

OCTOBER - DECEMBER 2014

ON TRADE

The International Trade Journal of MVIRDC WTC Mumbai*For private circulation***VOL. 1 ISSUE 2**

Cover Story

INTEGRATING INDIA IN GLOBAL VALUE CHAINS:

Aspiration Meets Reality

In Conversation with...

- **Thomas L. Vajda, Consul General of US in Mumbai**
- **Ashish Raheja, MD
Raheja Universal Pvt Ltd**
- **Dominic Ward, Director, WTC Hull
& Humber**

Connecting with Global Markets

**A Journey through India-Africa
Trading Ties: ITC****Exim Bank Leads Indian
Companies to Establish
Global Footprints**

WORLD TRADE CENTRE MUMBAI

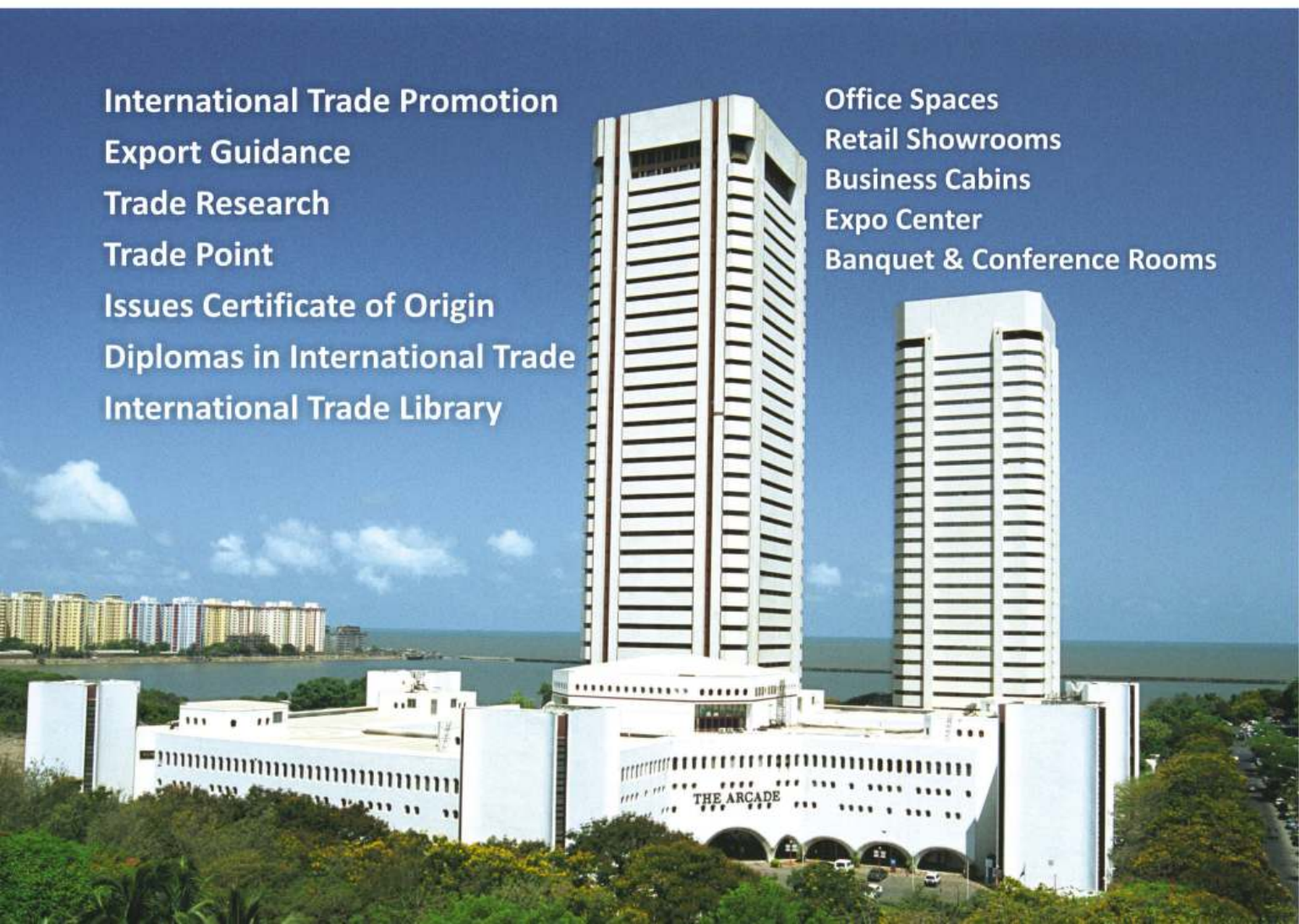
Member of World Trade Centers Association, New York

FACILITATES TRADE & INVESTMENT

Offers a wide gamut of Space & Knowledge
based facilities and services

International Trade Promotion
Export Guidance
Trade Research
Trade Point
Issues Certificate of Origin
Diplomas in International Trade
International Trade Library

Office Spaces
Retail Showrooms
Business Cabins
Expo Center
Banquet & Conference Rooms



At the outset, I take this opportunity to wish you all the very best for 2015.

