's expertise in IT and ITES has been slower to tap the European market, partly due to language requirements beyond English that are not well developed in India, but also because of significant regulatory barriers. Most IT and ITES in India have a dual mode of delivery, with 70% of the work being done offshore in India (Mode 1), and 30% of the work being implemented and monitored on location (Mode 4). The cumbersome visa processes in the EU are a major impediment to the onshore component of the work, adding to costs for Indian IT and ITES firms. Indian services providers are also interested in areas beyond IT and ITES such as banking and finance, professional services, education, and healthcare.

The EU would like to expand its India footprint in areas such as finance, insurance, banking, telecommunication, education and distribution services. There is also a great deal of potential for EU-India private sector engagement in R&D. However, EU firms have some concerns related to the IPR regime in India, and greater engagement and policy changes might be needed to instill confidence for European stakeholders to participate in R&D joint ventures in India.

There are three main forces that make a deeper India-EU economic relationship almost inevitable:

- The demographic impact of the EU's ageing population will require it to seek new production centres, skills, and markets abroad to keep its economy robust
- The emerging Indian middle-class will provide one of the world's largest pools of consumers and skilled workers in the decades to come, and will be central to global consumption and production
- Both the EU and India will like to move away from over-dependence on a few markets for their trade and investment relations

While these forces will make Indian and EU governments and firms work closer together, the question remains as to what is the right way to take the bilateral India-EU relationship forward. Discussions are on for an India-EU FTA, but there are some concerns related to market access in key areas such as textiles and food processing. Indian firms are also concerned with the prominence given by the EU to non-trade issues related to labour and environmental standards in the FTA negotiations.

Another area of contention is that of government procurement. Given India's ambitious infrastructure development agenda, the EU is very keen that European firms participate in India's multi-billion dollar infrastructure sector. EU nations perceive that the inclusion of substantive commitments on India's part on government procurement within the EU-India FTA would enable them to better access this market. However, the Indian government and many Indian firms have their reservations, given its implications for India's drive to create sound domestic capacity for large scale infrastructure development.

Irrespective of the EU-India FTA negotiation outcomes, the EU-India trade and investment relationship will only grow deeper in the coming years, and private sector stakeholders will play a central role in the development of this relationship. However, both Indian and European industry have a stake in expediting the EU-India FTA. Industry thus needs to keep coming up with creating solutions to the problems and impediments that are keeping it from completion. ■

# 10th India-EU Business Summit

**T**he 10th India – EU Business Summit is being held at a time when some optimism is returning around the globe, said Mr Ajay Shankar, Secretary, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, India. Global cooperation, partnership and engagement, and the consensus across the world helped in moderating the pain of the crisis, he added. The Summit, organised by CII in association with the Ministry of Commerce and Industry in New Delhi on 6 November, was attended by a large number of Indian and European business people.

The relationship between India and the European Union will reach heights that will surprise all of us, predicted Mr Shankar. He said the Indian Government has now withdrawn the requirement of any permissions and clearances for technology transfers and royalty payments. Mr Shankar also highlighted two important initiatives for making business easier in India: One, the Government is partnering with leading IT companies to create an e-based system for getting the required Government approvals and also making payments electronically. The second is to actively engage with state governments to improve the business climate.

Mr Philippe de Buck, Director General, BUSINESSEUROPE, said this Summit is crucial and timely, since the world has changed after the global



Dr. Ewa Björling, Minister of Trade, Sweden, Anand Sharma, Minister of Commerce & Industry, India and Venu Srinivasan, President, CII & Chairman, TVS Motor Company Ltd

economic crisis. There is also a need for India and the European Union to discuss the climate issue, he added.

Speaking about the Indian experience in Europe, Mr Baba Kalyani, Chairman and Managing Director, Bharat Forge, said access to new customers, new technologies, state of the art production facilities, modern skill sets, and critical natural resources

in the production value chain are the main drivers for Indian business investing in Europe.

SKF, a leading European bearings company, opened a development centre in Bangalore five years back. The company has now moved their total development activity for the two wheeler market to this centre to be close to Indian customers and two wheeler manufacturers, and to gain access to India's talent base, said Mr Tom Johnstone, President and Chief Executive Officer, SKF, sharing their experience of doing business in India.

Mr Chandrajit Banerjee, Director General, CII, noted that both sides have indeed come a long way since the first Summit in Lisbon in 2000. There have been a series of new initiatives from both sides in the last decade, resulting in deeper collaboration between India and the European Union. As the world economy recovers, this Summit assumes special significance during its 10th anniversary, he said.

Mr Subodh Bhargava, Past President, CII, and Chairman, Tata Telecommunications Ltd, said that the new confidence and aspirations of Indian corporates have brought the investment relationship into sharper focus. Today, investments are a two-way process in both India and Europe, he said. SMEs on both sides are vibrant and dynamic. In India they are increasingly venturing into hi-technology, led by technocrats and funded by enthusiastic investors; and can become an important link between the two sides, he added.



Pierre Simon, President, Eurochambres, Signhild Arnegard-Hansen, President, Confederation of Swedish Industry, Baba Kalyani, CMD, Bharat Forge Ltd, Ajay Shankar, Secretary, DIPP, Subodh Bhargava Past President CII & Chairman Tata Telecommunications Ltd, Philippe de Buck, Director General, BUSINESSEUROPE and Chandrajit Banerjee, Director General, CII

# India's Monetary Policy

In its second quarter review, the RBI has taken measures to address the surplus liquidity in money markets but has refrained from increasing the policy rates. The measures taken to tighten liquidity are essentially a reversal of some of the measures taken in the aftermath of the financial crisis when domestic liquidity had become tight. For example, the SLR (banks' required holding of government securities as a proportion of its deposits) has been restored to 25% from the reduced level of 24%. Since banks are already maintaining SLR in excess of 25%, this measure will not have any immediate impact. However, bond yields softened on this policy move as it would imply an increase in the mandated demand for government bonds.

## Monetary Policy Measures Undertaken

- Restore the SLR for scheduled commercial banks to 25 per cent of their NDTL with effect from the fortnight beginning 7 November, 2009
- Impose CRR on liabilities of scheduled banks arising from transactions in CBLO (collateralized borrowing and lending operations) with Clearing Corporation of India Ltd. (CCIL) with effect from the fortnight beginning 21 November, 2009
- Reduce the limit of export credit refinance facility from 50 per cent to 15 per cent of eligible outstanding rupee export credit
- Discontinue the special refinance facility for scheduled commercial banks
- Discontinue the special term repo facility for scheduled commercial banks for funding to mutual funds, non-banking financial companies and housing finance companies
- Discontinue the forex swap facility of banks.

## RBI's Macroeconomic Assessment

The RBI's macroeconomic assessment is the key to its policy regime. In the current policy statement, the RBI has indicated its concerns on growth remaining soft even as inflation is rising. In such a scenario, the RBI would like to withdraw from its accommodative policy stance and begin its interest rate tightening cycle soon. In the interim, it has made a beginning by reversing some of the liquidity enhancing measures it had taken earlier.

**Conservative on Growth:** The RBI is more conservative in its growth projection compared to the Ministry of Finance. Given the concerns on account of the decline in agricultural output and in exports, the baseline projection

for GDP growth for 2009-10 is placed at 6.0 per cent with an upside bias. Thus, the RBI's GDP projection remains unaltered from that made in July 2009 and remains below the more recent projection of 6.5% made by the Prime Minister's Economic Advisory Council.

**Hawkish on Inflation:** RBI has significantly raised its inflation outlook for the end of the year. It has said that the upside risks mentioned in July 2009 in terms of higher food and commodity prices have materialized. It has therefore raised its baseline projection for WPI inflation at end-March 2010 to 6.5 per cent with an upside bias from 5.0 per cent projected in the July policy.

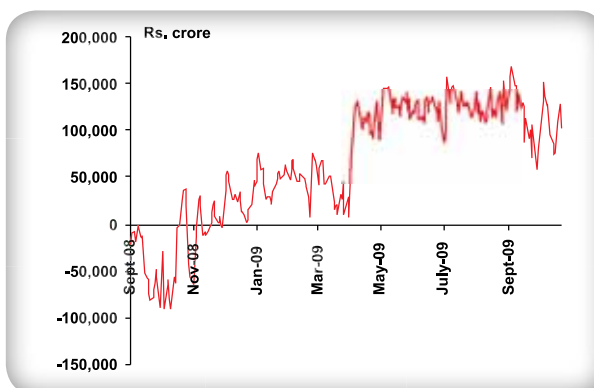
**Realistic in Monetary Pojection:** Recognising the weakness in bank credit growth, the RBI has revised down its projection of monetary growth from 18 per cent set out in July 2009 to 17 per cent. Consistent with this, the growth in adjusted non-food credit is also revised downwards to 18 per cent from 20 per cent set out in the Annual Policy Statement and the First Quarter Review.

### Projected Increase in Bank Credit & Deposits

(Rs. Crores)	31-Mar 2009	9-Oct 2009	Increase in FY so far	Projected increase in remaining part of FY
Aggregate deposits	3,834,109	4,161,354	327,245	362,895
Bank credit	2,775,550	2,890,316	114,766	384,833
Credit-deposit ratio	72.4	69.5		

**Concerned on Liquidity:** The RBI has indicated satisfaction with the decline in interest rates following earlier policy interventions, although the prevalence of excess liquidity may be a concern. The RBI has been absorbing a daily average of almost Rs. 120,000 crore under the LAF window since April 2009.

### Funds absorbed under Liquidity Adjustment Facility



Source: RBI

## Regulatory Policies

The RBI has taken several steps to develop financial markets, ease constraints on banks with regard to branch authorization, and promote financial inclusion. It has also moved to tighten provisioning norms for banks, especially in the real estate sector. This move is likely to hit the profitability of many banks and has negatively affected bank stocks.

## Developmental & Regulatory Measures

### Financial Markets

- Final guidelines on repo in corporate bonds to be issued by end-November 2009.
- Draft guidelines for regulation of Non-Convertible Debentures (NCDs) of Maturity of Less than One Year will be placed on RBI's website by end-November 2009
- Credit Default Swaps for corporate bonds for resident entities to be introduced, subject to appropriate safeguards.
- STRIPS (Separate Trading for Registered Interest and Principal of Securities) to be launched, as scheduled, during the current financial year.
- Floating rate bonds to be issued during the current financial year depending upon market conditions and market appetite
- Recognised stock exchanges will be permitted to offer currency futures contracts in currency pairs of Euro-INR, Japanese Yen-INR and Pound Sterling-INR, in addition to US dollar-rupee contracts which are already permitted.

### Financial Inclusion

#### Business Correspondent (BC) Model

- To allow banks to appoint the following entities as BCs in addition to those permitted already:
  - i) individual kirana/medical/fair price shop owners
  - ii) individual Public Call Office (PCO) operators
  - iii) agents of small savings schemes of Government of India/insurance companies
  - iv) individuals who own petrol pumps
  - v) retired teachers, and
  - vi) authorised functionaries of well-run self-help groups (SHGs) linked to banks; and
- To allow banks to collect reasonable service charges from the customer in a transparent manner under their Board-approved policy for delivering services through the BC. This should be clearly explained to the customer.

## Regulatory Measures for Commercial Banks

### Relaxations in Branch Authorisation Policy

- Domestic scheduled commercial banks (other than RRBs) will now be free to open branches in Tier 3 to Tier 6 centres as identified in the Census 2001 (with population up to 50,000) under general permission.
- Opening of branches by domestic scheduled commercial banks (other than RRBs) in Tier 1 and Tier 2 centres (with population over 50,000) will continue to require prior authorisation.
- Banks may plan their branch expansion in Tier 3 to Tier 6 centres in such a manner that at least one-third of such branches are in the underbanked districts of underbanked States as will be notified separately by the Reserve Bank. This would be one of the criteria in the Reserve Bank's consideration of proposals by domestic scheduled commercial banks (other than RRBs) to open branches in Tier 1 and Tier 2 centres. In considering such proposals, the Reserve Bank would, in addition, take into account banks' performance in financial inclusion, priority sector lending and level of customer service, among others.

### Increase in Loan Loss Provisions

- Increase in the provisioning requirement for advances to the commercial real estate sector classified as 'standard assets' from the present level of 0.40 per cent to 1 per cent.
- Banks advised to augment their provisioning cushions consisting of specific provisions against NPAs as well as floating provisions, and ensure that their total provisioning coverage ratio, including floating provisions, is not less than 70 per cent from the current 10 per cent. Banks should achieve this norm not later than end-September 2010.

### Institutional Measures

- Currently, the RBI classifies NBFCs under three categories: asset finance companies, loan companies and investment companies. It has now been decided to introduce a fourth category of NBFCs as 'Infrastructure NBFCs', defined as entities which hold minimum of 75 per cent of their total assets for financing infrastructure projects.
- To link the risk weights of banks' exposure to such NBFCs to the credit rating assigned to the NBFC by external credit assessment institutions (ECAIs). ■

# Business Confidence Up: CII Index

The CII-Business Confidence Index for October-March 2009-10 improved by 7.4 points to 66.1, as compared to a 2.4 point increase during the first half of 2009-10

## CII Business Confidence Index

The CII Business Confidence Index (CII-BCI) for October-March 2009-10 surged by a robust 7.4 points to 66.1 as compared to a 2.4 point increase during the first half of 2009-10, reflecting a boost in business confidence compared to the previous six months. The CII-BCI is constructed as a weighted average of the Current Situation Index (CSI) and the Expectations Index (EI). The Business Confidence Index advanced on the back of improvement in both current situation index and expectation index, though the latter has shown better progress. However, uncertain global economic outlook and slackening consumer demand continue to affect business confidence.

## The Current Situation Index

The Current Situation Index (CSI) compares the current business conditions in relation to the previous six months. CSI gained 5.9 points as compared to the previous period and 3.4 points compared to the corresponding period last year. Within CSI, the index for the overall economy gained 7.8 points, adding to the evidence that the economy is reviving faster than expected.

## Business Confidence Index

Index	Apr-Sept 2008-09	Oct-Mar 2008-09	Apr-Sept 2009-10	Oct-Mar 2009-10
1. Business Confidence Index	61.0	56.3	58.7	66.1
2. Current Situation Index	60.3	55.9	53.4	59.3
(a) Overall Economy	57.1	48.3	48.6	56.4
(b) Own Activity Sector	58.4	52.3	50.1	57.5
(c) Own Company	62.7	60.9	57.2	61.6
3. Expectation Index	61.4	56.5	61.4	69.5
(a) Overall Economy	57.5	47.6	56.8	67.4
(b) Own Activity Sector	59.0	53.8	58.6	68.0
(c) Own Company	64.3	61.4	64.7	71.1

## Expectation Index

The expectation Index reflects the perceptions of Indian industry with regard to the performance of their company, their sector and the economy in the second half of 2009-10. The Expectation Index gained 8.1 points over

## H I G H L I G H T S

### Data from Respondents

- 54% expect GDP growth rate for 2009-10 in the range of 6% to 7%.
- 82% expect inflation to be below 5% in 2009-10.
- 80% expect economic turnaround and recovery towards normal growth towards the end of 2009-10 and beyond.
- 52% foresee increase in spending on capacity expansion in H2 of 2009-10.
- 80% expect increased sales during October-March 2009-10 in comparison to April-September 2009-10.
- 70% expect an increase in production in the second half of 2009-10.
- 78% expect increase in orders during October-March 2009-10.
- 87% feel that cost of credit will not fall during the second half of 2009-10.
- 96% expect employment to either increase or remain constant during the next six months.
- 57% foresee increase in Input prices over the next six months.
- 74% feel that availability of credit has not increased in the first half of 2009-10 in spite of RBI's effort, 62% expect no increase in the coming six months.
- 90% of exporter respondents do not expect exports to decline during October-March 2009-10.
- Global economic Instability and slackening consumer demand remain the top concerns.

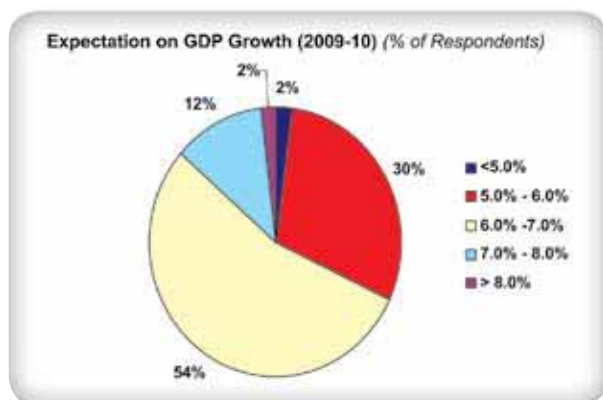


April-September 2009-10, and a robust 13 points over the corresponding period last year, reflecting higher expectations of an economic turnaround by 2010-11.

### Outlook on the Economy

Revealing the outlook for 2009-10, 98% of the respondents expect GDP growth in 5% plus range with a majority expecting it to be in 6-7% range, an upward revision from the previous survey range of 5-6%.

On the inflation front, 82% of the respondents expect it to be below 5% in 2009-10. Given that there are some visible sporadic and nascent signs of economic recovery, 80% of the respondents expect the economy to return to normal growth in the second half of 2009-10 and beyond.



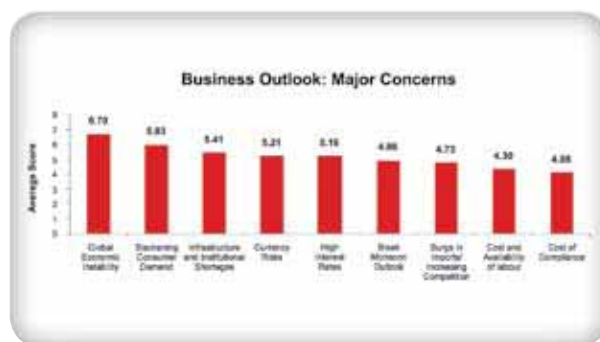
### Business Outlook: Concerns

The survey also asked respondents about their main concern regarding the Indian economy. They were given a choice among the following issues: Global Economic Instability, High interest Rate, Cost and Availability of Labour, infrastructure and Institutional Shortages, Slackening Consumer Demand, Currency Risks, Cost of Compliance, Surge in Import and Bleak Monsoons Outlook. The responses reveal that Global Economic Instability remains the top concern. Slackening Consumer Demand and Infrastructural and Institutional Shortages are the second and third major worries for Indian firms. The other concerns were, in the order

listed by the majority of respondents.

- Currency Risks
- High interest Rate
- Bleak Monsoon Outlook
- Surge in Import/Increase in Competition
- Cost and Availability of Labour and
- Cost of Compliance.

As compared to the ranking of major concerns in the previous survey, Infrastructural and Institutional Shortages have moved up from 5th to 3rd position. This underscores the need for urgency on the part of government to address infrastructural shortages.



### Coverage and Methodology

CII's 72nd Business Outlook Survey is based on a large sample size of 444 companies covering all industry sectors, including small, medium and large enterprises from different regions. The survey drew responses from across the spectrum of industry groups both in public and private sectors engaged in the primary sector, manufacturing activities and in services.

The CII Business Confidence Index is constructed using a weighted average of the Current Situation Index and the Expectations Index. These indices are based on three questions on the performance of the economy, respondent's industry sector and respondent's company. Respondents are asked to rate the current and expected performance on a scale of 0 to 100. A score above 50 indicates positive confidence while a score above 75 would indicate strong positive confidence.

In the construction of the two sub indices, the highest weight is given to the questions related to the performance of the individual company, and the lowest weight is assigned to the questions on the economy. The weights are assigned based on the premise that the average respondent would possess more detailed and accurate knowledge on the current and expected performance of his/her own company than the economy as a whole. ■



# State Ministers Conference on Food Processing

**D**r. Manmohan Singh, Prime Minister of India, inaugurated the first Conference of State Food Processing Ministers on 7 October in New Delhi. The Conference was organized by the Ministry of Food Processing Industries to encourage the State Governments to map the food processing potentialities, clusters for development, including assessing the need for technical and skilled manpower. The topics



Dr Manmohan Singh, Prime Minister of India, with Subodh Kant Sahai, Minister of Food Processing Industries (right) and Rakesh Mittal, Chairman, CII National Council on Agriculture

Stressing that the Government alone would not be able to implement the value addition strategies in a market led scenario, Mr. Mittal urged value-adding agri-businesses to invest in the farm sector and link it up to the markets, which would simultaneously catalyze the percolation of modern management and technologies into the farm sector, and generate incomes. For this to happen, an appropriate policy framework has to

of discussion were Infrastructure development, product diversification and food processing technologies, institutional strengthening and capacity building, financing for food processing sector, government policies and procedures, food safety, food regulation and R&D and trade promotion in the food processing sector.

Speaking at the Inaugural Session, Mr. Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture and Vice Chairman and Managing Director, Bharti Enterprises Ltd stated that only value addition can enable Indian agriculture to catch up with a 4% annual growth. Appreciating the government's recognition of the food processing industry Mr. Mittal said this sector has been instrumental in raising farm yields and accelerating agricultural growth.

be put in place by the Government, he noted.

Mr. Mittal requested that the processed food sector be granted a special status under GST and the combined incidence of both centre and state GST should be zero for primary agro products and not more than 4% on processed food, as in many other countries. He strongly urged the food processing ministers present from various States to take this up with their respective Finance Ministers.

Mr Subodh Kant Sahai, Union Minister for Food Processing Industries, Mr Arun Maira, Member, Planning Commission, Food Processing Ministers from the states and distinguished officials from the central government, state governments, institutions and academia also participated in the conference.



Dr Manmohan Singh, Arun Maira, Member, Planning Commission; and Rakesh Bharti Mittal

## Linking the Indo-French Agro-Food Sectors

**M**s Anne-Marie Idrac, Minister for Foreign Trade, France, addressed CII members in an interactive session on 26 October in New Delhi. Mr. Subodh Kant Sahai, Minister of Food Processing Industries, India, also participated in the session, along with Mr. Ashok Sinha Secretary, Food Processing Industries, Mr. Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture, Mr. P. I. Suvrathan, Chairman FSSAI, Mr. M K Jalan, Chairman Keventer Group and senior

members from the industry. The session was followed by business meetings between CII members and the visiting French delegation.

Ms Anne-Marie Idrac focused upon five missions which the two countries should aim at:

- Business models for dairy, livestock and poultry
- Interface with public and private agencies on policy framework
- Dialogue on standard guidelines for quality, safety and traceability
- Study of the cycle from crops and cattle to processed food
- Consumer market and links between French research and development institutes.

The French Minister called for strengthening the ties linking the Indian and French agro-food sectors, and said that all the French companies in the delegation were eager for partnership with India in the long run. She highlighted that



Subodh Kant Sahai, Minister of Food Processing Industries and Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture & Food Processing presenting the CII 10 Point Agenda on Wealth Creation in the Farm Sector to Anne - Marie Idrac, Minister for Foreign Trade, France

France and India have started a new strategic partnership two years ago, and share many common goals, one of them being to secure the access to good and safe food for the growing world population.

