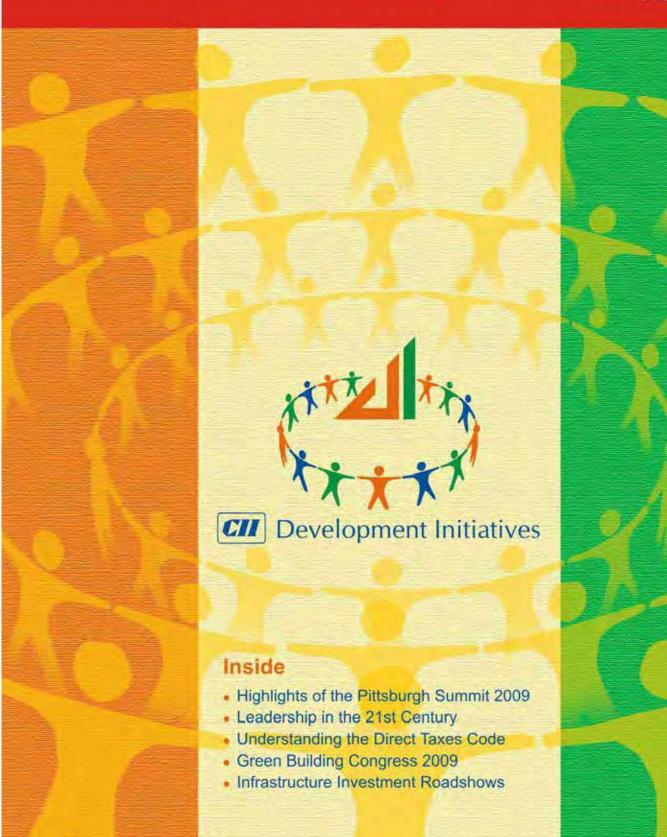


# CII COMMUNIQUÉ

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We welcome your feedback and suggestions. Do write to us at communique@cii.in

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# Stabilising the World Economy

The Group of 20 economic powerhouses recently met in Pittsburgh, USA, to chart out a sound and sustainable recovery from the global financial and economic crisis.

CII Communique presents the highlights of the Summit

he Group of 20 economic powerhouses met in Pittsburgh on 24 and 25 September. During the meeting, the leaders of member countries, which together account for 85% of world output and two-third of the world's population, reviewed the progress made since the Washington and London Summits and also discussed further actions to assure a sound and sustainable recovery from the global financial and economic crisis.

The leaders acknowledged the significance of the coordinated fiscal stimulus measures undertaken so far, and pledged not to withdraw stimulus measures until a

durable recovery is in place. They agreed to co-ordinate their exit strategies, while also recognising that the timing of exit will vary from country to country depending on the forcefulness of measures in place.

There was also agreement that macro economic policies of countries should be harmonised to avoid the imbalances that exacerbated the financial crisis.

#### **Strengthening Regulatory Systems**

G-20 countries committed themselves to act together to raise capital standards, and to implement strong international compensation standards aimed at ending

practices that lead to excessive risk-taking. The leaders also agreed to set standards for large global financial firms, commensurate with the cost of their failure. The Financial Stability Board (FSB), a club of central bankers and financial regulators, has also been broadened to include the big developing countries. From now on it will take a lead role in co-ordinating and monitoring tougher financial regulations and serve (along with the IMF) as an early-warning system for emerging risks.

#### Framework for Sustainable Growth

The G-20 leaders called upon the Finance Ministers to launch the new framework for strong, sustainable and balanced growth by November 2009 by initiating a cooperative process of mutual assessment of the policy frameworks and the implications of those frameworks for the pattern and sustainability of global growth.

#### **Modernizing Global Institutions**

The leaders agreed on the need for global institutions to better reflect economic realities of the present day world. They agreed to formally replace the narrower G8 grouping with the G-20 grouping as the primary global economic talking-shop.

#### Reforming the IMF, World Bank

The G-20 leaders also committed themselves to a change in the governance structure of the International Monetary Fund (IMF). As per the change, the under represented countries, primarily dynamic emerging and developing countries, will get atleast 5% more of the voting rights by 2011 from over-represented countries. In an attempt to rejuvenate the IMF, the G-20 leaders also delivered on the promise to contribute over US\$ 500 billion to a renewed and expanded IMF New Agreements to Borrow (NAB).

To make the World Bank more representative and reflective of countries evolving economic weight, the G-20 leaders agreed to increase the voting share of developing and transition countries by at least 3%, to the benefit of under-represented countries.

#### **Energy Security and Climate Change**

Leaders committed to spare no effort to reach an agreement on carbon emission reduction in Copenhagen in December this year, under the aegis of the United Nations Framework Convention on Climate Change negotiations (UNFCCC).

The G-20 also pledged to eliminate subsidies on fossil fuels, 'over the medium term.' The rationale given by member countries is that such subsidies encourage wasteful consumption, reduce energy security, impede investment in clean energy and undermine efforts to deal with climate change.

#### Support for the Most Vulnerable

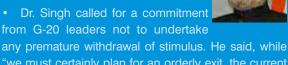
The G-20 leaders agreed to take potent steps to reduce the development gap among the world's poor and take new steps to increase their access to food, fuel and finance. They called upon the World Bank to develop a new trust fund to support the new Food Security Initiative for low-income countries announced last summer.

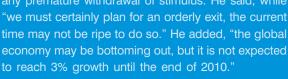
#### **An Open Global Economy**

On trade, the leaders reaffirmed the commitments made during the Washington and London Summits and pledged to keep markets open and refrain from raising barriers to trade and investment. They also expressed their determination to aim for an ambitious and a balanced conclusion of the Doha Development Round by 2010.

The next G-20 Summit will take place in June 2010 in Canada and in Korea in November 2010, after which it will become an annual event.

#### Highlights of the Speech by Dr. Manmohan Singh, Prime Minister of India, at the G20 meeting





- Dr. Singh said that, to resuscitate growth in developing countries, the loss in export demand can be countered by greater investment in infrastructure. He called upon the World Bank and other regional development banks to finance such investment, which will not only help growth in developing countries, but will also contribute to a broader global economic revival.
- · He called for doubling of the capital base of IBRD and other regional development banks. He said, while it has been announced to increase the lending volume of IBRD to US\$ 100 billion over the next three years, the IBRD lending may fall below pre crisis level, if its capital base is not expanded.
- On trade, Dr. Singh called upon the developed countries to show leadership in resisting protectionist tendencies.



# **Exchanging Ideas on** Leadership in the 21st Century



Jeffrey R Immelt, Chairman and CEO, GE, Mukesh Ambani, CMD, Reliance Industries Ltd, and Tarun Das, Chief Mentor, CII, at the CII - GE Session on Leadership in the 21st Century

Jeffrey Immelt, Chairman and CEO of General Electric, and Mukesh Ambani, Chairman of Reliance Industries, came together to exchange ideas on 'Leadership in the 21st Century,' in a unique interaction moderated by Tarun Das, Chief Mentor, CII

It was a rare instance of the East meeting the West to talk leadership. The representatives of the established and the emerging world orders - Jeffrey Immelt, Chairman and CEO of the \$183-billion General Electric, one of the world's largest corporations, and Mukesh Ambani, chairman of Reliance Industries, one of India's largest companies came together to exchange ideas in a unique interaction on 'Leadership in the 21st century,' moderated by Tarun Das, Chief Mentor, CII. Communiqué brings you excerpts of the CII - GE Session which was telecast live on ET Now on 1 October.

They didn't have much in common to begin with. While Immelt reflected GE's famed belief in processes, Ambani talked about the role of intuition and respect in effective leadership. But the debate saw them gravitating towards a common conviction that the future of world business

will be shaped by ideas from the East. Throughout the conversation, Ambani reflected the confidence of an emerging India providing thought leadership to the world of business, while Immelt highlighted the importance of transporting ideas back to the developed world. Excerpts:

#### **Managing Diversity**

Tarun Das: Jeff, GE is in diverse businesses. How do you manage these global business, different products, different services?

Jeffrey Immelt: When I joined GE in 1982, the company was 25 billion dollars and 80% of our revenues were inside the US. Today, we have a \$100-billion outside the US alone. So the notion of how to manage the global company and how to keep that going forward is foremost on my mind and that boils down to a couple of fundamentals. First, we have to constantly focus on recruiting, training and developing the world's best talent and giving them the freedom to act and win in their own markets. Second, is the focus on customers and the third is, interface with the society and government. You should know how to make money for your investors and the country. The unique role of the CEO in globalisation is to sense the moment of time and continue to be flexible as things change. Jack Welch (former chairman of GE) sensed the moment of time for India was 1991 when he sent all of us here.

Das: Mukesh, how do you see the world and manage in this very complex situation?

Mukesh Ambani: When I joined Reliance in 1980, it was less than Rs 80 crore in size. Next year, it's expected to touch the Rs 200,000 crore mark. Through my journey, I have had the backing of my father's philosophy that business has to have a purpose, which is to meet a missing need in society. I still remember in the 1980s, in Delhi, people would question us. They said, 'We don't trust you guys. If you are going to spend our foreign exchange, you better earn it and we will put an export obligation on you.' Lots of people think that India is a country of a billion problems. I am a big believer that India is a country of a billion opportunities.

#### India & China

Das: GE has been in India for the past two decades now. What do you feel about India today?

**Immelt:** The sense of optimism in India is really impressive. China has probably had one of the best governments in the world. If you did exactly what the government told you to do, you were successful. India has a great human resource capability. Going forward, India is going to be the place where business processes will change rapidly. We have made the decision to actually have all of the businesses in India report to a CEO in India versus back to their home CEOs back in America or Europe or elsewhere. We are doing this only in India. It will make things move faster and help us experiment with different business models. Also, we can see how business models that people like Mukesh are inventing can be transported to the rest of the world.

#### **Reverse Innovation**

Das: You recently had a great article in the Harvard Business Review on 'Reverse Innovation'.

Immelt: I think it is the idea that most American multinationals go through stages of globalisation where you export, start to localise and ultimately get to the point where you build local capability. And then you can start transporting ideas back to the developed world. That's what the article really is about. Now the only person in GE who thinks having all the businesses work for a CEO in India is a good idea is me.

Das: Are you too doing that at Reliance when you are looking at your business? Are you innovating, finding new models of doing business?

Ambani: Absolutely. We have got to have a vision to leapfrog, to make sure what we have done in communications, we are able to repeat in multiple sectors. There is always a danger of falling into the trap of doing what the West did. I think our challenge really is to think about what is next and reach there faster than anybody else. All through the 1990s, early 2000s, we were all being given homilies in terms of saying, 'you guys, in the emerging economies, you can disturb the world, and you guys have to discipline yourself'. And see where the biggest crisis came from in the world. It came from the heart of capitalism...

Immelt: (laughing) Are you pointing at me, Mukesh?

Ambani: We at Reliance have people like Dr Mashelkar and under him we have set up our Innovation Council, which really collects global thought leaders to think about extreme innovations. I am quite clear that 20 years from now, we would not talk about garages in Silicon Valley. We will talk about projects in the villages and rural areas in India, which are then scaled all over the world.

#### **Indian Entrepreneurs**

Das: Confidence has been a new ingredient (for Indian entrepreneurs), especially in the last five years. Do you see this in other parts of the world?

Immelt: The CEOs in India are as good as or better than any in the world. When I joined GE, Jack (Welch) sent all of the young leadership team to Japan because he wanted us to understand the force that he feared could beat us in the 20th century. I observed that Japanese CEOs did not like to travel and do things in the rest of the world. What makes this generation of Indian CEOs different is that they have really travelled the world and are willing go where it takes because that's how you get better.

Das: Mukesh, would you like to add to that?

Ambani: My father used to say that leadership really means winning respect. Leadership, to me, is really first about your soul, what values you believe in, and what convictions you stand for. Next, it is about your heart, what passion you have, and that gives you the courage to move on. Third is the brain, and that's your knowledge, competence and your ability to execute. And, to my mind, the soul, the heart and the brain, they do not change. So be it the 19th century, the 20th century or the 21st century, leadership continues, and what I am seeing is that with every generation, we are only getting better. Today, at Reliance, we give people the choice as to where they want to work. And 10-15 years ago, everybody would want to go and work outside India, but today, the bulk of our younger people want to work for rural transformation.

**Das:** Younger people want to do their own thing. They want to be self employed.

Immelt: I would say that in the post-crisis world, the CEO has to recognise that the world now wants us not only to make a profit, which is important, but also to create jobs and income, and that is the way the world will judge us. We are going to do you a service when GE invests in India, but I also do you a service when I invest in the United States as well, because 10% persistent unemployment in the US is not going to do any good to future globalisation. The biggest thing that Indian business leaders can do for me is to see the world every now and then through US President Barack Obama's eyes. And maybe do some of your own foreign direct investments in the United States to create jobs. I mean, my own argument would say that the next generation of BPO (business process outsourcing) jobs should be in the United States.

#### **Personal Track**

Das: I want to get a little personal with the two of you now as we near the end of the programme. I envy both of you as you both have a head of hair. This man (Mukesh) looks like he does not have a single grey hair, you (Jeff) look as if you do not have a single black hair...What makes you tick, Jeff? I mean what are all you about? Where did you go to school? Where did you grow up? Did you marry your girlfriend? How many kids do you have? Tell us about Jeff Immelt...

Immelt: I grew up in Cincinnati, Ohio, in the Midwest. I went to college at Dartmouth. I was a Physics major, Applied Math major in college. I received an MBA and went to work for GE. I spent most of my early career in sales and marketing in our plastics business. I ended up running our plastics business. I spent time in our appliance business. I ran our medical business for five years before becoming CEO. I could tell you a thousand stories about myself, but I'd (rather) tell you about my father, my real father.

Das: Not Jack Welch?

Immelt: Not Jack Welch. My father worked for GE for 40 years and so, in some ways, I am a representative of what's called the 'American Dream.' My mother was a school teacher. In one generation in the United States, you can go from sitting around a kitchen table talking about GE to actually sitting around the boardroom planning the future of GE! So that's what motivates me. I would describe myself as a GE man. GE is a company of normal people who work together and do extraordinary things, and we like it that way.

**Das:** Mukesh, I am not going to let you off on the personal front. How is it that you do not have grey hair, not even one?

**Ambani:** I am from the chemical industry. (The audience bursts into laughter)

**Das:** And do you share the family passion for cricket, or do you have other hobbies and interests?

Ambani: I have left cricket to Nita and am wise enough not to interfere in her domain. Business requires passion and a 24 x 7 kind of an involvement, but it is also important to be detached. The amount of time that I spend with my three children is very important. I think the best upbringing I can give them and the best wealth that I can create for them is really to bring into them a value system that will then last with them for a lifetime. I am a voracious reader, Nita makes sure that I work out, though you would not see the obvious results. (Laughs)

#### **India 2014**

**Das:** What kind of India would you like to see five years from now?

**Immelt:** I would like to see an actual good road between the Mumbai airport and downtown (laughs). I'd say three things about India. The first thing is that the long, foremost focus on infrastructure really comes true; the second thing is really making sure that this prosperity is shared broadly across the country; and the third thing is an incredibly friendly relationship between India and the US.

**Ambani:** I will give it to you in terms of my wish list. By 2014, India would have demonstrated that double-digit growth is a reality. Second, we would have created gainful employment and we would be used to creating gainful employment for 12 to 15 million people a year, a large percentage of them being professionals. Third, we would have created (massive) education and training infrastructure.

This interaction was exclusively telecast on ET Now. For the entire transcript, log on to http://www.economictimes.com

# **CII Development Initiatives Catalyzing Social Change**

ven as India's economic growth story continues to capture the world's attention and admiration, the key challenge for policy makers and industry is to include Indians from all strata of society in the country's impressive progress.

At present, the majority of the population remains at the periphery of development, with disparities amongst regions, states, sectors, and communities. Amongst the States, the North-Eastern and the central regions, with large tribal populations, lag behind. Agriculture trails behind industry and the service sector. Religious minorities, large sections of SC/ST groups, and women still do not have access to many job opportunities and human development. While the top end of the economy is experiencing phenomenal wage growth, the informal sector, which is the country's largest job creator, is characterized by low wages and income insecurity. Our public health indices continue to stagnate at very low levels with large-scale malnutrition. We are way behind the Millennium Development Goals set up by the United Nations.

India can move up on these parameters only if every segment of society comes forward to forge 'publicprivate-people partnerships'. Pooling resources such as knowledge, finances, infrastructure, technologies etc. can hasten the process of reaching out to those at the bottom of the pyramid.

The nation has sharpened its imperative for inclusive growth, with a noticeable policy shift from subsidy-based programmes to those enabling more income generation. In a parallel process, the concept of marrying market elements with social objectives is gaining strength. Encouragingly, there is a growing conviction amongst corporates that businesses have dual roles: to create shareholder value and, as well, play a proactive role in the community in which they operate.

CII has always been a catalyst for a new and competitive India. Over the years, our agenda has expanded to include 'inclusiveness' and 'sustainability' in our running theme of 'competitiveness.'

Our Development Initiatives are a series of focused interventions to mainstream economically and socially challenged groups and draw them into a cycle of growth,

development and empowerment. With the vision to'create an equitable, inclusive, knowledge-driven society through publicprivate-people-partnerships' - the 4 'p's, so to say, we link wealth creators and the NGO community and Self Help Groups, in ten critical areas of Societal and Regional

#### Development:

- Affirmative Action
- CSR & Community Development
- Disaster Management
- Industry-NGO Partnerships
- North Eastern Region
- Public Health
- Rural Development
- Skills Development
- Special Abilities
- Women Empowerment

We have set up multi-stakeholder groups in each of these areas for a complete programme of policy advocacy, knowledge creation, knowledge dissemination and 'on-ground' model projects. We integrate with Government's priorities and leverage corporate and international resources through our network across the country. CII has been privileged to partner several government bodies, as also international developmental organisations such as The Global Fund, Global Business Coalition, International Finance Corporation, to take this agenda forward.

Our vision of inclusion found reflection in two significant events this month, in the critical areas of Skills Development and Corporate Social Responsibility. Another event looked at the critical need to ensure safe drinking water when disaster strikes.



# 3rd Global Summit on Skills Development 2009

Strengthening the Delivery System

Sixty speakers and 600 committed skill development professionals from five countries congregated at the Summit to help take the skills agenda of the country forward

he 3rd Global Summit on Skills Development 2009, held from 23-26 September in New Delhi, was a mega event in the skills development area. This year's theme was Strengthening the Delivery System. The Summit, supported by the Ministry of Labour & Employment, and partnered by the Federal Republic of Germany and World Didac, reinvigorated the concept of linking education to skills and

identifying how skills and training could help address the big challenges of productivity, participation and social inclusion.

"The aim is to impart skills to 10 million more people each year. A critical mass of highly skilled people is needed to fuel growth and guarantee wealth," said Mr Kapil Sibal, Union Minister for Human Resource Development, while inaugurating the Summit.

The Minister was confident that India had the capability

to fill the skills gap present across the world, with its high demographic capital of young people. The country, Mr Sibal emphasised, was actively looking at partnerships from countries such as Germany, which had very good vocational training institutes. "Institutes abroad could very effectively set up branches in India or go in for 'twinning' as a model. A marine institute from



Arun Maira, Member, Planning Commission, and Kapil Sibal, Union Minister for HRD, at the inauguration of the Summit

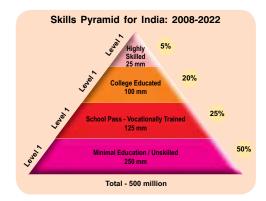
Norway is soon going to start an Indian branch. This will help them meet their skills shortage and also train Indian youth," he said.

Mr Sibal highlighted the need to improve the gross enrolment ratio (GER) from the present 12.4 per cent in India to 30 per cent by 2022. In the developed world, the GER is about 70 per cent. "Foreign universities may be allowed to enter India as early as the next academic session. The proposed

foreign universities bill would hopefully be passed by the next academic session," he observed.

Other speakers at the inaugural session also emphasized the role of skills in a nation's development. Mr. Arun Maira, Member, Planning Commission, recounted how Germany had helped train Indian automobile engineers at the time of Independence and thus provided a much needed impetus for the Indian automobile industry. These trained Indian specialists then went on to train

> Singaporeans. This, he said, was the kind of collaboration urgently needed. Mr Dominic Savage, President, World Didac, outlined how a teacher's efforts in the classroom could become more effective with the use of appropriate educational aids. Mr Kremer, President, Federal Institute for Vocational Education and Training (BIBB), looked forward to working more closely





Arvind Mayaram, Additional Secretary (Financial Adviser) Union Ministry of Rural Development, Rajendra S Pawar, Chairman NIIT, Sudha Pillai, Secretary, Planning Commission, India, Roy Newey, Board Director A4e Group, and Navin Bhatia, COO, Bharti Learning Systems Ltd.

with India in the future.

Mr Raghuttama Rao, Managing Director, IMacs, reiterated that the real opportunity and challenge lay at the bottom of the pyramid, where 250 million people of the projected 500 million to be skilled by 2022 are available to be tapped.

In other sessions, Ms Sudha Pillai, Secretary, Planning Commission, and Mr Sharda Prasad, Director General, Employment and Training, too reiterated their commitment to improving Skills Training to create an Indian workforce that was globally employable.

In keeping with this year's theme of strengthening the delivery system, the overseas speakers emphasised the need to adapt to international models of delivery systems. Every country has gone through its own learning process and India should now take the best practices and not repeat the mistakes, they suggested.

#### **Panel Discussions**

The Panel Discussion on 'Key imperatives for developing a National Skills Development Programme' chaired by Mr B Santhanam, Managing Director, Saint Gobain,

emphasized the need to increase the capacity and capability of the existing system to ensure equitable access to all. While building capacity of institutions, we need to have the involvement of stakeholders and plan for quality right at the outset.

The discussion on 'Policy Coordination for Coherence', steered by Mr Rajendra Pawar, Chairman, NIIT, addressed the issue of creating a framework for better coordination among government ministries. As many as 18 ministries are currently

engaged in skills development in different areas of responsibility to support employment generation and economic growth.

#### **Indo-German Session**

Day 2 of the Summit was dedicated to the German system of dual training. The German VET-system is characterized by its ability to adapt to new environments ito meet rapid technological and social change. The aim is to skill the workforce to make them capable of creating high quality, competitively priced products for a global market. The session demonstrated selected examples to show how the German VET system is shaped and modernized. Furthermore, the central role of the Federal Institute for Vocational Education and Training (BIBB) as think tank and innovator was discussed.

The need to adapt the dual training system and the workforce, it was stressed.

emphasis on the Train the Trainer model was accepted by all participants, who felt these models could be customized for the Indian market. The German system emphasizes the need for qualitative training and this will assist India in preparing a globally employable

#### **Two Reports Released**

- The CII-IMacs 'Handbook of the Skills Scenario in India' has in-depth data on the Indian economy, demographics, and sectoral data on the major drivers of growth. It is a ready reckoner of the status of human resource supply and policy initiatives.
- The CII-Technopak report titled 'Setting up WorldSkills India' is a guide to building WorldSkills India. The key objective of WorldSkills India is to promote skills in society through regional, national and international skills competitions.