In the last quarter of 2014, our efforts were largely focused on providing you with perspectives from eminent personalities worldwide, on key issues facing industries. We propose to continue this endeavour in the new year.

The government's rallying call to global investors to partner in the ambitious 'Make in India' programme has generated widespread enthusiasm among global businesses. The government is conscious of the onerous responsibilities to create the necessary environment to encourage overseas investments and is taking bold steps towards building a cohesive manufacturing and infrastructure base within the country. Even as these initiatives are well attuned with the government's objectives to promote manufacturing, the success of the 'Make in India' programme hinges on Indian firms' integration with global value chains for enhancing competitiveness. The cover story of the issue highlights the importance of global value chains in building a strong manufacturing base in the country.



The WTC Bhubaneswar successfully conducted several programs on International Trade Promotion with the coordinated efforts of MVIRDC and has added new members to its fold. It has certainly created the much-desired awareness on International Trade. In an interview with the Secretary, Department of MSME, Government of Odisha, he highlighted the potential of the MSME sector and the growing synergy between various State and Central Government agencies. WTC Bhubaneswar organised a panel discussion to promote Odisha's exports by the coordinated efforts of various trade and export agencies from private as well as public sectors. A couple of insightful and interesting articles covered in this issue discussed the potential of Odisha's steel industry and presented Odisha as an attractive tourist destination.

'In Conversation with', covers interviews with the US Consul General in Mumbai, Managing Director of Raheja Universal and Director of WTC Hull & Humber. They have well-thought-out strategies for engagement with India, with great optimism.

We had the privilege to host Governor Nikki Haley, State of South Carolina with her high-powered delegation at WTC Mumbai, in an interesting interactive meeting with our members. WTC Mumbai's participation at the WTO Public Forum 2014, in Geneva, on 'Fostering Skills and Jobs through Trade Liberalization in Developing Economies' is indeed a matter of pride for all of us.

On Trade features many interesting articles covering a variety of issues concerning India's macro-economic policy and India's food security. An article on, 'A Journey through India-Africa Trading Ties' by the International Trade Centre provides key insights into the shifting patterns of trade from commodities to value-added goods and discussed the role of governments in facilitating private investment and trade.

As we plan ahead for 2015, a concerted effort has been made in selecting the most relevant topics such as Smart Cities, a Regulatory Perspective on Innovative Food Products, International Arbitration, Budget and its Implications. The programs for WTC Bhubaneswar are in keeping with International Trade Development. Efforts are being made to promote the 5th edition of the Global Economic Summit with the theme 'Enabling Food for All', which is in consonance with PM's 'per drop, more crop'.

We once again invite new ideas and suggestions, to bring more interesting features in every edition of 'On Trade'.

Wish you Happy Reading!

Y. R. Warerkar

Y. R. WARERKAR

WTC MUMBAI OFFERS A WIDE RANGE OF VENUES *for* CONFERENCES | BANQUETS | EXHIBITIONS

EXPO CENTER



60,000 sq. ft, centrally air-conditioned venue for Exhibition

CENTRUM



SOUTH LOUNGE



BOARD ROOM



JASMINE



COMMITTEE ROOM



State-of-the-art facilities for all Business requirements

- Centrally air-conditioned venues
- Accommodates from 30 to 300 pax
- Strategically located in South Mumbai
- 360° panoramic view of the Arabian Sea
- 24 x 7 Security services
- Ample Car Parking space

CREDITS

Kamal M. Morarka
Chairman

Vijay G. Kalantri
Capt. Somesh C. Batra
Sharad P. Upasani
Vice Chairmen

Y. R. Warerkar
Executive Director

EDITORIAL BOARD

Y. R. Warerkar
Editor

Rupa Naik
Director - Projects

A. O. Kuruvila
Deputy Director - Trade and Education

Tripti Chakravorty
Assistant Director - Trade Research

Khyati Naravane
Assistant Director - Trade Promotion

Qanita Khan
Assistant Director - Trade Promotion

Kranti Sagalgile
Assistant Manager - Research

Nilesh Gosai
Creative Designer

WTC Bhubaneswar Officials

Budhadev Bhanjo
Manager - Trade Promotion

Nimeshika Natarajan
Manager - Trade Research

Printer

Union Press, 13 Homji Street,
16 Horniman Circle, Fort,
Mumbai - 400 001.