Agriculture and post harvest activities need a primary focus, said Mr. Subodh Kant Sahai, noting that India and France can collaborate on a number of fronts in the field of Agriculture and food processing. He suggested a separate working group for food processing industries, and setting up a joint quality

laboratory of international standards. India has abundant raw material and France has technology expertise, hence a complete food park with French technologies would serve as a successful business model that could be replicated across the country, he said.

Mr. Rakesh Bharti Mittal highlighted the key areas for larger cooperation between India and France in agriculture and food processing: Food Processing Technologies, Food Regulations, Dairy, Poultry and Livestock Sector and Application of Agri Biotechnology.

Mr. Ashok Sinha suggested grape cultivation and wine production and research and development as two areas for collaboration. Mr. P. I. Suvrathan, Chairman, FSSAI, focused upon the food safety scenario in India.

Wrapping up the session, Mr. M K Jalan, Chairman, Keventer Agro, said that CII seeks greater cooperation with France to address new and upcoming challenges and opportunities in modern day Agriculture.



Ashok Sinha, Secretary, Food Processing Industries, M K Jalan, Chairman, Keventer Agro; Subodh Kant Sahai, Rakesh Bharti Mittal, Anne - Marie Idrac, and Jerome Bonnafont, Ambassador of France

## Indo-US Cooperation in Agriculture & Food Processing

**F**ood security is a major concern for the country today, declared Mr T. Nanda Kumar, Secretary, Agriculture, India. Addressing a CII-USIBC Food and Agriculture Executive Committee Mission to India conference on 'Indo-US Cooperation in Agriculture & Food Processing: Opportunities & Challenges' in New Delhi on 27 October, Mr T. Nanda Kumar welcomed private investments in sunshine sectors like food processing, horticulture, fisheries, poultry, and dairy and highlighted the Government's budgetary provision for 100% depreciation in cold chains and warehousing for agriculture produce. He emphasized that private participation coupled with technological innovations will lead to sustainable development in the long run.

Mr. Rakesh Bharti Mittal, Chairman, CII National Council on Agriculture and Food Processing, and Vice Chairman and Managing Director, Bharti Enterprises Ltd, felt that biotechnology, agriculture marketing, food processing, food regulation and capacity enhancements are some key areas of cooperation between India and the US.

"Development of modern retail is the key to increase



Paul Conway, Sr Vice President, Cargill Inc; Rakesh Bharti Mittal, Chairman, CII Agriculture Council, and T Nanda Kumar, Secretary Agriculture, India

production, quality and efficiency as it will increase engagement, consumer satisfaction as well as sustainability. Today India is promising a positive social, economic and political environment and we are extremely eager to be a part of the development process." said Mr. Paul Conway, Senior Vice President, Cargill, Inc.

Other speakers also stressed that huge opportunities are available in India and the need for demand driven production and organized retailing along with a free pricing regime to catalyze competition and innovation. ■

**Are your information assets secure?**

**Do you have regulatory compliance concerns?**

**Does your IT enable efficient and effective business operations?**

<p>Your information assets including ERP, business data, emails, product design, procurement and financial data need adequate protection.</p> <p>In addition, your IT systems must meet regulatory compliance requirements such as tax, excise, NSE, SEBI guidelines and be benchmarked against industry best practices.</p> <p>Your IT systems must be aligned to business requirements to ensure cost effective solutions and customer satisfaction.</p>	<p>We help expose any weakness in the protection of confidential and sensitive data thus reducing fraud and financial loss.</p> <p>We help identify compliance management gaps and weak controls.</p> <p>We help highlight inappropriate, mismanaged IT investments and areas where technology deployment is not adequately linked to business objectives.</p>
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## CII – Wartsila Round Table Session on Global Power Scenarios 2023

**E**lectricity is a fundamental factor in the developmental process and economic growth of any nation. India, with over a billion people, today produces 660 billion KWH of electricity. Over 600 million Indians (equivalent to the combined population of USA and EU) still have no access to electricity, with limited access to other clean and modern fuels. Enhancing electricity supply and access therefore remains a key component of India's development strategy.

In an effort to facilitate and catalyse the development process and understand the future power scenario of India, CII, in partnership with Wartsila Corporation organized a Round Table Session on 'Global Power Scenarios 2023' on 5 October in New Delhi. The roundtable was organized to discuss, share and gather feedback on the findings of the report developed by Wartsila Corporation 'Global Power Scenario 2023.'

The Global Power Scenario 2023 describes several possible scenarios in electricity production and consumption with relevance to India's Power sector. The report discusses three scenarios - three alternative futures:

- The **Green Earth Scenario** discusses the role of individual citizens, consumers and voters in mitigating climate change. This scenario suggests using natural gas as a transition fuel, and calls for a focus on renewables such as wind and solar power. It also urges individuals to accept the scarcity of resources and to live sustainably.
- The **Blue Globe Scenario** describes a market-oriented prosperous world powered by coal and nuclear power. This scenario links the global recession 2008-2011 with increasing environmental disasters which give rise to the need for economic growth and the need to curb emissions.



Ole Johansson (right), President & CEO, Wartsila Corporation, with Chandrajit Banerjee, Director General, CII (centre) and Christoph Vitzthum, Group Vice President, Wartsila Services (left)

- The **Grey World Scenario** describes the future as bleak, with scarce resources and energy security being the major issue around the world.

The session featured participation from the industry – both PSUs and private sector, and financial institutions and government leaders. Mr Subodh Bhargava, Past President, CII; Mr Ole Johansson, President & CEO, Wartsila Corporation, Mr Christoph Vitzthum, Group Vice President-Services, Wartsila Corporation, Mr Vipul Tuli Director, McKinsey & Company; Mr Chandrajit Banerjee, Director General, CII; Mr R K Jain, Director-Technical, NTPC; Mr R V Shahi, Chairman & Managing Director, Energy Infratech; Mr Sudhir Wadhwa, CEO, NDPL; Mr Rakesh Sarin, MD Wartsila India; Mr Jayant Deo, MD & CEO, India Energy Exchange; Mr Sanjeev Mehra; PTC India Ltd were among the key participants who attended the session and actively contributed to the deliberations.

## CII Interactive Meet on NELP VIII/ /CBM IV

**T**he hydrocarbon sector in India has seen a paradigm shift in the last decade. The sector has witnessed overwhelming interest from local and global players against a backdrop of continued exploration success. The production from new fields has started flowing in with more blocks also being put on bidding through the NELP-VIII / CBM-IV bidding round.

To assist industry in forging successful partnerships for bidding during the NELP VIII/CBM IV rounds for exploration and production of hydrocarbons in India, CII organised an Interactive Meet on 'Building Partnerships for Upstream Oil and Gas' on 1 October in New Delhi.



V K Sibal, Director General, Directorate General of Hydrocarbons, R S Pandey, Secretary, Petroleum & Natural Gas; Hari S Bhartia, Vice President, CII, and D N Narasimha, Raju, Jt. Secretary, (Exploration), Petroleum & Natural Gas

The Meet brought stakeholders in the upstream hydrocarbons sector, both existing and prospective, as well as oilfield service companies from India and overseas, and government representatives, together to explore tie-

ups and form a consortium towards successful bidding. Mr R S Pandey, Secretary, Ministry of Petroleum and Natural Gas, Mr D Narasimha Raju, Joint Secretary, Exploration, and Mr V K Sibal, Director General, Directorate General of Hydrocarbons, addressed the Meet.

The Indian upstream hydrocarbon sector, under NELP VIII/CBM IV, presents a unique opportunity for Indian and overseas investors due to its well-established prospects, transparent bidding regime, huge domestic market and availability of numerous fiscal and financial incentives, said Mr. Pandey, in his keynote address.

There is no doubt about India's hydrocarbon prospects, with over 100 discoveries in the past 10 years in the country, two-thirds of which were under various rounds of NELP, he said. Indian sedimentary basins are relatively underexplored. Before NELP, only 11% of the total prospective area was explored. As of now, it has increased to 50%, while the target is to cover 80% area by 2015-16. However, in the covered areas also, exploration has not been very intensive and this certainly indicates a big opportunity for E&P players in the hydrocarbon sector in India, the Secretary pointed out.

Mr Pandey also emphasized that India offers a huge and growing market for hydrocarbons. According to International Energy Agency projections, the average global growth in hydrocarbon consumption would be 1.6% till 2020, while in India, consumption would increase at the rate of 3.2% per annum (double the world's average), he noted.

Alleviating investors' concerns over the stability of the fiscal regime, Mr. Pandey affirmed that the incentives being provided under the present NELP round are part of the Indian Finance Act, which is sacrosanct in nature. Incentives such as zero cess for deepwater blocks, complete exemption from income tax and only 5% royalty for first seven years are available for the present round. However, these may not be available in the future as prospectivity improves, he cautioned.

Mr. Hari S. Bhartia, Vice-President, CII, and Co-Chairman & Managing Director, Jubilant Group, emphasized the necessity to develop the natural gas sector in India as an alternative to coal from the point of view of climate change mitigation strategy. He also pointed out the huge opportunity that exists in India in terms of shale gas, which is by and large unexplored so far.

## Smart Grid – A New Era Interactive Energy Internet

**A** Memorandum of Understanding on **Smart Grid Technologies** was signed between the Confederation of Indian Industry and the Confederation of British Industry on 22 October, on the sidelines of the Exhibition on 'Climate Change: Technology Development & Transfer' on 22-23 October in New Delhi.

The MoU was signed as a follow-up to the CBI-CII Statement of Intent signed in 2008, in which the organisations committed to working with each other on climate change industrial initiatives and activities.

The MoU would enable the two organisations to bring together the experience and expertise of their member companies on the design and implementation of Smart Grid technologies with due support and involvement from their respective governments.

Smart Grid, broadly defined as a new era Interactive Energy Internet, is one of the key environment-friendly technologies for low carbon development, said Lord Philip Hunt, Minister of State for Energy, Department of Energy and Climate Change, UK. Congratulating CII and CBI for embarking on this collaboration, the Minister added that Indian and British Industry have huge opportunity to collaborate in this areas.

Smart Grid Technologies can help India's Power Sector leapfrog to fulfill the 'Power for All' mission through a low carbon route, said Mr Sunil Wadhwa, CEO, North Delhi Power Ltd, and Chairman, CII Task Force on Power Sector



Rajesh Menon, Sr. Director, CII, and Rhian Kelly, Head of Climate Change, CBI, signing the MoU as Sunil Wadhwa Chairman, CII Task Force on Power Reforms & Restructuring, and CEO, NDPL Ltd and Lord Philip Hunt, Minister of State, Energy and Climate Change, UK, look on

Reforms & Restructuring. This concept would help us in reducing peaking power consumption, he added.

With potential to be the 'energy internet' of the 21st century, the smart grid technologies hold promise to bring consumers closer to the generators, giving access to real time information on usage and cost of energy, thereby promoting efficient energy production and consumption. ■



## 2nd Medical Technology Conference & Exhibition 2009 Transforming Indian Healthcare

The Indian Medical Technology industry has taken impressive strides. Beyond high growth, it has demonstrated an ability to support the Indian healthcare industry through superior technologies and willingness to serve. Global medical technology companies now view India as a significant market, due to its large population base.

India's emerging middle class now demands better healthcare facilities, up-to-date technology and optimum results. Coupled with a rise in disposable income amongst Generation Next, global companies are looking forward to sustaining high growth ahead.

the CII **Medical Technology Conference and Exhibition 2009**,

held on 7 October in New Delhi, focused on the theme 'Transforming India's Healthcare Scenario – Role of Medical Technology.'

In his Inaugural Address, Mr. Dinesh Trivedi, Union Minister of State for Health and Family Welfare, highlighted the role of the Government in providing the requisite impetus for the medical technology industry in India. The rapid increase in demand for healthcare services has forced the government to rethink upon the delivery models. Government is now ready to think out of the box and is proactively involving the private sector to increase the reach of healthcare services, he said.

Dr. Prathap C Reddy, CII National Committee on Healthcare and Chairman, Apollo Hospitals Group, in his special address, called for accelerating the momentum for providing healthcare access to all. He also called for devising new healthcare solutions for a better tomorrow.

Healthcare Medical technologies are transforming healthcare like never before, said Mr Anjan Bose, Conference Chairman, and Vice President and Business Head, Philips Healthcare. He pointed out that today, high-end equipments and instruments are enabling the performance of many complex surgical procedures with minimal incision, such as endovascular surgery, interventional



Anjan Bose, Conference Chairman & Vice President & Business Head, Philips Healthcare; Chandrajit Banerjee, Director General CII; Dinesh Trivedi, Minister of State for Health & Family Welfare; and Dr. Prathap C Reddy, Chairman, CII National Committee on Healthcare



Sam Pitroda, Chairman, National Knowledge Commission



Dr Surinder Singh, Drug Controller General of India

radiology or laparoscopy.

Mr Chandrajit Banerjee, Director General, CII, outlined CII's agenda on healthcare including public health, healthcare services and delivery, and medical technology.

Addressing a special Plenary Session on 'Partnering with Technology to Make Healthcare Accessible,' Mr. Sam Pitroda, Chairman,

National Knowledge Commission, said government partnerships with the medical technology industry can significantly improve health indicators and provide high end diagnostic services. These models have proven to be sustainable and successful. We need to take up these projects on a larger scale so that the number of beneficiaries

can increase significantly. But, for their successful implementation, a number of challenges need to be overcome, requiring political will and risk sharing mechanism, to name a few, he said.

Dr Surinder Singh, Drug Controller General of India, delivered a special address on the regulation of medical devices in India. While the Indian healthcare scenario is characterized by lack of standardization and ambiguity on regulatory standards, much has been achieved in the pharma segment in terms of optimal regulation, he said, adding that this needs to be replicated for the medical devices and healthcare delivery sector. Panellists at this session emphasised that proper regulation can help the industry harmonize with the rest of the world, while keeping local needs in consideration. The discussions also examined the role of the government and private sector in regulating this industry.

The CEO's panel on innovation and its impact on patient care talked about how innovation has helped companies achieve the dual objective of better patient care and increased market size.

The valedictory session discussed the changing dynamics of medical technology addressing expectations of healthcare deliverers.



## Effective Inventory Management



Training on Effective Inventory Management, Ludhiana

A training programme on Effective Inventory Management on 13 October in Ludhiana highlighted how inventory could become one of the two biggest assets on the company's balance sheet, if managed effectively.

## 7 QC Tools- Essentials of Lean Manufacturing

The training programme on 7 QC Tools - Essentials of Lean Manufacturing on 26 October in Gurgaon updated participants about one of the important elements of Lean Manufacturing: 7 QC Tools (popularly known as problem-solving tools). Seven QC tools are used to analyze the production process, identify major problems, control fluctuations of product quality, and provide solutions to avoid future defects. Statistical literacy is necessary to effectively use these tools to improve internal competitiveness.

## Cluster Programme for Energy Efficiency

The Bureau of Energy Efficiency (BEE), Government of India, in coordination with the CII LM Thapar Centre for Competitiveness for SMEs has taken up an initiative to enhance the energy efficiency of limestone manufacturing units across Jodhpur, Rajasthan through the BEE – CII Jodhpur Limestone SME Cluster Programme.

Around 79 units in this cluster are engaged in manufacturing limestone in the Jodhpur region of Rajasthan. The Centre will conduct energy audits and technology gap assessment studies for 30 of these units. For the remaining units, a preliminary energy audit assessing the overall energy use and technology gap assessment will be conducted.



Awareness Session on Energy Efficiency, Jodhpur

A kick off awareness session was held on 27 October in Jodhpur to share the benefits of the programme.

## Marketing Strategy for SMEs

A one day interactive workshop on 'Marketing Strategy & Brand Communications for SMEs' on 27 October in New Delhi discussed the basics of marketing and subsequently addressed specific issues of prime concern to the participating companies. The workshop was conducted by faculty from IMT, Ghaziabad.

## Manufacturing Excellence Mission



Manufacturing Excellence Mission for World Class Manufacturing

A CII-LM Thapar Center for Competitiveness Manufacturing Excellence Mission visited Hyundai Motors India Ltd, WABCO TVS, Rane India Ltd and Lucas TVS in Chennai on 27-28 October. The plant visits enabled the mission members to understand the best and innovative practices of these companies to be more cost effective.

## Communication & Presentation Skills

Today professionals across the board need to improve their impromptu verbal communication skills to meet the challenges of change. To hone these skills, the CII LM Thapar Centre for Competitiveness for SMEs organized a Workshop on Communication and Presentation Skills on 30 October in New Delhi. The Workshop used practical examples, worksheets and memory jogging tools to facilitate the learning process.

## 12th TCI Annual Globe Conference

An international group of developers, researchers, business leaders and policy-makers met in Jyväskylä, Finland, on 12-16 October for the 2009 TCI Annual Global Conference. Their goal was to jointly create new solutions for enhancing the competitiveness of businesses, regions and clusters. The programme provided inspiration from top experts, inputs from the Finnish innovation environment and local clusters, global experiences along the themes and innovative working methods.

More than 350 delegates from 50 countries participated in the conference to showcase different models of clusters. Mr Harinder Jeet Singh, Head, L M Thapar Centre for Competitiveness, addressed the conference on 'SME Clusters for Competitiveness – Value for Money'. ■

# CII-Godrej Green Business Centre



Two key events on Green Business, the Green Business Summit 2009 and the Investor Forum 2009, were held on 29 and 30 October in Mumbai.



Pursuing Growth – Preserving Ecology, the theme for Green Business Summit 2009, Conveyed the core message of the Mission on Sustainable Growth. The core purpose of the Mission is to ‘promote and champion conservation of natural resources in Indian Industry without compromising on high and accelerated growth.’

The Green Business Summit 2009 discussed

- Sustainability & Way Forward
- Carbon Management
- Renewable Energy
- Water & Waste Management
- Green Initiatives in Industries
- IT & Role of IT in Sustainable Development
- Green Purchasing

New Ventures India (NVI), a joint initiative of the CII-Sohrabji Godrej Green Business Centre and the World Resources Institute, Washington, DC organised the 4th edition of the annual flagship **Investor Forum 2009** with a focus on Green Entrepreneurship – Opportunities and Challenges.

The event featured information exchange and focused discussions on the issues affecting all stakeholders in the sustainability space, and business plan presentations by innovative green enterprises.

Both events focused on the latest and emerging green business trends, challenges and opportunities, provided global perspectives on green businesses and suggested ecologically sustainable business growth models.

In her special address on 29 October, Ms Vicky Treadell, British Deputy High Commissioner for Western India, said that India, considering its current stage of development, robust growth projections and the new wave of low

carbon technologies under development, is uniquely placed to leapfrog to a low carbon economy, skipping a couple of evolutionary steps.

Mr Owen Jenkins, Counsellor & Head-Climate Change & Energy Unit, FCO-DFID, British High Commission, pointed out that on the issue of climate change, there is global consensus on ‘what to be done’ but the ‘how’ part of it is yet to be fully addressed.

He said the Government of UK would support a framework for climate change which would be ‘Effective, Ambitious and Fair’ and would take into account ‘historic responsibilities’ as well as ‘support developing countries both in technology and finance.’

Mr Jamshyd N Godrej, Past President, CII, and Chairman, CII – Sohrabji Godrej Green Business Centre, felt that climate change presents a huge opportunity to businesses for ‘interventions.’ He described the proactive role played by CII in enabling such interventions in green buildings and energy efficiency.

Dr Naushad Forbes, Chairman, CII Western Region, and Director, Forbes Marshall Pvt Ltd, called upon more Indian industries to jump onto the bandwagon of green businesses, as multiple business models are evolving. Electric vehicles, for example, he said, offer potential for Indian companies to become technology suppliers to the Western world. He however pointed out that this sphere of business is greatly influenced by network externalities like a supportive policy structure, and entrepreneurs in this space need perseverance as well as long term focus.

Mr Vijay Chandok, Chairman, New Ventures India Steering Committee, CII – Godrej GBC, and Sr General Manager – SME, ICICI Bank Ltd, in his concluding



Owen Jenkins, Counsellor & Head-Climate Change & Energy Unit, FCO-DFID, British High Commission



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



Vicky Treadell, British Deputy High Commissioner for Western India



Jamshyd N Godrej, Past President, CII & Chairman, CII – Sohrabji Godrej GBC



Dr Naushad Forbes, Chairman, CII (WR) & Director, Forbes Marshall Pvt Ltd

remarks, said that culture of 'Green Entrepreneurship' is visible in India and the banking sector is keenly looking at the potential opportunity.

During the event, an MoU was signed between CII and Invest in Sweden Agency (ISA) to further co-operation between India and Sweden in Renewable Energy and similar sustainable technologies.

The MoU enables a strategic alliance and partnership between CII- Godrej GBC and ISA for collaborative R&D projects, incubation / facilitation of clean enterprises in India, and specialised programmes / projects in energy, environment, water and waste management.

The two events covered various topics in the sustainability domain, discussed national and international best practices and witnessed a series of panel discussions.



Exchange of MoU between Srikant Illuri, Executive Director & Country Head, Invest in Sweden Agency, India, and S Raghupathy, Sr Director & Head, CII - Godrej GBC

Investor Forum 2009 held a **Business Plan Competition** where ten promising companies (with products in the sustainability domain) put forth their business proposals before investors and pitched their case for investment requirements. The winners were Husk Power Systems, Sresta Natural Bio products Pvt Ltd and Noble Energy Solar Technologies Ltd.

### Interaction with US Ambassador to India

Mr Timothy J Roemer, US Ambassador to India, visited the CII - GBC Centre in Hyderabad on 21 October and had an interactive session with CII - AP members.



Timothy J Roemer, US Ambassador to India and Y Harish Chandra Prasad, Chairman, CII Andhra Pradesh

Working together in a collaborative fashion, both governments are actively engaged in a strategic dialogue that will, among other things, continue our successful energy dialogue and begin discussions on actions to address the serious challenges of global climate change, Mr Roemer said. He appreciated the role played by CII in promoting energy efficiency and resource management tools and techniques in Indian industry.

Mr Roemer was escorted on a tour of the Centre, which is one of the greenest buildings in the world, and was briefed on its energy efficient, eco-friendly and sustainable features. He also planted a sapling in the premises.

### Seminar on Value Engineering

The CII - Total Cost Management (TCM) Division organised a one-day Seminar on 'Cost Effectiveness through Value Engineering' on 15 October in Bengaluru. The seminar introduced the concept, procedure and benefits of Value Engineering across the functions and sectors of business. The technical sessions discussed Value Engineering in Manufacturing, Logistics & Infrastructure, and Management.