Mr. Sharda Prasad lauded the German system of dual training. He said "skilled people are more productive and the concept of excellence becomes inborn for generations. India has an advantage in its growing and young population." He added that, accepting the best practices of the German dual training system, a Joint Indo-German Working Group has been constituted. We need to learn a few lessons from the German system, the first being that industry needs to



Reinhard Koslitz, Executive Director, Didacta, Dominic Savage, OBE President, World Didac, and Chairman, UKTI Sector Advisory Group on Education and Skills, Sharda Prasad, Director General, Employment & Training Union Ministry of Labour & Employment, and Vishweshwar Hegde Kageri, Minister, Primary & Secondary Education, Karnataka

be at the nucleus of the training phenomenon. Another

important lesson is that Vocational Training is an investment and not an expense, said Mr Prasad.

#### **Global Partnerships**

On Day 3, Speakers from different countries, reiterated ithe message - the need to tailor-make models for strengthening the delivery system in India.

Mr Allan Ross, CEO- CPSISC, from Australia and Dr Neil Barnes, Chief Executive, CPIT, New Zealand, said that India's strong industrial base could be used to collaborate internationally.

Mr Roy Newey, Group Board Director, A4e, felt that India could greatly benefit from the Prime Contracting model, which addresses the weaknesses of private and third sector delivery. There is increasing interest at the international

level, and the number of Public Private Partnerships in India should make this model a success, he said.

Mr Ross Hall, Director, International, Edexcel, spoke of Effective Education for Employment, raising the challenge of untrained teachers.

#### Leveraging Technology

Mr Alok Tandon, Director, Oracle Academy, Ms Ashlesha Thakur, Director, Education Empowerment Initiatives, Educomp, Mr Rajeev Katyal, Director, Education, Microsoft, and Mr Sharad Vajpayee, CEO, VelaiSmS, all emphasized that technology-based training offers the potential to revolutionize training effectiveness. Companies that realize this potential will be better positioned to leverage their human capital for sustained competitive advantage, they

#### The Swiss Dual System

Mr. Philippe Welti, Ambassador of Switzerland to India, presented a succinct view of the Swiss dual training system, which is already working in India. "Skilled labour contributes a significant amount to the GDP of a country. A small country like Switzerland has made its mark on the global map only because of the importance it metes out to excellence and quality in skilled labour and Public Private Partnerships," he said.

#### Indian Education

Day 4 highlighted the importance of linking education to employability. Enhancing the reach of education with the help of technology and creating a seamless transition from the education to the training system and vice-versa was the central theme.

Vocational training is investment and not an expense. For optimum results we need:

**Key Messages** 

- A real-world learning environment
- Industry involvement in the education environment
- International collaborations
- Leadership by associations like the CII
- · Skills in literacy and numeracy
- Advanced technical expertise
- Linking of skills and innovation

#### WorldSkills Competitions

The WorldSkills Competitions are held biannually under the aegis of WorldSkills International.

India became member of the World Skills International, a body consisting of 51 countries, in 2007, and participated in the 39th World Skills Competition for the first time in 2007 in Shizuka, Japan, with 5 participants.

India won its first-ever Silver Medal at the 2009 World Skills International Competitions in Calgary, Canada. The 2 - member Indian team competed in Mould-making and IT software applications, where Mr N Priyadarshan, a tool and die engineer from GeeDee Technical Training Institute, Coimbatore, won the Silver Medal in the Mould-making category.





## The CSR-CSO Bridge 2009

# **Moving the Growth Story forward** through Inclusive Partnerships

n a unique, first of its kind initiative, CII partnered with CAPART (Council for Advancement of People's Action and Rural Technology) and GiveIndia, to create a sustainable framework for initiating and strengthening partnerships between the business and voluntary sectors to usher in a more responsible and caring society. The programme, held in New Delhi on 1 October, saw excellent participation from industry, NGOs and government.

Dr C P Joshi, Union Minister for Rural Development and Panchayati Raj, at the inaugural session, called for economic growth with equity, using innovative ideas and radical thinking. Sixty years after independence, the CSR dialogue was still focused on capacity building when there was now need to identify and effectively utilize existent capacity, he said. For projects in the

rural sector, Panchayati land could be used as equity to get sustainable returns on development, suggested Dr Joshi.

In this new century, the Minister appealed to corporates to display a new resolve and a new way of governance to transform the lives of the underprivileged. He exhorted the corporate sector to identify a few panchayats, and put all their energies into developing demonstrable and replicable models of mutually beneficial partnerships.



Mohammad Haleem Khan, Director General, CAPART, Dr C P Joshi, Union Minister for Rural Development & Panchayati Raj, India, Sunil Kant Munjal, Past President, CII & Chairman, Hero Corporate Service Ltd and Chandrajit Baneriee, Director General, CII



Commending CII for organizing the CSR-CSO Bridge, the Minister suggested it be made an annual event and also be held in different regions to help bring in a movement of Inclusive Growth.

Mr Sunil Kant Munjal, Past President, CII, and Chairman, Hero Corporate Service Ltd, described the CSR-CSO Bridge as a unique

initiative for partnerships between industry, NGOs and civil society, to move India's growth story forward to include the underprivileged, the marginalized, women, and those in the rural sector.

Mr Mohammad Haleem Khan, Director General, CAPART, spoke of the commitment to the Millennium Development Goals to be achieved within 2015 by signatory nations. Following this was the Triple Bottom Line resolution regarding People, Planet and Profit. Today's environment



Bhairavi Jani, National Vice Chairman, Yi &, Director, SCA Group of Companies; Yashashree Gurjar, Group Head - CSR, Avantha; Bharat Wakhlu, Co-Chair, CII CSR Sub-Committee(NR) & Resident Director, Tata Services Ltd; Lakshmi V Venkatesan, Founding Trustee & Executive Vice President, BYST, K S Murthy, CEO, Bhavishya Alliance and Venkat Krishnan, Founder Director, Givelndia



Dr Y Suresh Reddy, Director, SRF Foundation; Nick Langton, Country Representative, Asia Foundation; Dr N Chatterjee, Dy Director General, CAPART, Dr Nachiket Mor, President, ICICI Foundation for Inclusive Growth, Mathew Cherian, CEO, Helpage India and Sanjay Patra, Executive Director, Financial Management Service Foundation

called not for incremental growth but a quantum jump, he said, giving examples of innovative solutions like NREGA, the National Rural Employment Guarantee Act and NRLM, the National Rural Livelihood Mission.

Mr Venkat Krishnan, Founder Director, GiveIndia, a partner to the CSR-CSO Bridge 2009, said the country today needs Responsibility and Caring, both by corporates and ordinary citizens.

Concluding the session, Mr Chandrajit Banerjee, Director General, CII, assured Dr Joshi, looked forward to working with him and his ministry to achieve the objectives of inclusive, equitable growth.

#### **Plenary Sessions**

#### Win-win ropositions for Industry NGO Partnerships

This panel discussion focused on mutually beneficial propositions for Industry- NGO partnerships. Key issues with regard to challenges and innovative solutions were shared. The participants agreed that they had a common goal in forging public-private-people partnerships. To harness the enormous potential of such partnerships and to give impetus to Corporate and NGO engagement, core issues were addressed and innovative solutions were identified.

The session focused on issues related to Corporate- NGO collaborations in the context of building in paradigms of trust, transparent and sustainable engagement, governance and accountability. The discussion shared perspectives from both sides on critical parameters for partner identification.

Pivotal to India's growth story is the construct of connectivities between CSR strategies of Indian industry and business to the deserving at the bottom of the pyramid. It was stressed that a commitment to shared values, responsibilities and gains is a common goal in the public-privatepeople partnership.

#### Policy Interventions for Enabling Corporate NGO Partnerships

This panel discussion focused on Partnership Models, which have become central to progress. Companies now are all too eager to join hands with voluntary organisations in putting their ideas on the ground, partnering them, and providing resources. Corporations and NGOs are together creating innovative models can renew the corporation's social legitimacy even as they allow for sustainable development and accelerate the eradication of poverty.

The deliberations debated on whether it was in industry's interest to play a more proactive role or whether such initiatives are better served by government, since India is still in great need of scaling up this social

#### Insights from the CSR-CSO Bridge 2009

- · All stakeholders need to have a common vision and speak a common language
- Each stakeholder must focus on "what can I bring to this partnership"
- Every stakeholder must have trust in others and work in a transparent manner

#### Catalogue of **Development Projects**

This authoritative in-depth report, documenting 180 projects of 90 NGOs from every part of the



country, was released by Dr Joshi at the Summit.

This book is an invaluable resource for anyone interested in India's development projects. The projects have been evaluated to clearly spell out their needs, scope, location, process, timelines and desired outcomes, along with feedback that the NGOs will share with the donors.

#### **CSO-CSR Rendezvous**

Dr CP Joshi launched the Council for Advancement of People's Action & Rural Technology-CSO-CSR Rendezvous website, which would provide a permanent 24/7 platform to enable partnerships between corporates and NGOs to find partners and projects that are mutually advantageous.

movement. The panelists considered the incentives that could be created to encourage such partnerships, and the key enablers for forging Industry-NGO partnerships, including conducive government and corporate policies, which are creating an enabling environment for Industry-NGO Partnerships.

#### Capacity Building for Successful Partnerships

Realizing that they each possess competencies, infrastructure and knowledge that the other needs to be able to operate in the community, NGOs and companies are trying to learn from, and work with, each other. This panel discussion, highlighted the need for convergence to build capacities in relation to purpose, context, resources and viability. While the NGOs need to build capacity in overall management and operational effectiveness, industry needs to monitor and evaluate development projects more effectively, through Audit, MIS, Documentation, M&E reporting and Technology interventions.

Select projects were showcased at the 'Joy Bazar'.

# Safe Drinking Water During Disasters



ne of the first priorities post-disaster is safe, potable drinking water. Municipal water treatment systems usually fail or get compromised when disasters occur. Not only is there a water shortage, drinking from a contaminated source leads to secondary complications in terms of outbreak of diseases and further loss of life.

CII organised a workshop to promote Industry's active involvement in providing equipment and technologies for provision of safe drinking water during disasters on 15 September in New Delhi.

Planning, preparedness and prevention were the key to dealing with disasters so that both human suffering and financial costs could be reduced, said the Chief Guest, Mr J.K Sinha, Member, National Disaster Management Authority (NDMA). Stating that the NDMA was organized to provide relief for disasters at the national, state, and district levels with appropriate levels of leadership

and accountability, Mr Sinha added that Civil Defence authorities and the National Defence Response Force (NDRF) were also now equipped to provide specialized relief.

Dr TNVV Rao, Member, CII Water Committee, and Regional Head, UL India Pvt Ltd explained the workshop was being held to develop a road map to deal with this important issue. Mr S Sen, Principal Adviser, CII, said that CII looked forward to working with the NDMA in this important area.

Industry players like Ion Exchange, Aquanomics, Aquatabs, Speck Systems, Hindustan Lever, and Kent RO were among those present at the session showcasing their products for water purification. Innovative solutions ranging from collapsible water tanks to purification techniques that can function effectively without electricity were discussed. The participants also included UNDP, NGOs, foundations and self-help groups.

# Understanding the **Direct Taxes Code**

Since the DTC seeks to make far-reaching changes in the tax law, CII has commenced the process of examining the Code in great detail

he draft Direct Taxes Code Bill, 2009 (DTC / Code) put up for discussion by the Ministry of Finance, Government of India, on 12 August, would bring about a drastic change in the existing direct tax laws. The Code, which would be effective from 1 April, 2011, seeks to consolidate the income tax, dividend distribution tax, fringe benefit tax and wealth tax.

The Direct Taxes Code Bill, 2009 methodically goes about achieving the purpose for which it is designed, which is levy and collection of taxes. It goes about this task in three ways:-

First, it widens the meaning of both, the income and tax payer base. Second, it narrows the scope of deductions, exemptions and incentives. Third, it builds in a series of provisions to disincentivise the making of uncertain claims and aggressive tax planning arrangements. All of these are with a view to increasing the income base and ensuring compliance and enforcement of the taxing provisions. In anticipation of a higher income base, it has lowered the tax rate or raised thresholds.

The key objectives of the DTC are simplification and broadening of the tax base, so as to facilitate voluntary compliance, reduce the scope for dispute and minimize litigations. While simplification is expected to result in reduction of compliance cost; broadening of the tax base should ideally lower the burden of contributing to revenue targets that are currently on a smaller tax payer base. Both the objectives and the outcomes are desirable, and there cannot possibly be two views about it.

However, while these objectives are desirable and the government's need to raise tax collections is understandable, any increase in tax collection ideally has to be done without increasing the burden on existing taxpayers. Likewise, broadening of the tax base has to be undertaken without alienating the existing taxpayer; and improvement in compliance has to be without causing harassment in enforcement.

The Direct Taxes Code proposes a substantial reduction in the rates of tax on corporate and individual income. It suggests near-removal of the difference in the tax treatment of domestic and foreign companies, and a shift in the base of minimum alternate tax (MAT) from book profits to value of gross assets. It also introduces several other new concepts such as treaty override, advance pricing mechanism on transfer pricing, anti avoidance rules, long term capital gain taxation, EET taxation on saving schemes, wider rules for determining residency, wider rules for deeming income sourced from India, etc. These have caused apprehensions among the tax payers and businesses as they have the potential to create unintended hardships and disadvantages to the tax payers.

The proposed Code also envisages doing away with a large number of exemptions and deductions though, in a few cases, these profit-linked incentives are replaced with a new set of incentives linked to capital investment. The exemption granted to charitable institutions is being revisited. The term 'charitable purposes' is being replaced by 'permitted welfare activities'.

The Guiding Principles of any tax legislation are Equity and Fairness, Simplicity and Efficiency. The DTC should espouse these very principles and ensure that a balance is maintained between these principles, with no single principle given overriding preference over others.

Since the DTC seeks to make far-reaching changes in the tax law, CII has commenced the process of examining the Code in great detail. The evaluation process necessarily entails a consideration of all the potential impacts and consequences from implementing the provisions of the proposed Code.

# Indo-US Cooperation in Agriculture



Rakesh Bharti Mittal, Chairman, CII Agriculture Council and VC & MD, Bharti Enterprises and Dan Glickman, Former Secretary, US Dept of Agriculture

CII organised an Interactive session on Indo-US Cooperation in Agriculture: Opportunities and Challenges, with Mr. Dan Glickman, Former Secretary, US Department of Agriculture, on 7 September in New Delhi.

Mr. Rakesh Bharti Mittal, Chairman, Cll National Council on Agriculture, observed that, under the leadership of Mr. Glickman, the Agriculture Department in the US had administered numerous farm and conservation programmes and modernized food safety regulations. During his tenure, the Department also focused extensively on improving the nation's diet and nutrition, and on fighting hunger, he said.

Mr. Glickman emphasized the need for 'Consumer Driven Agriculture' and 'Emergency Food Assistance'. He said a 'Gene Revolution' could be the next big step after the Green Revolution to transform productivity through investments in Research and Development. Mr Glickman also called for spreading awareness about new technologies such as BT technology, Genetically Modified crops etc among the farmers as well as the

Stressing on the urgent need for harmonizing Indian food regulatory and safety Standards with international standards, especially CODEX, Mr. Glickman recommended standards which would allow expanded and smoother trade between India and USA. Also, the US companies could bring in their technical know-how and latest developments in food processing technologies to facilitate the Indian Food Sector in upgrading systems and achieving global competitiveness. He stated that this could be facilitated by study missions to create exposure on requirements of training technology, hygiene practices,

testing facilities, product quality and safety parameters for meeting export requirements of meat, fruits and vegetables and dairy products.

Mr. Glickman felt that it was the opportune time for the two countries to collaborate in Agriculture: the US Government is also committed to this sector, and sustained efforts in developing a thriving Agribusiness in India would eventually open up a completely new frontier of economic development by unleashing an enormous amount of value creation based on India's natural and competitive advantages in Agriculture, he

Wrapping up the session Mr. V Shankar, Vice Chairman, CII National Council on Agriculture and Managing Director and CEO, Rallis India Ltd, stated that CII seeks greater cooperation with the US to address new and upcoming challenges and opportunities in modern Agriculture.

# **Brainstorming Session**

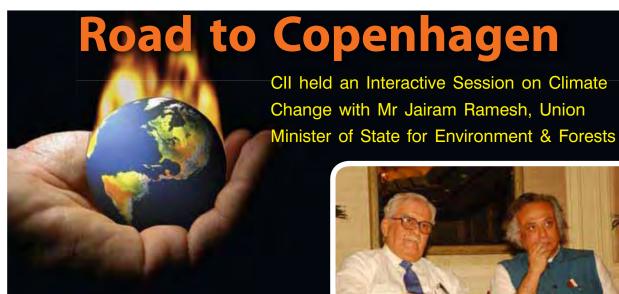


Rakesh Bharti Mittal, and V Shankar, Vice Chairman, CII Agriculture Council and MD, Rallis India Ltd

The CII National Council on Agriculture also held a Brainstorming Session on Indian Agriculture on 7 September in New Delhi. The session was chaired by Mr Rakesh Bharti Mittal and co-chaired by Mr V Shankar.j

The key issues discussed at the session:

- Assessment of the monsoon and its impact on agriculture and ways to deal with it.
- Rising food prices and suggestions for immediate interventions.
- Long-term strategies to ensure food security and agriculture competitiveness.
- Model Land Leasing Act
- Fiscal incentives for Agriculture.



o facilitate the joint engagement of Indian Government and Indian Industry on Climate Change and align views on related issues, CII organized an 'Interactive Session on Climate Change' with Mr Jairam Ramesh, Minister for State for Environment and Forests on 14 September in New Delhi.

Mr Shyam Saran, Special Envoy to the Prime Minister on Climate Change, Mr Vijai Sharma, Secretary, Environment and Forests, and Mr J M Mauskar, Additional Secretary, Environment and Forests, were among other senior officials from the Government who participated in the session chaired by Dr J J Irani, Member of the CII, Climate Change Council, Past President, CII and Director, Tata Sons.

The session featured representation from, Indian Green Building Council (IGBC), World Wild Fund (WWF) and various industry organisations. The interactive session also drew industry leaders from the Automobiles, Aluminum, Banking, Chemicals, Cement, Energy, Environment, Financial Institutions, Infrastructure, Information Technology, Manufacturing, Real Estate and Telecommunication sectors.

Mr Ramesh shared the Indian Government's position on Climate Change and divided India's response into two tracks. The Track I response focused on the international measures on mitigation and adaptation to ensure that India's developmental priorities are in synchronization with our growth and national priorities. Track II, meanwhile, focused on voluntary domestic actions, which India must undertake for its own benefit.



Dr J J Irani, Past President, CII, and Director, Tata Sons with Jairam Ramesh, Minister for State for Environment and Forests

#### Track 1: International Negotiation

To safeguard Indian interest in international climate change negotiations, it is important that there is alignment of government and industry views on the subject. Indian government and Indian industry should speak in the same voice in international forums. Salient propositions on India's stand on climate change are:

#### Post 2012 Framework

- We are not negotiating a new climate change treaty. The Kyoto Protocol is not coming to an end in 2012. The UNFCCC framework agreed under the Rio convention is the everlasting climate change treaty. At present, we are negotiating an enhanced implementation of UNFCCC that should lead to another commitment period post 2012 and a more elaborated implementation structure for the Bali Action Plan.
- Since developed countries have failed to meet their commitments under the first phase of Kyoto, there should be an agreement to undertake deeper cuts by developed countries under second commitment period.
- Contrary to the perception in certain quarters, India is not a naysayer in international climate change negotiations. India has made several constructive submissions to UNFCCC.

#### Mitigation

Only long-term commitment by developed countries will not be of much help. Developed countries should



Shyam Saran, Special Envoy to the Prime Minister; Dr J J Irani, and Vijai Sharma, Secretary, Ministry of Environment and Forests

agree to substantial cuts in the medium term also, such as 40% reduction by 2020 from 1990 baseline.

· India will undertake mitigation actions possible with its own limited resources. Such mitigation actions would be purely domestic and not subjected to any international scrutiny. However, mitigation actions enabled through international finance and technology would certainly be open to international scrutiny.

#### Adaptation

- · Adaptation is the most urgent requirement for developing countries and they need to devote the majority of their own resources to adaptation efforts. Developing countries should get financial and technological assistance from developed countries for adaptation.
- 0.5 1% of the GDP of developed countries per year would be needed to finance adaptation efforts in developing countries.

#### **Technology Transfer**

- · A global mechanism for technology transfer for key climate friendly technologies should be agreed upon in Copenhagen. The technology transfer mechanism should also be accompanied by global capacity building exercise.
- India's proposal CLEANNET to buy IPR of key technologies and provide developing countries as public goods, can be a base for such negotiations.

#### **Financing**

- · The global financing mechanism should be under the supervision of UNFCCC to ensure a balanced representation of developed and developing countries, and should not be a donor driven exercise.
- · International financing is very much needed for climate change actions by developing countries, since market-based instruments are not sufficient.

#### **Track 2: Domestic Actions**

Irrespective of India's stand in international negotiations,

it is important to take concrete domestic actions to combat climate change for our own good. Climate change presents a historic opportunity to India, as we can develop technologic leadership in this area. Some of the important domestic actions in the short-term are:

- Mandatory fuel efficiency norms within two years
- Developing alternate paddy cultivation methods
- Deepening of energy efficiency approaches in Indian Industry under the Perform, Achieve and Trade (PAT) scheme
- Useful disbursement of Compensatory Afforestation Fund Management and Planning Authority (CAMPA)
- Focus on climate change awareness and capacity building

#### New Initiatives to be launched by the Government

- National Clean Coal Initiative
- Market driven initiative on clean cook stoves

## **Key Suggestions by Indian Industry**

#### Solar

- Combined silicon facility should be provided to all manufacturers of Solar PV modules/panels
- APDRP funds should be provided to the utilities with an additional condition that 50% of the savings through AT&C loss reduction should be invested in solar energy

#### **Thermal Power**

- · All existing thermal power plants should be mapped with CO2 reduction potential perspective
- · Focus to be given on IGCC, Super-critical, Ultra super-critical and other clean coal technologies for power generation

#### **Energy Efficiency**

• 20-25 % of carbon reduction in most of the manufacturing units is possible just by reducing wastage.

# CII Defence Missions

#### United Kingdom

A CII Defence Industry Mission visited the UK from 6 to 11 September, coinciding with the Defence Systems and Equipments International (DSEi) Exhibition, held in London, from 8-11 September.

Recognised as one of the world's largest fully integrated defence and security exhibitions. the DSEi Exhibition is an ideal international forum for defence and security business. DSEi 2009 brought together senior international trade and military experts and visitors

from more than 1,350 companies from across 40 countries.

The focus of the CII Defence Industry Mission was to explore the opportunities and challenges for Indian companies to do business with international companies. CII, in association with the Defence Manufacturers Association of UK and the Society for British Aerospace, jointly organised India-UK business interactions and focussed B2B meetings.

The delegation also had high-level meetings with government agencies, interactions with other international companies / organisations, and networking sessions.

#### Nova Scotia

CII, in association with Nova Scotia Business Inc. (NSBI) organised an Indian Defence Business Mission to Nova Scotia, Canada from 20 to 25 September.

The Mission connected world-class Indian and Nova Scotia companies in the Defence, Security, Aerospace, ICT, and advanced manufacturing sectors. It is expected that the business-to-business meetings organised during the visit will result in mutually beneficial partnerships to



CII delegation at the BAE stand at DSEI 2009

avail of opportunities in the military procurement of the Canadian and Indian Armed Forces. The programme also included visits to leading global Aerospace and Defence companies in Nova Scotia. The delegates identified huge possibilities of cooperation and engagement between the Canadian (particularly Nova Scotia) and the Indian defence and aerospace industry.