Editorial Office

M. Visvesvaraya Industrial Research and
Development Centre
(Member: World Trade Centers Association Inc.)
Centre 1, 31st floor, World Trade Centre, Cuffe
Parade, Mumbai 400 005 (India), Tel : 66387272
Fax: 91-22-22188385
Email: tradepromotion@wtcmumbai.org
Web : www.wtcmumbai.org

Disclaimer: The information contained in this journal
has been reviewed for accuracy and is deemed reliable
but is not necessarily complete and cannot be
guaranteed. The views expressed in the articles
appearing in this Journal are those of the author's and
do not necessarily reflect the views of the Centre.

for private circulation

CONTENTS

October - December 2014
Vol.1 Issue 2

06

On MSMEs

Ushering a New Wave of Innovation

10

Cover Story

Integrating India in Global Value Chains:
Aspiration Meets Reality

12

In Conversation with...

- Thomas L. Vajda, Consul General of US in Mumbai
- Ashish Raheja, Managing Director, Raheja Universal Pvt Ltd
- Dominic Ward, Director, World Trade Center Hull & Humber

20

Book Review

Thirsty Nation

24

Connecting with Global Markets

- A Journey through India-Africa Trading Ties
- Exim Bank Leads Indian Companies to
Establish Global Footprints

29

In Focus- WTC Bhubaneswar

- Trade Promotional Activities held this Quarter
- The Entrepreneurial Spirit of MSMEs in Odisha
- Potential of Odisha Steel Industry
- Odisha - An Exotic Tourist Destination
- A warm welcome to our New Members

39

India Rising

- Road Ahead: Top 12 Macro-Economic Policy Agenda
- Doing Business in India
- WTO and Food Security: India's Struggle Continues
- 'Smart Cities' Development Role for Indian Economy:
Transforming India - Transforming Lives

51

Meetings and Events

An update...

63

China Desk

Economic Cooperation between
India and China: A Remarkable Story

65

News from All Over

- How to Improve your Customer Acquisition in Tradeshows?
- Global News / Indian News
- International Trade Shows / India Trade Shows

Ushering a New Wave of Innovation



Bhavesh Thakkar
Partner, BDO India LLP

Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. The role of MSMEs in the economic and social development of the country is well established. The MSME sector worldwide is considered as the growth engine of the economy. In India, for last many years, the MSMEs are recognized as means of production and service rendering with utilization of limited resources. This sector contributes 8 per cent of the country's GDP, 45 per cent of the manufactured output and 40 per cent of its exports. The MSMEs provide employment to about 60 million people through over 26 million enterprises producing over six thousand products. [As per the 4th All India Census of MSMEs] Thus, MSMEs are important for the national objectives of growth with equity and inclusion. The state wise distribution of MSMEs is not equal because 55% of MSMEs are in 6 states only, namely, Uttar Pradesh, Maharashtra, Tamilnadu, West Bengal, Andhra Pradesh and Karnataka.

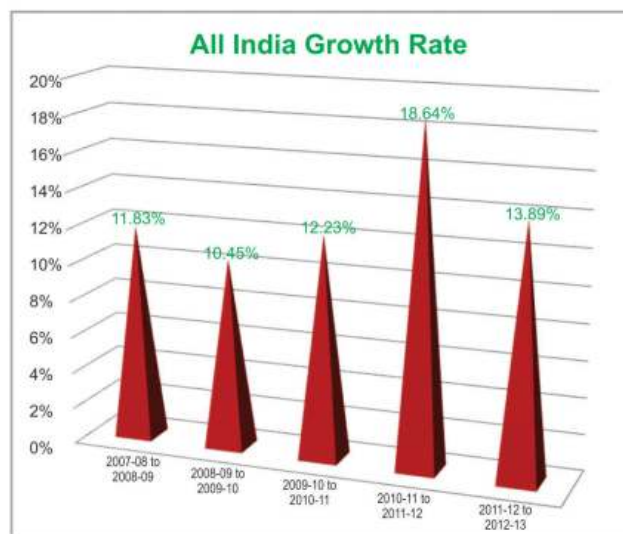
Current scenario / Key highlights / Growth

Rural areas with 200.19 lakh of working enterprises accounted for 55.34% of the total working enterprises in MSME sector whereas urban area located 161.57 lakh working enterprises accounted for 44.66% of the working enterprises of the MSME sector.