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# World Food Day Celebrations



**A Food Safety Run & Walkathon advocated  
'Food Safety & Quality for All' as India Prepares  
for Commonwealth Games 2010**

**M**s Sheila Dikshit, Chief Minister of Delhi, flagged off the Food Safety Run & Walkathon organised by the CII on the occasion of World Food Day on 16 October in New Delhi. The event was themed on 'Food Safety & Quality for All – India Prepares for Commonwealth Games 2010.'

A 2500-strong contingent of school children, senior citizens, and people from all walks of life enthusiastically participated in the event. Booklets on 'Guidelines on Food Safety & Quality for Schools, Colleges', and 'Food Safety Tips for All' were distributed amongst the participants to promote the message of maintaining food quality standards.

The flagging off of the Walkathon was followed by cultural shows and competitions on martial art, yoga, fancy dress, roller skating and painting.

The CII Institute of Quality, through this initiative, presented its commitment to making safe, hygienic, and quality food available to all, while promoting and propagating national awareness and adherence to standards on Food Safety and Quality, under the SCCP programme.

The World Food Day Celebrations on 16 October were organized by CII to increase awareness about standards in Food Safety and Quality under the SCCP programme. The Standard Conformance and Cooperation Programme

(SCCP) is aimed at improving access for Indian companies in the US market and vice versa by boosting cooperation on standards and conformance issues. To achieve this objective, CII, the American National Standards Institute (ANSI) and Bureau of Indian Standards (BIS)

have entered into a partnership to bring stakeholders in various industry sectors to harmonise the standards in the two countries.

With New Delhi set to host the Commonwealth Games 2010, this event was an endeavor to brand Indian cuisine as nutritious, healthy and hygienic. An oath taking ceremony was also held during the event to position



Sheila Dikshit, Chief Minister of Delhi, being escorted to the podium with Chandrajit Banerjee, Director General, CII, and K N Shenoy, Chairman, CII Institute of Quality

India as a safe food destination for the upcoming Games, by adhering to food safety norms at all the food serving establishments, and at home.

Mr. K N Shenoy, Chairman, CII Institute of Quality, said that the day's celebrations would further strengthen the quality movement in India. India should remain committed to the cause of food safety and quality by inculcating world class quality consciousness, he said.

Mr. Chandrajit Banerjee, Director General, CII, said that the day brought a significant opportunity to bring about consciousness and awareness on health, food safety and quality standards. CII, through the Institute of Quality had been proactively driving the concept of quality over the last two decades, he added.



World Food Day celebration in New Delhi



The celebrations across the country directly impacted over 65,000 people. As part of the celebration, the Indian Railway Catering Tourism Corporation (IRCTC) too widely circulated CII produced promotional material, posters, and booklets besides handing out CII prepared guidelines to 25,000 travellers on Rajdhani and Shatabdi trains on 16 October. The Young Indians (Yi) arm of CII also played a stellar role in spreading Food Safety & Quality messages across the country.

World Food Day was proclaimed in 1979 by the Food and Agriculture Organisation (FAO) to heighten public awareness of the world food problem and strengthen solidarity in the struggle against hunger, malnutrition and poverty. It marks the date of the founding of FAO in 1945.

'CII in collaboration with the Ministry of Food Processing Industries is delighted to be celebrating World Food Day on 16 October across the country. These celebrations will create widespread national awareness on Food Safety and Quality with greater understanding of consumer rights and actions. Educational institutions, eateries and Industry will be further empowered with the knowledge and importance of Food Safety and Quality. All this, especially in light of the ensuing Commonwealth Games, will ensure a step towards India becoming a Safe Food destination.'

**K N Shenoy,**  
Chairman, CII Institute of Quality

Mr. Sanjeev Kapoor, Celebrity Chef, and well-known nutritionist, Dr. Shikha Sharma, were also present on the occasion to support the cause. Mr. Kapoor observed that the celebrations held on the World Food Day by CII highlighted the concern for positioning India as a healthy nation. According to him, a healthy country must pay attention to hygiene, preparation and lifestyle

issues in light of food consumption. People should make themselves and their food healthier by sensitizing themselves towards wholesome aspects of food, he added.

'Food Safety and Quality for All is a Movement across the country. The Commonwealth Games is a great opportunity to create Delhi as a model state.

CII's focus in this World Food Month is to help the Delhi State Government prepare Delhi as a Safe Food Destination. CII pledges its support to upgrade food processing and servicing establishments to safe and quality standards of food.'

**Chandrajit Banerjee,**  
Director General, CII

Dr. Sharma, Co-Chairman - Healthcare, Yi, and Managing Director, Nutri-Health Systems Pvt Ltd stressed that good and healthy food provides lifetime benefits. She urged the gathering to take a pledge not to waste food and to utilize it in a healthy way.

Other dignitaries who graced the occasion included Mr Rakesh Kumar Tandon, Managing Director, IRCTC, Mr B B Pattanaik, Managing Director, Central Warehousing Corporation Mr Balvinder Singh Kalsi, President & Chief Executive Officer, E.I.DuPont India, and Ms Rumjhum Chatterjee, Chairperson, CII Delhi State Council & Managing Director, Capacity Building Division, Feedback Ventures (P) Ltd.

### Interactive Session

In a subsequent interactive session on Food Safety & Quality, Mr V N Gaur, Chief Executive Officer, Food Safety Standard Authority of India (FSSAI), released the publication 'CII – Food Safety Rating Matrix for Eateries' based on the draft FSSAI Criteria for Audit of Food Establishments.

“The Government of India had decided to celebrate 16 October as Food Safety & Quality Day in India, declared Mr. K K. Rajeswara Rao, Joint Secretary, Union Ministry of Food Processing Industries. He said that maintaining food quality and standards was a continuous activity aiming at educating the stakeholders about the safety aspects associated with edible products. There was an urgent need to reach out to class II and III cities for observing food standards. He added that his Ministry had undertaken consultation with religious boards like Vaishno Devi and Tirupati to spread the message of food safety. He urged that issues relating to safe, hygienic and standard food should be carried forward as a multi-stake holder’s campaign.

Mr. Gaur said that FSSAI, in the backdrop of the upcoming Commonwealth Games, was working on guidelines for food safety, checklist for food establishment operators and the criteria for audit of eateries. He presented a perspective on the Food Safety and Standards regime, and flagged concerns such as the need for consumer awareness, low priority given to food standards, and inadequate testing infrastructure among other related issues.

Ms Meena Kapoor, Assistant Representative (Administrative), Food and Agriculture Organization of the United Nations, encouraged the global increase in official development assistances to curtail the food crisis. She said that a series of fundamental problems in governance and administration had to be resolved in

ensuring safe food for all. As the prices of staple food items had increased during the global financial crisis, she said that achieving food security in times of global crisis was indeed a global priority.

Mr. K N Shenoy said that the CII Institute of Quality was committed to aspects of quality in India across industry, services, manufacturing, healthcare, education and governance. “Through this initiative we want to ensure that people maintain quality and standards at their respective environments and introduce innovative ways to ensure that food became a quality criterion for all” he added.

Mr. Uttam Chatterjee, Chairman, CII Expert Group on Food Safety and Quality, outlined how 36 cities through 44 programmes across the nation would celebrate the World Food Day in India, involving approximately 65,000 people. The thrust of the programme was to campaign for food that was free from any hazards; physical, chemical or microbiological.

### Pan India Celebrations

#### Delhi

- Food Safety & Quality Awareness through Run and Walkathon flagged off by Ms Sheila Dikshit, Chief Minister, Delhi
- Food Safety and Quality Oath taking ceremony by the Chief Minister of Delhi, Industry leaders and celebrities
- Interactive session on Food Safety & Quality

## Food Safety and Quality Oath

On this World Food Day, 16th October 2009,  
we solemnly promise that  
we shall all strive to position India as a Safe Food Destination,  
in our preparation for the Commonwealth Games 2010,  
by practicing Food Safety and Quality,  
in all Food Processing and Serving Establishments,  
in our Homes, Schools and Colleges and in all aspects of our Professional and Personal lives.



Rakesh Tandon, Balvinder Singh Kalsi, K N Shenoy, Sheila Dikshit, Chandrajit Banerjee, B B Pattanaik, Dr Shikha Sharma and Rumjhum Chatterjee taking the Food Safety & Quality Oath on World Food Day



World Food Day hoardings on Park Street, Kolkata



Children celebrating World Food Day in Lucknow

- Dissemination of Food Safety messages through publicity materials and advertisements
- Food Safety celebrations in schools, colleges, industries
- Release of CII-Food Safety Rating Matrix for Eateries
- Release of Food Safety and Quality Guidelines for Schools, Colleges, Industries

#### Young Indians

12 cities, 13 programmes, 9000 people reached, including 6500 poor people fed (over 3000 of them in orphanages and old homes) and 2500 running for the cause.

### CII-IRCTC Partnership

The CII Institute of Quality and Indian Railways Catering and Tourism Corporation's partnership on the World Food Day reached out to 25,000 railway passengers in the Shatabdi and Rajdhani Express trains across the country through a set of 5 Food Safety & Quality Posters, pamphlets on '4 Basics for Food Safety' and 'Guidelines on Food Safety & Quality for Schools and Colleges' and a booklet titled 'Food Safety Tips for All.'

#### Regions

Celebrations covered 36 cities hosting 44 programmes ultimately touching over 65,000 people.

**East:** 8 cities, 18 programmes with over 22,000 people being targetted over the month through posters, hoardings, press meet, food distribution, CTV/cinema slides, and awareness campaigns

**North:** 6 cities, 6 programmes targetting 800 participants, awareness sessions, food to underprivileged children and awareness programmes on nutritional diet

**West:** 3 cities, 8 programmes targetting 5000 participants, awareness fliers and questionnaires, FSQ stickers, T-shirts, radio coverage, food for underprivileged children)

**South:** 5 cities, 5 programmes targetting over 1000 people, as various interactive programmes.

## Food Safety & Quality for All

### – India Prepares For Commonwealth Games, 2010

The impending Commonwealth Games affords a great opportunity to create Delhi as a model state and trigger nationwide actions. CII IQ's focus during World Food Month was to help the Delhi State Government to make Delhi and NCR into a Safe Food Destination with CII pledging its support to upgrade food eateries to adopt safe food and quality standards. Once this is achieved, CII expects to successfully strengthen a nationwide movement and provide support to the Government towards positioning India as a Safe Food Destination.

Specific CII-IQ services offered include:

- Awareness sessions for executives and staff in
  - Company canteens
  - Eateries
  - Schools/Colleges
  - State Bhawans
  - Government departments
  - Others

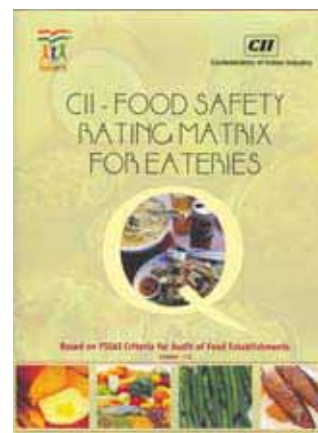
- Co-branding of food safety guidelines which can be used for communicating the organisations commitment to food safety and quality

#### CII-Food Safety Rating Matrix for Eateries

Based on the FSSAI draft criteria for audit of food establishments, CII has published the e-enabled 'CII-Food Safety Rating Matrix for Eateries' (CFSRM) to assess the level of implementation and compliance of Food Safety and Quality.

The various criteria sections covered in the matrix are

- Establishment- Design and Facilities



- Control of operations
- Maintenance & Sanitation
- Personal Hygiene
- Transportation
- Product Information and Consumer Awareness
- Training
- Self Inspection

The Matrix facilitates rapid assessment against each criteria implying unique scoring system. CII proposes to conduct pilot surveys using this matrix to help eateries to upgrade their standards of food safety and quality.

For more details, contact [indrani.ghose@cii.in](mailto:indrani.ghose@cii.in) or [k.debnath@cii.in](mailto:k.debnath@cii.in)

### Street Food – Baseline Survey

CII, under the guidance of the Ministry of Food Processing Industries, has developed a comprehensive plan for improving Food Safety & Quality of Street Food in India.

In line with the plan, a Baseline Survey of 4300 street food vendors has been done across 9 cities (Delhi, Mumbai, Chennai, Bangalore, Kolkata, Guwahati, Agartala, Agra & Jaipur) with the help of various organisations, including CII.

This has culminated into Guidelines for the scheme of 'Upgradation of Quality of Street Food'. Available schemes are displayed on the website of the Ministry of Food Processing Industries.

As a proactive step, CII-IQ also initiated a publication 'CII- 14 Point Check on Food Safety for Street Vended Food' as well as designed a model hygienic food vending cart. The Bureau of Indian Standards (BIS) while developing national standards for street vended food (Draft Indian Standard- Food Safety Requirements for Street Food Vendor: FAD15: 1951C) has acknowledged this publication as a reference material.

### CII in Food Safety & Quality

During 2008-09, a series of awareness programmes on Food Safety & Quality (supported by MoFPI and funded by QCI) were held in various locations to sensitise widespread awareness about Food Safety & Quality among all stakeholders in the food chain.

- East India: Dibrugarh, Jorhat, Tezpur, Siliguri & Kolkata
- West India: Pune
- North India: New Delhi, Jammu & Dehradun
- South India: Hyderabad

CII-IQ has also been playing a leadership role in the Tea Gardens in the North East which has culminated in Amalgamated Plantations becoming the first ISO 22000 Food Safety certified estate in the Tea sector.



### Survey of Eateries in Delhi

To prepare Delhi as a 'Safe Food Destination' in view of the forthcoming Commonwealth Games, Food Safety & Standards Authority of India (FSSAI) requested CII to carry out a "Preliminary Survey." Accordingly, some eateries were surveyed over two days to assess the status of hygiene and food safety in and around the eateries in Dilli Haat, Khan Market, South Extension, Gol Market and few other areas. The Preliminary Report was subsequently submitted to FSSAI. Some of the important observations of the survey, which needs to be validated through a complete survey, include:

- General infrastructure of the eateries and surrounding areas requires a lot to be done with respect to drinking water
  - Serious concerns Garbage bins for collection of 'biodegradable' and 'non-biodegradable' have been placed near the eateries, but there seems to be hardly any awareness amongst the users of these bins about their appropriate usage. Most of the bins were found open / overflowing / damaged / full of flying insects
  - Toilets in the surrounding areas were without doors, with broken or leaking drain pipes, and were stinking
  - Very few eateries had insect / fly proofing systems in place
  - Personal hygiene amongst the food handlers in the eateries is poor
  - Some of the eateries were found preparing or packing food items in by-lanes with open and overflowing drains
  - Many food items were displayed open to dust
- In all about 50 eateries and surroundings were surveyed. As desired by FSSAI a list of 886 eateries comprising 430 from South Delhi, 249 from West Delhi, 81 form Central Delhi, 67 from North Delhi and 59 from East Delhi from the website <http://www.foodiebay.com> was given to FSSAI with inputs regarding address and phone numbers of all the 886 eateries. ■

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# Quality in Education

**Educational institutions at the two-day National Summit on Quality in Education pledged to strive for excellence by adopting top-end teaching methodologies and also leveraging technology to bridge the gap between rural-urban students and other disadvantaged sections of the society**

One of the key parameters of a nation's progress and prosperity is the quality of education it imparts to its students. The higher the quality of teaching standards, the higher the talent pool that passes out after completing formal education. India Inc repeatedly expresses concern over the severe shortage of 'employable youth' despite having a huge 'literate' pool, pointing to the a huge mismatch between what the student community has learnt and the actual requirement of the industry. In today's completely changed economic set up with globalization taking centre stage, there is an urgent need to inter-connect curriculum to the new competitive business dynamics, and also narrow the gap between the rural and urban student community. Reflecting this, the 12th edition of the National Summit on Quality in Education, held in Chennai on 23-24 October, had the theme 'Quality Education: Scalable with Inclusiveness.'

Over 40 speakers addressed 500 delegates, including of heads of institutions, principals, senior faculty and administrators from both schools and higher education



M V Subbiah, Chairman, National Skill Development Corporation & Past President, CII lighting the lamp. Also seen Prof. Y S Rajan, Principal Advisor, CII, P Girish, Principal Counsellor, CII-IQ and K N Shenoy, Chairman, CII-IQ

institutions, on contemporary topics like Inclusiveness with Excellence, Assuring Quality through Assessments Accreditations and Certifications, Learnings from other sectors, Integrating Technology for reaching people and Innovations in Education. In addition, 15 NGOs and service providers in the field of education showcased their successful models, contributions, products and services at an exclusive exhibition.

## Summit Objectives

Though the Education sector is currently receiving

a lot of attention from the government and private promoters, the focus continues to remain urban. CII-IQ, which has been working in the education excellence domain for over a decade, felt this divide needs to be bridged quickly to give every section of the society equal opportunity to pursue education as a fundamental right. The entire Summit saw domain experts emphasize the need for appropriate hand-holding of the 'rural and other disadvantaged' sections of the society to integrate that 'sidelined' section into the mainstream.

### Inaugural Observations

Setting the tone for the deliberations, Mr. M V Subbaiah, Past President, CII and Chairman, National Skills Development Corporation, floated the idea of reintroducing the Gurukul system of teaching and learning. He said that this ancient system helps a child develop a holistic perspective towards life, which the present day curriculum severely lacks. Another suggestion from him was the adoption of the German model, where, after completion of 8th grade, a student is free to choose a vocational course that interests him/her. This basically helps the student to excel in the field he/she pursues. He said: "Any person who spends atleast 10,000 hours pursuing his/her passion will become an expert in that chosen field."

In order to develop capable, thinking youth, the role of educators is now gaining immense credence. Improving access and Quality at all levels of education is now a priority not only for central and state governments but private institutions too. Mr. K N Shenoy, Chairman, CII-Institute of Quality, who inaugurated the National Summit, observed that educational institutions should look at every possible avenue, be it leveraging technology, getting high-end faculty, putting in place enabling infrastructure, etc... to reach out not only to urban students but also the rural and other disadvantaged sections. He said: "CII has been promoting various 'educational excellence' initiatives over the last eleven years towards holistic and quality education. These initiatives basically equip institutions with a set of quality tools to provide highly structured and seamless education processes."

### Successful Models

Educationists observed that empowering people with the right skills and knowledge would automatically

enhance their quality of life and economic status. Mr. Anand Sudarshan, Managing Director and CEO, Manipal Education, felt that, with corporate India set to record phenomenal growth in the coming years, it is time for both government and educational institutions to adopt multi-dimensional teaching processes. He opined that an attitudinal change is very much needed both at government and institutional levels to provide value and skill-oriented education to every citizen of the country. He appealed to educational institutions to adopt best practices across domains to seamlessly integrate both the rural and urban student community with corporate India's requirement.

In his presentation on 'Scalable with Inclusiveness,' Mr N Nagaraju, Regional Officer, Central Board of Secondary Schools, said the government body is looking to make the education process more meaningful by providing maximum autonomy to institutions, and is working on formulating appropriate curriculum on par with global standards.



N Kumar, Vice Chairman,  
The Sanmar Group

Sharing the concept of inclusiveness with quality, Mr Anand Kumar, Director, Super 30 Institute, Bihar, spoke of the urgent need to give rural and other disadvantaged

sections education on par with the other. Mr Anand has successfully picked up students from remote villages and coached them to get admission into IITs to prove that right teaching methodologies and apt hand-holding can mould rural students irrespective of background. Dr. (Fit Lt) M.A.Balasubramanya, CEO, Swami Vivekananda Youth Movement, reiterated that Education should not only be contemporary and contextually relevant but also accessible, affordable, appropriately leveraged with technology, inclusive, sustainable and constantly scalable.

Mr. Sridhar Venkat, Executive Director, Akshaya Patra Foundation, pointed out that "you cannot teach a hungry child. Education is one of the important cycles to take the family away from poverty."

Speaking on 'Learnings from other sectors' Mr Acharya KK, Managing Director, Chennai Petroleum Corporation, cited a recent survey on the quality of education on a scale of 1 to 10, that placed India at just 3.4 versus China which is 7.5. He urged institutions to develop soft skills for the marginalised and other disadvantaged sections. "There is a huge demand for soft skills apart from engineers and

software technicians to meet the growing demand the infrastructure sector will throw up. It is the right time to include vocational skills in the curriculum post matriculation.'

Ms Preeti Pradhan, Senior Manager, HR, Arvind Eye Hospital, wanted every institution to put a process standardisation in place to extend operations to a larger mass base.

The educationists opined that Higher Education is a huge challenge for the nation, as over 170 million students have no excess to higher education today due to inadequate and uneven infrastructure across the country. Rural India, with 65 percent of the total population, has just 20 percent of the total professional colleges. One viable option to reach this mass base is through technology. Mr. Shiva Prasath. P, Managing Director, Virtuosity Skill Development said that e-learning is an important mass tool to reach out to a larger canvas. Virtuosity uses various teaching methodologies like blended learning resources from Skill-off USA, Digital Library from books 24/7 USA, Skills Assessments from IKM Teck Chek, USA to provide quality training to their students.

In similar vein, Mr. Puneet Jhingan, Senior Vice President Interactive Distance Learning Division, Educomp Vocational Education P Ltd felt that the huge gap between access and quality can be done only with technology. He said, on an average, students in online learning conditions performed better than those receiving face-to-face instruction as the content can be made up-to-date and easily distributed without compromising on quality.

In his valedictory address, Mr N Kumar. Past President, CII, and Vice Chairman, Sanmar Group suggested that courses on carpentry, masonry, plumbing, watch repairing, shoe making, automobile repair, ceramics, pottery, horticulture and a host of other subjects could be offered to benefit millions of unemployed youth in the country. He called upon industrial houses to adopt schools, especially in the rural regions.

The participants got hands-on-experience on various technological innovations and teaching aids of 30 exhibition at an exclusive exhibition.

### Next Summit

The CII Institute of Quality has already announced its 13th edition of the National Summit on Quality in Education, to be held in the Western region, on 25–26 September 2010.

## Observations & Takeaways

Alliances based on comparative advantages, finding a match and a need for research and new data between India and Europe are essential, as only this will trigger true innovation.

**Krista Knopper,**  
Maastricht University India Strategy

Quality education should focus on human values, literacy and vocational skills. It is more than merely fulfilling a curriculum. It should nurture hidden capacities in every child and groom them into responsible citizens.

**Dr. (Fit Lt) M.A.Balasubramanya,**  
CEO, Swami Vivekananda Youth Movement

By developing a quality culture, teaching or delivery of education becomes not a burden but a highly satisfying experience.

**Cherian C.George,**  
Principal, Kendriya Vidyalaya IIT Powai

Accreditation to schools should be given only on the basis of quality. We need to continuously evaluate and assess the impact of education initiatives and programmes.

**Agnes Nathan,** Vice President, Learning Links,  
representing Education Quality Foundation of India

Leveraging technology is a major way out to reach out to the masses, but connectivity and penetration of technology is a major hitch. If this aspect is taken care of more holistically, inclusiveness in Education can be achieved much faster."