CII wishes to take this engagement forward and looks forward for a reciprocal visit by a Canadian Defence Industry delegation to India, coinciding with one of our major exhibitions.

## **Defence Acquistion Management**

The 10th Defence Acquisition Management Course was conducted by CII on 10-11 September in New Delhi. More than 65 delegates from India and overseas attended the workshop.

The CII-Defence Acquisition Management Course (CII-DAMC) familiarizes companies with defence procurement procedures. In addition to explaining the defence procurement system and the who's who in defence procurement, the course covered the defence acquisition

> policy, including discussions on the new procurement procedures.

Major General Dr Mrinal Suman, (Retd.) AVSM, VSM, who has been the guiding force behind this initiative since its inception in 2003, was the Course Director.



CII delegates in Nova Scotia

# **Legal Conference Series- III** Reel World and the Law



Sanjay Tandon, Vice President, BIG Music; Tisca Chopra, Television and Film Actress; V B Pyarelal, Joint Secretary (Films), I & B Ministry; Biren Ghose, Executive Director, Eros International Films and Zia Mody, Managing Partner, AZB & Partners

ide consensus on the need to amend the laws and acts protecting intellectual property, with stronger enforcement of the laws and increased industry - government partnership to curb piracy emerged as the guiding mantra voiced by producers, guilds, lawyers and artists at the conference on 'Reel World and The Law'. The third event in the legal conference series was organised by CII in Mumbai on 19 September.

"The corporatization of the Indian entertainment industry presents several new challenges. Contracts, agreements and legal services are in increasing demand. However we need more regulation of content and should create more stringent and effective laws to stop the infringement of intellectual property in TV and cinema. But this cannot be a unilateral affair. The industry and the government and the law makers need to mutually discuss and agree on this," declared Mr. V B Pyarelal, Joint Secretary (Films), Ministry of Information and Broadcasting.

The Indian entertainment industry churns out close to Rs. 353 billion that is soon set to increase to Rs 1 trillion. But of this, almost 23% is pirated, resulting in a loss of about 8,00,000 jobs and Rs. 20 billion annually across the board. This is not just destruction of art, but also leaves a sizable dent in the economy, said Ms Tisca Chopra, Actor.

"There is increased complexity in today's industry due to the advent of more sophisticated technology, more segmentation and the coming of social media. There are wider avenues for producers to raise capital. There is also extensive regulation. But how does one protect intellectual property in an age of the internet? How do we moderate and control content in television and films? How do we control uplinking and downlinking norms?" asked Mr. Biren Ghose, Executive Director, Eros International Films. He went on to suggest that the industry, its various trade bodies and the government should actively come together, both to regularly deliberate this issue and more importantly to raise a 'pool of capital' to run the campaign. "Given the complex industry, the laws are extensive but fragmented, and we cannot achieve targets without enforcement," he said.

Mr. Sanjay Tandon, Vice President, BIG Music, raised a sense of hope as he spoke of building a force constituting all stakeholders to combat piracy through pooling capital and resources. He spoke of the evolution of the Copyright Act through the years, lauding the timely amendments that have made it relevant and effective. However, enforcement was a problem he said "Piracy is widespread through video, cable, internet and rentals and the worst part is, there is no moral remorse on part of the culprits. Effective Digital Rights Management is virtually impossible in today's world. We need a perfect sync between the reel world and the law in order to have more happy ending to all our stories," he said.

Ms Zia Mody, Managing Partner, AZB and Partners, said the acid test for the government today was to strike a balance between zealous protection of the Copyright Law and encouraging innovation and creativity. "Ten years ago, there was a lackadaisical approach towards legal aspects of Intellectual Property Rights. Today there is increased realization of value and monetization and IP infringement," she said.

The panel concluded by agreeing that while the country had extensive regulations, the enforcement needs to be more stringent and widespread. There needs to be a collective effort to heighten the combat against piracy in order to give the industry its due.

# Infrastructure Investment Roadshows



Chanda Kochhar, MD & CEO, ICICI Bank; Kamal Nath, Minister for Road Transport & Highways, India; Ashith Kampani, MD, J M Financial Consultants Ltd, Brahm Dutt, Secretary, Road Transport & Highways, Chandrajit Banerjee, Director General, CII, and Vinayak Chatterjee, Chairman, CII National Council on Infrastructure



Chandrajit Banerjee, Rt Hon Patricia Hewitt, MP for Leicester West and Chair, UKIBC and Kamal Nath at the "CII-UKIBC India Highways Infrastructure Roundtable", London

series of Highways Infrastructure International Investment Road Shows with Mr Kamal Nath, Minister for Road Transport & Highways, were organised by CII over August and September. The Minister addressed investors in Zurich (11-12 August), London (1-2 September) and New York (14-16 September).

The Road Shows evoked a very good response and CII is extremely hopeful that these meetings will lead to increased investments in the Indian Roads & Highways sector.

The Road Shows had three components:

- Building India: Road Infrastructure Summit was an Investors' Meet with a focus on highlighting investment opportunities in the Indian Roads and Highways sectors to potential investors, ICICI Securities and JM Financial partnered CII for the summits.
- · Highways Infrastructure Roundtable -was a closed door discussion to understand policy related issues experienced by overseas investors which would need to be addressed by the Government. These roundtable discussions were organized jointly with WEF, UKIBC and USIBC in Zurich, London and New York, respectively.
- Media Interactions A CII CEOs team led by

Mr Ajit Gulabchand, Chairman & Managing Director, HCC Limited accompanied Mr Kamal Nath on all the three road shows.

Some of the key issues highlighted at these Investors Meets:

- Land acquisition.
- The long-term debt market and cost of finance.
- An Enabling Regulatory Framework.
- The need to build capacities within NHAI and also amongst engineering / construction and consulting firms. This would be essential in view of the overall 20 km per day vision.
- New technologies are needed by India in highway construction and management, which is relatively new for our economy.
- The Model Concession Agreement. (In this regard, the Minister assured the investors that the Government is more than willing to review the Model Concession Agreement to ally the concerns of investors and developers.) The Clause for Termination during Construction was also highlighted as an issue of concern by investors.



# India Infrastructure Day in Hong Kong & Singapore



Vinayak Chatterjee, Chairman, CII Infrastructure Council & Chairman, Feedback Ventures Pvt. Ltd, Michel Pinto, Former Secretary (Shipping), India, Dr. A Didar Singh, Additional Secretary, Member (Finance) NHAI and Sunil Jain, Editor, Business Standard

n Infrastructure delegation from India, led by Dr. Didar Singh, Additional Secretary and Member (Finance), National Highway Authority of India, made a strong pitch to foreign investors in Hong Kong and Singapore to invest in the infrastructure sector in India, at conferences on 'India Infrastructure Day' organised by BNP Paribas, CII and Feedback Ventures in Hong Kong on 10 September and Singapore on 11 September.

Elaborating on the unfolding opportunities in the road sector, Dr. Didar Singh said the Indian government has drawn up a roadmap to build 35,000 kms of highways, costing US \$ 70 billion in the next few years. As much as 80% of this would come through public-privatepartnerships. He added that a well structured policy and implementation framework has been put in place to facilitate this process. Dr Singh specifically highlighted the measures taken by the NHAI, such as the creation of model concession agreement, revision of tolls linked to wholesale price index and revenue sharing concept, etc, to provide comfort to investors. Business and investment opportunities in the road sector, he said, were wide open to foreign companies operating in the space of investment, construction, consultancy, toll road operation, etc.

Allaying concerns with regard to land acquisition, he said that NHAI is committed to acquire land up to 80% before handing over the projects to the investors.

Mr. Vikram Limaye, Executive Director, Infrastructure Development Finance Company (IDFC), said that tapping resources from the international market is going to be challenging, considering that developed countries are also now competing for finance for infrastructure creation. While there is enough liquidity with the banks and financial institutions in India, long term debt continues to be a concern, he said. Mr Limaye opined that the Government of India should adopt a flexible policy on external commercial borrowings, to help

raise long term debt for infrastructure projects.

Mr. Michel Pinto, former Secretary, Ministry of Shipping, Government of India, said that over the last few years, ports in India have experienced a surge in foreign investment. This sector needs an investment of US\$ 19 billion, out of which US\$ 14 billion is expected to come from the private sector, he said. Mr Pinto pointed out that fixation of tariff upfront is an issue that needs

Mr. Vinayak Chatterjee, Chairman, CII National Council on Infrastructure, and Chairman, Feedback Ventures, said India's transformation in the last 15 years from a closed door economy to one that is wide open to foreign investments in infrastructure, and the following success of PPP projects, is a remarkable accomplishment. However, there is a capacity constraint on the part of Government of India to conceive and executive an infrastructure programme of US \$ 500 billion.

Mr. Sunil Jain, Associate Editor, Business Standard raised specific issues that need to be resolved speedily to put infrastructure development programme on track in India. He especially underlined the need for open access as a major step forward for the power sector.

Mr. R Rajgopalan, Senior Vice President, IIFCL said Indian Infrastructure Finance Co. Ltd. (IIFCL) has sanctioned 59 road and 5 port projects, many of which have started operation within the stipulated time. He added that IIFCL is now in the process of launching a refinancing scheme and also giving a push to the bond market.

The Conference hosted two special sessions: 'Market and Financing Challenges for Infrastructure in India', moderated by Mr. Gopal Sarma, Managing Director, Feedback Ventures and 'Regulatory and Political Challenges for Infrastructure in India,' moderated by Mr. Sunil Jain. The conference was followed by one to one meetings with investors.

# **Transaction Costs in the ICTE Manufacturing Sector**

igh Transaction Cost is key for concern in the ICTE manufacturing sector. A CII Workshop on Impact of Transaction Costs in the ICTE Manufacturing Sector, held on 31 August in New Delhi, focused on this issue as the ICTE sector is the first industry to face zero duty regime on account of WTO-ITA-I and FTAs.

With the elimination of duty and the consequent vanishing differentials between raw materials, component/parts, sub-assemblies and finished products, the completion

of the manufacturing cycle at the lowest cost is a business imperative. Intense

CII

V. Sridhar, Chairman, CBEC, Ministry of Finance, R.Chandrasekhar, Secretary, IT, and Deepak Puri, Chairman, CII National Committee on ICTE Manufacturing and CMD, Moser Baer India Ltd

competition amongst manufacturers for capturing larger market shares primarily by leveraging the end price of their products, has led to ever-thinning margins. It has also redefined the Cost-Price equation. As the prices are fixed by market forces, the margins depend upon the ability to keep the costs at the lowest. Therefore any transaction which adds to the cost without adding to the value, adversely impacts the competitiveness of the ICTE manufacturing sector.

Some of the rules and procedures prescribed for logically completing the business cycle cause time delays, reducing the velocity of business, require voluminous paper work, lead to blocked capital, etc. These factors, though revenue neutral, add to the cost, and adversely impact the ICTE industry's competitiveness in both domestic and export markets.

The workshop presented case studies involving policy and procedural issues related to excise, customs and service tax faced by ICTE manufacturing units.

Mr R. Chandrasekhar, Secretary, IT, in his special address, highlighted the importance of developing a competitive ICTE manufacturing sector. Efforts should be to build the industry around our strengths in R&D, design, prototyping, assembly and testing, he said, calling for a shift from archaic rules based on mistrust to a trust-based regime. It is no longer a question of government versus industry but government and industry working together in the national interest, he stressed. Mr Chandrasekhar said that in a zero duty environment, the

impact of transaction costs is a make or break issue.

In his inaugural address, Mr V. Sridhar, Chairman, Central Board of Excise and Customs, Ministry of Finance, said that Government recognizes the need to keep transaction costs to the minimum and has taken several initiatives in this regard. Noting that some controls are necessary,

> he said that Government, however, has an open mind and welcomes suggestions towards simplification of the procedures.

> The session on Presentation of Case Studies was chaired by Mr Vivek Johri, Joint Secretary, Tax Research Unit, Department of Revenue.

Mr Deepak Puri, Chairman, CII National Committee on ICTE Manufacturing and CMD Moser Baer India Ltd, brought out the large manufacturing opportunity in this sector and the need for joint government-industry initiatives for realizing CII's Mission 5x5. Transaction costs, while having no impact on the revenue, add to the manufacturing costs, resulting in erosion of competitiveness in the domestic and export market, he warned.

Mr Vinod Sharma, Chairman, Cll Task Force on Transaction Costs in the ICTE Sector, and Managing Director, Deki Electronics, said that traditionally, transaction costs the world over are costs on account of mistrust. It is a myth that transaction cost have drastically come down post liberalization, he said, pointing out that rules and procedures should facilitate fast movement of goods, from the ports to the factory and to the customers, rather than cause delays. But, in a zero duty regime, the transaction costs get magnified, he said, reiterating the need to facilitate companies to complete the manufacturing cycle without adding any costs which do not contribute to the value of the goods.

Mr Ambrish Bakaya, Director, Corporate Affairs, Nokia India Ltd, said that overseas investors seek an ecosystem comparable to that available in other competing countries. Highlighting the importance of just in time receivables and time to market for end products, he assured the cooperation of manufacturing industries in this regard.

# India@75 Next Phase: Call for Inspired Action

India@75 reflects CII's aspiration to facilitate India's transformation into an economically vital, technologically innovative, and socially and ethically vibrant global leader by the year 2022

o realize the vision India@75, significant work needs to be done in various areas. However, based on the 'fold the future' in principle of India@75, CII is focusing on three key areas for urgent attention this year. These are not only critical for the vision to be realized but are also areas where CII can play an active role:

- Education with Skill Building
- Inclusive Urbanization
- Sustainability

The next step in moving from the vision to inspired action is the creation of 'platforms' to realize the vision. Action in the form of projects and initiatives will be driven around specific platforms that can be created using the principles of India@75 as an organizing idea.

CII would use its convening power to engage the various stakeholders required to deliver successfully upon the projects and initiatives under such platforms.

Inclusive Urbanization: The vision is to create 500 well planned world class cities. The City Connect model is being developed as a platform at the local level. This is being modeled on the lines of the existing Chennai City Connect initiative and supported by capturing learnings from other such initiatives as well. With the help of the CII Institute of Quality, a comprehensive document on how to start and sustain the City Connect platform (City Connect Guidebook) is being developed. Local vision champions and knowledge partners are being identified in CII zones and districts to facilitate the creation of such platforms and also develop a professional organisation structure to drive the City Connect platform in their respective zones and districts.

To further support these platforms, an urban resource centre is being formed to help design and implement citycentric projects of world class quality. Professional urban planners, municipality in a box concepts etc., would form a part of the repository that can be accessed by the various platforms. The final product being envisaged is a Centre of Excellence for Urbanisation.

Skilling: The vision is to create a 500 million skilled workforce. The good news is that several stakeholders in the country, including the government, agree that this magnitude of skilling will get India its global leadership

position. There is an urgent need to increase the pace at which skills are being developed in India currently. Therefore it is important to leverage technology and create a very powerful national platform that will aggregrate the best content, assessment and distribution techniques, etc. The role of the platforms at the zonal and district level will be to push this platform out, based on the skills required locally, to a wide cross-section of society. Herein also lies the opportunity to create entrepreneurs in the skilling space and rapidly expand the pool of skilled manpower.

While the supply side of skilled manpower is being addressed there is also a need to tackle the demand side. There is a need to increase the demand of qualified and certified resources in industry and a comprehensive plan is being put in place to make that happen.

Sustainable Development for All: The challenge lies in prioritising the varied sustainability issues and then addressing them by engaging several stakeholders, going down to the individual. The model of deployment in this area is still being debated.

A day-long session with Prof. C.K. Prahalad and other experts is being planned in the next few weeks to help set achievable milestones for those who will lead these

Further, based on the visions that have emerged in the 21 states and 18 districts where the visioning exercise was carried out last year, state council agendas for the year have been set incorporating the common aspirations of the local industry and population.

We are structuring ourselves so as to be more effective and improve cross learnings by forming a regional India@75 task force in each of the four regions : northern, southern, eastern and western. Each regional task force would also have a resource from one of our process partners, PWC and Bain & Co, available for the next 8 months.

Modeling India@75 on the lines of the Poorna Swaraj movement, it is essential that the energy and excitement of creating the new India be sustained. Small, ongoing, impactful action steps are now happening to achieve this goal.







Officials from Malawi High Commission visiting Clusters in Ludhiana and Jalandhar

Officials from the Malawi High Commission visited CII Cluster companies in Ludhiana (bicycle cluster) and Jalandhar (hand tool cluster) on 2-3 September, and expressed their deep appreciation of the Cluster programme. The CEOs made presentations on the learnings and benefits accrued through the Cluster programme and accompanied the vistors to the shop floor to show them the real benefits of the Cluster approach.

#### **Communication and Presentation Skills**

An interactive workshop on Communication and Presentation Skills on 3 September in Chandigarh used practical examples to help professionals across the board improve their impromptu verbal communication skills to meet the challenges of change.



Training on Communication and Presentation Skills

#### **Indirect Taxes**

A one day workshop on 'Indirect Taxes' on 10 September in Chandigarh explained the basics of Indirect Taxation, provided an overview of major Indirect Tax laws and their impact on business decisions, and addressed the issues of strategic tax planning for trade and industry. The faculty for the training programme were senior professionals from Khaitan & Co (one of India's largest law & taxation firms with huge domain expertise and wide experience in Consulting).

#### **Effective Inventory Management**



Training programme on Effective Inventory Management

A training programme on Effective Inventory Management on 11 September in Rudrapur, Uttarakhand was very well received by industries in the area. The workshop showed that inventory is one of the largest wastes: It devours capital, becomes obsolete and consumes space and manpower. It also hides other waste. Inventory is, thus, an effect as well as a reflection of overall manufacturing effectiveness.

#### **New Product Development Tools**

CAD-CAM-RP-CAE tools require increasing focus today, as SMEs need better quality, style and service to sustain competitiveness. A national seminar cum exposition on New Product Development Tools PLM-CAD-RP-CAE in New Delhi on 22 September highlighted the potential of these tools and their application for developing future products.

Mr Manish Garg, Chief Executive Officer, Digital Design Solutions in his keynote address noted that NPD tools help in developing 'killer' products and improving quality. Mr. Yogesh Munjal, Chairman, CII Cluster for Competitiveness & Managing Director, Munjal Showa Ltd, in his keynote address, underlined the need for product innovation for inventive and cost effective solutions in today's shrinking markets. We have to use advanced engineering services and software development to translate the customer's needs into product development efforts by using CAD-CAM-RP-CAE software, he said.



National Seminar on New Product Development Tools

Mr Madhav Lal, Additional Secretary & Development Commissioner Micro, Small and Medium Enterprises, who was the Chief Guest, informed about the major schemes of the government in this context. The scheme on Design Clinics recognizes the need of continuous design in product and process to create a niche for SMEs, and aims to build a design culture through awareness seminars followed by intensive workshops and design assistance through experts. He also described schemes on IT applications in the MSMEs sector, Lean Manufacturing, Technology & Quality Upgradation and Assisting Incubators. More than 100 participants from 40 leading companies as well as Indian Railways, DRDO, IIT Delhi etc participated in the seminar.

#### **Energy Management- Best Practices for SMEs**

At a programme on 'Energy Management: Best Practices - Enhancing Competitiveness for Small and Medium Enterprises' on 30 September in Chandigarh, technical experts from industry (Ingersoll Rand Industrial



Training programme on Energy Management

Technologies and Jay Dee Enterprises) and a CII team shared the latest energy saving ideas along with updates on energy saving equipment.

#### **Leadership Challenges for Growth**

Globally, organizations are witnessing the most critical time in their lifecycle which can be truly regarded as an era of massive changeover. The changing paradigms require progressive units to build upon their strength led by highly motivated leaders to nurture teamwork. A workshop on 30 September in Jaipur enunciated the making of a 'perfect leader' with ideal teams.

#### **Corrosion Control Awareness Seminar**



Prof. (Dr) K Baba Pai, Chairman, The Indian Institute of Metals

Corrosion can result in plant shutdowns due to machine or equipment failure, costly maintenance and replacement of corroded equipment, and expensive overdesign. Apart from the economic loss, corrosion adversely affects the safety of people and the environment, stressed a Corrosion Control Awareness Seminar on 30 September in Vadodara.



Confederation of Indian Industry

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

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

#### You may buy your copy

- 1. Online from our website www.cii.in
- 2. In person from CII offices at New Delhi, Gurgaon, Mumbai, Chennai or Kolkatta
- 3. By sending a cheque/ demand draft payable at New Delhi in favour of 'Confederation of Indian Industry' to the address below. (Please remember to cite your membership number, if you are a CII member.)

#### **CII Publications**

#### Confederation of Indian Industry

249-F, Sector 18, Udyog Vihar, Phase IV Gurgaon - 122 015, Haryana, INDIA Tel: 91-124-401 4060-67 Fax: 91-124-401 4080

# Going Green...

Green Building Congress 2009

The participation of over 1400 national and international delegates at the Green Building Congress 2009 demonstrated that India is well-poised to emerge as a global leader in Green Buildings

n a major impetus to the green building movement in India, the 7th edition of Green Building Congress 2009, organised by the Indian Green Building Council (IGBC) from 9-12 September in Hyderabad evoked overwhelming response and was well received from all the stakeholders of the construction sector.

The theme for the event was 'Affordable Green Buildings', aimed at making green buildings a reality for all sections of the society. The Congress amply demonstrated that going green is the need of the hour, with an International Conference on Green Buildings, and a

Conference on Green Homes, as well as several other related events.

International speakers and experts on Green Building concepts and technologies converged in Hyderabad at the international conference on Green Buildings on 10-11 September to discuss, deliberate and suggest ways to collectively steer forward the green building movement in India spearheaded by the Indian Green Building Council (IGBC).

Inaugurating the conference, Mr K Rosaiah, Chief Minister, Andhra Pradesh, pointed out that the environment has always been the top priority of the Government. He described the activities and initiatives undertaken by the Government and highlighted the distinct features of Andhra Pradesh in fostering and promoting green buildings in the country.



K Rosaiah, Chief Minister, Andhra Pradesh, inaugurating the exhibition, as Chandrajit Banerjee, Director General, CII, Jamshyd N Godrej, Chairman, CII-Sohrabji Godrej Green Business Centre and Dr Prem C Jain, Chairman, IGBC, look on

In his theme address, Dr Prem C Jain, Chairman, Indian Green Building Council highlighted the activities and initiatives of IGBC in promoting Green Buildings in India. He expressed confidence that India would soon emerge as one of the world leaders in Green Buildings and technologies.

Dr Jain, spelling out IGBC's vision for India@75 said IGBC envisions having 100,000 Green Buildings with a foot-print of 5 billion sq. ft. by 2023. Hoping that India would become a trend-setter to the rest of the world in this movement, Dr Jain underlined that the ultimate vision of the IGBC is to deliver green buildings at a cost lower than that of conventional buildings.

Mr Jamshyd N Godrej, Chairman, Cll-Sohrabji Godrej Green Business Centre, spoke about CII's 'Mission on Sustainable Growth' and its objective in promoting and championing ecologically sustainable growth in Indian industry without compromising on high and accelerated development. Describing the Green Building movement as an extension of the Mission, he called on captains of industry to join the Mission to ensure sustainable growth of the country.

The conference, with 23 sessions with 70 national and international speakers, included master speaker sessions and technical sessions on Green Building concepts, sharing of case studies, etc. A panel discussion examined the role of the government in promoting Green Buildings.