**Y S Rajan,**  
Principal Adviser, CII

Through this interaction I got to know of a wide array of education models and tools on a single platform. I will choose one of the models and recommend it to my government state to promote quality education.

**Dr. Suman Karndikar,** Educationist, and Chairman,  
Core Group –School Education Reforms, Maharashtra

During the last four Summits, I have been taking home some learnings which I apply in my institution. This year too I have picked a couple of tools that will further enrich my institution's goal of quality education.

**Dr. Sheela Ramachandra,**  
Principal, PSG College of Arts & Science

The supporting staff of any institution plays a pivotal role in enhancing and integrating various processes so that faculty and students have a seamless learning experience. Like the faculty, the staff should also be recognized and rewarded.

**Senthil Ganesh,**  
Managing Trustee, RVS Trust

Inclusiveness means getting everybody on board. It also means accountability, appropriateness in whatever we do in the educational institution.

**V M Velmurugan,**  
CEO, Velammal Educational Trust

# Finance for MSMEs



Dr K C Chakrabarty, Deputy Governor, RBI, addressing the Conference on Finance availability for MSMEs. Also seen: H P Kumar, CMD, NSIC, and Salil Singhal, Chairman, CII National MSME Council

**D**r Manmohan Singh, Prime Minister of India, said on 26 August that his Government is committed to double the flow of credit to MSMEs in five years. He added that greater availability of credit can contribute to the faster modernization and expansion of these enterprises and the augmentation of their productivity and competitiveness.

Responding to the Prime Minister's statement, CII organised a conference on **Finance Availability for MSMEs**, in New Delhi on 10 October, to highlight the best lending practices for MSMEs by various banks and the alternate options for MSMEs to raise finance.

Seeking to achieve modes for adequate finance for the growth and sustenance of MSMEs in India, Dr K C Chakrabarty, Deputy Governor, Reserve Bank of India, announced that there is no dearth of credit in the system and "no bank shall refuse credit" to viable and transparent enterprises. Dr. Chakrabarty said "the spirit of entrepreneurship in India is kept alive by MSMEs" in an impassioned appeal to MSMEs to adhere to self regulation for credit worthiness.

Dr. Chakrabarty described MSMEs as the best vehicle for inclusive growth, to create local demand and consumption and also to fight the global meltdown. Commenting on the availability of finance to these enterprises, he agreed that only 4-5 % MSMEs are covered by institutional funding, given that approximately 95 % of villages are not covered by banks. The RBI would not set a target on funding and will ensure that finance is available to all, he stressed, urging angel investors and venture funds to move into the

SME sector. He also suggested that rating agencies for SMEs should adopt the scoring model which simplifies and makes the process more efficient.

Dr. H P Kumar, Chairman and Managing Director, National Small Industries Corporation (NSIC) said that the high and diverse prime lending rates of banks require benchmarking and uniformity, and that banks need to follow innovative international models for better credit flow to the MSMEs sector. Although instruments like credit guarantee schemes and specialized rating agencies are present, there is huge reluctance and low awareness amongst small enterprises to take advantage of them, he said, calling for alternative credit options like venture funds and factoring.

Mr. Salil Singhal, Chairman, CII National MSME Council, urged every enterprise to follow good governance and financial management policies to avail of finance from financial institutions to create a sound entrepreneurial ecosystem. He asked the banks to streamline their processes of assessment of credit worthiness, and believed that convergence on formats would promote efficiency.

Mr Singhal pointed out that matching credit (working capital) arrangements of the banks with the cash flow cycle of the business, either makes or breaks a SME.

The changing environment and growing competition calls for 'out of the box' thinking among the lenders. Instruments such as Factoring, Venture Capital, Bill discounting, Private Equity etc have replaced the traditional cash credit limits for borrowers, he added. ■

# Economic Upturn for MSMEs round the corner: CII MSME Outlook Survey

## Present and Past MSME Outlook

The second quarter of the year 2009-2010 (July – September) may be the upturn point for the Indian Micro, Small and Medium Enterprises (MSMEs), according to the MSME outlook survey, conducted by the Confederation of Indian Industry.

In the survey analysis for the second quarter of 2009, 45 percent respondents registered an increase in turnover, 42 percent registered an increase in production, and 38 percent registered an increase in order booking vis-à-vis the first quarter of 2009- 2010.

Earlier, during the first quarter of 2009- 2010, 37 percent of respondents had registered an increase in production and inventory. However, 42 percent and 43 percent of the respondents had registered a decline in their turnover and profitability respectively, vis-à-vis the last quarter of 2008-2009, according to the survey.

The positive shift (in turnover & order booking) in Q2 vis-à-vis Q1 may be attributed to the “Trickle down Effect” of the various measures announced as part of the stimulus packages announced by the Government of India and the Reserve Bank of India.

It may be recalled that the first stimulus package included measures such as reduction in CENVAT by 4 %, interest rate cut of 0.5% for small and 1 % for micro enterprises by PSU banks, export support by interest subvention of 2 %, reduction in lock in period under Credit Guarantee Scheme from 24 to 18 months and additional plan expenditure of Rs 20,000 crores. Also, the second stimulus package included initiatives such as restoration of DEPB rates till 31 December 2009, duty drawback benefits for certain products like bicycles, agricultural hand tools, and specified category of yarns with retrospective effect from 01/09/2008, which were expected to have a beneficial impact for the MSMEs.

At the same time, initiatives such as Special Monthly meeting of State Level Bankers Committees (SLBC) to look into the matters between MSMEs and banks not resolved within a fortnight, Enhancement in the guarantee cover under Credit Guarantee Scheme from 50% to 85% for loan up to Rs 5 lacs and Rs 5,000 crore RBI credit to EXIM Bank for pre and post shipment credit, were also expected to ease the liquidity for MSMEs.

## Future MSME Outlook

The positive sentiment built up in the second quarter of 2009 – 2010 is expected to carry forward into the third and the fourth quarter of 2009-2010, reveals the MSME Outlook survey.

An assessment of the expectations of the MSMEs for the third quarter (October-December) of 2009-2010, indicates that 54 percent respondents expect an increase in turnover, 43 percent respondents expect an increase in production and 45 respondents expect an increase in their order bookings. Also 31 and 37 percent of respondents expect an increase of their export and profitability, respectively, vis-à-vis Q2. In the last quarter of 2009- 2010, 51 percent of the respondents expect an increase in their turnover, 43 percent of the respondents expect in production, and 40 percent expect an increase in their order bookings.

## Factors Inhibiting Growth

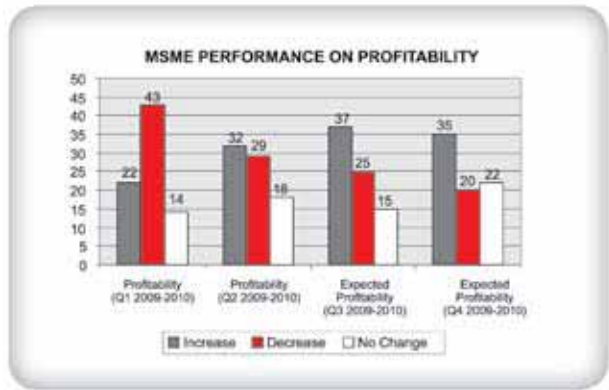
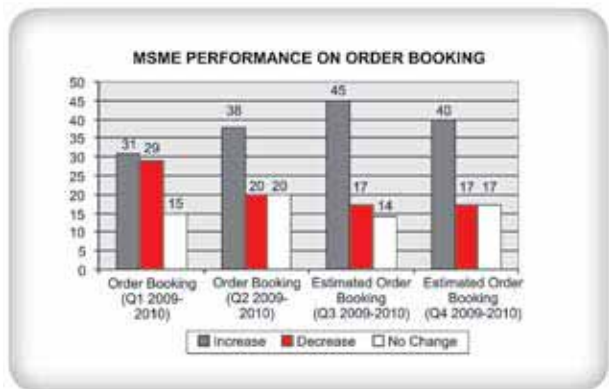
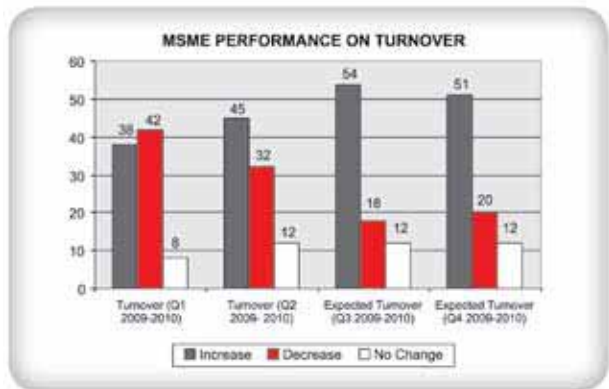
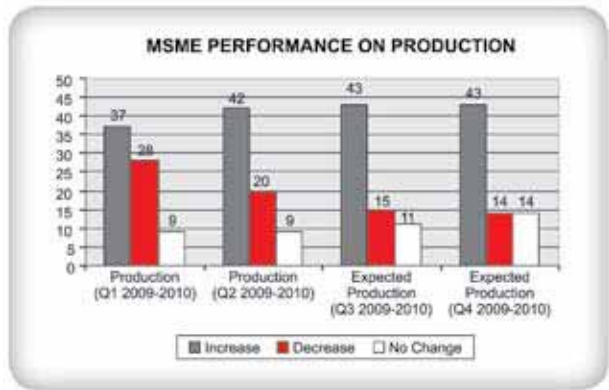
As part of the MSME Outlook survey, an analysis of various factors that inhibit the growth and development of MSMEs in India, revealed that the 10 key issues that entrepreneurs found major impediments to their growth, in order of decreasing priority are

1. Delayed payments
2. High cost and lack of availability of credit
3. Absence of Government support for growth
4. Lack of availability of risk capital
5. Complex indirect tax structure
6. Norms for collateral/margin requirements
7. Infrastructure bottlenecks
8. Absence of preference for being a part of the supply chain for the Government
9. Labour laws
10. Lack of usage of ICT.

Mr Salil Singhal, Chairman, CII National MSME Council observed that it appears that the worst of the crisis period is over and a turnaround seems within sight for most of the industry. He added that CII had submitted a Development Agenda for the Indian MSMEs, to Dr Manmohan Singh, Prime Minister of India. This was followed by the constitution of a High Level Task Force force, under the Principal Secretary, in the Prime Minister's Office (PMO), to look into the issues being faced by the MSMEs.

**CII MSME Outlook Survey**  
Assessment on MSME Performance

Key Indicators	Increase %	Decrease %	No change %
<b>PRODUCTION</b>			
Production (Q1 2009-2010)	37	28	9
Production (Q2 2009-2010)	42	20	9
Expected Production (Q3 2009-2010)	43	15	11
Expected Production (Q4 2009-2010)	43	14	14
<b>INVENTORY</b>			
Inventory (Q1 2009-2010)	37	20	17
Inventory (Q2 2009-2010)	32	23	17
Expected Inventory (Q3 2009-2010)	26	15	25
Expected Inventory (Q4 2009-2010)	25	15	28
<b>TURNOVER</b>			
Turnover (Q1 2009-2010)	38	42	8
Turnover (Q2 2009-2010)	45	32	12
Expected Turnover (Q3 2009-2010)	54	18	12
Expected Turnover (Q4 2009-2010)	51	20	12
Export			
Export (Q1 2009-2010)	17	15	25
Export (Q2 2009-2010)	22	18	20
Expected Export (Q3 2009-2010)	31	12	15
Expected Export (Q4 2009-2010)	26	14	23
<b>ORDER BOOKING</b>			
Order Booking (Q1 2009-2010)	31	29	15
Order Booking (Q2 2009-2010)	38	20	20
Expected Order Booking (Q3 2009-2010)	45	17	14
Expected Order Booking (Q4 2009-2010)	40	17	17
<b>INPUT PRICE</b>			
Input Price (Q1 2009-2010)	40	14	14
Input Price (Q2 2009-2010)	43	3	15
Expected Input Price (Q3 2009-2010)	32	5	26
Expected Input Price (Q4 2009-2010)	34	0	25
<b>INTEREST RATE</b>			
Interest Rate (Q1 2009-2010)	15	12	29
Interest Rate (Q2 2009-2010)	11	11	32
Expected Interest Rate (Q3 2009-2010)	9	14	32
Expected Interest Rate (Q4 2009-2010)	12	9	32
<b>PROFITABILITY</b>			
Profitability (Q1 2009-2010)	22	43	14
Profitability (Q2 2009-2010)	32	29	18
Expected Profitability (Q3 2009-2010)	37	25	15
Expected Profitability (Q4 2009-2010)	35	20	22
<b>CREDIT AVAILABILITY</b>			
Credit Availability (Q1 2009-2010)	9	15	35
Credit Availability (Q2 2009-2010)	12	8	35
Expected Credit Availability (Q3 2009-2010)	12	8	37
Expected Credit Availability (Q4 2009-2010)	12	8	35



## Coal Minister Proposes Independent Regulatory Body for Sector

CII, in collaboration with Coal India Ltd, organised a National Seminar on **Coal Mining: Partnership for Growth** on 1 November in Kolkata. The Seminar discussed the policy initiatives of the government in the coal mining sector, captive mining, regulatory and infrastructure issues, adoption of state of the art technology, and environmental safety.



Sriprakash Jaiswal, Minister of Coal and Partha Bhattacharyya, Chairman, Coal India Ltd

The coal sector needs to grow at over 9% every year to meet the nation's requirement of this resource, said Mr. Sriprakash Jaiswal, Union Minister for Coal, Statistics & Programme Implementation, who was the Chief Guest at the seminar. Noting that coal production in India has been 493 million tons in 2008-09 versus a consumption requirement of about 550 million tons, he called for a 'vision' for this industry with innovative plans and effective solutions such as satellite technology-based remote sensing, modern state-of-the art technology for excavation, accident free mining, processing and transportation. The Minister also spoke on deregulation and opening up of the sector to private players with the help of State – owned organisations. He said the government plans to constitute an independent regulatory body which will look after issues like allocation

of coal blocks, approval of mines and competitive price regulation. The sector also needs better logistics, more dedicated freight corridors and better equipped ports, he said. Calling for better environmental practices, he put special emphasis on clean coal technology and lesser use of explosives in mining processes.

Mr. Partha S Bhattacharya, Chairman, Coal India Ltd, noted that though coal has been identified as the fastest growing industry sector in India, it is far behind in meeting the consumption demands of the country. This requires identifying more new coal mining blocks, he said, which, however, raises challenges like land acquisition and environment for industry. He invited more public-private partnerships for better technology and economical production.

Mr. Bikash Mukherjee, Chief Executive Officer, Emta Group of Companies, flagged concerns like lack of co-ordination between Central and State Governments and urged for a 'Single Window' system and better incentives for private players in PPP ventures. In similar vein, Mr. VRS Natarajan, Chairman and Managing Director, BEML Ltd, called for accelerating coal production, more PPP ventures and Single Window system for faster clearances.

## Opportunities in Romania for MSMEs

An industrial delegation from Romania, as part of the Romanian Economic Mission, visited India recently to explore and strengthen bilateral trade between India and Romania. The Romanian delegation was led by Mr Radu Zaharia, Director General, Romanian Ministry of SMEs, Trade and Business Environment (Foreign Trade Department).



Valerica Epure, Ambassador of Romania in India

Addressing a CII seminar on Opportunities in Romania for MSMEs, in New Delhi on 26 October, Mr Zaharia presented five strong reasons to invest in Romania:

- market potential
- a functional market economy
- highly skilled labour force
- significant economic growth
- competitive tax policy

He also expressed interest in a longterm association with CII to facilitate Indian investments to Romania.

Ms Valerica Epure, Ambassador of Romania in India, said that Romania's improved physical infrastructure was a

rallying point for foreign investments. She also highlighted the country's well-developed network of mobile telecommunications, highly developed industrial infrastructure, oil and petrochemicals and existence of well-known international banks.

Mr Salil Singhal, Chairman, CII National MSME Council, said that continued efforts

and contribution from industry from both sides have resulted in fruitful business collaboration, resulting in a 17.88 % rise in bilateral economic activity between India and Romania in 2007-08, over the previous year.

The seminar was followed by Business to Business meets between Indian SMEs and the members of the Romanian Economic mission, on sectors such as manufacturing, automotive parts, IT and communication, electric and electronics, wood processing, construction materials, textile, food processing, infrastructure, outsourcing and logistics. ■

## Session with Custom Officials on Counterfeiting & Piracy-Border Issues



**C**ounterfeiting and Piracy is one of the fastest growing economic crimes in the world today. It threatens the economies of developed and developing countries alike, undermines trading relations, endangers public health and safety, and affects new investment for economic growth.

Both industry and the enforcement agencies need to step up their efforts and become more innovative to combat counterfeiting and piracy. It is critical for all the stakeholders to understand the implications of counterfeiting and piracy from the legal, security, societal, economic aspects, and also to be aware of the latest technologies being used by industry and government in other countries to detect and fight this menace.

CII, under the aegis of the National Committee of IP Owners, has launched major initiatives against Counterfeiting and Piracy. The main thrust of the initiative is to sensitize the general public, enforcement agencies and to engage and impress on the Government for policy reforms.

As a follow up of this initiative, CII, in collaboration with the National Academy of Customs, Excise and Narcotics (NACEN) and with support from the United States Patent and Trademark Office (USPTO), organized interactive sessions on Custom Rules / IPR rules with Custom Officials in Chennai and Mumbai recently.

Addressing the inaugural session in Mumbai, Mr. K R Bhargava, Chief Commissioner of Customs (Import), Nhava Sheva, called for increased cooperation between industry and government bodies to curb counterfeiting. 'Counterfeiting and Piracy affect businesses, government revenues, and jobs and also victimizes the consumer. Counterfeiting is prevalent across the board, from aircraft parts to pan masala and from cigarettes to cosmetics. Over 40% of the auto spare parts industry is counterfeited. Brand holders, government and the consumers should work together as it is everyone's problem,' he said.

Counterfeiting of currency notes was discussed as a pressing issue for large and open economies today.

The concern about Chinese exports was also debated at length. Over 20% of Chinese exports in 2008 were counterfeits and over 99.8% of seizures that year were counterfeited products coming from China. The panel agreed that apart from import, more stringent export checks for counterfeiting and piracy should be instituted.



Dominic Keating, First Secretary, US Embassy, Sunil Jain, Additional Director, Regional Training Institute, National Academy of Central Excise & Narcotics and K R Bhargava, Chief Commissioner of Customs, Mumbai

Mr. Dominic Keating, First Secretary, US Embassy, said the US government is constantly working towards revising US currency notes and introducing additional counterfeit detection methods. 'India and the United States are popular destinations for IP infringements and counterfeiting and a creative public-private

collaboration is required to counter IP infringements and to institute effective IP regime,' he said.

Mr. Sunil Jain, Additional Director, Regional Training Institute, NACEN, showed how technological sophistication aids organized crime in taking counterfeiting to newer heights. 'Approximately 7% of world trade is on counterfeited goods and services. This jeopardizes millions of jobs and negatively impacts innovation and R&D. The counterfeiting of medicines and lifestyle drugs poses immense threat to public health and safety. We need to popularize IPR recordation and need more proactive information sharing by rights holders,' he said.

The technical session was addressed by eminent speakers representing sectors like FMCG, auto and music. Mr. Anubhav Jain, Head - Brand Protection, Mercedes Benz India Pvt Ltd quoted a SIAM study that identifies annual losses of upto \$ 1 billion to the Indian automobile industry due to counterfeit spare parts. The study also points out that an alarming 32-47% of all automobile parts in India are counterfeits. Mr. Savio D'Souza, Secretary General, The Indian Music Industry, said that in the last 6 years, the turnover of the industry has dropped from Rs. 1200 crores to Rs. 600 crores mainly due to pirated music CDs and DVDs.

The session was attended by more than 30 senior Customs officials. ■

# Automotive R&D trends 2015

**T**amil Nadu Technology Development and Promotion Center (TNTDPC) organised the 2nd edition of 'Automotive R&D trends 2015' on 23 October in Chennai. The annual conference deliberates on future technologies and evolving trends in technology usage and adoption in the Automotive Industry, sharing new technologies under development and research experiences.

The recession and its effects have created an ever increasing demand for innovation in the automotive industry. According to a Bloomberg study, the R&D spends of auto majors have not been affected by the downturn and remain at roughly 4% of sales. This shows that the industry is moving in the right direction. The current state of the environment and increasing awareness on climate change and pollution require huge investment in technology research to provide a definitive way forward.

The conference found universal acceptance that Green Technologies will be the technologies of tomorrow. The event also presented a broad perspective of advancement in electronics, hybrids and techniques to manage congestion in cities. It was also a place for companies to take pride in their inventions.

The Indian Automotive Industry has the potential to grow by 20 million in the next 25 years, but the challenge lies in overcoming existing bottlenecks such as lack of proper skill sets, dependence, high CO<sub>2</sub> emissions etc, said Dr. Arun Jaura, Conference Chairman, and Vice President - Technology & Head, Eaton India Engineering Center, Eaton Corporation. "Through collaborative R&D and cost effective engineering we have to produce sustainable quality products for mass markets that provide



Prof. M.S. Ananth, Director, IIT Madras addressing. Also seen Dr. V.Sumantan, Executive Vice Chairman, Hinduja Automotive Ltd , and Dr. Arun Jaura, Conference Chairman & VP – Technology, Head, Eaton India Engineering Center, Pune



connectivity, safety and fuel efficient driving experience," he said.

Dr. V. Sumantran, Executive Vice Chairman, Hinduja Automotive Ltd said technology is needed to reduce energy usage, create smaller, lighter vehicles, route guidance technologies, next gen diesel engine development, thermodynamic developments and many more enabling opportunities. "Technology must meet the affordability challenge, usability challenge and satisfy the desirability challenge."

Prof. M.S. Ananth, Director, IIT, Madras, said that research parks are the need of the hour

to facilitate new innovations in the automotive industry. He said the Tamil Nadu government has allotted 11.5 acres for a research park in Chennai, and is sanctioning a loan of Rs. 100 crores for this. He urged the Indian universities to focus more on the automotive industry in their curriculum and include industry inputs in their course material.

The conference sessions were built around the four pillars of

- Driving Technology
- Driving Safe
- Driving Green
- Driving Connected



# Development Initiatives

## India Inc Connects with Rural India

Technology is a potent and powerful tool to draw rural India into the country's impressive growth story. Recognizing that providing easily accessible services at an affordable cost to those who live in villages can accelerate growth and facilitate socio-economic change, CII organized a Seminar on **Enabling Rural Development via Technology and Connectivity** in partnership with Intel Corporation, BSNL, and HCL on 27 October at New Delhi.

The primary objective was to discuss how transformative technologies i.e. broadband internet and affordable computers could take the Indian Government's Bharat Nirman rural development agenda, as also the CII agenda of creating sustainable, inclusive growth, forward. The seminar yielded useful discussions on strategies that could spur economic, educational and health opportunities in India by expanding access to technologies.

"Information Technology and internet connectivity play a pivotal role in overall economic development and are the epicentre of a knowledge economy, connecting people to government, people to people, and people to businesses" said Mr Sachin Pilot, Minister of State for Communications & IT, India, who was the Chief Guest at the inaugural session. Affordable internet connectivity would give people in rural areas access to education and to health services, he added.

Mr Pilot said the government is in the process of deploying 100,000 common service centres with internet connectivity. There has been good progress on National e-Governance Plan (NeGP) to provide access to government services for every citizen, he said, adding that the government would auction spectrum for 3G and WiMAX within this financial year. The government believes that

broadband wireless technologies are perhaps the only way to provide a vast rural population an affordable method to access data, he said. Government is working with industry to facilitate affordability of internet devices like PCs, net-books, and net-tops through localized manufacturing and technologies, while steps have been initiated for localized content portal development, he said.

Mr Paul S Otellini, President and CEO, Intel Corporation, applauding the Indian Government's vision for rural development through Information Technology, acknowledged that the IT industry in India employs 17 million people, and comprises of 6% of the total

economy, making the country the leader in IT.

Commenting on BSNL's collaboration with Intel to bring in fast and reliable Internet connectivity to much of India, Mr Kuldeep Goyal, Chairman and Managing Director, BSNL, said that extending mobile WiMAX to millions of people in rural India

would bridge the digital divide in the country.

Mr Ajai Chowdhry, Chairman, CII National Committee on Technology and Innovation, and Chairman and CEO, HCL Infosystems Ltd, spoke of the need to not only bring high speed broadband to villages but also low cost devices for accessing it – be it a PC or mobile. He showcased two affordable devices, **Net-top** and **Net-book**, which are in the development stage and will be soon available to people.

In his welcome address, Mr Atul Singh, Chairman, CII National Committee on Rural Development, and President and CEO, Coca Cola India, said that Information Technology is a key enabler for rural development and

accelerating growth engines in areas such as health, education and banking in ways that would have a multiplier effect on the economy.

### Panel Discussion

During the Discussion on **Connectivity - Accelerating**



Atul Singh, Chairman, CII National Committee on Rural Development and President & CEO, Coca-Cola India; Sachin Pilot, Minister of State for Communications & IT; Paul S Otellini, President & CEO, Intel Corporation and Ajai Chowdhry, CEO, HCL Infosystems Ltd



N V Ramana, Chairman, Indian Society of Agribusiness Professionals; Sangita Reddy, MD, Apollo Hospitals Enterprise Ltd; Dr Sudhir Kapur, Chair CII-NR Skills & Education Sub Committee & MD & CEO, Countrystrategy Business Consultants; Harish Bahl, GM, Rural Banking Division, SBI and Nakul Pasricha, Asst. VP, Drishtee Development & Communication Ltd

**Development in the Service Sector**, panelists discussed the initiatives and solutions facilitated by internet connectivity for providing basic services in rural and remote areas.

Ms Sangeeta Reddy, Managing Director, Apollo Hospitals Enterprise Ltd, discussed healthcare issues and emphasized the immediate need for reaching out to underprivileged citizens of India. Mr Harish Bahel, GM, Rural Banking Division, State Bank of India, said IT enabled services have the potential to reach rural consumers banking services tailored to their requirements. Mr N V Ramana, Chairman, Indian Society of Agribusiness Professionals, described how farmers in a few pockets of rural India are now able to procure higher prices for their produce as a result of information sharing provided by connectivity. Mr Nakul Pasricha, Assistant Vice President, Drishtee Development and Communication Ltd, discussed the potential of IT enabled services.

## Reaching the Underserved

One third of India's one billion plus population are underserved by initiatives to improve the quality of life across parameters that include access to clean water, improved irrigation techniques for better outcomes in agriculture, and improved livelihoods on a sustainable basis. While a number of stakeholders are working to bring about transformative change in these and other areas, corporate India believes that Foundations can serve as catalysts for change by ensuring that good intentions are backed by efficient execution of programmes.

In a new initiative launched by CII in partnership with the International Finance Corporation, major players gathered at a roundtable in Delhi on 4 November to share experiences and discuss the way forward on **Sustainable Development and the Role of Foundations**. Mr Atul Singh, Chairman, CII National Committee on Rural Development, and President, Coca Cola India, said that corporates could use Foundations to build capacity and

capability through community involvement. Mr Bharat Wakhlu, Co-Chair, CII CSR Sub Committee (Northern Region) and Resident Director, Tata Services Ltd, pointed out that it was vital to listen to the voices of the communities one sought to support as the era of paternalistic philanthropy was over.

Ms Rachel Kyte, Vice President for Advisory Services, IFC, explained the role of IFC in private sector development, from project financing to equity for partnership for development, to debt finance, and the rapidly growing advisory business. IFC, a member of the World Bank Group, fosters sustainable economic growth in developing countries by supporting private sector development, mobilizing private capital, and providing advisory and risk mitigation services to businesses and governments. New investments totaled \$ 14.5 billion in fiscal 2009, helping channel capital into developing countries during the financial crisis.

Innovative ideas would help make growth inclusive, said Mr Ashish Karamchandani, Partner, Monitor Group, who believed that different business models were required to serve low-income consumers. Acknowledging that reaching out to the underserved was a complicated exercise, Dr Steven L Solnick, India, Nepal and Sri Lanka Representative of the Ford Foundation said that advocacy should drive research and pilots, and not vice versa.

Col Surajit Rath, Advisor, CSR, Usha Martin Ltd shared ideas on integrated community development through watershed management, while Prof Jaswant Bali, NRM expert, Soil Conservation Society of India spoke on bio-industrial watershed management. Dr Dilip N Kulkarni, of Jain Irrigation Systems Ltd, and President, Sustainable Agriculture for Small Growers, described water sustainability models for small growers.

Summing up, Mr Anil Sinha, General Manager, Advisory Services, IFC, said the deliberations pointed to the urgency for partnerships to achieve scale and make an impact, the need for accurate data, as also of such information being freely available on the web. ■



Paolo M Martelli, Director, South Asia, IFC; Bharat Wakhlu, Co-Chair CII CSR Sub-Committee (NR) & Resident Director Tata Services Ltd; Anil Sinha, GM, South Asia Advisory Services IFC; Rachel Kyte, Vice President, Advisory Services IFC and Atul Singh



## Nation

World Food Day on 16 October by heightening public awareness towards the world food problem by a feeding initiative across the country. Yi, all across its chapters, arranged a square meal for people in orphanages, old age homes, and municipal schools, in a small but meaningful symbolic step towards eradicating hunger from India. The conjoined effort of all the Yi chapters



Omar Abdullah, Chief Minister, Jammu & Kashmir, with Yi members

An 8-member Yi delegation visited Kashmir from 18-21 October. The delegates, who were joined by 10 young influential leaders of Kashmir, met with Mr. Omar Abdullah, Chief Minister, Jammu & Kashmir and Mr. Haseeb A Draby, Chairman & Chief Executive, J&K Bank. This visit to Srinagar and Gulmarg was organised post Yi's participation in the CII Northern Region council meeting, held in Srinagar in September 2009. Yi found a need to create a platform in Kashmir for connecting young Kashmiri businessmen with businessmen from other parts of India, for a meaningful dialogue. Yi also felt the need to engage students of schools and universities of Kashmir in nation-building, as well as to share opportunity areas with them.

Mr. Omar Abdullah welcomed Yi's initiatives and requested Yi to consider opening a chapter in Srinagar. The Yi agenda for Kashmir would be to concentrate on identifying skill gaps for Kashmiri students and help design programmes and projects to bring the Kashmiri youth on a common platform with the youth of the country. Yi also intends to better integrate the young businessmen and students of Kashmir through adequate knowledge sharing of best practices.

and the associated organisations across India, saw the vision of feeding 10,000 people crossed. In all 10,947 people were fed across India.



Paoli Dam, film personality, distributing food packets to school children in Kolkata



Navin Chawla,  
Chief Election  
Commissioner  
of India

On 6 October, Yi organized an interaction for college students and Yi net members with Mr. Navin Chawla, Chief Election Commissioner of India, in Mumbai. The interaction, 'Youth is the Ambassador for a Healthy Electoral Process' was organised to create awareness amongst the youth on the important role that they need to play in the electoral process of the country. Mr Chawla invited the students' questions and views on the election process in the country.

Yi, under its Healthcare platform, commemorated

Spreading its reach in Western India, Yi launched its 21st chapter in Goa, with a total of 57 registered members. On 10 October, the 22nd Yi chapter was launched in Raipur in central India by Mr Brijmohan Agarwal, Minister for Tourism & Culture, Chattisgarh. Yi now



Feeding initiative at the Hope Foundation Nursery & Primary School in Chennai



Launch of the Yi Chapter in Raipur

has 1132 direct members in 15 states.

## Chapter Updates

### Indore

A Yi Garage Sale was held on 14 October to encourage people to reuse and recycle articles, to reduce the carbon emissions that enter the atmosphere, adding to global warming.

On 24 October, 154 people attended an eye check and glaucoma awareness camp was in collaboration with Keshav Hospital at the District Hospital, Indore.

### Delhi

On 25 October Yi Delhi organised a Health Camp at Munirka Basti in association with the Divyashakti Foundation and Nutrition and Fitness Society. De-worming capsules, paracetamol tablets and cough syrups were distributed to around 200 children of slum dwellers.

### Mumbai

On 5 October, Yi Mumbai and MCX Mumbai signed two



Launch of the CII - Yi Corporate chapter at MCX, Mumbai

MoUs to initiate a CII – Yi Corporate Chapter at MCX, and to share information relating to agricultural commodity prices with members of the Yi national farmer network, respectively. Dr. Rahul Mirchandani, Yi National Chairman welcomed MCX to the vibrant Yi family.

### Hyderabad

On 4 October, students of SSN College, a student net of Yi Hyderabad supported flood relief activity in Andhra Pradesh by distributing food and water packets to victims in the Thotlavaluru and Pamidimukala villages of Krishna district. Net students of Glendale Academy, Hyderabad, also collected Rs.17,800 for the flood victims of Guntur and Krishna districts. ■

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# OIFC keen to reach Goan Diaspora

The Overseas Indian Facilitation Centre (OIFC), a public private partnership between CII and the Ministry of Overseas Indian Affairs and Confederation of Indian Industry, participated in a conference on the migration trends and dimensions of the Goan diaspora. The conference on **Migration trends and Goa Migration study, 2008**, on 9 October in Goa was organized by the NRI commission under the state government to study the broad conclusions drawn by the Goa Migration Study survey conducted in 2008.

Mr Eduardo Faleiro, Commissioner for NRI Affairs, presided over the event, while Mr K Mohandas, Secretary, Ministry of Overseas Indian Affairs, was the Guest of Honour. Ms Shefali Chaturvedi, CEO, OIFC, invited the Goa government to partner OIFC and reach out to Global Goans, not only to encourage them to invest their wealth but also invest their knowledge capital in the state and become successful cohorts in the state's overall development. She urged the audience to make use of OIFC services and enjoy the benefits of being connected with the diaspora.



## Africa

### Benin

An 18-member CII business delegation accompanied Dr. Shashi Tharoor, Minister of State for External Affairs, India, on his visit to Cotonou, Benin. The delegation, led by Mr. Kuppuswamy, Director, Shapoorji Pallonji Group, included representatives of several sectors that are critical for Africa, such as power, water management, IT training, agricultural equipment, SMEs, construction and turnkey projects. The delegation participated in the Joint Commission meeting.

Addressing the gathering of officials and business delegates in French, Dr Tharoor stressed the need for engagement and a continuing agenda for deeper association between the two sides. He identified pharmaceuticals and healthcare, IT, and agriculture and agro processing as areas of critical interest to both sides. He spoke of the need to develop joint ventures for a long term and sustainable partnership.



Boni Yayi, President of Benin and Dr Shashi Tharoor, Minister of State, External Affairs, India, (both centre, first row) with the CII Business Delegation in Cotonou, Benin

Mr Jean – Marie Ehouzou, Foreign Minister of Benin, assured Dr Tharoor that all efforts would be made to create an enabling environment for business for both sides. He spoke about the recently signed line of credit that has been allocated to projects in railways, agricultural equipment and for a feasibility study for a cyber city.

The two ministers were also present at the meeting organised by the Benin Chamber of Commerce, CII's MoU partners, where the visitors made presentations on their companies.

The delegation called on Dr Boni Yayi, President of Republic of Benin on 23 October.

The visit is an important chapter in the growing economic relationship between India and Benin. Indian business delegates have shown interest to take forward several opportunities that were cited to them as part of the discussions.



Mahesh Sachdev, High Commissioner of India to Nigeria, Dr. Shashi Tharoor, Jean – Marie Ehouzou, Foreign Minister of Benin and S Kuppuswamy, Leader of the business delegation & Director, Shapoorji Pallonji, Group Companies

## Asia

### China

#### 'Why India' Business Seminar

The Consulate General of India and the Jiangsu Sub-Council of CCPIT with the support of the CII India Business Forum organized a business seminar on 'Why India' in Nanjing on 16



October, to share the successful business experiences of leading Chinese companies in India with potential Chinese investors looking at investing in India.

Ms Riva Ganguly Das, Consul General, Consulate General of India, Shanghai, highlighted the investment opportunities available in India and invited the Chinese companies to explore these opportunities. Ms. Qiu Xiao



Xia Ming, Vice President, CCPIT Nanjing, Riva Ganguly Das, Consul General, Shanghai, Qiu XiaoPing, Vice Chairperson, CCPIT Jiangsu and J J Shrikhande, Chairman CII-IBF China

Ping, Vice Chairperson, CCPIT Jiangsu Sub-Council and many CEOs of leading Chinese companies also addressed the seminar and shared the success stories of their businesses in India. Mr. J J Shrikhande, Chairman, CII IBF China, gave an overview of the investment and business opportunities in various sectors in India. Representatives of more than 70 Chinese companies from the Eastern China regions, senior officials of regional CCPIT and a 15-member Indian delegation representing Indian companies and banks also attended the event.

### India – China Trade (January -August 2009)

Total trade:	\$26.879 billion, down 29.1%
Imports from China:	\$18.492 billion, down 14.2%
Exports to China:	\$8.387 billion, down 48.7%
China's Surplus:	\$10.105 billion

Source: MOC, PRC

### India, China Climate Pact

India and China on 21 October announced the setting up of a Joint Working Group to exchange views concerning international negotiations on global warming.

### Foreign Trade (January-September 2009)

Total Trade:	\$1557.82 billion, down 20.9%
Exports:	\$846.65 billion, down 21.3%
Imports:	\$711.18 billion, down 20.4%
Trade Surplus:	\$135.47 billion, down 26%

### Economy

GDP growth (three quarters):	7.7%
GDP (3rd quarter):	8.9%
Industry (three quarters):	Up 8.7% year-on-year
Investment (three quarters):	15,505.7 billion yuan, a year-on-year growth of 33.4%
CPI (first three quarters):	Down by 1.1%
PPI:	6.5% in first three quarters
PMI:	Up to 54.3% in September
Forex:	\$2.27 trillion (at the end of September)
FDI (three quarters):	\$63.8 billion, down by 14%

### Non-Public Sector

The non-public sector in China created 60% of the country's gross GDP at present time and created more than 70% of jobs in China's urban areas.

### Export Tax Rebate Up

China extended the rebate of \$38.73 billion to its exporters in the first 8 months this year, an increase of 8.6%. China has raised export tax rebates seven times since last August to shore up exports which shrank sharply on weakening overseas demand.

### Steel Output

China's steel prices have dropped around 1000 yuan per ton from the peak in August. However, most domestic steel producers say that they won't reduce output as long as they are still profitable. China's crude steel output is expected to cross 500 million tons this year.

### Automotive Output

Since the beginning of this year, China's production of automobiles hit 10 million units on 20 October, making it the third country in the world to surpass the annual output mark. China's auto output is expected to surpass 12 million units in 2009.

### Production Over-capacity

The National Development and Reform Commission will mainly redress production over-capacity in six sectors, which include steel, cement, plate glass, coal-chemical industry, poly-crystalline silicon and wind power equipment. The Commission has also warned about production over-capacity in sectors like electrolytic aluminum, ship manufacturing and soybean oil extraction.

### Textile, Garment Exports Suffer

China's textile and garments exports are expected to slide by over 10% this year, the fastest drop in 30 years. China's textiles and garment exports in the first nine months of 2009 amounted to \$121.64 billion, down 11.17% year-on-year.

### China-ASEAN Trade

The implementation of the China-ASEAN Free Trade Area from January 2010 would bring 90% of trade products under zero tariff target and substantially open the service trade market.

### GEM Starts Trading

Twenty-eight small and medium-sized enterprises on 30 October started trading their shares at China's Nasdaq-style market, Growth Enterprise Market (GEM), ChiNext, in Shenzhen, Guangdong Province. ChiNext

is expected to provide more fund-raising channels for high technology and high growth SMEs.

## Japan

### Budget Re-Allocation

Prime Minister Yukio Hatoyama's Cabinet on 16 October froze 2.9259 trillion yen in programmes listed in the supplementary budget for fiscal 2009 passed by the previous administration. The money saved from the cancelled programmes will be redistributed to pay for new policies, such as the child allowance programme, promised by the Democratic Party of Japan in its election campaign manifesto.

### India Driving Suzuki's Growth

Japanese car major Suzuki is reaping the benefits of its dominant position in India, its biggest market. Sales numbers for the first half of 2009-10 show that the company, despite witnessing slump in almost every other market including home turf Japan, still hopes to remain in the pink of health with India offsetting all the global declines. In Europe numbers fell 50%, in North America, they dropped 60% and in Japan 13%. India saw first half sales moving up by 24% over the corresponding period of the previous year. Suzuki's holds over 50% market share in India.

### Economy View Upgraded

The Finance Ministry upgraded its overall assessment of the Japanese economy for the second straight quarter, citing a further rise in manufacturing production. The ministry said the economy nationwide remains in a difficult situation, but showed some signs of picking up, such as an increase in production activity.

### Relative Poverty Rate

Japan's relative poverty rate stood at 15.7% as of 2007,

representing a deterioration from the 14.9% recorded in a 2004 survey.

### 100,000 Jobs to be Created

Japan on 23 October unveiled an emergency programme to create 100,000 jobs by March next year.

### Core CPI Falls

Japan's consumer price index fell 2.2% in August, while core consumer prices (excluding fresh food) tumbled a record 2.4%.

### Foreign Reserves Hit Record High

Japan's foreign exchange reserves reached a record high of \$1,052.60 billion in September, up by \$10.26 billion from a month earlier.

## South Korea

### Bank Lending Rates

South Korean banks' lending rates climbed to an eight-month high in September amid growing hopes of an economic recovery. The average interest rate on new loans to households and companies stood at 5.82% in September, up 0.21 percentage point from the previous month, the Bank of Korea said.

### Economy Grows

South's economy has expanded for a third straight quarter amid gains in manufacturing and capital spending. According to the Bank of Korea, GDP grew 2.9% in Q3 compared with 2.6% in Q2.

### Exports Gain

South Korea's exports gained 5.1% in the third quarter from the previous three months, when they rose 14.7%. Corporate investment in factories and equipment climbed 8.9%, compared with 10.1% in Q2.

## South East Asia

### Asean

- A fresh round of talks between India and the Association of Southeast Asian Nations (ASEAN) officials on liberalising markets in services and investments to complement their Trade-in-Goods (TIG) Agreement kicked off on 12 October. India intends to secure mutual recognition agreements (MRAs) with ASEAN countries for recognising its qualifications in areas like medicine, nursing, architecture, accounting and teaching, as well as seek more opportunities for its financial services sector.

### Australia

The Reserve Bank of Australia delivered a second interest

rate rise in an attempt to moderate economic recovery. The increase was widely expected by financial markets and economists, especially after house prices rose by 4.2 per cent in the September quarter.

Inflation in Australia has also remained relatively high compared to the rest of the world. The underlying rate of inflation was 3.5 per cent in Q3, still well outside of the central bank's 2-3 per cent target range.

With the risk of serious economic contraction in Australia now having passed, the RBA feels that it is prudent to lessen gradually the degree of monetary stimulus that was put in place when the outlook appeared to be much weaker.

## Brunei

- Chennai-based White House Business Solutions has signed an agreement with Brunei's technology-enabled solutions and services provider, Alif Technologies, to promote the latter's products, like its Geo Despatcher - an intelligent mapping system that automatically dispatches resources to any given site - globally.
- A Brunei-India Friendship Association (BIFA) has been launched in the sultanate to provide a platform for collaboration and facilitation of trade and commercial networking between the business communities of both countries and peoples, as well as in the fields of culture, education and tourism.

## Cambodia

- Cambodia's securities regulator, the Securities & Exchange Commission of Cambodia (SECC), has passed an edict setting minimum capital requirements for firms wishing to underwrite offerings.

## Indonesia

- Indonesia held fast its benchmark interest rate at 6.5% for the second month in October in a bid to spur lending further. The CPI climbed 2.83% y-o-y in September, after rising 2.75% in August. Month-on-month, September saw the biggest price advance in 14 months. Bank Indonesia predicts inflation may accelerate to between 4% - 6% in 2010 in anticipation of higher crude oil and energy prices, as well as economic activity. Analysts are expecting consumer prices to gain 6.7% in 2010.
- Jakarta's new government may prioritise pushing through new laws on compulsory land acquisitions to help speed up infrastructure development in order to meet its economic growth targets, according to Mr Raden Pardede, Senior Advisor to the Finance Minister.
- Indonesia's Culture & Tourism Ministry says it will seriously promote Indonesian tourism in India and targets 180,000 tourists from the country in 2010, i.e. about 2.6% of the 7 million foreign visitors it hopes to welcome next year.
- Indonesia will lower duties on imported cars by 5% to 40% for completely built-up (CBU) cars and 10% for completely knocked-down (CKD) cars. The new tariffs will apply to cars imported from all countries except those that have an FTA with Indonesia, and fellow ASEAN nations for which duties on CBU cars will remain at 5%.
- Indonesia has passed a law authorizing city and regional administrations to set new vehicle tax rates on a progressive basis where car owners pay more tax for each additional private motor vehicle owned, in a bid

to ease the overwhelming street congestion in major cities like Jakarta. Car sales in the January-July period of this year were down 28.7% from the corresponding period of 2008.