#### IGBC - ASHRAE MoU



Exchange of MoU between Dr Prem C Jain, and Lynn Bellenger, President Elect, ASHRAE. Also seen: ParasuRaman R, Founding Chairman, IGBC, & Vice Chairman, World Green Building Council

An MoU was inked between IGBC and The American Society of Heating, Refrigerating and Air Conditioning Engineers (ASHRAE) to foster and promote Green Buildings in India. The two organisations would exchange information and knowledge on building standards and codes.



Dr K S Jawahar Reddy. Metropolitan Commissioner. HMDA

#### Conference on Green Homes

An exclusive conference on Green Homes on 12 September focussed on the green way of living.

Speaking as the Guest of Honour at the inaugural session, Dr K S Jawahar Reddy, Metropolitan Commissioner, HMDA, underlined the government's commitment for the cause of Green.

In his keynote address, Mr V Suresh, Principal Executive Officer, HIRCO, made a fervent plea for adoption of environment-friendly, ecologically-appropriate, and energy-efficient planning, design and construction features in large building initiatives.

Leading architects participated in master speaker sessions. The conference had sessions addressing landscaping and water, affordable housing, materials, energy and case studies on Green Homes.

#### Training Programmes

Training progammes on Green Homes and for New Construction were organised on 9 and 12 September respectively, covering various nuances of green building concepts.

#### **Green Building Mission**

As part of Green Building Mission, green building visits were organised to Avani Residence, India's first platinum rated IGBC green home project and Microsoft India (R & D) Pvt Ltd, a Gold rated LEED - NC rated building.

#### **Awards**

#### **Green-I Contest 2009**



K Rosaiah, Chief Minister, Andhra Pradesh presenting the Green-I 2009 award to the students of Lakshmipat Singhania Academy, Kolkata

CII, Young Indians (Yi) and IGBC conducted the Green-I 2009, a national-level school competition to create awareness and instill environmental responsibility among school children of today and future leaders of tomorrow. The theme for the contest was 'Evaluate various measures that can be taken to reduce your school's carbon footprint. If you were to choose and implement 3 of these measures in your school, what would those be and why?'

Amongst the five finalist schools that made their presentations on 9 September, Lakshmipat Singhania Academy, Kolkata, was adjudged the winner, with a grant of Rs 7.5 lakh from Carrier Air Conditioning & Refrigeration Ltd towards implementation of their green ideas within their school campus. The other finalists were Vasant Valley School, New Delhi, Sri Aurobindo International School, Hyderabad, The Daly College, Indore, and Sri Sankara Vidyashramam Matriculation Higher Secondary School, Chennai, in that order.

#### • IGBC Green Design Architectural Awards

The IGBC Green Design Architectural Competition was

organised for architectural students across the country to foster imbibing principles, information and knowledge that would pave way for a greener tomorrow. The topic this year was 'How do you grow a green house atop a tree?

Mr Bomching Maio, and Mr Shashank Gautam from SPA Delhi were awarded with the first place in the competition that was supported by Blue Star Limited. The other winners were teams from SAP Chennai and SPA Delhi.

#### **Green Building Ratings**

Green building ratings were presented to 19 green buildings in India, in various categories which included IGBC- Green Homes Projects, LEED India Certified Buildings, and LEED Certified Buildings – USGBC.

#### **Exhibition on Green Buildings**

The three-day Green Buildings exhibition, which was inaugurated by Mr K Rosaiah, featured the latest and emerging green building products and technologies. Over 120 green stalls attracted over 5000 visitors who received firsthand information on the products and a window to learn more on the latest eco-friendly technologies.

Some of products on display included eco friendly paints, energy efficient saving ACs, energy saving lights, plywood/recycled wood, eco friendly glass, electrical products, housekeeping chemicals, carpets, wooden floorings, pumps, under-floor air conditioning systems, solar products, anti termite products, UPVC window and door systems, day lighting systems, water proofing products, window screens, sanitary ware, LED lights, and more.



Visitors at the exhibition

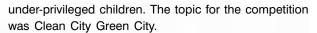
# World Green Building Day celebrated

he Indian Green Building Council (IGBC) formed by CII in 2001 is a founder member of World Green Building Council.

The CII-IGBC celebrated World Green Building Day on 23 September, highlighting the need and importance to adopt and construct green as a way of life

To mark the occasion, IGBC local chapters organised meetings and awareness programmes highlighting the importance of the day.

IGBC Bangalore organised a painting competition for



The day was also marked by planting saplings at Cubbon Park.



World Green Building Day celebrations on 23 September 2009 at Bangalore

## **US team visits GBC**

n 18 September, a high-level 15 member Government delegation, led by Mr Sam S Reed, Secretary of State for the State of Washington, USA visited CII- Godrej GBC, the first Platinum rated LEED (Leadership in Energy and Environmental Design) green building outside of USA and the third in the world.

The delegation was briefed on the activities and initiatives of the Centre aimed at promoting and fostering ecologically sustainable business growth models in India.

Speaking on the occasion, Mr Sam S Reed, Secretary of State, State of Washington, appreciated India for promoting green buildings.

Later, the delegation was escorted on a green building

tour and was briefed on the energy efficient, eco-friendly and sustainable features of the green building.



Sam S Reed, Secretary of State for the State of Washington, USA Visit to the GBC Center

#### Thinking beyond Classrooms



Thangam Thennarasu, Minister for School Education, Tamil Nadu

The process of education does not stop with the curriculum and other school activities. To compete successfully in an era of rapid economic and technological change, India needs not only classroom teaching but also innovative skills and extra training, as the structures of economies and occupations change.

Understanding this need, CII

Madurai Zone along with the CII Institute of Quality, Bangalore, organised a School Excellence Conclave on 'Thinking beyond Classrooms' on 7 September to bring in more innovative ideas to enhance the quality of education provided by educational institutions in the southern districts. Over 160 principals and teachers from various schools in and around Madurai attended the Conclave.

Addressing the valedictory session, Mr Thangam Thennarasu, Minister for School Education, Tamil Nadu, said that education should be upgraded to equip children with life skills along with academic skills. The teachers have to keep their learning up to date as, in the modern days, children have other options to learn and at times they know more than the teachers, he said.

#### **Tea Cluster Gets Coveted Certification**

The Amalgamated Plantations Private Ltd (APPL)-CII Tea Cluster was the first proud recipient of the coveted ISO 22000 Accredited Food Safety certification in the Tea Sector. from DET NORSKE VERITAS -DNV, for four of its tea estates in Assam. The group has 24



estates within Assam and Bengal and produces 41 M kgs of tea. The factories have been upgraded to meet stringent international requirements for food safety.

Mr. D Borah, Executive Director, APPL, noted that there was a great amount of diligence and team work behind the successful certifications to ISO22000. The factories have undergone changes to improve processes and hygiene with evidenced reduction of spillage during processing. This process required wide employee Involvement and promotion of a culture of sharing Best Practices for continual improvement. He said that APPL's decision to engage CII Institute of Quality had facilitated their journey to excellence, starting with Food Safety and Quality.

The 'Individual Estate Certificates' were handed over to the four APPL estates in Assam in separate ceremonies. The company plans to upgrade another six estates within the current financial year. The remaining estates would be made ISO 22000 compliant within 2011.

# IT Sector Seeks Stronger IP Protection





he Internet is one of the fastest growing distribution channels for counterfeiting and piracy, as more and more goods change hands through peer-to-peer networks. The two day **US-India IP Conclave on Information Technology** in Hyderabad on 3-4 September, organised by CII in collaboration with the US Embassy New Delhi, stressed the need for Intellectual Property protection in the Information Technology domain.

Mr. Shakti Sagar, Vice Chairman CII Andhra Pradesh, and Managing Director, ADP India Pvt Ltd, called for collaboration amongst the global community for IP protection. He said, "With fast-paced technological developments taking place in the cyber world, it has become a hotbed of IP issues. The IP Owners committee of CII has been working closely with national and international agencies to build a strong consensus for effective implementation of best practices for better future for Innovation-driven IT companies."

Mr. Dominic Keating, IPR Attaché, US Embassy, New Delhi, said that collaboration is the key in strengthening a global IP regime. The discussions during the US India IP Conclave would focus on key issues like 'Internet -The new face of crime, and "Strategies for Protection of

Incremental Innovation,' he explained. While software programmes are not patentable per se in India, many software firms would like to have software patents in order to strengthen their market position. Furthermore, piracy over the internet has assumed gigantic proportions, he said.

Mr G.R. Raghavender, Copyright Registrar, Government of India, in his key note address elucidated the proactive steps taken by the Indian Government in bringing in

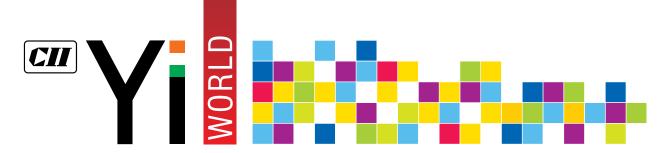
a conducive Copyright Act for Protection of Creative & Artistic Works that was well in tune with the fastpaced technological advancements in the IT and Entertainment sector. He also apprised the participants on the emerging International Policy developments, especially the role of the WIPO Internet Treaties with reference to the IT industry and the liability of Internet Service Providers.

Mr Cornelis M Keur, Consul General, US Consulate, Hyderabad, in his inaugural address said "collaborative efforts across the globe are essential to face the challenges of ubiquity of information in the digital form. The widespread use of computer networks and the rapid proliferation of the World Wide Web have profound implications for the way Intellectual Property (IP) is created, distributed, and accessed by virtually every sector of society. The US Government is fully committed for a partnership for collaborative efforts in building a strong Intellectual Property protection and enforcement regime."

IT companies from all over India attended the two day conclave to discuss measures which can be taken to protect innovation and creative works in the IT industry.



Shakti Sagar, Vice Chairman, CII-AP & MD, ADP India Pvt Ltd, Dominic Keating, IPR Attaché, US Embassy, New Delhi, G R Ragahavender, Registrar of Copyrights, Copyright Office, India and Cornelis M Keur, Consul General, US Consulate



#### **Nation**

On 12 September, the 19th chapter of Yi was launched in Erode by Dr B K Krishnaraj Vanavarayar, Chairman, Bharatiya Vidya Bhavan, Coimbatore Kendra. On 23 September, Yi launched its 20th Yi chapter in Visakhapatnam, and on 1 October, the 21st Yi chapter was launched in Goa. With these three new chapters, the total membership of Yi is now 1132 direct members. and 10,000 indirect members.

Yi organised the third edition of the Green - I contest 2009 along with the Indian Green Building Council & Carrier in Hyderabad on 9 September. The annual contest conducted under Yi's environment initiative aims at instilling environmental responsibility among future citizens of the country, received 130 entries from schools across India. Lakshmipat Singhania Academy from Kolkata won the first prize followed by Vasant Valley School from New Delhi.

Yi, under its Student Nets platform conducted a simulation of the Indian Parliament on 26 - 27 September in Kochi for youngsters in the age group of 16 - 25. After a rigorous selection process, 150 applicants were groomed to conduct the simulation, which exposed them to the intricacies of the Parliamentary procedure. The simulation, comprising of three parliamentary sessions was structured to reflect the entire mechanism of parliamentary proceedings - including passing of bills, question hours, adjournment motions and debates across all major ministries.



Students participating in the Indian Parliament Simulation at Kochi

## Chapters

#### Chandigarh

7 September: Yi Chandigarh initiated the second phase of its deworming campaign at the Palsora colony No 1 – Udaan AIE centres. The campaign, with the Bharat Prakash Foundation, a partnership initiative of the Chandigarh education department, is part of Yi's Arogya



At the Yi deworming campaign in Chandigarh

Project which aims at deworming every child in India twice every year, to free the country from infections caused by common pathogens.

9 September: A blood donation camp was held at the CII office premises, along with the Government Medical College & Hospital, Chandigarh, to spread awareness on how blood can save lives, and about the Hepatitis B - C and HIV/ AIDS virus.

17 September: An awareness session on Income Tax at the Institute of Planning & Management (IIPM), Mohali, was conducted to educate young students on the importance of paying taxes and making them better citizens.

#### Chennai

14 September: At an interaction with the US Commercial Consul and other officials from the Consulate, Mr Anand Pakkurti, Chair, Yi Chennai, initiated a discussion on the various aspects of conducting business in India, and the opportunities that Chennai as a city offers for business.

#### Coimbatore

10 September: About 400 young entrepreneurs and professionals of Coimbatore met with Mr Rahul Gandhi, Member of Parliament & General Secretary of the Indian National Congress. Ms Bhairavi Jani, National Vice Chairman, Yi, and Mr Jay Galla, Immediate Past Yi National Chairman also attended this session.

10 September: Ms Bhairavi Jani met students of the PSG Institute of Management to motivate them to take up leadership roles for the betterment of the country.

#### Delhi

12 September: Yi Delhi, under its learning initiatives, organised a session on 'Masters of Supply Chain Management' by the Mumbai Dabbawala Association, pioneers of supply chain management and effective logistical improvisations especially developed for the



Dr Pawan G Agarwal, CEO of the Mumbai Dabbawala Association

Dr Rahul Mirchandani.

National

Chairman, Yi

Indian conditions. Dr. Pawan G Agarwal, CEO, Mumbai Dabbawala Association, made a presentation on the history of the Mumbai Dabbawalas and their impeccable track record.

16 September: A Blood Donation Camp at the Paharpur Business Centre & Software Technology Incubator Park in New Delhi was organised in association with the Indian Red Cross Society.

#### Indore

9 September: Yi distributed 500 tablets to school children during a deworming drive at Bright Star Public School. On 24 September, in the second stage of the drive, deworming tablets were distributed to 1000 students

of the Shaskiya Madhyamik Vidhalaya Mandlavdaa at Pithampur.

11 September: In an interaction with members of the Yi Impetus corporate chapter, Dr Rahul Mirchandani, National Chairman, Yi, deliberated on the future initiatives of the corporate chapter in Indore.

#### Mumbai

5 & 17 September: The Yi Mumbai chapter organised two separate sessions for young students enrolled in the Yi LABS programme under its employability initiative. The session were: 'Overview of the Retail Industry', and 'Team Work & Money Management.'

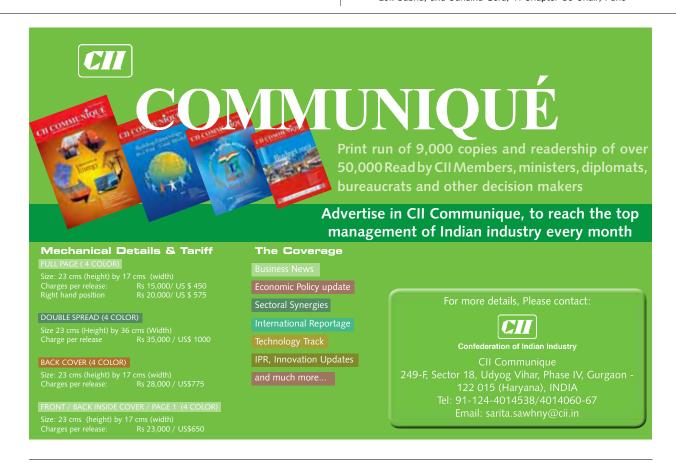
7 September: In an exclusive interactive session, students of Oxford Emerging Markets Ltd at the St. Xaviers' College were apprised about inclusive growth and social inclusion in India and the growth potential of the Indian Economy.

#### **Pune**

14 September: Yi Pune organised an interactive session with Ms Supriya Sule, Member of Parliament, Lok Sabha. Ms Sule touched upon various issues pertaining to quality education, malnutrition, skill development and improving city infrastructure.



Monika Trivedi, Yi Chapter Chair, Pune; Supriya Sule, MP, Lok Sabha; and Sunaina Gera, Yi Chapter Co-Chair, Pune



# India athe

# **Africa**



Madam Sirleaf, President of Liberia, with Rama Raghu Iyer, Vice-President, NIIT, and CII delegate and Annie Abraham, Commander of the first-ever Woman Peace-keeping Force in Liberia

In its continuing effort to engage with West African, economies, CII organized the first business delegation to Liberia. A 10-member CII delegation accompanied Mr.

Shashi Tharoor, Minister of State for External Affairs, to Liberia from 16-18 September.

Liberia is a growing West Africa economy led by the first elected woman President of Africa, Ms. Ellen Johnson Sirleaf.

The delegation called on Ms Sirleaf, Dr Joseph N Boakai, Vice President, Mr William V S Bull, acting Minister for Foreign Affairs, and other Ministers of the Cabinet. Mr. Tharoor apprised the President and her cabinet of various project partnerships that have been success stories of the CII Conclaves. During an interactive breakfast session, the President expressed Liberia's keenness to work closely with India and further strengthen Liberia - India relations.

The delegation also interacted with several local businesses under the aegis of the National Investment Council (NIC).

During this visit, the Government of India committed a grant to Liberia to provide assistance in critical areas of recovery, as expressed by the President of Liberia.

## **East Asia**

#### China

#### **Economic Indicators (August 2009)**

 CPI: Down 1.2% PPI: Down 7.9%

- · Urban fixed-asset investment: Up 33.0% in the first eight months from a year earlier to 11.30 trillion yuan (\$1.65 trillion)
- Electricity output: 334.3 billion kW-hours in August, expanding 9.3%
- Total new yuan-denominated loans in the first eight months: 8.15 trillion yuan, 5.04 trillion yuan more than the same period last year.
- Industrial output: Up 8.1% in Jan-August and 12.3% in August
- Retail sales: Up 15.4% (August)

#### Foreign Trade (January-August 2009)

Trade	August 2009, value & % change	Jan-August 2009, value & % change
Total Trade	US\$191.70bn -20.6	US\$1338.65 bn -22.4
Imports	US\$88 bn, -17.0	US\$607.92 bn -22.7
Exports	US\$103.71bn -23.4	US \$730.74 bn -22.2
Surplus	US\$15.71 bn -46.5	US \$122.82 bn -19.7

#### 'Lower Middle Income' Country

According to the latest statistics, as of 2008, China's economic aggregate ranked third in the world and China has stepped up from being a 'low income' country to a 'lower middle income' country. China maintained an average annual GDP growth of 8.1% in the past 60 years, making its current economic aggregate 77 times more than that in 1949. The per capita gross national income hit US \$2,770 in 2008.

#### **WTO Complaint over US Tire Tariffs**

The Chinese government has filed a formal complaint to the WTO over steep US tariffs imposed on Chinesemade tires. President Obama approved punitive tariffs up to 35% on all car and light truck tires from China in an attempt to 'remedy the clear disruption to the US tire industry.'

#### **50-billion-dollar IMF Bonds**

China has agreed to buy the first bonds issued by the IMF for about \$50 billion.

#### **US Treasury Bond Holdings**

China's holdings of US Treasury bonds for the first time crossed \$800 billion mark reaching \$801.5 billion in July.

#### **Steel Output**

Shougang (Capital Steel) Iron and Steel Group expects its annual steel output to reach 30 million tonnes by 2012.

#### FDI in China

From January to July 2009, the actually utilized FDI dropped 20.35% to \$48.368 billion in China. However in August FDI rose 7% year-on-year to \$7.5 billion.

#### **Chinese Mainland - Taiwan Flights**

The Chinese Mainland and Taiwan have extended the number of regular cross-Strait direct passenger flights from 108 to 270 a week. Six cities: Hefei, Harbin, Nanchang, Guiyang, Ningbo and Jinan joined another 21 mainland cities in operating direct passenger flights to Taiwan.

#### **Overseas Direct Investments**

China is vigorously promoting Overseas Direct Investment (ODI) through various means in various fields. China's ODI reached US\$52.1 billion in 2008, nearly double that of 2007, and is estimated to touch \$150 billion in 2009.

#### **Forex Reserves**

China's forex reserves have grown almost 14,000 times in 60 years, becoming the largest in the world, as they swelled from \$139 million in 1952 to \$2.13 trillion now.

#### **Energy Production**

In last 60 years, China's energy supply capacity has developed from weak to strong, and the country has become the world's largest energy producer maintaining an energy self-sufficiency rate of over 90%. The hydroelectric power installed capacity is 172 million kw, ranking first in the world. In wind power output, China ranks fourth, and in total heat-collecting area of solar water heaters, it tops the world.

#### Meeting with Special Commissioner of Shanghai



J J Shrikhande, Chairman, CII IBF China and E B Rajesh, CII Representative Shanghai, with Dr Chu Shijia, Special Commissioner of Shanghai

Mr J J Shrikhande, Chairman, CII IBF China and Mr E B Rajesh, CII Representative Shanghai met Dr Chu Shijia, Special Commissioner of Shanghai, Ministry of Commerce, PRC on 6 September to discuss India -China business cooperation in East China. Mr Shrikhande spoke about Indian participation at the Shanghai World Expo 2010. Dr Chu, commenting on the long term and growing bilateral trade between the countries, said that India will soon be one of the top three export destinations of China.

#### India-China-Russia Trilateral Conference



Dr S Jaishankar, Ambassador of India to China, addressing the Inaugural Session of India-China-Russia Trilateral Conference in Changchun, China

The 2nd Trilateral Conference of India, China and Russia was held in Changchun City (Jilin Province, PRC) on 17 September. The China Council for the Promotion of International Trade (CCPIT), Jilin Provincial People's Government, Chamber of Commerce and Industry of Russian Federation (RFCCI), Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) jointly organized this conference.

About 250 participants from business circles of China, Russia and India, including leaders from trade promotion organisations and business associations attended the conference to discuss ways to strengthen regional economic and trade cooperation among the three countries

Mr Chen Weigen, Vice Governor, Jilin Province delivered the keynote address at the Inaugural session. Dr S Jaishankar, Ambassador of India to China, in his address, called for 'out of box' thinking and innovative approaches with high priority to ensuring important strategic initiatives and strong economic content amongst the three countries to tide over the current economic crisis. Mr Wang Jinzhan, Vice Chairman, CCPIT and Mr J J Shrikhande, Chairman, CII IBF China also addressed the inaugural session.

CII IBF also organized a meeting with Ambassador Jaishankar on 16 September in Changchun on the sidelines of the Trilateral Conference.

#### CII IBF Members meet Amb Jaishankar



CII IBF (China) members with Dr. S Jaishankar

Dr S Jaishankar, during his maiden visit to Shanghai after taking over as the Ambassador of India to China, had an interactive meeting with members of CII India Business Forum, China on 22 September.



#### **Business Networking Session**

CII-IBF China and the Shanghai Federation of Industry and Commerce (SFIC) jointly organised a Business Networking Session on 29 September in Shanghai. The main objective of the event was to create opportunity for networking with Chinese companies based in Shanghai representing sectors like Auto components, Light

Engineering, Pharmaceutical & Healthcare, Construction, Heavy Machinery, Information Technology, Infrastructure Development, Electrical Equipments etc. The event was attended by over 50 representatives of various Indian and Chinese companies.

#### Japan

#### **Japanese Government**

Mr Yukio Hatoyama, President of the Democratic Party of Japan, was elected Japan's 93rd Prime Minister in the special session of the bicameral Diet, succeeding Mr Taro Aso, on 16 September. Mr Hirofumi Hirano has been appointed as the Chief Cabinet Secretary. The 17-member cabinet includes Mr Naoto Kan, Deputy Prime Minister/ State Minister in Charge of National Strategy, Mr Katsuya Okada, Foreign Minister, and Mr Hirohisa Fuji, Finance Minister. The cabinet also includes Mr Shizuka Kamei (leader of the People's New Party, and Mr Mizuho Fukushima, President of the Social Democratic Party.