- Indonesia government has plans to cap exports of coal at 150 million tonnes per annum to ensure domestic demand is met, particularly for electricity generation. The Indonesian Coal Producers Association estimates national coal production will reach 250 million tonnes this year while domestic demand is expected to hit 50 million tonnes.
- Indonesia's Investment Coordinating Board (BKPM) said the country's mining sector could expect investments of up to \$6 billion in 2010-2012. period, Last year, investment reached about \$1.35 billion, 2.5% more than the \$1.25 billion booked a year earlier.
- Indonesia's stock market regulator, Bapepam, is seeking inputs from industry players on a ruling to introduce stricter regulation, verification, transparency and accountability regarding investors from financial firms and custodian banks.
- The Indonesian Chamber of Commerce and Industry (Kadin) has asked the government to offer incentives to investors willing to look at Papua in order to accelerate growth in the region. Papua is potentially rich in mineral resources, with vast expanses of land suitable for oil palm, cotton, rubber and food crops, but has poor infrastructure.
- PT Tuban Petrochemical Industries said Indonesia's petrochemical industry needs additional investments of \$22.6 billion in the upstream sector in the next 5 years to support downstream activities (eg. plastics manufacturing) and augment the industry's growth from the present 6%-7% to more than 10%.
- India's second largest PSU explorer, Oil India (OIL) is exploring oil in Timor Leste.
- Essar Oil is seeking coal-bed methane exploration assets overseas in China and Indonesia.
- State Bank of India (SBI) is reportedly seeking a buyout in Indonesia to capitalize on the rising trade and investments between India and the Southeast Asian country. The deal size is expected to be over \$100 million, and SBI has reportedly short-listed 3 to 4 Indonesian banks.
- SBI is also assessing possibilities to enter Thailand and Vietnam, and is likely to open a representative office in Malaysia by March 2010.

## Malaysia

- Malaysia's industrial production contraction eased

to -5.7% y-o-y, following a 8.1% decline in July. Manufacturing output fell 6.6% in August and overall industrial production contracted 11.2% in the first 8 months of the year.

- Malaysia's government predicts growth will resume by the year end, and expects the \$195 billion economy to probably shrink less than the government's forecast of 5% contraction this year.
- The Economic Report released by Putrajaya said Budget 2010 would seek to move the country to a high-income economy by strengthening the private sector, intensifying R&D activities and promoting innovation and creativity. "Barriers to investment including policies, rules, regulations and procedures will be reviewed," it said, as the government creates more opportunities for the private sector.
- Malaysia's revamped National Auto Policy (NAP) which comes into effect on 1 January 2010, ends a 3-year ban on production permits. Foreign companies will be allowed to hold 100% of companies producing luxury vehicles with engine capacity of more than 1.8 litres, and costing more than \$44,000. An import permit system for vehicles will be scrapped in 2015, while fiscal incentives and exemptions to the local auto parts and components manufacturing industry will be increased.
- India's New Cell Nutrients (M) Sdn Bhd, with R&D facilities in Malaysia's Klang Valley, has expressed keenness to set up a \$15 million biotech facility in Penang.
- Penang Chief Minister Lim Guan Eng said he would head a trade delegation to India early next year. Penang is keen to pursue with India the setting up educational colleges in languages, engineering and tourism.
- Proton Holdings Bhd is in talks with Hero Honda to build small passenger cars for the Indian market, most likely involving the Saga platform.
- Malaysian state-owned oil & gas company, Petronas, recently acquired a 2.3% stake in UK-headquartered Cairn India for \$240 million.

## Myanmar

- The Union of Myanmar Federation of Chambers of Commerce & Industry has received approval from its government to open liaison offices in China and India.
- The Indian government is reportedly spending at least \$1.5 million on feasibility studies for two potential hydroelectric dams in western Burma. The National Hydroelectric Power Corporation (NHPC) will conduct tests at Tamanti on the River Chindwin, the largest tributary of the

Irrawaddy, and Myanmar's key commercial waterway.

- The Sittwe Port in western Burma will be constructed by the India Maritime Company. The development of the port, with funding assistance from the Indian government amounting to \$120 million is part of the Kaladan Multi-Modal Transportation Project, that involves making the Kaladan River navigable up to the Indian state of Mizoram.
- Myanmar, which is making efforts to promote the standard of its video and movie production industry to enter foreign markets, will take part in an international film festival in Mumbai in February 2010 to introduce the country's documentary, short and animation films.
- Private sector medical services in Myanmar, once prohibited, can now legally provide health care services with government licenses.
- Myanmar's Health Ministry statistics indicate that the government spends 849 kyat (\$ 0.80 cents) per citizen annually. The ratio of hospital beds to population is 62 beds per 100,000, which the government hopes to improve to 75 beds per 100,000 people in 2010.

## New Zealand

- The pace of economic recovery in New Zealand has quickened as domestic activity picks up after the longest recession in more than 30 years, according to the New Zealand Treasury Department
- A string of positive data, including higher house sales, retail sales, migration gains and building consents, all point to stronger demand and consumption. The Treasury is expecting the economy to grow at an annual rate of around 2 percent over the second half of 2009, and said the global growth outlook also looked better. However, it said the strength of the NZ dollar, which has gained around 45 percent since a six-year low touched in March, was undermining the extent to which exports would boost recovery.

## Philippines

- The Philippine central bank says the risk of inflation quickening may narrow the scope for maintaining interest rates at a record low of 4%. Annual inflation settled at 0.7% in September, after a 22-year low of 0.1% in August.
- Philippine exports posted a 21% y-o-y drop due to weak sales of electronic products. Exports have been declining for 11 straight months, though the decline in August was the slowest since June.
- The Philippines dropped 2 notches to 12th position among 17 Asia Pacific countries in EIU's most recent IT competitiveness index. Its rankings fell to 56th place from 47th position in 2008 among 66 countries worldwide.

China and India moved up to 44th and 39th position from 50th and 48th in 2008 respectively.

- Manila's Power Sector Assets and Liabilities Management Corporation, a state entity, plans to privatise up to 6 power plants in 2010, starting with the 246-MW Angat power plant that is likely to go up for sale in February next year. The agency will look into the sale of 7 more plants from 2011 to 2013.

## Singapore

- Singapore estimates its economy may have expanded 0.8% y-o-y in Q3 2009, compared to a contraction of 3.2% in Q2 2009.

- On a q-o-q seasonally-adjusted basis, GDP in Q3 climbed an annualised 14.9%, while the manufacturing sector grew 35% in Q3. The services producing industries expanded by 9.5% in Q3 compared to an 8.3% increase in Q2.

- Singapore's CPI fell 0.4% in September after dropping 0.3% in August as a stronger currency reduced costs of imports, housing, transport and communications. Food prices, however, which make up 23% of the index, rose 0.8% in September from a year earlier. Economists anticipate the return of inflation as early as Q1 2010 albeit at benign levels.

- On a m-o-m SA basis, Singapore's trade increased 4.6% in September, after a 0.8% rise in August.

- Singapore port terminals handled 5.8% fewer containers in September than in August, a downturn after 2 months of raised activity, while traffic was 16% lower than a year earlier, reported the Maritime and Port Authority of Singapore.

- The IMF has upgraded its economic growth forecast for Singapore, saying its GDP will expand by 4.3% in 2010 after a 1.7% contraction the current year. It had previously predicted 4.1% growth in 2010 after shrinking 3.3% this year.

- Singapore's ranking as a financial centre rose from 10th to 4th position on the World Economic Forum's Financial Development Report 2009 Index.

- Singapore is the first non-member economy whose bio-med testing standard has been accepted by the Organisation for Economic Co-operation and Development's (OECD) Mutual Acceptance of Data framework (MAD). The approval gives Good Laboratory Practice (GLP) certified labs in Singapore access to wider markets and opportunities.

- Amendment to the Income Tax Act will allow Singapore to implement the internationally-agreed

standard for the exchange of information (EOI) for tax purposes on request. The new standard enhances the scope of information exchange cooperation under the Avoidance of Double Taxation Agreements (DTAs).

- Start-ups and SMEs can avail deductions for capital spending on renovation and refurbishment incurred between 2008 – 2013, while new companies can enjoy tax exemption of up to \$143,056 for the first 3 years of operations - doubling the previous amount,

- Singapore National Research Foundation has tied up with Zurich-based Swiss Federal Institute of Technology (ETH) to set up the Singapore-ETH Centre (SEC) for Global Environmental Sustainability which will focus on developing green-building technology, urban design and city planning.

- Prime Minister Manmohan Singh and Singapore's Prime Minister Lee Hsien Loong have agreed that the Comprehensive Economic Agreement (CECA) between India and Singapore should undergo a second review, to further enhance the already very good ties between the two nations. The leaders had a bilateral meeting on the sidelines of the 4th East Asia Summit in Thailand.

- India's Financial Technologies Group plans to launch the Singapore Mercantile Exchange (SMX) by year end. The new exchange will offer an electronic trading platform for futures and options trading on a diversified range of commodities.

- Mr S Iswaran Senior Minister of State for Trade & Industry, Singapore, said the country plans to provide financing and development services for carbon dioxide reduction projects through a \$500 million clean technology fund.

- State investors Temasek Holdings and the Government of Singapore Investment Corporation have cut their stakes in ICICI Bank, India's biggest lender.

- According to RBI statistics, Singapore has become India's most attractive destination for investments over the last four years and is also the second largest source of foreign direct investments (FDI) into India. Growth in FDI from the island republic into India catapulted 1,077% between 2005-06 and 2008-09, compared with the 271% growth in investments from Mauritius over the same period, although the latter continues to lead in terms of total investments into the subcontinent between 2000 and 2009.

- Kingfisher Airlines has begun operating daily non-stop flights between Singapore and Mumbai. In 2008, there were 2.5 million passenger movements between India and Singapore.

## Thailand

- Thailand's industrial production fell for a 10th month straight in August. Manufacturing output dropped 10.3% y-o-y. Economists expressed doubts about the awaited economic recovery in Q4 2009 as the revival in exports was neither broad-based nor sustained amid mixed signals by global indicators. The finance ministry expects the country's recession to ease this Q3 2009 and economic growth to resume in Q4.
- Thai exports, which account for about 60% y-o-y of the country's economy, contracted 17.9% in August, from a 25.7% plunge in July. Imports fell 33.8%, resulting in a trade surplus of \$2.27 billion in August from \$799 million in July.
- Moody's Investor Service kept its negative outlook for Thailand's credit rating, citing political instability. "Domestic demand is expected to be subdued and investment sentiment to be further suppressed, adding more downside risk to growth," it said.
- Thailand's Cabinet has approved over \$6.9 billion more of projects, raising the total investments planned over 3 years to boost economic growth to \$38.9 billion.
- India and Thailand are currently working towards expanding the India-Thailand Free Trade Agreement (IT-FTA) into a comprehensive agreement that will encompass services and investments. Thai Deputy Prime Minister Korbak Sabhavas, at an India-Thai Business Forum in New Delhi, said the countries would 'supplement each other in enlarging market size and business opportunities' that could take bilateral trade to \$10 billion in 2011 from \$6 billion.
- Thailand's second biggest developer, Preuksa Real Estate PCL, expects to rake in up to Rs 3 billion in revenue from home sales in India next year. Besides its \$32.9 million housing project in Bangalore, projects are also planned in New Delhi and Mumbai.
- Thailand hospitality chain, Amari, has plans of opening 10 hotel and resort properties across India by end 2012. It is reportedly in talks with local developers in Kerala and Goa for 6 properties already.

## Vietnam

- The Vietnam economy is on track to meet the government's growth target of at least 5% this year. GDP expanded 5.8% y-o-y in Q3 2009, up from 4.5% in the previous quarter. Industry and construction, which account for 40% of the Vietnamese economy, grew 4.5% in the first 9 months. Services, which make up 38% of

GDP, grew 5.9% in the first three quarters.

- Vietnam's trade ministry has proposed raising the import tax rate on automobiles to 91%, up from 83% currently, to control the country's trade deficit, which has jumped due to rising car imports and stagnant levels of exports.
- The Indian cabinet has allowed ONGC Videsh to invest an additional \$149.5 million in its oil block in Vietnam. ONGC Videsh, which has a 45% participating interest in the block, jointly with Petro Vietnam and BP, will make the investment from the project's revenue proceeds.
- India and Vietnam held their 1st Strategic Dialogue and 4th political consultative meeting in New Delhi on 15 October. The meetings were co-chaired by Vietnamese Deputy Foreign Minister Dao Viet Trung and his Indian counterpart, N Ravi. They reviewed bilateral relations since the two countries established strategic partnership in July 2007. The ministers agreed to increase the exchange of delegations in future and to convene the 14th Vietnam-India joint committee in Vietnam soon. They shared the view that both countries should work closer together to speed up ASEAN-India cooperation, especially when Vietnam takes over the ASEAN Chairmanship in 2010. They agreed to organise the second strategic dialogue and the fifth political consultative meeting in Vietnam in 2010.
- Vietnam's government debt is forecast to stand at 40% of its GDP this year, up from 36.5% in 2007, and will continue to surge to 44% in 2010, according to the National Assembly Finance and Budget Committee. The Committee warned that national debt would reach an unsafe level if the government did not take necessary measures to tackle the growing budget deficit.
- Indian Minister of Commerce and Industry, Mr. Anand Sharma, and Vietnamese Minister of Industry and Trade, Mr. Vu Huy Hoang, signed a MoU on 25 October, recognizing each other as equal WTO trading partners. Under the MoU, India also recognises Vietnam as a full market economy and grants it 'Market Economy Status.'

## Events

12 October, Kuala Lumpur: Launch of 'Doing Business in Malaysia: Handbook for Indian Business' a special guidebook on trade and investment opportunities in Malaysia by former Prime Minister Tun Abdullah Ahmad Badawi



Mohamed Faizal, Asst Director Investment Promotion Division (Asia Oceania), MIDA; Umang Sharma, Chairman, Consortium of Indian of Indian Industries in Malaysia; Tun Abdullah Badawi, Former Prime Minister of Malaysia; and Ashok Kantha, High Commissioner of India to Malaysia

29 October, Singapore: Lecture by Prof Anil Gupta on 'Getting India and China Right' supported by CII-IBF Singapore

30 October, Bangalore: Roundtable meeting with Dato' Mustapa Mohamed, Minister of International



Dato' Mustapa Mohamed, Minister of International Trade & Industry, Malaysia launching the Handbook on 'Doing Business in Malaysia' in Bangalore

Trade and Industry, Malaysia, and the accompanying business delegation. The guidebook 'Doing Business in Malaysia: Handbook for Indian Business' was launched in Bangalore on the occasion.

## Europe

### Cyprus

Ms Pratibha Patil, President of India, visited Cyprus on 30 October on the second leg of her state visit to UK and Cyprus. A CII delegation which accompanied the President, participated in the business events organised during President's visit. Mr S R Sharma, Member CII-IBF-UK and Managing Director, Punjab National Bank (International), UK, the Co-leader of the delegation, made a presentation on 'Doing Business with India.' The business community in Nicosia expressed keen interest to visit India to explore business opportunities.

### France

#### Economy

Close on the heels of €2bn pledged to fund the growth of SMEs, to bolster support among rural voters ahead of regional elections in 2010, President Sarkozy announced a €1.65bn package to help farmers cope with lower commodity prices. This immediately raised queries from the EC! Despite such measures having some impact as reflected in increased business confidence, the trade deficit for August was €3.41bn, partly due to a strong Euro, and the jobless rate was also up. But the Unions' call for another day of street demonstrations for 'decent work' fell flat, reflecting anxiety on the workers' part to save their jobs in these difficult times.

#### Business & Industry

After 25 workers' suicides, France Telecom set up €1bn fund to study causes of and deal with stress at work.

Reflecting banking sector exuberance, Credit Agricole paid back a € 3.2bn govt emergency loan after Société Générale, which also announced plans to raise €4.8bn in the market. This evoked a warning from the Central Bank Governor Noyer against banks reverting to the bad old days!

Danone settled a longstanding dispute with its Chinese partner and Carrefour announced its withdrawal from Russia just 4 months after entering that market.

### India

Ms Anne-Marie Idrac, Foreign Trade Minister, France, led a government-business Agro food sector delegation to India. CII organised several of the related events in Delhi and elsewhere.

Alstom and Thales won a € 57mn contract for signal systems for the Bangalore Metro.

Increasing its Indian exposure, the financial institution Proparco, having earlier invested €100mn in Petronet LNG, signed agreements to invest €20mn in YES Bank and lend €20mn to Seri Infrastructure.

### Germany

#### Politics

Only a concession regarding the demand of the junior coalition partner FDP for a substantial income tax cut (€ 35bn over the next four years) could break the deadlock in forming the new government. CDU/CSU has now agreed to cut income tax by € 24bn. This concession was obviously also the reason that seven members of

the coalition did not vote for Ms. Merkel at the election of the Parliament to appoint the new Chancellor. However she still got a majority of 11 votes.

Despite the unresolved issue of how to finance this tax cut, the new government has been formed with five ministers in the 16-strong government from the FDP, making it one of the most powerful junior coalition partners in recent German history.

Mr. Schäuble as Finance Minister was definitely a surprise appointment and reflects Chancellor Merkel's desire to have a political heavy-weight for this position as Germany seeks to exit the worst recession since 1930.

### Economy

Six months ago it was forecast that German economy would shrink 6 % this year with a small growth of 0.5 % next year. The revised numbers are a 5 % decline this year and a growth of 1.2 % next year. However, due to a double-digit contraction in exports, there is good reason to be cautious.

Additionally some of the government programmes that softened the downturn are ending: The € 5bn scrapping scheme which produced a 26 % increase in carsales and also the end, partly, of the short-term working subsidies that have helped restrain unemployment. At present, there are still 1.1m persons employed by the short-time working scheme, with 95,000 new applications for short-time working.

### Businesses

#### Banks

The new German government will appoint Bundesbank (the German central bank) as the sole regulator for banks, abolishing Germany's two-headed bank supervisory system. Bundesbank will not only supervise banks but also oversee insurance companies.

Deutsche Bank is to buy Sal Oppenheim, one of Europe's best known independent privately-owned banks, for € 1bn. The deal will end the independence of the 220-year-old Cologne-based bank, which made some poor investments last year. Deutsche Bank will become the market leader in banking in Germany for rich clients and family assets.

#### Automotive

GM is re-examining its option for Opel after the EU has warned that the proposed sale to Magna International and Sberbank might breach state aid rules. EU claims that Germany's financial aid for the spin-off appeared to be conditional on Magna and Sberbank winning control, and thus could violate antitrust rules.

The VW Group's share of the global passenger car market

rose to 11.7 % compared to 10 % a year ago, though pre-tax profit fell from € 5.3bn to € 1.1bn in the first three quarters. The group is performing well despite the adverse conditions and in comparison to the competitors.

### Other Industries

Turnover and production of the German electrical and electronic industry shrank 26 % in August, higher than in July. Even worse is the situation in the German machinery industry where sales shrank in August by 31.7 %.

BASF reported a decline of revenues of -19 % at the end of the 3rd quarter and EBIT shrank by -36 %.

SAP, the world's largest business software provider, cut its full-year outlook after missing expectations for the third quarter, and expects revenues to drop 6-8 % in comparison to last year's performance.

### Mergers & Acquisitions: Gateway to Europe



Tandeep Minhas, Corporate Partner, S J Berwin, Manish K Sharma, Partner, Fox Mandal, Laura O'Neill, Corporate Partner, S J Berwin, and Vijay Mathur, CMD, Inapex Pvt Ltd

The economic slowdown has led to the deferment of overseas acquisitions plans for many Indian companies. However, for companies that are strong strategically and financially, the recession presents rare opportunities to improve competitive positioning and strengthen the core business through acquisitions and partnerships.

For companies with resources and the will to undertake deals, there are three necessary ingredients for success: an investment thesis tailored to a company's strategic priority, the target list, and a well-prepared team ready to act quickly. With this background, CII, in partnership with European law firm SJ Berwin and Indian law firm FoxMandal Little organised a roundtable session exclusively on understanding Mergers & Acquisitions, especially in the European context.

The session, held on 6 October in New Delhi was addressed by senior partners of the law firms, who provided detailed information and knowledge to participating Indian corporates on acquisition structure, preliminary agreements, EU merger control, employment issues, pensions issues and acquiring distressed assets.

## Middle East & the Gulf

### Iran

A 10-member CII business delegation, led by Mr Vijay R Kiloskar, Chairman and Managing Director, Kirloskar Electric Company Ltd visited Iran from 6-9 October. The visit was organized to encourage business of both countries to engage more closely and find ways to enhance bilateral economic, trade and investment cooperation. The delegation's visit also coincided with the Teheran International Fair, which the members visited during their trip.



CII Delegates with Sanjay Singh The Ambassador of India to Teheran

Besides interacting with various Iranian companies at the Teheran Fair, the delegation members met with the Iran Chamber of Commerce, Industries and Mines, the Organisation for Investment, Economic & Technical Assistance of Iran (OITETAI), Chairman of the Board of Industrial Development & Renovation Organisation (IDRO), Ministry of Electricity, Department of Customs, Department of Foreign Trade, Ministry of Commerce, Iran Small Industries and Industrial Parks Organisation (ISIPO) and many others. The delegation also had one-on-one meetings with Iranian counterparts.

The CII delegation included representatives from Mungi Brothers, Dynamic Logistics, Wendt India Limited, Essar Steel Ltd, Thermax Limited and Kohinoor Foods Ltd.



CII delegation interacting with Iranian Officials

### Saudi Arabia



CII members with Pranab Mukherjee, Finance Minister, India, and, the Commerce & Industry Minister, Saudi Arabia

At the invitation of the Government of India, CII organized a business delegation to the Kingdom of Saudi Arabia coinciding with the 8th session of the India-Saudi Arabia Joint Commission Meeting held in Riyadh, from 31 October to 1 November.

The official delegation was headed by Mr Pranab Mukherjee, Finance Minister of India, and the CII business delegation was led by Mr S S Nandurdikar, Managing Director, Paradeep Phosphates Ltd and Simon India Ltd. Mr Jagjiv Kumar Arora, President, All India Induction Furnaces Association and Vice Chairman & Managing Director, Supreme Group, was the co-leader of the CII delegation. In Riyadh, the delegation had fruitful meetings on bilateral trade with members of the Council of Saudi Chambers of Commerce & Industry. The delegation also met representatives of SAGIA (Saudi Arabian General Investment Authority.)

In Dammam, the delegates met with the Ashraqia Chamber of Commerce and had one-to-one interactions with businessmen from the Eastern Province.



CII delegation with members of the Ashraqia Chamber of Commerce in Dammam

## Latin America & the Caribbean



Phiroz Adi Vandrevala, Executive Director & Head, Global Corporate Affairs, Tata Consultancy Services; Lino Baranao, Minister for Science & Technology, Argentina; Jorge Taiana Minister of Foreign Affairs, International Trade & Worship, Argentina; M M Pallam Raju, Minister of State for Defence, India; and Cristina Fernández de Kirchner, President of The Argentine Republic

### Argentina

Argentina's trade engagement with India is poised for a big leap with the two countries looking to more than double their bilateral trade in the next three years.