#### **Foreign Reserves Rise**

Japan's foreign exchange reserves in August expanded by \$19.68 billion from the previous month to a new high of \$1,042.34. A rise in its holdings of special drawing rights at the International Monetary Fund was a key

factor behind the hike.

#### State Debt

The Japanese government's outstanding debt was a record 860.26 trillion yen on 30 June, up 13.76 trillion yen from three months earlier.

#### Q2 GDP

Japan's economy expanded an annualized real 2.3% in the April-

June quarter, with the pace revised downward from an initially reported 3.7% expansion, due mainly to a greater fall in capital investment and weaker public investment.

#### Sadakazu Tanigaki, President of LDP

Mr Sadakazu Tanigaki, 64, a former Finance Minister, has been elected President of the main opposition Liberal Democratic Party (LDP).

## Mongolia

A 30-member business delegation led by the Foreign Investment and Foreign Trade Agency (FIFTA), Mongolia, accompanied Mr Ts Elbegdorj, President of Mongolia, on his state visit to India from 13-16 September.

CII hosted the delegation and signed an MoU with FIFTA on 14 September to promote mutual cooperation through bilateral



Zanabazar Battushig, Vice Chairman, FIFTA, Mongolia, with Gurpal Singh, Deputy Director General, CII

visits and exchange of information on business and economic activities for the advancement of trade and commerce between the two countries.

A meeting with Mr Elbegdorj and 'The Second India-Mongolia Business Forum' was also organised on 16 September in Mumbai.

# South Korea

#### 189 trillion Won for IT Sector

South Korea will spend 189.3 trillion won (US\$151.5 billion) over the next five years to strengthen its competitiveness in the IT sector. Of this, 14.1 trillion won will come from government coffers and the remaining would be invested by the private sector.

#### **Trade Surplus Dips**

South Korea's trade surplus declined to an annual low of US\$1.67 billion in August due to a sharp drop in export volume. The country's exports plunged 20.6% on-year and imports were down 32.2%.

#### **CII Business Delegation to South Korea**

CII organised a business delegation to South Korea to attend the 3rd Indo-Korea Joint Investment Promotion Committee meeting (JIPC) on 3 September in Seoul. The JIPC meeting was co-chaired by Mr Ajay Shankar, Secretary, DIPP, from the Indian side, and the Vice Minister, Ministry of Knowledge Economy, South Korea. An investment Seminar was also organised by the Federation of Korean Industries (FKI) on 2 September in Seoul.



CII delegates with Dr Ajay Shankar, Secretary, DIPP, India, in Seoul

# South East Asia

# Southeast Asia / ASEAN

In its 'Asian Development Outlook 2009 Update', the Asian Development Bank (ADB) predicted that half the economies in Southeast Asia were expected to shrink this year, with those most exposed to international trade - Malaysia, Singapore, and Thailand - contracting the most - plus Brunei Darussalam, which relies on energy exports, and Cambodia, which is vulnerable to slowdowns in tourism, clothing exports, and FDI.

Only gains in Indonesia and Vietnam, whose economies were expected to grow 4.3% and 4.7%, respectively, on the back of expansionary fiscal policies, looked to keep economic output in the region from contracting. The ADB projected output would remain virtually flat at 0.1%, marking Southeast Asia's weakest performance since the Asian financial crisis in 1997–98. Inflation across Southeast Asia was forecast at 2.5%, while prices in Asia, excluding Japan, were expected to grow 1.5% before strengthening to 3.4% next year.

The ADB will offer loans worth \$104 million to Vietnam, Laos and Cambodia for implementing corridor

city development projects (CTDP) to develop key transportation corridors in the region for commercial trading and traffic network development activities.

009 Mar 2009 2.5% -2.0%
-2.0%
4.5%
-5%
2.5%
3.6%
1.6%
5.5%
7%
5%
0.7%
4.8%
3.6%

Source: Asian Development Outlook 2009 Update

## **Australia**

- · Australia's GDP rose by a seasonally adjusted 0.6 per cent in the second quarter of 2009. Australia's economy has been stronger than expected, amid resilient consumer spending, exports and business investment and GDP will also be supported in coming quarters as the government spends US\$18 billion on roads, railways and schools.
- The Australian dollar is up 45% from its low of \$US0.60 in the midst of the global financial crisis late last year. The recovery reflects a combination of \$US weakness, stronger commodity prices and the likelihood that Australia will be the first major country to start raising interest rates.
- Commodity prices are likely to trend higher. Oil price is up around 120%, base metals are up 78% and gold is up 42%.
- Australian retail sales surged in August, setting the stage for a rise in interest rates by the Reserve Bank of Australia before the year end.
- Australia's unemployment rate is expected to keep rising as global recession dampens growth in the local economy. The nation's jobless rate will peak at 7 percent in 2010, lower than the 9.4 percent rate forecast for major advanced economies. Australian employment fell in August by almost twice as much as economists estimated, while the unemployment rate was at 5.8 percent.

#### Cambodia

- · The IMF downgraded Cambodia's growth forecast for this year to -2.75%. In December last year, it had predicted a 4.75% expansion in the economy for 2009. The fund singled out the effect of the economic crisis on the export, tourism and construction sectors as the major reasons for the revision. Garment exports, in particular, were expected to fall 15%, mainly due to lower consumption in the US. FDI inflows are likely to fall to \$490 million this year from \$815 million in 2008, largely as a result of reduced spending on major construction projects, the fund said. The economy's bright spot is perhaps the agricultural sector with hopes of 5% growth this year.
- · The IMF projects inflation will pick up towards the year end, with an overall increase in consumer prices of 5.25% y-o-y for 2009 and 6% in 2010. It also anticipates the current current account deficit would narrow to 5.5% of GDP from 10.5% last year as imports continued to contract at a faster pace than exports.

- The ADB predicts the kingdom will contract 1.5% this year, compared with a March estimate of 2.5% growth. The bank r also predicts growth will resume in Cambodia in 2010 at about 3.5% as a gradual recovery in the global economy stimulates clothing exports and tourism.
- Cambodia is keen to join the Asia-Pacific Trade Agreement (APTA) to reduce its reliance on traditional export markets in the United States and Europe. Senior Cambodian government minister Ly Thuch said "joining APTA will help us integrate further in the Asia-Pacific region as well as give us more access to the most dynamic markets in Asia." [APTA, previously known as the Bangkok Agreement, is a preferential tariff arrangement to promote intra-regional trade through concessions between member countries. Only China, India, South Korea, Bangladesh, Laos and Sri Lanka have joined so far. ]
- US Agency for International Development (USAID) will provide \$7.79 million in funds for its Strengthening Micro, Small and Medium Enterprises in Cambodia project, aimed at alleviating poverty in rural areas. The programme has helped over 3,000 farmers increase sales by between 100% and 340%.
- Cambodia's CPI in August rose just 0.7% on the previous month, compared with a 1.5% rise from June to July. The month also saw a 2.9% y-o-y fall in prices compared with the same month in 2008.
- · Cambodia has joined the Association of Natural Rubber Producing Countries to develop its rubber industry. The government had privatised some 41,600 hectares of state-owned rubber plantations in recent years. It plans to extend the prevalent 120,000 hectares of land under rubber cultivation to 150,000 hectares by 2015

#### Indonesia

Indonesia's parliament has revised its law on value added tax (VAT) and sales tax on luxury goods. The changes will come into effect next April. Some key points of the revised law:-

- VAT rate will be 5%-15% of the selling price, against a fixed rate of 10% currently.
- The maximum rate for luxury goods sales tax will be 200% of the selling price, against 75% currently. The minimum rate remains unchanged at 10%.
- Transfer of taxable assets such as properties and vehicles to the buyer will no longer be subject to VAT, in the case of mergers and acquisitions.

- Double taxation on transactions in Islamic financial markets will be scrapped.
- VAT on basic foodstuffs such as eggs, milk, fruit, soybean and meat will be removed in order to make them more affordable.

The Riau Islands governor Ismeth Abdullah is inviting foreign investors to manage islands in the province. He said it takes about a month for a foreign investor to obtain the required permit, adding that islands were already managed by foreigners and were raising revenue. Only 394 of approximate 1800 islands in the province are inhabited.

- Indonesia has passed a new law on SEZs which officials say could help net US\$50 billion in new investments for the country. The government expects to detail supporting regulations within the next 6 months and set up 2 - 3 SEZs by the end of next year.
- The Indonesian parliament approved a new law to open up the country's electricity sector on 8 September, effectively revoking the monopoly of state electricity firm PT Perusahaan Listrik Negara. [Indonesia's electricity sector is currently plagued by blackouts and a system of subsidies that encourages wastage and efficiency. Large swathes of the country are still not connected to the grid.]
- · Indonesia has also a passed a new environment bill which requires companies whose operations impact the environment (e.g. construction, mining, manufacturing, etc.) to obtain an environmental licence and undergo an environmental assessment process before commencing operations. Polluters potentially face fines of up to 10 billion rupiah and a jail term of up to 10 years.
- Moody's lifted Indonesia's local and foreign-currency rating one level to Ba2 - 2 levels below investment grade and on par with Guatemala, Armenia and Jordan, citing 'resilience to the global recession'. The credit rating agency last raised Indonesia's rating in 2007.

The country's foreign-currency debt is rated BB- by Standard & Poor's, 3 levels below investment grade.

- · Jakarta has waived the import duty on capital goods used for the construction and development of power plants. To qualify for the import duty exemption, businesses need to file a request with the customs office.
- Indonesia's Ministry of Industry has proposed waiving up to US \$174.55 million in import duties to the Finance Ministry to help improve the business performance of 13 industries. Of these 13 industries, 7 are already enjoying similar fiscal incentives.
- Indonesia's state oil and gas firm Pertamina expects gasoline imports to more than double from existing levels

- by 2017 if no additional refineries are built. Indonesia has signed agreements with countries such as Iran and China to build new refineries and attract new investment to its energy and mining sectors. Progress has however been slow.
- Bank Indonesia refrained from cutting its benchmark interest rate for the first time in 10 months in September on rising inflation, which accelerated in August for the first time in 11 months.
- Spice Global is on a quest to invest \$100 million in distressed assets including the Batam and Bintan Island, and have these transformed into entertainment hubs. Mr BK Modi said he was already in talks to buy stakes in all the resorts on the Indonesian islands and expects returns of more than 100% if he can change the way the islands are run.
- International Coal and Ventures (ICVL), a company set up by five Indian state-owned firms: Steel Authority of India Ltd, NMDC Ltd, Coal India Ltd, NTPC Ltd and Rashtriya Ispat Nigam Ltd, is in talks with the Indonesian government to buy coal blocks in the country.
- An India-Indonesia Joint Study Group (JSG) research said the two countries have the potential to boost nonoil gas exports by the year 2020. It is estimated that Indonesia's exports to India will top \$9.7 billion, while India's exports to Indonesia could reach \$7.4 trillion. The trade target of US\$ 10 billion by 2010 was achieved two years ago. The JSG has recommended that both governments continue CECA negotiations by forming a Trade Negotiating Committee.

# Malaysia

- Malaysia's exports plunged 22.8% y-o-y to RM48.87 billion in July. The trade ministry said the steep exports decline was due to a continued slump in demand among key trading partners, especially for electrical and electronic products which account for a third of Malaysia's exports. The country entered into recession the last quarter.
- Malaysia's industrial production fell 8.4% y-o-y in July. Month-on-month, output climbed 7.1% in July from June. Overall industrial output contracted 12% in the first 7 months of the year.
- Visa-on-arrival (VOA) issuance at Malaysian entry checkpoints may now be considered for Indian citizens living abroad if they are holders of a valid permanent residence, expatriate pass, dependant pass, student pass and long-term visit pass from other countries. A fee of RM330 will be charged for the VOA which is valid for a maximum of 14 days.

- Malaysia's IJM Corporation Bhd said its subsidiary IJM (India) Infrastructure Ltd had been awarded a letter of intent from Pune Solapur Expressways Private Ltd for a road concession worth Rs 4.53 billion.
- Malaysia Airport Holdings Bhd will reveal special incentives on airport charges aimed at making Malaysia's airports more competitive and draw more airlines, before the year-end.

# Myanmar

· GAIL (India) Ltd is examining a proposal from Korea's Daewoo International Corp and Korea Gas Corp to join in the building of a \$1.5 billion pipeline linking China from a gas field off Myanmar wherein both GAIL and ONGC Videsh hold 8.5% and 17% operating interests respectively, alongside Daewoo International (51%), Korea Gas (8.5%), Myanmar Oil & Gas (15%) and others. GAIL's investment in the 890-km pipeline is likely to be about Rs 700 crore.

### **New Zealand**

- · The New Zealand economy grew marginally in the June quarter, one quarter earlier than anticipated, ending the recession which began in March 2008.
- A reduction in income earned from foreign investment in New Zealand and lower goods and services imports drove a significant decline in the current account deficit, with the annual measure shrinking from a revised 8.1% of GDP in March to 5.9% in June. New Zealand's currency touched 73.12 cents on 23 September after the economy unexpectedly grew 0.1 percent in Q2.

# **Philippines**

· In revised forecasts for the Philippine economy, ADB says it will slow to 1.6% (compared with the 2.5% growth forecast in March) as concerns over job security reined in consumer spending. Private consumption growth pulled back and the pace of increase in remittances from overseas workers slowed to 2.9% in US dollar terms. Despite the modest growth projections, the bank is optimistic that the Philippine GDP will expand by 2.2% in the second half of the year, and expand by 3.3% in 2010.

# Singapore

- Singapore's non-oil domestic exports fell 7.1% y-o-y in August 2009, lower than the decline in July and in June. Shipments to the region were positive compared to July's figures.
- Singapore's Purchasing Manager's Index (PMI) saw the manufacturing sector expand for a fourth month in August, with gains both in new orders and in new export

- orders. The production index at 58.0 was the highest since August 2004 while electronics output edged up to 60.9, expanding for a fifth month.
- The Singapore Exchange and its wholly-owned subsidiary, the Singapore Commodity Exchange (SICOM) announced the launch of a new clearing arrangement that is to come online on 1 October. The arrangement will give SGX trading members direct trading access to SICOM's derivatives market.
- Singapore's Law Society will scrap its guidelines for conveyancing transactions from 1 October allowing the fees to be freely negotiated between solicitors and their clients.
- Singapore Airlines and Air India have put in place a new agreement allowing customers on their respective frequent flyer programmes to earn miles when flying either airlines and redeem points for flights on the other's carrier.
- Indiabulls Property Investment Trust has announced plans to raise US\$141.4 million in a rights offer through the Singapore Stock Exchange.
- Spice Global has acquired a 20% stake in Mediaring Ltd, making it the single biggest shareholder in the Singapore-based internet telephony firm. The investment is estimated to have cost US \$42 million. Dr B K Modi, chairman of Spice and now Mediaring, said the business was a strategic fit with Spice Global's ambition to create a telecom ecosystem across the region from Israel to Indonesia, using Singapore as its headquarters. Dr Modi said he plans to bring into Singapore a total investment of US \$141.3 million) by 2011.
- Essar Oil is assessing the merits of setting up a trading desk in Singapore to increase its exports, particularly for fuel oil and gasoline.
- The GMR Group is in talks with Singapore's Gas Supply Pte to import gas to power a cogeneration plant in the city state. GMR owns the Island Power project, and can start construction of the plant once a deal for gas supply from Indonesia is completed.
- Temasek Holdings Pte Ltd, currently the largest active sovereign wealth fund in India, has increased its investments in South Asia from 1% of its total portfolio in 2004 to 7% as on March 2009. The total size of this portfolio, which includes ICICI Bank, Bharti Airtel, Tata Teleservices (etc.), with DTH player Tata Sky and non banking financial services company Fullerton India being the latest in the fold, is US\$6.4 billion. The fund is now eyeing Indian infrastructure and consumption-driven businesses. Temasek has offices in Mumbai and Chennai.

- · The Property unit of Temasek Holdings, Mapletree Investments Pte Ltd plans to expand its property assets to at least S\$20 billion in the next 3 - 5 years from the present S\$12 billion.
- Larsen & Toubro Ltd's financial services unit is said to be in talks to buy Cholamandalam DBS Finance's domestic mutual fund operation.

# Thailand

- · Thailand's fall in exports eased further in August as orders for agriculture products, electronics and auto parts started to recover. The trade surplus widened to \$2.08 billion from \$706 million a month earlier.
- Central bank governor Tarisa Watanagase said the Bank of Thailand will not raise interest rates soon as inflation was not a concern over the short term.
- The Thai government will inject US \$5.9 billion into the economy by the end of next year to bolster growth as a revival in export orders helps the nation recover from its first recession in a decade. The spending is about a fifth of a 3-year investment programme on transportation, health and education projects, which is expected to boost economic growth by as much as 2.5% a year.
- Thailand's National Telecommunications Commission will seek bids for four 3G licences for high speed mobile phone services across the country by year-end. The 3G services will be based on a 2.1 GHz spectrum and the licenses will last 15 years.
- · Thailand-based Absolute Hotel Services (AHS) will open a new regional office in Mumbai by 2010 to oversee its operations in the country.
- Thaicom, which operates \$400 billion broadband satellite IPSTAR, expects to launch a high-speed Internet service via the satelite in India in October. India and China are the company's top two markets outside Thailand, and together account for about 42% of its capacity.

#### Vietnam

- Ho Chi Minh Stock Exchange will join Bursa Malaysia, Singapore Exchange, the Jakarta Stock Exchange and the Stock Exchange of Thailand on the Asean e-trading link that is set to go 'live' next year.
- · India is set to recognize Vietnam as a market economy which will clear the way for India's free trade agreement (FTA) with all Asean members. Once the Indian Cabinet gives its approval, the India-Asean FTA will be complete. The FTA, which was signed between India and all Asean countries except Vietnam earlier this year,

- is scheduled to be implemented from 1 January 2010. Vietnam had said it would be party to the agreement only if India gives it market-economy status. Once Vietnam is given this status, India will have to accept prices supplied by it in all anti-dumping investigations against goods originating from that country. At present, India uses third-country prices for calculating dumping margins against imports from Vietnam.
- Vietnam's industrial production in September rose 2.9% over August and 6.5% since the start of this year. Industrial output rose to \$3.7 billion in September and production for the first 9 months was up 6.6% from the same period last year. Economists say the growth stemmed from increased oil and coal production while manufacturing growth was more modest.
- Exports and imports were down 25% and 14% respectively, from last year. Foreign direct investment pledges have hit \$12.5 billion dollars so far this year, down 79% from the same period last year. Of this, \$7.67 billion are investments into 583 new projects.
- Consumer prices in Vietnam rose 2.4% y-o-y in September after climbing 2% the previous month, the first acceleration since August 2008.
- · Citigroup forecasts that Vietnam may raise its benchmark interest rate this year, partly in response to rising inflationary pressures in the country with the dong weakening and credit growth outpacing deposit growth. The General Statistics Office said the CPI rose 2.4% in September, up from 2% in August.
- The Finance Ministry will impose a lower luxury tax on imported hybrid cars. Under the plan, importers are required to submit certificates proving their hybrid cars meet energy efficiency standards set for each car
- Vietnamese and foreigners working in economic zones will enjoy a 50% reduction in their personal income tax, under a new Ministry of Finance decision. The country currently has 13 economic zones covering nearly 590,000 hectares, mostly in central coastal provinces.
- Minimum wage at SOEs and local private companies will increase to US \$44.63 a month from next May. The government plans to increase minimum wage at foreigninvested businesses from the beginning of next year as well.
- Gujarat-based Mundra Port and Special Economic Zone Limited are in initial talks with the Vietnamese government to build a port in Vietnam to cater to iron ore and coal bulk. Mundra will be the first Indian company to set up a port abroad if the talks are successful.

# **Recent Happenings**

• 1 September, New Delhi: Launch of Australia-India Institute by The Hon Julia Gillard, MP, Deputy Prime Minister; Minister for Employment and Workplace Relations, Minister for Education, and Minister for Social Inclusion, Australia.



Tarun Das, Chief Mentor, CII, with The Hon Julia Gillard MP, Dy Prime Minister; Minister for Employment & Workplace Relations: Minister for Education, and Minister for Social Inclusion, Australia

Mr Tarun Das, Chief Mentor, CII was a speaker at the launch ceremony.

- 1-8 September, Brisbane, Melbourne, Sydney, Perth: Mining Mission to Australia in partnership with Austrade
- 3 September, New Delhi: Meeting with Ms Mari Elka Pangastu, Minister of Trade, Indonesia



Chandrajit Banerjee, Director General, CII; Venu Srinivasan, President, CII; Mari Elka Pangestu, Minister of Trade, Indonesia and Andi M Ghalib, Indonesian Ambassador to New Delhi

- · 4 September, New Delhi: Meeting with YB Dato' Mustapa Mohamed, Minister of International Trade and Industry, Malaysia.
- 8 September, New Delhi: Meeting with Hon. Brendon Grylls MLA, Minister for Regional Development; Lands; Minister assisting the Minister for State Development, Minister assisting the Minister for Transport, Western Australia,



YB Dato' M Mohamed Minister, Intnl. Trade & Industry, Malaysia

accompanied by Mr. Doug Cunningham, Senior Policy Advisor, Mr. Reg Howard -Smith, President, Chamber of Mines & Energy Western Australia, Mr. Steve Arnott - Director, Department of State Development.

- 9 -12 September, Hyderabad: Trade Mission by Australia Industry Group (AIG) participated in 'Green Building Congress.'
- 11 September, Bhopal: Seminar on 'Investment and Trade Opportunities in Vietnam'
- 12 September, New Delhi: Meeting with Mr T C A Raghavan, Indian High Commissioner to Singapore
- 14 September, New Delhi: Meeting with Prof. Glyn Davis AC, Vice Chancellor, University of Melbourne.



Prof. Glyn Davis AC, Vice Chancellor, University of Melbourne (3rd from right) and accompanying delegation with Tarun Das

- 17 September, New Delhi: Meeting with Mr Satpal Khattar, Chairman, Khattar Holdings, Singapore
- 23-26 September, New Delhi: Participation bt Australian delegation in 3rd CII Global Summit on Skills Development
- 25 September, New Delhi: Session on "Building Relationships through Education" with The Hon. John Brumby MP, Premier of Victoria and the Hon. Jacinta Allan MP, Minister for Skills & Workforce Participation, Minister for Regional & Rural Development, Government of Victoria, Australia



The Hon. Jacinta Allan MP, Minister for Skills & Workforce Participation, Minister for Regional & Rural Devpt, Victoria, Australia, P Rajendran, Director & CEO NIIT Ltd, The Hon. John Brumby MP, Premier of Victoria, Peter Varghese, Australian High Commissioner to India and Dr. Y S Rajan, Principal Adviser, Education, CII

- 25 September, Singapore: CII-IBF meeting with EDB Singapore
- 29 September, New Delhi: CII Secretariat meeting with Mr Krit Kraichitti, Ambassador of Thailand to India

# Europe



Lars Løkke Rasmussen, Prime Minister of Denmark, Vikram Mehta, Chariman, Shell India Pvt. Ltd, Ole Lonsmann Poulsen, Danish Ambassador to India and Jairam Ramesh, Union Minsiter of State for Environment & Forests, India

#### Denmark

Less than 90 days before the world gathers in Copenhagen for the UN Climate Change Conference (COP15), Mr Lars Løkke Rasmussen, Prime Minister of Denmark, visited New Delhi on 11 September.

On this occasion, CII, along with the Embassy of Denmark organized a session on "What are the Opportunities for India in a Green Economy" with the Danish Prime Minister and Mr. Jairam Ramesh, Minister of State for Environment and Forests, India.

The Danish Prime Minister said he looks forward to partnerships with Indian Industry for sustainable growth of Indian Inc with mitigation of carbon emission, keeping in view its massive demand in varied sectors. Green Economy' has emerged as an answer to both the looming threat of climate change and to the international economic crisis, he said, observing that investments in energy-efficient solutions and other green technologies are expected to pay off quickly and create large employment opportunities. Indian industry, known for its entrepreneurship and innovative technology, is well poised to make the best of this opportunity, he added.

Mr Jairam Ramesh said that the Copenhagen conference on climate change would not succeed unless the developed nations stop blaming the developing nations for causing global warming. He said that India is keen for a constructive role in the COP 15 meet and shall voluntarily bridge the gap for a good agreement along with a voluntary commitment to adapt the mitigation of emission, as India tops the list of five mass carbon emitters of the globe. However, India falls below the developed nations in terms of the scale of gas mission per capita and usage of oil and gas energy, he pointed out.

Both Mr Rasumssen and Mr Ramesh hoped there would be progress during the 15th meeting of the

Conference of Parties under the UN Framework Convention on Climate in Copenhagen in December.

# France

#### **Economy**

While the general consensus is that the worst of the economic crisis may be over, the French Government believes that growth is still very fragile and therefore is not for ending emergency stimuli too soon.

There are good reasons for this caution: consumer spending, which has been the motor for the economy, declined for the second consecutive month in August and the number of jobless went up, raising the spectre of reaching 10% by end 2009. While business confidence seems to be improving, exports are lower and there are fears that currently negative inflation would rise too, by the year end.

Perhaps these calculations prompted the French Government to partially scrap the 'professional tax' levied on fixed investments, which heavily burdened industry, in next year's budget. The cost, €12bn, will be partially offset (€ 2bn) by a new 'carbon levy', the first anywhere in the world, on road fuel and energy consumption.

Small businesses would also continue to benefit for the second year from reduction in social charges if they hire new staff. But, after a bigger than expected fall in corporate tax revenues, public deficit is expected to rise to 8.2% of GDP.

Meanwhile, the government-appointed Stiglitz Commission to gauge 'true development' has come up with an index of well being which will take into account general quality of life, holidays, healthcare and a host of other measures, as opposed to mere GDP. The method, which Stiglitz claims would help tackle issues like financial instability and climate change, was hailed by President Sarkozy. Official French statistics will be based on it from next year.

## **Business & Industry**

Business bankruptcies rose by 23%, with € 5.5bn outstanding debts, an increase of 75% over last year.

In a first, BNP Paribas announced early repayment of 'costly' €5.1bn govt bailout funds by raising €4.3bn through a new rights issue.

The 24th suicide in 18 months at France Télécom, which

unions ascribe to inhuman management methods, raised a political storm, forcing a policy review.

The sale of nuclear major Areva's lucrative transmission and distribution business attracted three bids, but not 4 bn, the expected value.

Energy utility EdF will have a new head, Veolia chairman, Mr Proglio.

#### India

Mr Potier, the Air Liquide chief, said that his company is increasingly turning to India and China for its engineers as Europe did not produce enough of them.

Mr Serge Dassault, Chairman and Chief Executive Officer of the Dassault Group, has complained that he did not see signs of economic recovery. He saw production facilities shifting increasingly to India and China if this trend continued.

Wipro's decision to close its business in southern France was criticised in the media on the ground that it had accepted a French grant for its acquisition a few years ago.

Mr Vayalar Ravi, Minister for Overseas Indian Affairs, in a brief Paris stopover, met the Indian community. He spoke about Overseas Indian Facilitation Centre and Pravasi Bharatiya Divas.

Mr Arvind Virmani, Economic Advisor, Government of India, was the Indian speaker at the OECD seminar on emerging countries, with other invitees from BRIC nations.

Two prestigious business schools, ESCAP and CNAM, jointly organised a seminar on 'Global Downturn's Impact on Fast Growing Economies' and on their relationships with industrial economies.' The CII Advisor was invited to speak on India at this well-attended seminar.

# Germany

# **Economy**

The IFO Institute reported that its business climate index had risen in September again: to 91.3 points from 90.5 points, though not as strong as expected. The German composite index, covering manufacturing and services, rose in September to 57.7 points. In the third quarter German GNP grew by about 0.7 %. However, the country's economy is still expected to shrink by about 5 % this year.

The German export rate for the first half year is - 23.5 % lower than at the same time last year.

Unemployment fell by 12,000, skewed by the government sponsored short-time working subsidy scheme bringing down the unemployment rate to 8.2 %. Altogether the

German economy has lost about 50,0000 jobs during the last 12 months. Experts expect unemployment to rise faster from the end of this year when most companies exit the subsidy programme. The latest estimation is a further loss of 430 000 jobs, at this time.

The European Central Bank has warned Germany and the Euro-zone that the economic outlook is uncertain and the crisis is not yet manageable.

#### **Business**

Automotive: The announcement that more than 4000 jobs are to be cut in Germany was made just two weeks after GM confirmed the sale of a majority stake in its European arm to Magna. The Magna bid for Opel was backed by € 4,5bn in loans and credit guarantees mainly from the German government. More than € 600m of this amount will be used for modernizing the Russian automotive industry. The company has pledged not to close any of the four Opel plants in Germany.

Magna customers like VW, BMW and Porsche have warned that they would drop supply-agreements as they are not comfortable that a sub-supplier is at the same time a competitor. Also EU mistrusts the MAGNA solution and has delayed the approval of the deal.

VW has expanded its activities in India and plans to start production of the Polo in Pune, with the target of increasing its market-share from 1.5 % at present to 9 % within five years. Also, VW intends to strengthen its position in India by taking a stake in Suzuki.

MAN, the German truck manufacturer, increased its stake in the local company Force Motors to 50 % in an effort to gain more market share with heavy vehicles. This year, 2000 units are planned to be manufactured.

Other Industries: The European steel industry will grow only by 0.5 % until 2020 according to Arcelor-Mittal, and the steel market will not normalize even by 2010. The world market share of the European steel industry will shrink from 15 % to 9 % until 2020.

The German machinery industry had to digest a reduction of 43 % of orders received in August and until the end of this year - about 60,000 jobs will be lost.

Turnover and real production of the German electrical and electronic industry shrank 23 % in July, so stabilization moves forward - even if on a low level. Exports to China and India have performed comparatively the 'best.' Decline rates are only around 6-7 % in comparison to the general export drop of 20 %.

It is expected that the new government will reverse an earlier decision to switch off Germany's 17 nuclear devices by 2022 in order to gain billions of Euros of windfall profits. An extension of operation by 25 years could generate an additional € 233bn at present electricity prices.

#### **CII Delegation**

A 14-member CII Manufacturing Technology delegation visited Berlin, Stuttgart and Hamburg, under the leadership of Mr. Sheilesh Sheth, Chairman, CII Western Region, between 8 - 11 September.

#### Sweden

A 13 member CEOs delegation led by Mr. N Kumar, Past President CII, accompanied Mr. Anand Sharma, Minister for Commerce and Trade, to Sweden from 14 - 16 September. The objective of this visit was to enhance bilateral relations between the two countries through trade and investment, and building 'Brand India'.

The visit assumed special significance in view of Sweden holding the Presidency of the European Union and the fact that India will be hosting the India-EU summit on 6 November in New Delhi.

India and Sweden both appear to have natural synergies that would underpin stronger relations in terms of human talent, mineral resources, engineering and manufacturing expertise, and significant global presence. Both countries are committed to strengthening these bilateral economic ties and taking the relationship to the next level.

Mr Sharma, during an interaction with Ms. Eva Bjorling, Minister for Trade, Sweden, and senior members of Swedish companies said that high technology will be the key to future cooperation. Both countries must actively explore the possibilities of expanding cooperation in high-technology and emerging sectors of the economy, he said, suggesting that Indian and Swedish businesses must not only explore opportunities in each other's countries, but also in the third countries for joint projects in environment, climate change, renewable energy and



Eva Bjorling, Swedish Minister for Trade, N Kumar, Past President, CII and Vice Chairman, The Sanmar Group and Chandrajit Banerjee



Anand Sharma, Minister of Commerce & Industry, India, with Eva Bjorling, Minister for Trade, Sweden

other areas. This is specially in the light of the access India has gained to other markets through its FTAs signed with ASEAN, Korea, Africa, etc.

The Minister observed that achieving or nearing the export level of \$168 billion in 2008-09 in the current fiscal would be a key challenge for India against a projected sharp fall in global trade. However, if we are able to sustain, or be close to the level of last year, we would still call it growth, Mr Sharma said.

"We would like to take our exports from 2011 again into 25 per cent growth rate. Doubling our share in global trade by 2020 is our target. We are sure we will be able to achieve \$200 billion next year," he added.

Bilateral trade between India and Sweden expanded almost four fold in 2002-2003 to 2007-2008 to stand at \$2.7 billion. Investments are also growing.

Swedish SMEs expressed keenness to collaborate with Indian companies.

Swedish Industry is widely diversified with strengths in technology-intensive and innovative sectors, as a visit of the delegation members to the Karolinska Institute reaffirmed. India, on the other hand, offers high manufacturing and services capacities. These strong complementarities can catalyse a strong partnership.

During the visit Mr. Sharma, also released a CII study on 'India-Sweden Economic Relations: Forging a Strong Partnership.'



Anand Sharma releasing the CII study on 'India- Sweden Economic Relations: Forging a Strong Partnership

# Middle East



Shimon Peres, President of Israel, with the CII delegation in Jerusalem

## Israel

Mr Hari S Bhartia, Vice President, CII, and Co-Chairman and Managing Director, Jubilant Organosys Ltd and Mr Tarun Das, Chief Mentor, CII, both Co-chairs of the India-Israel Forum, led a 22-member CEOs delegation to participate in the 2nd India-Israel Forum organised by CII, in association with the Tel-Aviv University, on 8-9 September in Tel-Aviv, Israel. Aspen Institute India supported the Forum.

Participants from both sides discussed various business and collaboration opportunities between India and Israel. Given Israel's expertise in technology and the large Indian market, there is great scope for cooperation between the two countries. Energy including solar, wind and biofuels, Water, Communication, Agriculture, Biotech, Healthcare including clinical trials, Homeland Security and Higher Education are key areas of bilateral cooperation.

The delegation interacted with Dr Yuval Steinitz, Minister of Finance, Dr Uzi Landau, Minister of National Infrastructure, and Prof Stanley Fischer, Governor of the Bank of Israel.

The delegation, along with the Co-chairs from the Israeli

side, Dr Stanley Bergman, CEO & Chairman, Henry Schein and Co. and Mr Aharon Fogel, Chairman of the Board, Ness Technologies, Migdal Insurance, called on President Shimon Peres in Jerusalem on 10 September to discuss avenues of collaboration between the two countries. The CII team to the meeting was led by Mr Arun Bharat Ram, Past President, CII, & Chairman, SRF Ltd.

President Peres was of the view that strengthening bilateral economic relations with India is high priority area for Israel. Key takeaways from his address included the need to strengthen bilateral cultural exchange, foster innovation, science and technology, agriculture and tourism. The President was of the view that one model for fostering bilateral collaboration would be for Israel to collaborate on innovation instead of manufacturing.

Noting that tens of thousands of Israelis come holidaying to India every year, he said it is time now for Indians to discover Israel.



Tarun Das, Stanley Bergman, CEO & Chairman, Henry Schein & Co; Aharon Fogel, Chairman of the Board, Ness Technologies, Migdal Insurance and Hari S Bhartia, Vice President, CII, at the Second India-Israel Forum meeting in Tel-Aviv, Israel

# **Russia & CIS**

#### Russia

CII led a high powered 15 member CEOs delegation to Moscow, Russia, from 28-30 September. The delegation, led by Mr N Kumar, Past President, CII and Vice Chairman, The Sanmar Group, explored possibilities of business collaboration, interacted with Russian industry associations, officials from the Russian Ministry of Economic Development, and participated in the 3rd India Russia Forum on Trade and Investment held on 29 September in Moscow.

The Mission began with a comprehensive presentation on the Overview of the Russian Market by Ernst and Young, Moscow, which brought out the advantages of investing in Russia and potential barriers in the process. Members of the Mission interacted with some of CII-MOU partners in Russia. At an interaction with Mr Pshenichnicov, Vice President, International Congress of Industrialists and Entrepreneurs (ICIE), both sides acknowledged the need



Alexander Shokhin, President, Russian Union of Entrepreneurs and Industrialists (RUEI) with N Kumar



Anand Sharma, Elvira Nabuillina, Minister for Economic Development of Russia; Fadeev, CEO, Expert RA & Moderator of the Session; Alexander Zhukov, Deputy Prime Minister of Russia and Vladimir Evtushenkov, Chairman, JFSC Sistema

to engage corporate members to a greater degree and move forward under the structure of the MoU signed between CII and ICIE in 2005.

The Roundtable meeting with the Russian Union of Entrepreneurs and Industrialists (RUEI) brought together the members of Indian and Russian industry, to discuss collaboration in financial services, pharmaceuticals and other sectors. Mr Alexander Shokhin, President, RUEI welcomed Indian investments in Russia not only from large corporates but also from SMEs.

Mr Anand Sharma, Minister of Commerce and Industry, India, and Mr Prabhat Shukla, Ambassador of India to Russia, interacted with Indian delegates at a joint briefing session. Mr N Kumar, as well as Mr Harsh Pati Singhania, President, FICCI and Director, JK Organisations also put forth their perspective on doing business effectively in Russia. The briefing outlined five strategic sectors for India-Russia business collaboration: Energy, Nuclear, IT and ITeS, Ground and space infrastructure, and Medicine and Pharma. In addition, automotive manufacturing, engineering goods, defence, agriculture (including fertilizers and agri- processing) and gems and jewellery (for sourcing of diamonds from Russia) are also key sectors to consider for investments in Russia.

The delegation also participated in the 3rd India Russia Forum on Trade and Investment, of the Ministry of Economic Development of the Russian Federation. The Forum was organized within the framework of the Year of India in Russia, to promote economic and cultural ties between the two countries and served to highlight prospects of business partnership and projects from a long term perspective.

Mr . Alexander Zhukov, Deputy Prime Minister, Russian Federation; Ms Elvira Nabiullina, Minister for Economic Development, Russian Federation and Mr Anand Sharma, addressed the Forum.

A modest trade target of \$10 billion was set for the next 5 years. Mr Sharma and Ms Nabiullina signed a Protocol of the 3rd India Russia Forum on Trade and Investments, underscoring the importance of enhancing economic cooperation between the two countries. Both agreed to continue to consolidate relations in addressing critical and core sectors that define a strategic partnership.

Mr Sharma also released a book, 'The Best of India', from the Ministry of Commerce and Industry and the India Brand Equity Foundation. The book showcases the specialities and high quality of India's products.

Parallel sessions were held on three key sectors, that are considered to be the future of India-Russia economic partnership:

- 1. Manufacturing and Power Engineering
- Innovations, Information & Communication Technology and Financial Services
- 3. Pharmaceuticals and Biotechnology

A separate session on Regions of Russia was held to highlight the strengths and opportunities in each area. Presentations on regions including Tatarstan, Kaluga, Vladimir, Tula, Perm, Ulyanovsk, Tomsk, Sverdlovsk and Yaroslav brought forth the competitive advantages of each and the incentives offered. The sessions were followed by a gala banquet where Russian and Indian delegates had a chance to interact one-on-one and network, to consider possibilities of collaboration.

# **SAARC**

# Nepal

An 18-member CII Business leaders' Mission visited Nepal from 9 - 11 September. The visit was a follow up to the India visit of the Prime Minister of Nepal in August, and explored new approaches for the future through synergies and areas of cooperation between India and Nepal. The Mission was led by Mr A P Mull, Chief Executive Officer & Managing Director, TCE Consulting Engineers Ltd.

Madhav Kumar Nepal, Prime Minister of Nepal, receiving CII business leaders his residence in Kathmandu

The CII business leaders had meetings with Mr Madhav Singh Nepal, the Prime Minister of Nepal, and other senior ministers in his cabinet including the Deputy Prime Minister, the Commerce Minister and the Finance Minister. The Mission also had business meetings with the Federation of Nepalese Chambers of Commerce and Industry (FNCCI) and Nepal - India Chamber of Commerce and Industry (NICCI).

The Mission found huge potential for the development of hydro power in Nepal but noted that the pace was very slow. The other sectors of potential are tourism (religious and adventure); infrastructure projects, agro based industries such as fruits, cardamom, poultry and dairy, cement, healthcare, education and SME

development.

# Sri Lanka

Addressing a Seminar on 'Emerging Peace & Investment Opportunities for Sri Lanka,' Mr Navin Dissanayake, Minister for Investment Promotion, Sri Lanka, invited Indian Industry to invest in Sri Lanka now that the 'war on terror' was over. He asked Indian

Industry to visit Sri Lanka and see for themselves the opportunities the country provides for Investments and business. Apart from profits, this would create immense goodwill amongst the two neighbours, which is immeasurable, he said.

The Seminar was organized by CII jointly with the Board of Investment of Sri Lanka on 14 September in New Delhi.

Mr C R Jayasinghe, High Commissioner of Sri Lanka

in India, said that even while the island grappled with terror, the economic links with India continued to move from strength to strength. The FTA between India and Sri Lanka, the first for both countries, had led to tremendous growth in two way trade from US \$ 600 million to US\$ 3.2 billion last year.

Mr C Ignatius, Director, Board of Investment of Sri Lanka said that India stood second in the investors list after Malaysia. Indian FDI in Sri Lanka was US\$ 126 million in 2008. The country has 12 fully operational zones

with all infrastructure facilities. Investment opportunities in Eastern and Northern Provinces of Sri Lanka are emerging in agriculture, food processing, fisheries & agua culture, tourism, infrastructure and property development. Sri Lanka has also identified sites for Special Economic Zones under the public private partnership projects in Trincomalee (East) and Kilinochchi (North), he said.

Mr. V K Mathur, Chairman, Inapex Ltd spoke about the strong relations between India and Sri Lanka, the FTA, which has benefited both the countries, the expectation that CEPA would be signed soon, and the the need for a proper environment for attracting investments.



Palitha Ganegoda, Deputy High Commissioner of Sri Lanka; Romesh Jayasinghe, High Commissioner of Sri Lanka to India; Navin Dissanayake, Minister of Investment of Sri Lanka and V K Mathur, Chairman, Inapex Ltd.

# **United Kingdom**



At an informal meeting hosted in his honour, Mr. Anand Sharma, Minister of Commerce and Industry, India, updated India Business Forum members in London of India's position in the contemporary global scenario.

There are Indian multinationals in the international market, and India is now creating jobs overseas, he said. Stating that huge opportunities to the estimated extent of USD 1.7 trillion exist in India's Infrastructure development sector today, he invited British companies to avail of this opportunity.

India is a destination where investments are secure, repatriation is sure, and the assured returns are much higher than those for other locations, said Mr Sharma. We now have greater access to other markets specially in light of the FTAs with ASEAN, Latin America and Africa. Low cost, high skill labour is an added advantage. India's drive for skills training will soon yield well trained technical labour at lower costs, the Minister said.

Mr Sharma advised countries going through financial crisis not to adopt protectionist measures to safeguard their interests as this would create a greater crisis.



Asoke Mukerji, Deputy High Commissioner of India to UK, Anand Sharma, and Anwar Hasan, MD, Tata Ltd UK

With regard to UK, the Minister said that there should be a reciprocal recognition of degrees. While IIT and IIM professional degrees are not recognised in the UK, ironically their work is acclaimed in the country, he observed.

The IBF members advised that greater awareness needs to be built about India, especially with the overseas SME sector, not only on how to do business with India but also on how to enhance market access. In this regard, the Indian High Commission plans to undertake sectoral studies to help industry focus on important sectors. It also plans to set up more commercial desks in cities like Birmingham.

# **United States of America**

#### Session with Minister Kamal Nath

At a session on Investment in India's Infrastructure on 16 September in New York, jointly organised by CII, ICICI and JM Financials, Mr Kamal Nath, Minister for Surface Transport and Highways, India, highlighted opportunities in India's infrastructure sector and urged corporate members with expertise in infrastructure development to invest in upcoming Indian projects. Opportunities for infrastructure financing were also discussed in detail. The tremendous turnout at the session was testimony to the interest and opportunities being generated in India's infrastructure sector.



Ajit Gulabchand, CMD, HCC Ltd., Chanda Kochhar, MD & CEO, ICICI Bank, Kamal Nath, Minister for Road Transport & Highways, India and Ashith Kampani, MD, JM Financial

## **Energy Security and Climate Change**



Jamshyd Godrej, Past President, CII, and Chairman, CII Green Business Centre, at the Major Economies Business Forum

President Obama's initiative, the Major Economies Business Forum on Energy Security and Climate Change, facilitated candid dialogue among major developed and developing economies. The forum, held on 21-22 September in Washington DC was held to generate political leadership necessary for a successful outcome at the December UN Climate Change conference in Copenhagen, and advance

the exploration of concrete initiatives and joint ventures to increase the supply of clean energy while cutting greenhouse gas emissions. India was represented by Mr Jamshyd Godrej, Past President, Cll, and Chairman of the CII Green Business Centre. An example of India's progressive action on climate change, the GBC building is the world's second Leed certified building, approved by the US Green Building Council.

Mr Godrej who moderated the first session on 'Energy Needs and Access - The Nexus Between Energy Security and Climate Change', set the tone on behalf of India and 'developing countries'. Prime Minister Manmohan Singh is keen on an 'inclusive' deal at COP15 that is based on equity and has relevance to India's economic growth, he said. "India has been long involved in vast efforts to manage its emissions and reverse the effects of climate change. But we need to do more to let the world know about these initiatives," Mr Godrej said.

Major business organisations from Australia, Brazil, Canada, Denmark, Germany, Europe, Japan, Kenya, and the US exchanged views on a new international agreement on climate change and negotiations under the UN Framework Convention on Climate Change (UNFCCC) and the Major Economies Forum.

#### Meeting with US Embassy

A meeting was organised with Ms. Shana Sherry, Economic Officer, US Embassy, by the CII UP State Council in Lucknow on 15 September. CII members sdescribed various ongoing initiatives/projects in the State. Dr Sherry said

that UP was seen as having a lot of potential and a wealth of talent. The members also requested her to help revive the American Library previously existing in the city and/ or set up an American Cultural Centre.



Shana Sherry, Economic Officer, US Embassy with CII members in Lucknow

#### **US Economy Watch**

- •US Gross Domestic Product: Real gross domestic product decreased at an annual rate of 0.7 percent in Q2 2009. In Q1, real GDP decreased 6.4 percent.
- •US International Trade Deficit: Total July exports of \$127.6 billion and imports of \$159.6 billion resulted in a goods and services deficit of \$32 billion, up from \$27.5 billion in June, revised.
- Unemployment Rate: The Labour Department said the unemployment rate rose to 9.7 percent after dipping

to 9.4 percent in July, and the decline in payrolls was the smallest in a year.

#### **US-India Bilateral Update**

- US backing on IMF reforms: The US has responded 'positively' to a proposal to give India and other leading emerging economies more say in the running of international financial architecture. The BRIC countries have demanded a 7 % shift in International Monetary Fund quotas that determine a country's voting powers.
- ·Obama State Dinner for India: The first state dinner of President Obama's administration will be held for Indian Prime Minister Manmohan Singh during his state visit to America from 24 November. The visit also includes an elaborate arrival ceremony on the White House South Lawn, and one-on-one time with the President. It's a plum presidential nod of recognition for the world's largest democracy and most stable US ally in a hostile corner of the world.
- · Understanding India's Stand on Climate: India has said that the US now better understands its position on climate change, and recognises that emission cuts are not the only way for countries to reflect their domestic obligations globally.