Addressing a Seminar on 'Argentina-India: Trade, Investment and Business Opportunities', organised by the Embassy of Argentina in association with CII, and other organisations, the visiting President of Argentina, Dr Cristina Fernandez de Kirchner, said that the two countries had set a trade target of US\$ 3 billion by 2012 from US\$ 1.3 billion in 2008.

President Kirchner invited Indian companies to invest in Argentina. She spoke of the new paradigm of stability and growth of the economy, availability of rich natural sources and creative human resources in Argentina. She pointed out that the two key areas of cooperation between India and Argentina were food and energy. Argentina could contribute to India's food and energy security with its surplus in food and energy.

Dr M M Pallam Raju, India's Minister of State for Defence, welcomed the visit of President Kirchner, accompanied by a high level delegation, during the 60th anniversary of the establishment of diplomatic relations between India and Argentina, and after a gap of 15 years. Noting that India and Argentina have MoUs or agreements in the fields of Agricultural Research, Antarctic Cooperation and Technical and Scientific Cooperation, as well as

the Bilateral Investment Promotion Agreement (BIPA), the Minister said discussions in the areas of defence, industrial research, hydrocarbons, space and civil nuclear energy were taking bilateral relations between the two countries into a higher trajectory. While Indian companies had already invested around US\$ 119 million in Argentina and employed around 1,300 Argentine nationals, a few Argentine companies had also set up operations in India in the engineering and pharma sectors, he said. However, Mr Raju pointed out that Indian pharmaceutical companies faced considerable difficulty in exporting finished formulations to Argentina, though "Argentine pharma companies import most of their raw materials from India."

Indian industry expects the India-Mercosur Preferential Trade Agreement, which came into effect from 1 June 2009, to further boost trade between India and

Argentina as well as improve market access between India and Mercosur.

Business to Business meetings were organised on 13 October with the 50 member Presidential delegation, in collaboration with the Embassy of Argentina in India for a number of sectors.

A 34 point Joint Statement by India and Argentina on the occasion of President's visit

includes three main bilateral aspects: developing a comprehensive dialogue towards a strategic partnership, bilateral relations-trade and investment and the international system and multilateralism.



MoU exchange between Shubhendu Amitabh, Co-Chairman, CII LAC Committee & Senior President, The Aditya Birla Group, for CII, and Ignacio de Mendiguren, Co-Chairman of The Argentine Industrial Union (UIA), for UIA

## SAARC

### Maldives

Continuing its endeavor to further strengthen India – Maldives trade and economic cooperation and to review its developmental agenda, CII organised an interactive session with Mr. Mohamed Nasheed, President of Maldives, on 24 October in New Delhi.



Anand Sharma, Minister of Commerce and Industry, India, addressing the CII CEOs delegation and Indian JVs in Kathmandu

In his welcome address, Amb. Kuldip Sahdev, Chairman, CII Maldives Committee said that some leading Indian companies have already shown interest in Maldives. The Ambassador said he was regularly monitoring development in cooperation with Maldivian enterprises after the visit of the CEOs mission of CII to Maldives in February this year.



Mohamed Nasheed,  
President of  
Maldives

Mr. Ahmed Nasheed, President of Maldives said that most of the development activities are taking place in the northern part of Maldives, and invited Indian companies to look at the southern part of the country for opportunities in housing, airports, ports, power, renewable energy, resorts and software technology parks.

Mr. D M Mulay, High Commissioner of India to Maldives, pointed out that contrary to the perception that Maldives is a small country, its land area is bigger than Sri Lanka and its per capita income is the highest in South Asia. Indian doctors and teachers are well respected in Maldives, he said, urging Indian companies to have a long-term vision for economic cooperation with Maldives.

Mr. Tarun Das, Chief Mentor, CII, who chaired the meeting, assured CII's full support for stronger partnership in education, healthcare, IT, training, housing, energy and power.

The team from Maldives included Mr. Ibrahim Hussain Zaki, Special Envoy of the President, senior ministers, MPs and senior government officials.

### Nepal

A seven member CII CEOs delegation accompanied Mr Anand Sharma, Minister of Commerce and Industry, India, to Nepal. Mr Anand Sharma signed the revised Treaty of Trade between India and Nepal to control unauthorized trade on 27 October in Kathmandu.

Addressing the CII CEOs delegation and leading Indian

JVs in Nepal, Mr Sharma said that India is not only a major trading partner of Nepal but shares a very warm and very special relationship with the country. Stressing that the role of India and CII is very important for the development of the Nepalese economy, Mr Sharma suggested that CII and the Government of India could work together in setting up a skills development and training centre in Nepal.

The CII delegation also participated in the signing ceremony of the treaty of trade and the agreement of cooperation to control unauthorized trade, signed by Mr Anand Sharma and Mr Rajendra Mahato, Minister of Commerce and Supplies, Nepal.

The new treaty will have a seven-year validity instead of the earlier five years and will be extended automatically every seven years.

The Duty Refund Procedure has been scrapped to provide Nepal direct control on the customs duty revenues on import of manufactured goods from India. Besides the Calcutta Port, Nepal can now also avail of the Vishakhapatnam port while four additional land customs stations will be established to facilitate bilateral trade. Also, for the first time, bilateral trade will be allowed by air through international airports connected by direct flights between Nepal and India (Kathmandu/Delhi, Mumbai, Kolkata and Chennai).

India has also agreed to allow Nepal access to the Banglabandh port through Indian territory, allow items like rice, wheat and sugar to be sent to Nepal at a time they are not allowed to be exported to other countries and will authorize the export of about 50,000 tonnes of fertilizer.

The CII delegation also met Dr Prakash S Mahat, Minister of Energy, Nepal, and the Federation of Nepalese Chambers of Commerce and Industry (FNCCI). The meeting was chaired by its President, Mr Kush Kumar Joshi.

## United Kingdom

The President of India, Mrs Pratibha Devisingh Patil, made a state visit to UK from 26-29 October, accompanied by a senior business delegation. The CII delegation accompanying the President was led by Mr Ajay Shriram, Chairman, CII Business@Commonwealth Games Committee, and Chairman and Senior Managing Director, DCM Shriram Consolidated Ltd. Senior industry members, including Mr J P Chowdhary Past President, CII, and Chairman, Titagarh Wagons Ltd.; Mr Ravi Kant, Vice Chairman, Tata Motors Ltd; Mr Baba Kalyani, Chairman & Managing Director, Bharat Forge Ltd.; and Mr Phiroz Vandrevala, Executive Director & Head Global Corporate Affairs, Tata Consultancy Services, were among the delegates.

On the sidelines of the Presidential Visit, on 28 October, the CII delegation interacted with the members of the CII-IBF-UK to discuss '2010: Where are we headed?' The discussions centered around the financial revival and opportunities for Indian companies in the UK and Europe. It was felt that the time is right for Indian companies to acquire business in the UK and Europe, and, at the same time, it is necessary to spur the interest of UK companies to invest in India's infrastructure growth. The members also explored new ideas on promoting and marketing various investment projects in India, pointing to the need to build awareness of the opportunities as well as the funds available for such projects, as well

increase understanding of Indian culture and its influence on 'Doing Business with India. The IBF members discussed the scope of increasing cultural awareness with the help of its membership base from the media and entertainment industry.

More than 30 leading Indian companies based in the UK are members of the IBF-UK. The IBF-UK is a Forum jointly set up by CII in cooperation with the High Commission of India. It is a group of CII member companies based in the UK, with the High Commissioner as Mentor.

On 29 October, the CII delegation accompanying the President of India, participated in the Annual Conference of the UKIBC at the Lancaster House, London where Ms Pratibha Patil addressed select members of the business community of UK.

Later, the delegation participated in the 'Passing the Baton Ceremony' at Buckingham Palace.

The delegation members also participated in the business sessions at the UKIBC Annual Conference. Mr Ajay Shriram and Mr Phiroz Vandrevala shared their experiences of the growth of their companies at a session on 'Insight- A View From the Top.' Mr Ravi Kant and Mr J P Chowdhary spoke on 'International Market Entry Strategies, what worked and what didn't' and 'Innovate- Next Generation India,' respectively.

CII members also participated in the various public

engagements of the President of India including the receptions and dinners hosted by Mr Nalin Surie, High Commissioner of India to UK, and the State Dinner hosted by the Lord Mayor of London.



At the CII-IBF-UK meet on '2010: Where are we headed?'

## United States of America

### Session with Amb Timothy J. Roemer

8 October: New Delhi

CII had the honour of organising the first public session of Ambassador Roemer with members of Indian Industry, since he assumed diplomatic office in India. Amb Roemer, a six time Congressman, shared that India US trade, despite having doubled in the last five years, still has the potential to increase manifold. India

and the US held a successful first round of negotiations over the Bilateral Investment Treaty (BIT). Outlining 5 strategic avenues between the Indian and American business community, he urged greater cooperation in energy, power and electrical grid; food security and agricultural cooperation; rural development and poverty eradication; defence and security; and greater commitment to working together at the India-US CEOs Forum.



Chandrajit Banerjee, Director General, CII; Hari Bhartia, Vice President, CII, and Co-chairman & Managing Director, Jubilant Organosys; Amb Roemer and Tarun Das, Chief Mentor, CII

Amb Roemer emphasized on infrastructure as a major potential area for American companies to explore for investments in India. He also called for addressing education and rural development issues through collaboration.

### Meetings with Anand Sharma



Tarun Das, Chief Mentor, CII; Sec. William S. Cohen, Chairman and CEO, The Cohen Group; Amb. Carla Hills, Chair and CEO, Hills & Company, International Consultants; Anand Sharma, Minister for Commerce and Industry, India, and Meera Shankar, Ambassador of India to the USA

A meeting with Mr Anand Sharma, Minister of Commerce and Industry, India, was organized by CII in Washington DC on 13 October, and in conjunction with USIBC on 15 October in New York.

Addressing members of Indian industry in USA and also American businesses in Washington DC, Mr Sharma assured India's commitment to enhancing bilateral economic cooperation and multilateral trade negotiations. The services industry has grown hugely over the past several years. India has played a leading role in Doha and NAMA, he said. Mr Sharma also spoke of negotiating the Bilateral Investment Treaty, increasing IPR protection, broadening the offset policy in the defence sector, fruition of the US India nuclear agreement and various other relevant topics, of interest and concern to the business community.

In New York, he said that India could not afford to let growth slow down because millions of Indians living in poverty still need to be empowered. The reason India has been able to show robust growth is because of

strong economic oversight by the RBI and SEBI (which are independent of the government), and due to strong domestic demand and consumption. Calling for more synergy and understanding between India and the United States, he listed infrastructure, agriculture, IT, science and technology, energy, communications and education as priority areas, urging greater American investments in India.

### CII-USIBC Session with Jairam Ramesh

The Confederation of Indian Industry's Washington office, in partnership with the US India Business Council, hosted a breakfast session for Mr. Jairam Ramesh, Minister of Forest and Environment, India, on his first visit to the United States after taking charge of this portfolio.



Jairam Ramesh, Minister of Forest and Environment, India

Speaking to US industry, think tank energy specialists and US government representatives, the minister affirmed that India is set to be a part of an equitable solution at Copenhagen, and that its energy efficiency efforts are a huge opportunity for Indo – US private sector collaboration on project financing, technology transfers and capacity building. He noted that while the big players in Indian industry are acting upon the challenges, the real issue will be with Indian SMEs given their limited access to technology and funds. International collaborations could speed up adherence to national emission standards on a larger scale, he said.

Mr Ramesh addressed issues ranging from international MRVs and domestic regulatory enforcement for energy projects to black carbon and lifestyle changes required both in India and the US to reduce emissions. His comments displayed a great technical understanding for this complex, multi-dynamic issue of climate change while positioning India's proactive and extensive initiatives to incorporate energy efficiencies into policy and action.

### Interaction on Clean Technologies

CII organized an interaction of the Indian business community with Mr Michael Froman, Deputy National Advisor for International Economic Affairs and Special Advisor on Economic Affairs to President Obama and Mr David Lipton, Special Assistant to the US President for Economic Affairs. They interacted with a small group of companies engaged in clean energy and clean technology and learned more about the clean energy



Michael Froman with Indian industry leaders in Mumbai

landscape in India. Members briefed them on the issues and challenges in growing the clean energy space, and suggested ways in which the US could assist these clean energy initiatives either by way of technology transfer or funding. The discussions revolved around exploring sync areas and partnerships between the two countries in the areas of solar energy, bio-mass, feed stock for bio diesel, nuclear energy, clean technology and an overall need for a suitable regulatory framework. Members were apprised of some challenges that would develop for Indian companies, including the availability of VC and tech funds.

### CII-USIBC 'Green India' Mission

USIBC, in partnership with CII, organised its first ever annual 'Green India' Mission which witnessed participation from over 25 of America's leading clean energy and water infrastructure companies developing, deploying and financing low-carbon technologies – including clean hydrocarbons, renewable power, biofuels, water treatment, waste management, emissions controls, and energy efficiency. Keenly interested in the Indian market and eager to support India's goal to develop energy infrastructure and achieve energy security, the American companies discussed exciting opportunities as well as challenges with CII members. They exchanged views on partnership between American and Indian companies to help India meet its growing power needs in an environmentally friendly manner. Apart from one to one meetings, CII members also joined the US delegation for an interactive session with Mr Farooq Abdullah, Minister of New and Renewable Energy, India, where broad ranging issues on Indian renewable energy sector were raised and discussed.

### President Obama's Diwali Message

On behalf of the United States, President Obama wished 'Happy Diwali' to everyone in the world that celebrates the 'Festival of Lights.'

### US Economy Watch

- US Gross Domestic Product: Real gross domestic

product - the output of goods and services produced by labour and property located in the United States - increased at an annual rate of 3.5 percent in the third quarter of 2009.

- US International Trade Deficit: Total August exports of \$128.2 billion and imports of \$158.9 billion resulted in a goods and services deficit of \$30.7 billion, down from \$31.9 billion in July, revised.

- Personal Income and Outlays: Personal income increased or 0.2 percent, and disposable personal income (DPI) increased 0.1 percent, in August. Personal consumption expenditures (PCE) increased \$129.6 billion, or 1.3 percent.

### US-India Bilateral Update

- India US Education Council: India and the US are proposing to set up an India-US Education Council, including representatives of Industry and Education. The Council will coordinate the moving forward of bilateral relations in education between the two countries. This was discussed during a meeting between Mr Kapil Sibal, Minister for Human Resource Development, India, and Mr. William Burns, the US Under Secretary of State for Political Affairs, in New Delhi.

- Disease Detection Centre: India and the US will collaborate on setting up of a regional global disease detection centre in Delhi, discussions on which figured prominently during a meeting between Mr Ghulam Nabi Azad, Health Minister, India, and Under Secretary William Burns in New Delhi. The US Centre for Disease Control and Prevention (CDC) and the Indian National Centre for Disease Control (NCDC) are to collaborate to set up the proposed centre.

- US Air Force, India Bilateral Exercise: US and Indian air forces trained together during exercise Cope India from 15-24 October in Agra. More than 150 U.S. airmen joined the exercise.

- Indian Companies in the Forbes Asia List: Sixteen Indian companies figure in this year's Forbes list of mid- and small-size companies – 'Asia's 200 Best Under A Billion.' The list includes Biocon, Birla, Deepak Fertiliser, Divi's Lab, Everest Kanto Cylinder, FDC, Geodesic, GSS America Infotech, ICSA, IVRCL, Micro Technologies, Nitin Fire, Opto Circuit, Pareskh Aluminex Raj Television and Selan Exploration. Forbes said: "This year's list of the best small- and mid-size companies in the Asia-Pacific region is chock-full of survival stories and lessons for entrepreneurs."

## East

### Orissa

#### Excon Road Show

7 October: Bhubaneswar



Road Show on Excon

Continuing its initiatives towards enabling infrastructure development, CII Orissa organized a seminar on 'Enhancing Capacities of Construction Equipment for Up-Scaling Infrastructure Development'. The seminar featured a road show on EXCON 2009 – 5th International Exhibition cum Conference on 'Construction Equipment & Technology' to be held from 25-29 November at the Bangalore International Exhibition Centre (BIEC).



J. K. Mohapatra,  
Principal Secretary,  
Finance, Orissa

#### Session on GST

16 October: Bhubaneswar

In continuation of CII's Pre-budget Memorandum to the Government to announce the roadmap for implementation of Goods and Services Tax (GST), a half day session discussed various aspects of the Tax.

#### CII Golf Cup

30-31 October: Bhubaneswar

The second CII Golf Cup tournament was held at the Bhubaneswar Golf course with the objective to promote tourism and industry through sport. Altogether 60 golfers,



At the CII Golf Cup Tournament

including 10 ladies, from West Bengal, Jharkhand and Orissa took part in the event. Dr. P K Pradhan, Director, Sports & Youth Services, Orissa, presented trophies to the winners.

### West Bengal

#### Breakthrough Management

8 October: Kolkata



Prof. Shoji Shiba conducting the session on Breakthrough Management

CII, along with Consulate of Japan, organized a session on Breakthrough Management with Prof. Shoji Shiba, a leading exponent in the field of quality management, for a CEO Master Class. The session was attended by distinguished members including Mr. Sandipan Chakravorty, Managing Director, Tata Ryerson, Mr. Sanjay Budhia, Managing Director, Patton, Mr. Ganesan Natarajan, President & CEO, Ennore Coke, Prof. Shekhar Chaudhuri, Director, IIM-C, Mr. Ravi Todi, Chairman, CII West Bengal State Council, Mr. Mukul Somany, Chairman, CII Eastern Region, and a host of other CEOs.

#### Industry – Army Partnership

13 October: Kolkata

Gen. V K Singh, PVSM, AVSM, YSM, GOC-IN-C, Eastern Army Command apprised CII members about the opportunities for partnership with the Indian Army in the Eastern Region.

#### Higher Education Meet

14 October: Kolkata

A Higher Education Meet on the theme of 'Industry Academy Partnership – The Emerging Landscape' brought three stakeholders: government, educational institutes and industry together to deliberate on the way forward.



Meet on Higher Education

CII, in association with PwC, has undertaken a study in select states of the region to identify the skill sets required by the new recruits in the year 2015, as well as to identify and analyze the functional and behavioural skill set gap perceived by industry. The study was released at the Meet by Mr Satish Ch. Tewary, Principal Secretary, Higher Education, West Bengal. Prof. Shekhar Chaudhuri, Director, IIM, Kolkata, as well as senior representatives from corporates like Infosys, IBM, and Tata Steel addressed the delegates. At a VC discussion panel, VCs of leading universities of the region expressed their views on industry-academy partnership.

The deliberations pointed to the need for radical changes to overhaul the higher education system, and for industry-institute collaborations to convert potential youth pool to employable resources.

### Interaction on UAE

23 October: Kolkata

Mr. Mohamed Sultan Abdalla Al Owais, Ambassador, Embassy of the United



Mohamed Sultan  
Abdalla Al Owais,  
Ambassador, UAE

Arab Emirates spoke about business and investment opportunities with UAE for industry in West Bengal. Mr. Mukul Somany, Chairman, CII Eastern Region, delivered the welcome address.

### Company Law

24 October: Kolkata

An interactive session on Company Law was organized with Mr. R Bandyopadhyay, Secretary, Ministry of Corporate Affairs, to collect views and suggestions from the members to serve as feedback for the Parliamentary Standing Committee. Mr Bandyopadhyay highlighted the objectives of the Bill, and assured that the recommendations of CII members would be discussed at the committee and given due consideration.

### Family Governance

27 October, Kolkata

The CII FBN India Chapter organized a Workshop on Family Governance and the (New) Constitution of the Family, on 27 October in Kolkata, to help families in business understand the process, challenges and common pitfalls in developing family governance. The workshop was conducted by Mr. Anil Sainani, Director Empowering Solutions Private Ltd, who is a Family Business Advisor and Consultant to many Indian business families.

### Session on Lateral Thinking

27 October: Kolkata

A Session on Lateral Thinking was held to bring in awareness about Lateral Thinking and its usefulness in an organization. The faculty was Prof. Vidyanand Jha, Associate Professor of Behavioral Sciences, IIM Kolkata.

## North East

### Generating Awareness on WTO Agreements

23 October: Guwahati

CII organised a 'Workshop on WTO Agreements: A Capacity Building Initiative,' jointly with the Centre for WTO Studies, Indian Institute of Foreign Trade (IIFT) on 23 October in Guwahati. The initiative was supported by the



Dr Bhupati K Das,  
Chairman CII Assam  
State Council

Ministry of Commerce and Industries, India. Industry stakeholders and, central and state agency officials, as well as academia attended the workshop which disseminated information on technical barriers to trade (TBTs) and other non-tariff measures (NTMs) within the ambit of the WTO Agreements.

Dr. Bhupati Das, Chairman, CII Assam State Council, and Managing Director, Numaligarh Refinery Ltd, who chaired the sessions, reiterated the development mandate of the Doha Round of negotiations at the WTO and the growing use of NTMs. Prof. Madhukar Sinha, IIFT, Dr. Murali Kallummal, Consultant, IIFT and Mr. Ankur Mahanta, Trade Faculty, CII, made elaborate presentations on various aspects of the WTO.

The workshop is part of a special initiative by the Centre for WTO Studies, IIFT, in collaboration with CII, to disseminate WTO and trade-related issues in 25 to 30 cities across India. It is supported by the Government of India's outreach and capacity building initiative on international trade.

## North

### Chandigarh



Gurcharan Das,  
noted author

#### Session with Gurcharan Das

12 October: Chandigarh

Mr Gurcharan Das, eminent author and public intellectual shared his thoughts about his newly published book titled, 'The Difficulty of Being Good: On the Subtle Art of Dharma.'

Justice (Retd) S S Sodhi, former Chief Justice, Allahabad High Court, Dr B N Goswami, a distinguished art historian, and Mr I S Paul, Past Chairman, CII Chandigarh Council were also present on the occasion.

#### R&D Collaboration & Technology Transfer

27 October: Chandigarh

A session on R&D Collaboration & Technology Transfer with Dr Pawan Kapur, Director, Central Scientific Instruments Organisation (CSIO) was organized to identify the areas where CSIO can offer technical assistance and training to industries.

### Delhi

#### QC Competition

5 October: New Delhi



QC Winners in New Delhi

At the 22nd Quality Control (QC) Circle Competition (Preliminaries), the winners were teams from BEL Ghaziabad, Bajaj Hindustan and Napino Auto & Electronics. Twelve QC teams comprising of workmen gave presentations on the specific projects handled by them in the work place.



Paul Buades,  
Director, UN  
Procurement  
Division

#### Doing Business with the UN

8-9 October: Delhi

CII, in association with the United Nations and the Department of Industrial Policy and Promotion, organized an interactive session on Doing Business

with the United Nations – Vendor Registration and Development programme. The session created an interactive platform between UN Procurement Division (UNPD) representatives and Indian business houses to encourage and increase participation in the UN Global Marketplace initiatives.