#### **US-India Corporate Watch**

- Ford India expands: Ford India has expanded the capacity of its Chennai plant ahead of the production of its new small car. Around Rs 2,000 crore has been invested in expanding the capacity and building an integrated diesel engine manufacturing facility.
- HealthHiway gets Investment: HealthHiway, an initiative by the Apollo Hospitals Group providing software solutions for the healthcare sector, has received investment of \$4 million from Silicon Valley-based venture capital firm Greylock Partners.
- FDA nod for Wockhardt: Drug firm Wockhardt Ltd has received tentative approval from the US Food and Drug Administration for marketing prostate drug Tamsulosin capsules.
- · GE Healthcare: Accelerating the growth of its \$17-billion global healthcare business, General Electric (GE) announced its decision to integrate all its GE Healthcare units in India and South Asia with the existing Wipro GE Healthcare joint venture.
- · GM, Reva tie-up: General Motors' Indian subsidiary has signed an agreement with Bangalore-based Reva Electric Car Company to jointly develop and produce electric vehicles for the Indian market. The companies plan to make India a hub for environment-friendly vehicles.

# India REGIONAL

# **East**

# **New Direct Tax Code**

4 September: Bhubaneswar 9 September: Raipur 15 September: Jamshedpur

CII Orissa, n association with Ernst & Young organizied an interactive session on New Direct Tax Code in Bhubaneswar.

At a session in Raipur, Ms Sushmita Basu, Associate Director, PricewaterhouseCoopers (PWC) explained the nuances of the proposed code. Mr. Virendra Goel, Chairman CII Chhattisgarh urged members to forward their feedback on the new code, which CII could represent at the national level.

In Jamshedpur, experts from PwC discussed issues and sought suggestions from members, to be collated and sent to the government.

# **Biz Bridge 2009 Road Shows**

11 September: Balasore 30 September: Jamshedpur

Road Shows to promote Biz Bridge 2009, the forthcoming engineering & manufacturing expo, were organised at Balasore and Jamshedpur.

# Chhattisgarh

## Meeting with Chief Minister

10 September; Raipur

Dr Raman Singh, Chief Minister of Chhattisgarh, met a senior CII delegation led by Mr Mukul Somany, Chairman, CII (ER). Dr Singh unveiled the CII poster on Swine Flu during this meeting.



Dr Raman Singh unveiling the CII poster on Swine Flu

# CII PWC Skill Gap Study

10 September; Raipur



CII Chhattisgarh Skill Gap Study being released by ESL Narsimhan, Governor, Chhattisgarh, P Joy Oommen, Chief Secretary, Chhattisgarh and Kurush Grant, Deputy Chairman, CII (ER)

Mr E.S.L Narsimhan launched the CII PWC Skill Gap Study for Chhattisgarh during the CII HR Conference: Imbibing Corporate Culture. Mr. P Joy Oommen, Chief Secretary, Chhattisgarh, Mr. Mukul Somany, Chairman, CII (ER), Mr. Kurush Grant, Deputy Chairman, CII (ER), Mr. Virendra Goel, Chairman, CII Chhattisgarh, and Mr Alok Mookherjea, Chairman, Education & Skill Development Sub Committee were present during the occasion.

# **Jharkhand**

# Coal & Beyond

11 September; Ranchi

A seminar titled 'Coal & Beyond' addressed the barriers and challenges that impede coal sector development, investment opportunities and accelerated development



Seminar on 'Coal & Beyond'



of various coal blocks offered to various players. The technology requirements for coal mining and infrastructural requirements for coal movement and other allied areas like coal beneficiation, manpower development etc. were also addressed.

# Orissa

# Membership Road Show

11 September: Balasore

A membership road show was apprised industry about the benefits of membership of CII.

#### 22nd QC Convention

16 September: Bhubaneswar

Teams from Tata Refractories Ltd. secured the 1st and 2nd position, while Hindalco Industries Ltd. bagged the third position at the 22nd state-level QC Circle Convention.

## **MSMExpression**

18 September: Balasore

MSMExpression provided a platform for MSMEs to network with the large industries and strengthen their market linkages.

#### Resettlement & Rehabilitation



Dr. Damodar Rout, Minister of Agriculture, Fisheries. Animal Resources Development, Orissa

22 September: Bhubaneswar

The "Rebuild: Session on Resettlement & Rehabilitation" brought the government, industry and NGOs on a common platform to arrive at a amicable solution for displaced victims following the acquisition of agricultural land for industrial activities. The inaugural session was addressed by Dr.

Damodar Rout, Minister of Agriculture, Fisheries, Animal Resources Development, Mr. Saurabh Garg, Secretary, Industries, Orissa; Mr. R.K. Sharma, Secretary, Revenue & Disaster Management. Mr. Santosh K Mohapatra, Immediate Past Chairman CII Orissa State Council, and Mr. R K Jena. Vice Chairman, CII Orissa State Council. The session on Resettlement & Rehabilitation was chaired by Mr. Pyari Mohan Mohapatra, MP, Rajya Sabha.

## Financial linkage to Micro Industries

29 September: Kantabanji

CII provided bank linkage to a micro unit for papadmaking at Kantabanji in Bolangir district. The unit was inaugurated by Mr Santosh Kumar Saluja, MLA Bolangir and Swami Shri Bhupendra Kumarji.

# **West Bengal**

# Disaster Mitigation, Preparedness & Response

1 September: Kolkata

At a roundtable on Disaster Mitigation, Preparedness and Response, NGOs like Save the Children, UNICEF, Lutheran World Service India, and Central Public Works Department discussed the status of West Bengal in Disaster Management and also how it can be improved.

#### **Canadian Trade Office**

2 September: Kolkata

The Canadian Trade Office was formally inaugurated



Gerald Keddy, Parliamentary Secretary to the Minister of International Trade, Canada and Nirupam Sen, Minister, Commerce & Industry, West Bengal

Kolkata. in Nirupam Sen, Minister, Commerce & Industry, West Bengal, Mr Gerald Keddy, Parliamentary Secretary to the Minister of International Trade, Canada, and Mr Joseph Carron, High Commissioner of Canada, were present at the occasion.

#### Experience Sharing on HIV, TB & Malaria

2 September: Kolkata

CII in partnership with Global Fund organized a Roundtable Experience Sharing on HIV, TB & Malaria Interventions. Ms Swapnodipa Biswas, Deputy Director (Mainstream), West Bengal State AIDS Prevention & Control Society, shared government's perspective and their expectation from corporates. Coal India made a presentation on their various health-related initiatives.

## **Banking Colloquium 2009**

4 September; Kolkata

'Banking Colloquium 2009: Better Banking for Economic Development' had dedicated sessions on Lessons from



At the Banking Colloquium

the Crisis: Policy Course Corrections, Financing industrial growth, Role of Banks in Promoting Inclusive Growth, Refining Risk & Reward Relationship and Leveraging Technology to attain customer delight and accelerate growth.

#### **Session on Commercial Taxes**

4 September: Kolkata

Mr H K Dwivedi , Commissioner of Commercial Taxes, West Bengal, discussed various issues pertaining to Commercial Tax such as E-payment, filing E-returns, Assessment and Audit, VAT refund, GST, Way Bill and CST Declaration Form, and related issues.



HK Dwivedi, Commissioner of Commercial Taxes, West Bengal

#### Plant Visit to Balmer Lawrie & Co.

4 September; Kolkata

A 20 member delegation visited the to Balmer Lawrie & Co. Container Division, an ISO certified facility which conforms to safety, health and environment norms. Balmer Lawrie made a presentation on the improvement initiatives taken up in the company.

## Interaction on Industrial Development

7 September: Kolkata

In an interactive session with CII members, Mr Sumanta Chaudhuri, Chief Executive Officer, West Bengal Industrial and Infrastructure Development Corporation, discussed various issues pertaining to infrastructure and land in West Bengal.

#### **CII Good Health Series**

8 September; Kolkata



Inauguration of the CII Good Health Series

The CII Good Health Series has been initiated to spread health awareness and provide regular check-ups to our members. Dr Surya Kanta Mishra, Minister, Health & Family Welfare, West Bengal, was the Chief Guest at the first check-up camp of the series, held in association with

the Apollo Gleneagles Hospitals. Around 120 members availed the services. Dr. Mishra also unveiled the Cll Swine Flu awareness posters at the session.

## **Workshop on Vendor Development**

10 September: Haldia

The CII Haldia Zonal Office held a workshop on Vendor Development– Emerging New Business Opportunities with representatives of government, industry, academia and others.

# **Doing Business with Thailand**

12 September, Kolkata

Mr Krit Kraichitti, Ambassador of Thailand to India, participated in a session with CII membership on 'Doing Business with Thailand.'



Krit Kraichitti, Ambassador of Thailand to India

#### **Soft Skills for Healthcare Professionals**

12-13 September: Kolkata



At the training programme on Soft Skills for Healthcare Professionals

A training programme on soft skills and behavioural approach for the frontline staff of the healthcare industry was attended by 50 participants from 12 leading hospitals.

#### Session with NSIC Officials

15 September: Kolkata

Mr K K Sharma, Senior Branch Manager and Shri J K Mahanta, Zonal General Manager (East), of the National Small Industries Corporation (NSIC), described the NSIC schemes and advantages to assist small enterprises. The facilitation includes a set of specially tailored

schemes to promote modernization, upgrade technology, develop quality consciousness, strengthen linkages with large and medium enterprises and enhance exports products from small industries.

# Session on Climate Change

16 September: Kolkata

Mr Owen Jenkins, Counselor and Head, Climate Change and Energy Unit, British



Owen Jenkins, Counselor and Head, Climate Change and Energy Unit, British High Commission

High Commission, New Delhi & DFID- India met CII members in Kolkata. Mr. Sanjay Mark Wadhwani, Deputy High Commissioner, British Deputy High Commission also addressed the session.

#### Business Outsourcing visit to GRSE Ltd.

18 September: Kolkata

To facilitate industry participation in GRSE's outsourcing plans, CII organised a site visit to give industry firsthand experience of GRSE's outsourcing needs.

#### Session with Mr Anand Sharma

23 September: Kolkata



Mukul Somany, Chairman, CII (ER), Anand Sharma, Union Minister of Commerce & Industry, and Rajive Kaul, Past President, CII

A CEOs' Luncheon Session was organised with Mr Anand Sharma, Union Minister of Commerce & Industry.

#### Sustainable Urban Infrastructure

30 September: Kolkata

CII ER organised a session with Prof John D Macomber, Gloria A Dauten Real State Fellow, Harvard Business School, on Sustainable Development in Urban Infrastructure and the Construction Sector. Prof Macomber cited best practices from Mexico, Poland and USA on water, sanitation, road and mass housing schemes. The session was also addressed by Mr Rajive Kaul, Past President, CII, Mr Harshvardhan Neotia, Managing Director, Bengal Ambuja Housing Development Ltd, and Mr Sumit Dabriwal, Managing Director, Highland Group.



Rajive Kaul, Past President, CII, Prof John D Macomber, Gloria A Dauten Real State Fellow, Harvard Business School and Harshvardhan Neotia, MD, Bengal Ambuja Housing Development Ltd

# North

# 22nd QC Preliminary Competitions

- 12 September, Chandigarh
- 18 September, Gurgaon
- 23 September, Haridwar
- 25 September, Lucknow



Vinning Teams at the Q C Competition at Lucknow

The Jyoti Team from Bharat Electronics Ltd, Ghaziabad was adjudged the winner at the 22nd QC Circle Preliminary Competition in Chandigarh. The Runners-up were teams from Secure Meters Ltd, Barotiwala and Tata Motors Ltd, Lucknow. In all 24 Quality Circles made presentations on specific projects handled by them at their work place.

At the competition in Gurgaon, the winners were Circles from Bharat Electronics Ltd, Maruti Suzuki Ltd. and Denso India Ltd. Over 140 workers from 20 Quality Circle teams participated in the competition.

At the preliminaries in Haridwar, teams from CavinKare, Haridwar, BHEL, Haridwar and Napino Auto & Electronics Ltd, Haridwar won the top three positions, amongst 15 Quality Circles from 11 companies.

In Lucknow, the winning circles were from NTPC, Singrauli, BHEL, Haridwar and BEL, Ghaziabad. Twelve Quality Circles participated in the preliminary competition.

# **Bio Medical Waste Management**

18 September: Chandigarh



Dr Bina R Sawhney, Chief Medical Officer, Directorate of Health Services, Union Ministry of Health & Family Welfare

Every hospital generating bio-medical waste (BMW) needs to set up the requisite BMW treatment facilities on site or ensure required treatment of waste at common treatment facility, said Dr Bina R Sawhney, Chief Medical Officer, Directorate of Health Services, Union Ministry of Health & Family Welfare, at the Conference on Bio-Medical Waste Management. Mr Daljit Singh, Chairman, Healthcare SubCommittee, CII Northern Region, identified compliance and monitoring as critical aspects for effective BMW management. Dr O P Mittal, Director, Lab Services, Directorate General of Health Services, Haryana, said that carelessness and indiscriminate disposal of this waste can seriously impact the health of healthcare workers, patients and the community. Dr Ashish Banerjee, Director, Fortis Hospital, Mohali, pointed out that 5.4 MT of BMW is generated annually in India whereas hospitals taking appropriate authorization for BMW is only 29%.

## Delhi

# Lean Six Sigma Summit

10 September, New Delhi



At the Lean Six Sigma Summit

The 'Lean Six Sigma Summit, Transforming Businesses, Big or small....Breakthrough Management' highlighted the relevance of Lean and Six Sigma to deliver quality across industry and services. The Summit showed how the seamless integration of Lean and Six Sigma promises increased market share, cost reductions, and dramatic improvements in bottom-line profitability for companies of any size.

#### Creating a 'Manager's Manager'

3 September: New Delhi

The workshop on 'Creating a Manager's Manager' was exclusively designed for executive assistants and office managers who are the true backbone of senior management. The programme enabled the 65 participants to learn relevant management concepts and processes for effective office management.

## Interaction on Commonwealth Games

15 September: New Delhi

The Commonwealth Games in Delhi would not only physically regenerate the city but also respell Delhi tourism, said Ms Rina Ray, Managing Director, Delhi Tourism and Transportation Development Corporation. and Secretary (Art and Culture), Delhi Government. She

added that urban regeneration and the re-imaging of cities has become a central aspect of game bids.

The Delhi Government, she said, is planning a number of tourism projects in the PPP mode, including a hopon hop-off bus service for tourists. Developing souvenirs, calendars, diaries for tourists, etc would be outsourced to private players, she said.



Rina Ray, MD, DTTDA and Secretary (Art & Culture)

Volunteer training would be in two parts: a structured volunteer force of around 22,000 students, above the age of 18 years, will be trained as per international norms. Around 6,000 - 8,000 volunteers would comprise citizens of Delhi. Ms Ray said the effort would be to involve each citizen in the Games to make it a memorable event for international athletes and tourists.

# Haryana

## Sustaining the Growth Momentum



S S Deswal, Commissioner of

7 September: Gurgaon

At the Session on Sustaining the Growth Momentum of Gurgaon, Mr R K Khullar, Commissioner, Muncipal Corporation of Gurgaon, said the Corporation would be restructured as per the needs of the city. Mr S S Deswal, Commissioner of Police, Gurgaon, said the Gurgaon Police

was giving topmost priority to Traffic Management. He spoke about 'Intelligent Transport System and Outdoor Surveillance Systems,' that would help in providing complete security arrangements with the help of cameras during the Commonwealth Games.

# **Himachal Pradesh**

#### Study Mission to Ludhiana

8-9 September: Ludhiana

A Manufacturing Technology Study Mission visited four companies: G S Auto International Ltd, Bhogal Pvt Ltd, Hero Cycles Ltd and Eastman Caste & Forge Ltd. Detailed presentations were made by the companies on their best practices in manufacturing and technology.

# Meeting with Union Minister for Steel

24 September: New Delhi

The CII Himachal Pradesh State Council called on Mr Virbhadra Singh, Union Minister for Steel, to discuss the challenges faced by industries in Himachal Pradesh to the lack of a steel depot in the state. The Minister



Virbhadra Singh, Union Minister for Steel, with the CII team

promised his full support and asked CII to identify a suitable venue to set up the depot in consultation with RINL or SAIL.

# Jammu & Kashmir

#### Roadmap for building Brand Kashmir

4 September: Srinagar

A senior CII delegation led by Mr Harpal Singh, Chairman, CII (NR), met senior officials of the J & K Government: Mr Nawang Rigzin Jora, Minister of Tourism; Mr N A Wani, Minister of State of Tourism; Mr Devinder Rana, Political Advisor to the Chief Minister, Mr S S Kapur, Chief Secretary; Mr Anil Goswami, Principal Secretary (Industries & Commerce); Mr Haseeb Drabu, Chairman & CEO, J&K Bank, and Mr Altaf Hussain, Additional Secretary (Tourism).

Mr Harpal Singh said CII's action agenda under the joint CII - Government of J&K National Task Force will include:

- Skills and Competitiveness
- Power
- Preparation of 4 Policy Papers for the J &K Government on Power, setting up of Jammu & Kashmir Infrastructure Development Board, Health Policy focusing on PPP models, and Tourism Promotion.
- Sectoral roundtables and field visits of key industry players in renewable energy healthcare, healthcare and the agriculture and food sector.
- Enhancing agricultural competitiveness by organizing an Agri Fair in Srinagar
- A branding campaign to project J & K as an attractive tourist destination. A Tourism Conclave has been planned as a showcase event.
- Launch of the e-Shiksha initiative in 15 schools in the Valley, which promotes the use of technology in education & creative teaching through various interventions.

Complimenting CII's initiatives to catalyse the development of the state, the officials urged CII to work closely with the Government to create a strong Brand Kashmir.

# **Industry Mughals visit Kashmir**

5 September: Srinagar

In a huge show of confidence in today's Kashmir, CII Northern Region took a group of 30 CEOs along with their spouses to Srinagar to explore business opportunities amidst enthralling locales. The Mission was a part of CII Northern Region's Council Meeting, wherein the corporates explored developmental and investment opportunities while 'celebrating the spirit of work.'

# **Punjab**

# **Building Ties with the US**

14 September: Amritsar

Mr. Blair Hall, Minister Counselor on Economic Affairs, US Embassy, addressing members from the Amritsar Region, spoke of the significant improvement in relations between India and USA. India has emerged well from the recession and there is a need for strategic tie-ups, particularly in the use of Clean Energy and energy efficiency equipment, where technology can be transferred from USA, he said. Mr. Matthew K Bunt, Second Secretary to US Embassy, described the steps taken for the smooth facilitation of Visas for the US.

# Rajasthan

# MSME Conclave 2009

1 September: Jaipur



MSME Conclave in Jaipur

The MSME Conclave addressed issues such as finance, marketing, exports, technology, quality, skill upgradation, etc. Mr Manohar Kant, Commissioner, Industries, Rajasthan emphasized that Indian MSMEs have the potential to become globally competitive, and reaffirmed the support of the State Government to the sector. The sessions included topics on Financing Options for MSMEs, Government Schemes, Banks' Expectations, Credit Rating, Cluster Approach, Marketing & Brand Building, Buyer-Seller Interaction etc.

#### **New Direct Tax Code**

3 September: Jaipur

A discussion on the New Direct Tax Code was held to build awareness and help industry understand the various aspects of the Code. Mr Sanjay Jhanwar, leading tax advocate, was the faculty for the programme.

## **Industrial Scenario of Rajasthan**



Rajendra Pareek, Minister of Industries, Rajasthan

11 September: Ajmer

An Interactive session on Industrial Scenario of Rajasthan: The way forward discussed included issues relating to Single Window System, New Industrial and Investment Policy, Delhi-Mumbai Industrial Corridor, etc. Mr Rajendra Pareek, Minister of Industries, Rajasthan, assured that

industrial growth is a priority sectors for the Government. Around 60 industry members from Ajmer, Bhilwara, Jaisalmer, Kota & Jaipur participated in the session.

# **Uttar Pradesh**



Atul K Gupta, Chief Secretary,

## Sugar Tech 2009

30 September, Lucknow

All major stakeholders of the sector came on a common platform at 'Sugar Tech 2009' to prepare the 'UP Sugar Vision 2015', which envisages Uttar Pradesh as a significant player in global sugar market by 2015, accounting for two-thirds of the national

sugar production. Senior government officials, including Mr Atul Kumar Gupta, Chief Secretary, and Mr Sudhir Bobde, Cane Commissioner, expressed concern over the disenchantment of the growers towards cane sowing

# Uttarakhand

# Implementation of Quality Circles

3 September, Haridwar

A training programme on implementation of Quality

Circles demonstrated the concept and methodology of Quality Circles as a tool to develop positive work related skills among the employees, inculcate better attitude towards Quality and Excellence, develop team spirit, reduce inter-departmental conflicts, and improve the overall Quality and Productivity of the organisation.

# Roadmap for Tourism in Uttarakhand

14 September, Dehradun

Mr Madan Kaushik, Minister for Tourism, Uttarakhand emphasized on an active and a vibrant partnership between private players and the government to



Madan Kaushik, Minister, Tourism, Uttarakhand

leverage tourism potential of the state. He responded positively to various suggestions by CII like improved connectivity, both interstate and intra state, implementation of 'Industry' status to the Tourism sector, accreditation of tour operators and other service providers, comprehensive updated website with linkages to accredited service providers, academy for rafting

and allied sports, etc.

# **Review of Doon Valley Notification**

23 September, Dehradun

A meeting was convened by the Uttarakhand Environment Protection and Pollution Control Board to review the Doon Valley Notification dated 1989. The notification restricts setting up of many industries in the Doon Valley area. CII, which has been advocating a review based on technological advancements since 1989, participated in the discussion and presented its views.

# South

# **Road Shows on Innovator 2009**

September 2009

Seven road shows were organised to promote Innovator 2009 at Trichy, Coimbatore, Pollachi, Madurai, Puducherry, Bangalore and Chennai. Innovator 2009 is a competition for students, organized to showcase the innovative ideas of graduate and post graduate students from engineering, arts and science and management

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K Sridharan, CFO, Ashok Leyland Ltd

streams in the Southern Region, and thereby unleash their entrepreneurial potential.

#### **CII Finance Forum**

8 September: Chennai

The session on the 'Emerging Role of the CFO' was organized to understand the challenges for growth from the perspective of a CFO and to discuss these challenges in the light of what some companies are doing for winning in the new economy.

# Connect 2009

10-13 September: Chennai

Organized in association with the Government of Tamil Nadu, the 9th edition of India's premier ICT event brought together industry leaders and policy makers to exchange insights and views on accelerating the growth and sustainability of the Indian ICT sector. The sessions focussed on Re-inventing Indian ICT for the new world order; Leveraging intrinsic strengths of ICT for refueling growth; Building India's digital Infrastructure for competitive positioning; Rural India – tapping the latent potential; and Greener IT, Cleaner IT.

India's premier ICT Event, Connect, has been the forum



Sachin Pilot, Union Minister of State for Communication & IT, with the winners of the CII - ICICI Venture Connect 2009 Entrepreneurs Awards

for Indian ICT industry to confer on the latest trends and developments.

To acknowledge the contribution of successful entrepreneurs in the field of Information Technology, CII, in association with ICICI Venture, presented the 4th edition of the CII - ICICI Venture Connect 2009 Entrepreneurs Awards. The Winners for 2009 were: Mr Devendra Saharia, President & Co Founder, Ajuba Solutions (India), Mr K Pandia Rajan, MD, Ma Foi & Randstad India and Mr. Lakshmi Narayanan, Vice Chairman, Cognizant Technology Solutions Ltd

A report on 'India 2009-10: Broadband Roadmap for Inclusive Growth' was also released at the event.

#### COO Speak

22 August: Coimbatore

The COO Speak series featured a session by Mr. R Varadaraj, Chief Operating Officer, Rajshree Sugars and Chemicals Ltd, on Climate Change and Carbon Credit for the students and faculty of colleges in Coimbatore. Mr. Varadaraj also highlighted the concept of clean development mechanism.

#### 2nd M-LEAP

23 September: Chennai

The second in the series of the M-Leap Vendor Development Programme was organized with Hindustan Petroleum Corporation Ltd (HPCL) to understand business opportunities available with HPCL. The participants were briefed about the vendor registration procedures, quality assurance requirements, etc. MSME members also had an interaction with officials of the Ministry of Small & Medium Enterprises.

# **Buyer Seller Meet on Engineering Sector**

25 September: Chennai

The meet was held to promote interaction and build business linkages between PSUs and MSME members of CII (SR). Southern Railway, Integral Coach Factory, Air Force - Avadi, Engine Factory Avadi, BHEL, and NMDC Ltd Hyderabad made presentations about their requirements and procurement process.

#### Secure-In 2009

26 September: Kochi

Secure-In 2009 discussed Internal Security and Disaster Management in the current scenario, the challenges ahead and steps to ensure adept security through collective action. In his inaugural address, Mr Kodiyeri Balakrishnan, Minister for Home, Vigilance & Tourism, Kerala, said that the biggest challenge faced across the globe is the threat to internal security. He requested Industry to support

the Government's initiatives in modernizing the police force in the State.

# States

# Andhra Pradesh

#### **HIV TB & Malaria Interventions**

10 September: Hyderabad

The round table was organised in partnership with Global Fund. Organisations such as Deloitte, Freedom Foundation, PSI and APSACS shared their initiatives towards workplace interventions to eradicate HIV/TB and Malaria, and bring about greater occupational health and safety.

# **Best Manufacturing Practices Mission**

24 September: Hyderabad

A Best Manufacturing Practices Mission visited Mahindra & Mahindra Ltd & Pennar Industries Ltd to understand the best practices and success stories of successful manufacturing companies. Members of the CII-AP TQM forum for organizational excellence and the Manufacturing Panel participated in this mission.

# TQM Forum for Organizational Excellence

25 September: Hyderabad

The forum met to informally discuss and exchange ideas, views and experiences relating to building excellence in the organization. The presentations included 'Change Management for better work culture' and 'World Class Energy Efficiency in Indian Industry'.

#### Role of Technology in Ensuring Food Security

25 September: Hyderabad

Various stakeholders in the agricultural sector exchanged views on the need and role of technology in improving farmers' viability and assuring food security. The key topics discussed were: Role of technology in improving farmers' economic viability and facilitating food security; Limitations of traditional breeding technology; Innovation in Agri Biotechnology; Genetic diversity in Plant Biotechnology.



P V Bhide, Revenue Secretary, Union Ministry of Finance, Pranab Mukherjee, Union Minister of Finance, R Seshasayee, Past President, Cll & MD, Ashok Leyland, and Chandrajit Banerjee, Director General, CII

# Karnataka

#### Interaction with the Union Finance Minister

19 September: Bangalore

A special session was organized with Mr Pranab Mukherjee, Finance Minister, Government of India, to address issues and concerns relating to the new Direct Tax Code. The Finance Minister said the new draft code had incorporated the best practices prevailing across the globe and used innovative methods to attain equity - vertical and horizontal, ensuring growth with sustainability to create a stable fiscal eco-system.

#### Vision on Karnataka 2020

23 September: Bangalore

At the CEO Forum, Dr. K V Raju, Economic Advisor to the Chief Minister of Karnataka, shared the Government's Vision on Karnataka 2020 and spoke about the main development agenda for the State, going forward. He stressed on skill and capacity building, inclusive development and working towards achieving the Millennium Development Goals.

#### Session on Central Excise and Service Tax

24 September: Hubli

The session discussed various issues and problems faced by industry due to changing dimensions of the Central Excise and Service Tax laws. Mr. Amitesh Bharat Singh and Mr S S R Lobo, both Joint Commissioners, Central Excise, Customs and Service Tax, Belgaum, effectively clarified and resolved various issues raised with respect to taxability of the services, eligibility or otherwise of credits in specific circumstances, etc.

#### **Best Practices in Manufacturing**

25 September: Mysore

A Learning Mission on Best Practices in Manufacturing visited the plants of L&T and Nestle India in Mysore to imbibe their best practices.

#### Kerala

#### **New Direct Tax Code**

14 September: Kochi

Mr Riad Joseph, and Mr Anil Lukose, both from the Tax & Regulatory Services, Ernst & Young India, addressed technical sessions to explain the various provisions for tax under the code and its challenges to business.

### HR Impact 2009

18 September: Kochi

CII Kerala hosted its first Conference on HR with the focus on 'Reinventing HR through Resource Optimisation'. The conference addressed the foremost challenges facing the HR fraternity today.

# Sustaining Industrial Growth in Kerala

16 September: Kochi

The session was part of CII's initiative to focus on schemes intended to transform India into a global leader by 2022. Mr Kochouseph Chittilappilly, Managing Director, V Guard Industries Ltd, emphasized the critical importance of quality, customer satisfaction and financial discipline in building a sustainable organization.

#### FinExe 2009

1 October: Thiruvananthapuram

The MSME finance excellence Initiative was organized to provide value added service to MSMEs on finance related topics.

# **Puducherry**

#### **Art of Choosing Career**

3 September: Puducherry

A Session on the Art of Choosing Career was conducted for Class XI students of private and government schools in Puducherry.

#### Meetings with Labour Commissioner

11 & 25 September: Puducherry

Mr G Malar Kannan, Commissioner of Labour, Puducherry,

convened a meeting to discuss licensing issues and other systems to be followed in the factories. CII joined representatives from other industry associations to participate in the meeting.

In a subsequent meeting, Mr Kannan discussed the prevailing issues on labour and renewal of licensing procedures with CII members.

#### 2nd TQM Meeting

14 September: Puducherry

The TQM Forum discussed the concept of 'Change Management -Effective involvement of employees.'

# **CII Puducherry SME Cluster**

14 September: Puducherry

Mr J Rajendran, Assistant Director, Industries & Commerce, Puducherry, highlighted the benefits gained by participants in the first SME cluster at the Membership Relationship Meet. Cluster members made a presentation on their experiences in participating in the Cluster.

# **Zones**

# Chennai

# **Housing for All**

5 September: Chennai



Seminar on Housing for All

Organised in association with CREDAI, the seminar identified the changes needed in the regulatory and fiscal framework for faster delivery of housing for all; and discussed the creation of sustainable models for public and private partnerships in affordable housing schemes.

Mr Surjit K Chaudhary, Principal Secretary, Housing and Urban Development, Tamil Nadu, Mr Prakash Challa, President, CREDAI, Tamil Nadu, Mr Vikram Kapur, Member Secretary, Chennai Metropolitan Development Authority, and Mr D P Yadav, Managing Director, Tamil Nadu Housing Board, were among the key speakers.

#### Roadshow on CII Services

16 September: Chennai

The road show, to create awareness on CII Services



Road show on CII Services in Chennai

and attract new membership in Chennai, was addressed by Ms Gayathri Sriram, Chairperson, CII Chennai Zone, and Mr S Abhaya Kumar, Vice Chairman, CII Chennai Zone.

#### ICT for SMEs: Software as a Service

17 September: Chennai

The session created awareness on capability enhancement for SMEs through ICT. Mr Arindam Das, PMP Manufacturing Practice, Automotive Sector, Infosys Technologies Ltd, and Dr Ganesh Natarajan, Chairman, CII National Committee on IT, ITES & E-Commerce, and Vice Chairman & CEO, Zensar Technologies, addressed the session.

# **Coimbatore**

#### CII - TQM Forum Launched

8 September: Coimbatore

The CII - TQM Forum was launched to develop and promote excellence among CII Coimbatore member organisations. At present, 42 members have joined the forum.

# **Protecting Business from Risk Exposures**

16 September: Coimbatore

The session discussed issues faced by exporters with regard to risk management. Speakers from leading insurance companies participated in the session.

# **Erode**

# **SME Cluster Launch**

25 September: Erode

The first districtlevel cluster was launched for MSMEs in Erode by

Mr R Ekambaram,



MSME Cluster launch in Erode

Joint Director & General Manager, District Industries Centre, Erode. The joinees will undergo an 18-month programme to improve production, bring down waste and in essence, turn globally competitive

#### Karur

#### **Finance for SMEs**

3 September: Karur

Mr Namgial, Chief General Manager, Small Industries Development Bank of India (SIDBI) described the crucial role played by SIDBI in the development of the MSME sector. He also explained about the JICA Line of Credit and the eligibility criteria for this.

#### Goods & Service Tax

10 September: Karur

The workshop on Goods and Service Tax helped members understand the procedures for obtaining service tax registration and service tax code; registration certificate; records to be maintained by assessees, documents to avail service tax credit, consequences for failure to submit returns, documents required to file service tax statements and value of service liable to service tax. This session also discussed practical issues in VAT, Income Tax and Central Excise.

# Madurai

## **Total Employee Involvement**

25 September: Madurai

At the training programme on Total Employee Involvement, teams from successful practicing companies like Sundaram Motors Ltd, Rane TRW Steering Systems td, Rane Brake Linings and Hi-Tech Arai Ltd made case study presentations and shared their practical experiences.

# Thoothukudi

## Informal session on Japan

11 September: Thoothukudi

Mr Junichi Nishida, Chief Regional Officer, Mitsui & Co., during his visit to Thoothukudi visited the Tuticorin Port Trust and several local industries. He also met select CII members informally over dinner to share the business expectations of Japan.

#### Report on Thoothukudi Vision 2025

23 September: Thoothukudi

Senior CII members from Thoothukudi including Mr PSS K Raja Sankaralingam, Chairman, Mr R Edwin Samuel, Vice Chairman, and Mr V Ramasubramanian, Immediate Past Chairman, met Mrs Geetha Jeevan, Minister for Social Welfare, Tamil Nadu, to present the Report on 'Thoothukudi Vision 2025.'

# **Trichy**

#### **FINEXE 2009**

4 September: Trichy

The market place provided a platform for MSME members to discuss, interact and clarify with experts issues relating to credit availability, State and Central Government schemes for MSMEs, export control and foreign exchange regulations, credit rating, accreditation and tariffs.

# **Cricket for Fellowship**

19 & 20 September: Trichy



P Kumar, MP, Trichy awarding the winners, Cethar Vessels Ltd

The second edition of the CII Cricket for Fellowship – an Inter Corporate Tennis Ball Cricket Tournament, organized in association with the Trichy District Cricket Association, drew 12 corporates in Central Tamil Nadu to participate in the 20 – 20 tennis ball tournament. Cethar Vessels Ltd was the winner, with Vishnuraam Textiles Ltd as the Runner-up. Mr P Kumar, MP, Trichy distributed the prizes.

# Vijayawada & Visakhapatnam

# **FIN'EXE 2009**

15 September: Vijayawada

At Fin'Exe, a Finance –Excellence Initiative, resource persons from organisations such as SBI, SIDBI, Indian Bank, APSFC, NSIC, MSME-DI, CRISIL, Deloitte, Goshal & Goshal, ECGC and Exim Bank interacted with MSME members in one-to-one meetings.

#### Wealth Out of Waste

16 September: Visakhapatnam

Mr Jogarao Bhamidipati, Vice President (Commercial), ITC Paperboards and Specialty Paper Division & Head, Wealth Out of Waste (WOW) Initiative, spoke on the Wealth out of Waste programme of ITC to help save the environment. The session was also attended by Mr. S Krishna Murthy, Additional Commissioner, Greater Visakha Municipal Corporation.

# West

# Implementation of Goods & Service Tax (GST)

24 September, Panaji

Mr Y S Pai Bir, Advocate & Tax Consultant, Commercial Taxes, described the advantages of GST. He explained that the current system fails to tax all goods and services and that the current unrefunded taxation on capital goods hampers capital accumulation, savings and investment. Indirect taxes need to be levied at the destination point to be comprehensive and non-distorting, he said, pointing out that differences in the tax base in different States and the Centre greatly increase the cost of doing business and impose deadweight losses on the economy.

# **Gujarat**

# Meeting with German Delegation

2 September, Ahmedabad

A German delegation from Frankfurt Rhein Main GmbH visited Gujarat to attract investment into their region and promote trade opportunities with companies in the state. The team included Ms Jeannette Werner, Director India & China, Ms Sibylle Yaakov, Head, Global Marketing, and Ms Anandi Iyer, India Representative.

# **Direct Tax Code**

5 September, Vadodara

To sensitize members about the details of the New Direct Tax code and also to analyze its implications for industry. Mr Prakash Kotadia, Partner, Corporate Advisory & Taxation, RSM Astute Consulting, made a detailed presentation on various provisions of the tax code.

#### Meeting with Australian Consulate

8 September, Ahmedabad

Mr Jinendra Khara and Mr Vaibhav Kale from the Australian Consulate visited Ahmedabad to understand the opportunities available at the state level in different sectors for increasing bilateral business between the two countries.

# **Gujarat Industrial Policy**

11 September, Vadodara

Mr D O Shah, Joint Commissioner of Industries and General Manager, DIC, Vadodara, explained various guidelines announced by the Gujarat Government for the Industrial Policy 2009. Of particular interest were the provisions related to interest subsidy, venture capital assistance, market development incentives, cluster development incentives etc.

#### **Visit of Tanzanian Prime Minister**

16 September, Ahmedabad



Peter Mizengo, Prime Minister of Tanzania, at a demonstration of **Drip Irrigation** 

Mr Peter Mizengo, Prime Minister of Tanzania, met senior representatives of the Kaira District Cooperative Milk Society, Gujarat Cooperative Milk Marketing Federation, Gujarat State Fertilizer & Chemicals Ltd & Gujarat Green Revolution Company Ltd. A demonstration of Drip Irrigation was also arranged.

#### Manufacturing Excellence Study Mission

17- 18 September, Bangalore



Manufacturing Mission members in Bangalore

A Gems & Jewellery Industry mission visited BOSCH Ltd., Toyota Kirloskar Motor Co. Ltd. and Tanish, Jewellery Division of The Titan Industries Ltd.

## **Advanced Supervisory Skills**

17-18 September, Vadodara

The workshop, tailor-made to re-orient the skills of lower-level supervisors in manufacturing industries, dealt with team management, time management, developing teams, etc through informative management games.

# Workshop on Service Tax

19 September, Vadodara

Mr TNC Rajagopalan, a noted consultant in the field of

exports and imports, described the recent changes and amendments in service tax rules and procedures.

#### 5th CEO Network Series

29 September, Vadodara

Prof Parimal Merchant, Chairperson, Center for Family Managed Business, S P Jain Institute of Management, Mumbai spoke on 'Family business and MNC coexistence: Facts & Reality.' He dwelt upon the increasing need for professionalization of family-owned businesses and how they complement professional organizations.

# Madhya Pradesh

# **Enhancing Managerial Effectiveness**

1 September, Bhopal

The workshop was held to help participants equip themselves with the right managerial attitudes for effectiveness and for personal and professional satisfaction.



Workshop on Service Tax

Indore, 5 September

The workshop discussed the Service Tax Act and its various provisions, to help businesses ensure compliance with the laws, and adopt best practices in this regard.

G R Meena. Commissioner. Customs & Central Excise, Indore

# Trade with Vietnam

11 September, Bhopal

Apart from highlighting the advantages of investing in Vietnam, the session also addressed investors and traders concerns from the Indian perspective.



Vu Quang Diem, Ambassador of

# **Opportunities in Naval Warship Equipment**

16 September, Indore

To create awareness among manufacturing industries on the opening up of the naval production for the private sector, Cmdr P S Malhotra, Quality Assurance Officer, Quality Assurance Establishment, Warship Equipment, spoke about the procurement policy, procedure and guidelines, quality requirements for naval production.

#### Interaction with Commissioner, Industries

Bhopal, 18 September, Bhopal

Members met Mr Deepak Khandekar, Commissioner, Industries, Madhya Pradesh, to discuss issues and problems faced by them.

#### Lean Manufacturing

Indore, 23 September, Indore

Covering the What, Why, When and How of Lean

Manufacturing, the training programme also discussed how to realize world class performance in Manufacturing, while facilitating peer learnings through sharing experiences.

# **Enhancing Managerial Effectiveness**

Jabalpur, 25 September

The programme helped participants to equip themselves with the right managerial attitudes for effectiveness and for personal and professional satisfaction.

#### Maharashtra

#### Interaction with the President of Namibia

2 September, Mumbai



Dr Hage Geingob, Minister of Trade & Industry, Namibia, Hifikepunye Pohamba, President of Namibia, and Syamal Gupta, Hon Consul General of Namibia, Mumbai, and Chairman, Tata International Ltd

Mr Hifikepunye Pohamba, President of the Republic of Namibia, invited Indian Industry to explore the huge business potential that Namibia has to offer. The session was followed by one-on-one business meetings and a stimulating round of questions and answers.

#### **Logistics Mission to Antwerp & Rotterdam**

2 - 5 September, Antwerp & Rotterdam

The focus of the mission was not only to learn good logistics practices but also to promote India as a major global destination for logistics. Besides business meetings, the mission members visited the port facilities in Antwerp and Rotterdam and the Nike Distribution Centre, the largest in Europe.

#### Interaction on Sweden and Latvia

2-5 September, Mumbai



Balkrishna Shetty, Indian Ambassador designate to Sweden and Latvia, and Pankaj Baliga, Vice President & Head, Global Corporate Sustainability, Tata Consultancy Services Ltd

Mr Balkrishna Shetty, Indian Ambassador designate to Sweden and Latvia, visited Mumbai as a part of his Bharat Darshan tour, to understand the interest of Indian companies in doing business with Sweden and Latvia, in the field of technology.

## Mission to Germany & Finland

6 - 12 September, Germany - Finland

The mission exposed the participants to the 'Future of Manufacturing through Innovation" by enabling them to imbibe trends and best innovative practices. The mission visited Nokia, Luftansa Tecknik, Airbus, Schott AG, Porsche Car Factory, Hidelberg Press Machines, Trumpf Laser Machine and Solon Se. Interactive sessions were also arranged with HWF Hamburg Business Development Corporation, Roland Berger, Porsche Design Studio and German Solar Industry Association.

## **Industry & Academia**

8 September, Pune

The seminar was held to establish a culture of systematic exchange, networking and understanding between academia and the industry. Dr Ganesh Natarajan, Chairman, CII WR Higher Education Task Force & Vice Chairman and CEO, Zensar Technologies talked about building employable skills in university students through industry-academia collaboration.

#### Interactive session on Clusters

9 September, Pune

The session highlighted the advantages of having a national cluster for large companies in Pune, particularly now, as the manufacturing industry is recovering from the recession.

#### CII Real Estate Conference



Adi Godrej, CMD, Godrei Group

11 September, Mumbai

The conference debated the future of the Indian real estate industry, with a focus on issues, opportunities and challenges, to drive the industry in a better and profitable manner to benefit all.

#### **Conference for Administrative Professionals**

12 September, Mumbai

The conference cum workshop brought together this important sect of professionals for sharing and learning of ideas, opinions and views.

# **Bringing Surplus Power to the Grid**

11 September, Pune

Recognising that captive / cogeneration power is an

important and competitive source of power, the session facilitated discussions between captive / co-generation power producers and the CEA to discuss issues and challenges, including regulatory challenges being faced by the developers while sharing the surplus generation with the utilities concerned.

#### 3rd HR Summit

15 September, Mumbai



At the Inaugural of the 3rd HR Summit 2009

The summit focused on issues relating to the current and the future human resource practices for a period of 5+ years. It deliberated on the latest trends such as changing demographic trends, social media, increase in consumer expectations and its impact on people and organisations.

#### **Pharma Summit**

16 September, Mumbai



CEO's Interactive Roundtable at the Pharma Summit

A CII - KPMG Report on 'India Pharma Inc. - Overcoming Challenges to Maximise Potential' was released at the Summit. The sessions covered Understanding the Regulatory, IP and Commercial Complexities, Innovative Financing Options, and Research & Innovation.

#### Investment in Sri Lanka

17 September, Mumbai

Mr Navin Dissanayake, Minister of Investment Promotion, Sri Lanka, Said his country is keen to attract international investments and is thus developing world class infrastructure in ports, airports, telecommunication, power and energy. He noted that India is currently the second largest foreign investor in Sri Lanka, after Malaysia.



Uday Banerjee, Vice President - Commercial, CEAT - Kelani Associated Holdings (Pvt) Ltd, Sri Lanka); H M Wijeratne, Consul General of Sri Lanka in Mumbai; Navin Dissanayake, Minister of Investment Promotion; Sri Lanka, Harshbeena Zaveri, Convenor, Cll International Trade Panel, Maharashtra, & President, NRB Bearings Ltd and C Ignatius, Director - Promotion; Board of Investment of Sri Lanka

#### Antarchakshu

Mumbai, 17-18 September, Mumbai,



Antarchakshu session in progress

In 'Antarchakshu-The Eye Within', an experiential workshop to sensitize people about the visually challenged, CII Western Region partnered with the Xavier's Resource Centre for the Visually Challenged (XRCVC) to sensitize industry members on mainstreaming people with disability into the workforce. More than 30 CII members participated in the workshop that required them to perform everyday tasks blind folded, in a simulated environment. An exhibition a range of technology supported aids, equipments, devices and

software programmes that enable the visually challenged to perform regular activities.

# MES Workshop

19 September, Mumbai

The Directorate of Vocational Education and Training (DVET), Maharashtra, organized a 'State Workshop on Modular Employable Skills Scheme' where CII was especially invited to address over 700 Vocational Training Providers

Ganesh Natarajan, Chairman, CII (WR) Sub Committee on Higher Education, who was the chief guest, stressed on bringing quality to the implementation of the programme. Policy issues discussed by CII with the state government were successfully incorporated by both the DVET and the Regional Directorate of Apprenticeship Training (RDAT).

# **Energy Management for Cost Reduction**

25-26 September, Pune

The programme presented techniques for effective thermal and electrical energy management, and provided information on latest energy saving ideas, highlighting the benefits of carrying out detailed energy audits and sustaining an energy efficient culture at the work place.

#### **Direct Tax Code**

29 September, Pune

Mr P V Bhide, Revenue Secretary, Ministry of Finance, said that the Direct Tax Code bill would be introduced in the winter session of the Parliament. A change in mindset will be required to accept the new system. he said, which would remove multiple numbers of exemptions and give the taxman with more time for developmental activities.



Ashutosh Dikshit, and Arbind Modi, both Jt Secretaries (TPL), Ministry of Finance; P V Bhide, Revenue Secretary, Ministry of Finance; Dr Anand Deshpande, Chairman, CII Pune Zone, and (VTPs) from all over the state. Dr. Founder & CEO, Persistent Systems Ltd; and C S Kahlon, Member (L&C) CBDT, Ministry of Finance