#### Meeting with Chief Secretary, Delhi

13 October: New Delhi

CII and the New York Academy of Sciences met Mr Rakesh Mehta, Chief Secretary, Delhi, and presented a proposal on how to develop Delhi into an international knowledge hub of Urban Sustainability and Health; and transform the capital into one of the world's premier 'Smart Cities.' The Chief Secretary evinced keen interest and has asked CII to submit a detailed proposal to take it forward.

#### Healthcare Mission to Mumbai

29-30 October: Mumbai



Healthcare Mission members at the Breach Candy Hospital

CII Delhi State Council organized an experience-sharing Study Mission to Mumbai. The 16 member mission visited Breach Candy Hospital Trust, Wockhardt Hospital, PD Hinduja Hospital and Tata Memorial Centre to observe the facilities and best practices being followed in hospital development and management strategy, healthcare infrastructure and healthcare delivery.

### Haryana

#### Six Sigma Convention

27- 28 October: Gurgaon

Quality is an integral part of a company's strategy while the mechanism to achieve quality is a matter of choice. Quality deliverables should be driven from the top, declared Mr. Sanjay Kapoor, Deputy CEO,

Bharti Airtel Ltd, at the Valedictory Session of the 6th National Convention on SIX SIGMA, Sustaining Growth through SIX SIGMA. Bharti Airtel Limited Transport Network bagged the first prize followed by SKF India Ltd, Pune and Whirlpool of India Ltd.

## Himachal Pradesh

### Competitiveness through Innovative HR

9 October: Baddi

A Seminar on Competitiveness through Innovative HR Practices was inaugurated by Mr Kirshan Kapoor, Minister for Industries, Labour & Employment, Himachal Pradesh. Mr Kapoor lauded the CII initiative, Chetna Career Counseling Center, which provides soft skill training to final year college students. Mr B R Verma, Labour Commissioner, Himachal Pradesh and Mr D L Sharma, Chairman; HR & IR Sub Committee, CII Northern Region presented the theme address.

### Eco-Efficiency & Environmental Excellence

10 October: Chandigarh

CII HP State Council in association with Cleantech International Foundation organized a session on Eco-Efficiency and Environmental Excellence through strategic research. Mr G V Subrahmanyam, Advisor, Union Ministry of Environment & Forests, who was the Chief Guest, listed various opportunities for strategic environmental research for achieving environmental excellence and competitive advantage. The workshop described on the latest initiatives of Government of India to promote industrial research at the corporate level.

## Punjab

### New SEZ Act of Punjab

1 October: Chandigarh

CII Punjab State Council organized an interaction of major SEZ developers of the state and other industry stakeholders with Mr SS Channy, Principal Secretary, Industry & Commerce, Punjab, to discuss the salient features of the upcoming SEZ Act. He said the Act would empower the developer and minimize the role of the government.



S.S. Channy,  
Principal  
Secretary,  
Industry &  
Commerce,  
Punjab

### Saving the Girl Child

13 October: Ropar

CII Punjab State Council and DCM Engineering Products, Ropar organized a tree plantation drive and an awareness camp to sensitize the residents of Asron and nearby villages on female foeticide. A street play highlighting the bane of female foeticide and the need



Awareness March on 'Saving the Girl Child'

for women's empowerment and protecting the girl child was performed by the students of DAV Institute of Engineering & Technology, Jalandhar.

### Business with Netherlands

26 October: Amritsar

Mr. Johannes Cornelis De Bruign, Country Co-ordinator PUM, Netherlands, told representatives from various industries in the Amritsar Region that PUM has 4000 senior experts and



Johannes Cornelis De Bruign, Country Co-ordinator PUM, with Gunbir Singh, Chairman, CII Punjab State Council

is active in 70 countries. In 2008, 120 projects were executed in India.

### Stress Relieving Workshops

26 October: Ludhiana

The CII Ludhiana City Development Core Group organized two workshops on 'Behavior and Stress Management' for over 140 traffic police personnel of all ranks. Senior faculty members from ICFAI Business School, Chandigarh presented various techniques to enable traffic personnel to effectively manage stress and anger while discharging their duties.



Traffic Police Personnel from Ludhiana at the workshop

## Rajasthan

### Meeting on ITIs

13 October, Jaipur

CII Rajasthan members have adopted 30 ITIs in the

state. To resolve issues and problems regarding the functioning of these ITIs, CII Rajasthan organized a meeting with Mr Ajit K Singh, Principal Secretary, Labour & Employment, Rajasthan, and officials of the Department of Training, Rajasthan.

## Uttarakhand

### Meeting on Industrial Development

13 October: Dehradun

Mr Rakesh Oberai, Chairman, and Mr Rajiv Berry, Vice Chairman, Uttarakhand State Council participated in the review meeting of the State Level Udyog Mitra chaired by Mr P C Sharma, Principal Secretary.

### Roundtable on Skill Mapping

13 October, Haridwar

The Haridwar Roorkee area, Pantnagar and Dehradun, have emerged as major 'Industrial Hubs' in Uttarakhand. To address the increased demand of manpower in the skilled and semi skilled category, a roundtable was organised to identify specific skill sets required within industry sectors, to learn from the initiatives of individual companies for bridging the skills gap, and to ascertain the role CII can play in this regard.



Roundtable on Skill Mapping in Haridwar

## Event

### Conference on Indian Dairy Industry

22 October: Karnal



Dr A K Srivastava,  
Director & Vice  
Chancellor, NDRI,  
Karnal






CII Northern Region, in association with the National Dairy Research Institute, Karnal, organized a Conference to highlight the untapped potential of the Indian dairy sector. Speakers highlighted the need to upgrade technology to cash on the tremendous opportunities available in the dairy sector. Exports of dairy products have been growing at the rate of 25% per annum in terms of quantity and 28% in terms of value since 2001. However, there is huge potential for processing and value addition.



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- ▶ TCM Maturity Model – Award Distribution to & Case Study presentation by Pilot Study Companies



**Confederation of Indian Industry**  
**Total Cost Management Division**

For further details Contact:  
R Sudharsan  
Tel : 040 - 23112971 - 107, 201  
Fax 040 - 23112837  
Email:- r.sudharsan@cii.in

#### Knowledge Partners

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## South

### CEO Panel Discussion

14 October: Coimbatore

Colleges of the Coimbatore College Excellence cluster participated in a CEO panel discussion with Mr Bharath K.S., Chairman, CII Madurai Zone, and Chairman & Managing Director, Aparajitha Corporate Services Pvt. Ltd, and Mr Ranjit Pisharoty, Member, CII SR Education Sub Committee & Senior Vice President, Strategic Programs, Sutherland Global Services, on 'Knowledge of Current Business Scenario and Its Impact on Employment Market.'

### Czech Delegation

21 October: Chennai

A Czech delegation visited Chennai to explore business partnerships on water resource management and waste water recycling.

### Kaizen Competition 2009

23 October: Chennai



Winners at Kaizen Competition 2009

The fourth annual Kaizen Competition was held this year to encourage and motivate membership to develop a culture of improvement and innovation within their organizations. Conducted for operators in manufacturing and service organizations, the competition witnessed 94 Kaizens presented by 29 participating companies. SRF Ltd, Viralimalai; Carborundum Universal Ltd, Maniyar and Saint Gobain Glass India Ltd won the first, second and third prizes respectively.

## Andhra Pradesh

### Tools, Techniques and Formats

27 October: Hyderabad

The workshop facilitated an understanding of tools in a simple manner; and described the linkage of tools and formats with respect to different pillars of TPM; and the benefits to be derived from tools, followed by a hands on practice session.



Ponnala Laxmaiah,  
Minister, Major &  
Medium Irrigation,  
Andhra Pradesh

### Water Infrastructure

8 October: Hyderabad

The seminar highlighted the importance of water infrastructure and deliberated on the opportunities and challenges it holds with special focus on public private partnerships (PPPs). Mr Ponnala Laxmaiah, Minister for Major and Medium Irrigation, Andhra Pradesh, inaugurated the seminar.

## Karnataka

### Interactive Session on ESI

28 October: Hubli

To seek clarification on the procedural issues and to understand new initiatives of ESI, CII Hubli - Belgaum Zone organised an Interactive Session on ESI. Mr. A Srinivasan, Joint Director, ESI, Hubli interacted with members and participated in the deliberation.

## Kerala

### FINEXE 2009

1 October: Thiruvananthapuram



FINEXE 2009

The session promoted an exchange of information and addressed issues of financing MSMEs to further improve the development and growth of the sector.

### Up-scaling Infrastructure Development

13 October: Kochi

Mr B Chandramohanam, Chairman, Builders Association of India, Kochi Centre, represented the contractors and addressed the session. Mr Sakhikumar Chief Operating Officer, Schwing Stetter (India) Pvt Ltd made the theme presentation, and a presentation on EXCON.

### Interaction with Government Officials

16 October: Kochi

CII members had the opportunity to interact with senior

government officials including Mr K Jayakumar, Agriculture Production Commissioner, Kerala, Mr K R Viswambharan, Vice Chancellor, Kerala Agricultural University and Mr N Ramachandran, Chairman, Port Trust.

## Puducherry

### Seminar on Goods and Services Tax (GST)

21 October: Puducherry

The Seminar created awareness among Industries in Puducherry on GST and its likely impact on industries. Mr K Vaitheeswaran, Advocate & Tax Consultant, M/s K Vaitheeswaran & Co., Chennai made the presentation.

### Interaction with IT Entrepreneurs

22 October: Puducherry

The meeting was held to get inputs for the promotion of IT industries in Puducherry and to understand various bottlenecks for this. Dr C Muralikrishna Kumar, Advisor, ICT Division, Planning Commission, India, and senior officials of the Puducherry Government, interacted with local IT, ITES, BPO and IT hardware companies. Meetings on 26 and 27 October discussed and finalized inputs and suggestions for the promotion of IT, ITES, BPO and IT hardware companies in Puducherry.

### Introduction of New Trades

28 October: Puducherry

The Labour Commissioner, Puducherry, convened a meeting with CII, Vocational Rehabilitation Centre for Handicapped(VRC) and schools for physically challenged students to identify and introduce three new trades / training activities in addition to the existing trades at VRC Puducherry as directed by the Ministry of Labour and Employment, DGE&T.

## Zones

### Chennai

#### CEO Bouncing Board

10 October: Chennai

CII Tamil Nadu is engaging members "at the top of their companies" with a unique experience called CEO Bouncing Board. The Bouncing Board offers the opportunity to take risks; share information, learn grow and support each other through experience-sharing that spans personal and professional topics.

#### Faculty Development Programme

28 October: Chennai

The programme enabled faculty members of Anna University to interact with industry representatives in the electronic sector and identify areas they would like to

collaborate with industry in the long run. The participants were taken on a factory tour of Nokia and Salcomp.

### Road show on CII Services

28 October: Vellore



Road show on CII Services at Vellore

The road show created awareness on CII services among new membership in Vellore. The session was addressed by Ms Nandini Rangaswamy, Vice Chairperson, CII Tamil Nadu, and Managing Director, Chandra Textiles Ltd and Mr S Abhaya Kumar, Vice Chairman, CII Chennai.

### Publishing BPO Services

30 October: Chennai

The conference provided a platform for the publishing BPO services industry and its various stakeholders to understand the impact of digital explosion and also to adapt themselves to the changing global trends.

## Coimbatore

### Energy Conservation

7 October: Coimbatore

The training programme disseminated the latest techniques and advancements in the field of energy management, and described the managerial skills required to sustain energy conservation activities, and promote ecologically sustainable business growth.

### Dream Coimbatore

10 October: Coimbatore

The painting contest, a part of the 'Dream Coimbatore' initiative, had the theme of visualizing 'Dream Coimbatore by the year 2025'. Around 2000 students from classes 8-12 of 32 institutions participated and painted their vision for their city.

### HR Conclave 2009

14 October: Coimbatore

Mr Bharath K S, Chairman & Managing Director,



Panel Discussion at HR Conclave

Aparajitha Corporate Services P Ltd explained that HR is beyond planning and strategic thinking. He also pointed out the different roles of HR and how important it is for the overall development of a company. The conclave concluded with a power-packed CEO Perspective Panel Discussion on the Role of HR in Sustainable Growth.

## Erode

### Warehouse and Inventory Management

27 October: Erode

The session helped members understand the importance of warehousing, inventory and supply chain management in order to gain a competitive edge in the market.

## Karur

### Excellence in Supervisory Skills

14 October: Karur

The workshop helped supervisors understand the importance of their role and specific tasks in becoming mentors who in turn empower people.

## Mysore

### Infrastructure in Mysore

9 October: Bangalore

The interactive session with Mr T Sham Bhatt, Chief Executive Officer, and Executive Member, KIADB, appraised him about the key infrastructural issues faced by companies in Mysore and Najangud, towards working out an action plan to resolve the issues. Mr Bhatt was taken around a tour to the industrial areas in Mysore and Nanjangud prior to the session.

### International Financial Reporting Standards

15 October: Mysore

The seminar guided industry on the steps involved in the adoption of IFRS, and the impact of IFRS on businesses. Organized in association with KPMG, the session was followed by a panel discussion on the roadmap and challenges towards IFRS for Indian industry.

## Thoothukudi

### Thoothukudi Vision 2025

9 October: Thoothukudi

Mr PSS K Raja Sankaralingam, Chairman, CII Thoothukudi met Mr S R Jeyadurai, Member of Parliament, Thoothukudi Constituency, to hand over the report on "Thoothukudi Vision 2025". The MP agreed to implement / take action



PSS K Raja Sankaralingam, Chairman, CII Thoothukudi with S R Jeyadurai, MP

on some of the key findings of the report, which are related to the Central Government.

### Interaction with MK Stalin

13 October: Tirunelveli



Interactive Session with M K Stalin, Deputy Chief Minister, Tamil Nadu

CII members met Mr M K Stalin, Deputy Chief Minister, Tamil Nadu, to hand over their recommendations for infrastructure requirements of Tirunelveli and Thoothukudi districts. Mr M K Stalin, said that the Presidential nod for single window system for granting license to establish industries in the state would be obtained. He also highlighted the efforts of the state Government in persuading the Centre for a mega project to bring natural gas from the Godhavari basin to Tamil Nadu through pipes for a range of applications, including power generation.

### Logistics Management

15 October: Thoothukudi

A special address on "Logistics Management" to the MBA students of Infant Jesus College of Engineering & Technology focused on various aspects of Logistics and Supply Chain Management.

### Emerging World Economic Order

29 October: Thoothukudi

Mr K Pandia Rajan, Managing Director, Ma Foi & Ranstad India shared his experiences in emerging as a successful business entrepreneur in the competitive world. He also highlighted the influential role of the World

Bank, International Monetary Fund and the World Trade Organization in the business economy.

## Trichy

### Internal Competitiveness Enhancement

22 October: Trichy

The exclusive session was organised for industries in Trichy to set up the first CII – BHELSSIA Internal Competitiveness Enhancement Programme (Cluster Approach) for Fabrication Industries. The session enabled companies in Trichy to come together and become internally competitive by enhancing the quality of their operations and reducing the cost of manufacturing.

## Vijayawada

### Interaction with US Consul General

9 October: Vijayawada

Mr Cornelis M Keur, Consul General, US Consulate General, discussed issues relating to Indo-US Trade and Economic Relations, and said that increasing ties between India and US bodes well for both countries.

### Interactive Session with Mr C R Swaminathan

13 October 2009: Vijayawada

The interactive meeting with Mr C R Swaminathan, Chairman, CII Southern Region was held to appraise the Vijayawada Zonal members and non-members on the activities undertaken by CII in the Southern Region

and the proposed plan for the future. The meeting was well attended by the members from the Industry and Institution.

### Interactive Session on Direct Tax Code

27 Oct 2009: Vijayawada

Mr Ajay Kumar, Commissioner, Department of Income Tax, Vijayawada delivered the special address in this session. Mr Pravat Jena, Associate Director, E & Y Hyderabad made a detailed presentation on the code and its implications.

## Visakhapatnam

### Seminar on Green ICT

06 October: Visakhapatnam

The seminar offered an excellent opportunity to share and understand the impact of Green ICT in the days to come. The Green ICT initiative is being driven with the aim to develop standards and new technologies to improve data center performances; promote the adoption of energy efficient standards, processes, measurements & technologies; increase computing energy efficiency; increase the use of power management and reduce computer power consumption.

### Interaction with CII Regional Chairman

14 October: Vishakhapatnam

Mr C R Swaminathan, Chairman, CII Southern Region, updated Vizag Zone members on the activities undertaken by CII in the Southern Region and the proposed plans for the future.

## West

### Road Shows on EXCON 2009

12 October: Nashik

14 October: Goa

24 October: Indore

27 October: Nagpur



Road Show on EXCON 2009 in Goa

The Road Shows created awareness amongst end users about the event, and the wide variety of construction equipments, technology and products it offers Indian customers with specific emphasis on efficiency, productivity and safety.

### Clean Technology from Germany

13 -14 October: Mumbai & Pune

CII facilitated the visit of Dr Ing Horst Dietz and Mr Nikolai Dobrott from Apricum GmbH, Germany, by arranging meetings with Mr S R Chaudhari, Director General, Maharashtra Energy Development Agency, Pune, and Mr Atul Shah, Head Project - India Business, Suzlon Energy Ltd, Pune, to exchange ideas on building a Cleantech cluster in India. They met representatives of the Reliance Solar Group in Mumbai.

## Gujarat

### Mentoring Entrepreneurship

3 October: Vadodara

The CII-TiE Entrepreneurship Mentoring Workshop was part of TiE Mumbai chapter's initiative to reach out to the second tier cities in India for providing



Delegates interacting with the mentors

mentoring support to young entrepreneurs. Well known entrepreneurs interacted with the participants through a group mentoring session.

### Industry-Academia Collaboration

8 October: Ahmedabad

The workshop addressed the need for upgrading the quality of the education, to reduce the existing skill gap and enhance the productivity of India Inc.

### Enhancing Employability

9 October: Gandhinagar

A meeting with Ms Jayanti S. Ravi, Commissioner Higher Education, Gujarat, was held to discuss Finishing School initiatives and the employability of non-technical undergraduate and graduate students of Gujarat.

### Energy EXPO

9 – 11 October: Ahmedabad



Overview of the exhibition

The 4th edition of CII's Energy Expo 2009, an international exhibition, held under the chairmanship of Mr Sudhir Trehan, Managing Director, Crompton Greaves Ltd, was supported by the Union Ministry of Power. The host state was the Gujarat Government (Energy & Petrochemicals Department).

### Session on Value Engineering

10 October: Vadodara

The workshop dealt in contemporary practices and methodologies pertaining to value engineering for MSMEs.



Ravindra Biswas,  
Director-  
Amvian

### Effective Presentation Skills

30 October: Vadodara

The workshop focused on understanding communication in the context of formal organisations viz-a-viz different target audiences. It exposed the participants to various means of putting forth view points effectively in a multi cultural environment.

## Madhya Pradesh

### Opportunities in Manitoba

5 October: Indore

An Interactive Session with Ms Bonnie de Moissac, International Business Development, Government of Manitoba, and Mr Ajay Pande, Business Immigration programme, Government of Manitoba, described the business and investment opportunities available in Manitoba, Canada, and the business immigration procedures and investment climate there.

### Amendments in Industrial Dispute Act

10 October: Indore



Girish Patwardhan Advocate, High Court Indore, (left) at the Session The brain-storming session was held to understand the recent amendments in labour laws and its implications on industries.

### Industry – Institute Collaboration

14 October: Bhopal

The session brought together Industry and institutes on a common platform to work cohesively to enhance productivity in technical education.

### QC Competition

28 October: Bhopal

Teams from SRF Ltd, Malanpur, Tata International Ltd,



The winning QC team in Indore

Dewas, HEG Ltd, Mandideep and BHEL, Bhopal were the winners of the Quality Circle Competition in Madhya Pradesh.

## Maharashtra

### Food Processing Policy of Bihar

1 October: Mumbai

The road show sensitized decision-makers from food processing, agribusiness and other related sectors about the investment opportunities in Bihar and specifically in the food processing sector. It highlighted the potential of the food processing industry in Bihar and presented solutions to the long-pending roadblocks that prevented its growth in the past.

### IT for MSMEs

6 October: Nagpur

At the Vidarbha MSME Meet on 'IT for MSMEs - Helping MSMEs Improve Competitiveness by use of Cutting Edge Technology,' Mr Salil Singhal, Chairman, CII National MSME Council and Chairman Secure Meters Ltd observed that CII had organized this workshop to facilitate technology upgradation for small industry in Vidarbha. MSME Meet in Vidarbha

### Consul General Designate-Johannesburg

6-7 October: Pune

Mr Vikram Doraiswami, Consul General Designate-Johannesburg, visited Pune as part of his tour around India to meet companies in different sectors before taking up his assignment in Johannesburg. He visited Kirloskar Brothers Ltd, Tata Motors Ltd, Emcure Pharmaceuticals Ltd and Tech Mahindra Ltd.

### Doing Business with the UN

6-7 October: Mumbai

The session created an interactive platform between UN Procurement Division (UNPD) representatives and Indian business houses in order to encourage and increase participation in the United Nations Global Marketplace initiatives.

### 22nd QC Circle Competition

8 October: Kolhapur

Quality Circle teams from Tata Motors Ltd, Pune, NRB Bearings Ltd, Aurangabad, and Minda Industries Ltd, Switch Division, Pune, were declared winners in the QC Competition in Maharashtra.

### Finishing School Plant Visit

10 October: Pune

As a part of the CII-Symbiosis Finishing School curriculum, CII organised a visit to Demag Cranes &



Students during the plant visit to Demag Cranes & Components (I) Pvt Ltd

Components (I) Pvt Ltd for around 30 students, to give them practical experience about the working environment of industry.

### Skill Enhancement

12 October: Pune

The objective of the session was to increase productivity of employees in different organisations, improve the quality of products and services, fulfill the future personal needs of employees, and create a conducive environment for self development.

### Seminar on GST

14 October, Pune

Mr Sachin Menon, Western Region Head & Executive Director, PricewaterhouseCoopers, gave an overview of the proposed Goods and Service tax (GST). He said that all taxes levied by state on goods and services will be subsumed in GST. All transaction will be taxed by both state as well as the central government and will integrate into one point of levy.

### Modular Expanse Strategy Workshop I.1

14 October: Mumbai

The Modular Employable Skills scheme is an ambitious programme of the Government of India being implemented across India. CII, as the assessing body pan-India across sectors, conducts assessments of the candidates trained in the MES programme. To strengthen the programme, a Modular Expanse Strategy has been developed. The workshop was held to integrate states and zones into this initiative. Participants were trained in conducting assessments and maintaining quality.

### Indian-Argentine Business Meeting

15 October: Mumbai

In order to facilitate Argentine companies to connect with their Indian counterparts, CII organised a business match-making session in coordination with the Consulate of Argentina, Mumbai.