Trends in MSME Growth (Filing of EM - II) during 2007-08 to 2012-13

MSMEs have shown consistent growth in terms of number of EM-II filed every year and shown constant growth rate of more than 10% every year till 2010-11, whereas in year 2012-13 growth rate was 13.89%.

So, as we run through the above, it can be observed that the MSME sector forms the backbone of the economy and it plays a more prominent role due to its employment generation capabilities as India is a populous country. However, the sector is not free from challenges of growth and survival. In the following paragraphs, we try to highlight the major challenges faced by the MSME sector in India, the measures taken by the government and the outcome of the same.



Challenges Faced by Indian MSME Sector

❶ Lack of adequate Finance Channels - MSMEs have traditionally relied on bank finance for their operations as well as for business expansion. Hence, access to timely and adequate finance is crucial for the growth and development of these enterprises. The state has directed the banks to treat MSMEs in the priority lending sector. Though funds are allotted to MSMEs, the practical disbursement ratio is not satisfactory. While there is an intention to lend, the documentary formalities of banks are more or less same for a big enterprise and an SME. Moreover banks demand a security, mostly an immovable property, as collateral security which becomes difficult to provide for. Rate of interest is also an issue as there is no concession for SMEs. So for SMEs the cost of capital is same as in the case of a large enterprise.

Also, India has been one of the few countries wherein SME stock exchanges have been launched. However, the general awareness of the SME exchange as a means of finance has been very low. As on date, only 83 companies are listed on



SME exchange, out of which only 27 are trading since more than 2 years of its launch. The norms herein are simpler as compared to large company listing however the listing requires consistent profitability for previous years. Therefore, it cannot be availed by the new SMEs. However, for existing companies looking for expansion and finance, this is a good option, which needs to be explored by the sector to procure capital at a very low or no cost.

② Land availability and high costs - In India, the price of land is sky rocketing. Many governments have taken the lead in pursuing cluster approach wherein one type of industry can come together and form a cluster in one area. Governments have promised MSMEs to give them land at concessional rates. It has also been proposed to provide common facilities like quality control labs, training rooms, conference rooms etc. in the cluster and divide the costs between the units. The cluster concept is gaining huge popularity in select few states. However, the challenge is in like-minded people coming together, while it is a hindrance to some as it may tantamount to divulging of business information to the potential competitor of the same field who is based in the cluster.

Even the concept of flatted structures with multiple units working in the same building or premises is proving to be helpful in overcoming the cost hurdle.

③ Skilled Labour - Despite playing a major role in employment creation, SME entrepreneurs find it difficult to obtain skilled labour. National skill programme has been launched to overcome this challenge. Also, a body named National Skill Development Council has been launched. Some new industrial parks have also set up their own training centers to provide training to labour, of units, based in their parks. So though on the world stage, India may be low on cost of labour, but the skill matrix needs to improve to compete with skill matrix of labour, like in Germany.

In almost all the fiscal incentive policies of states, no benefit has been linked to training and skill up gradation costs incurred by the employer. SME sector should be given some incentives for skill upgradation and training as it becomes costly at times. The availability of skilled labour is the key parameter that can enable an MSME to become competitive.



④ Assured supply and priority purchasing - Contracting demand in some of the sectors and de-reservation in most of the sectors has crippled the MSME sector. Previously there were products which were reserved for production with the SME sector. However many items have been deregistered and bought to the general list in recent times. So, in turn, SME lost the monopoly of production what it had been enjoying on these products. However, the jury is still to decide whether reservation for exclusive manufacture can really help MSMEs, as in the long run, it kills competition and economies of scale. Many leading economists are against the concept of reservation.

Also, the government has laid down the policy of priority purchasing which is called the Public Procurement Policy. This is a welcome step wherein it has been made compulsory for the government agencies and establishments to buy from the MSME sector only, but the tendering and procurement rules have to be transparent, fair and free from bureaucracy and it should result in a select few enjoying the larger benefits.

⑤ Recovery from debtors - It has also been observed largely, that the MSME sector does not have bargaining power like large enterprises on cost of the product and credit terms. So it has been observed earlier that the credit terms in dealing with MSMEs were favoring the large enterprise. Though there is a provision of paying interest to the MSME sector, if their payment is released after the due date, the provision is not implemented in the true spirit. For example, every income tax audit in India needs to report on late payment made to MSMEs by large enterprises and the interest paid on the same. But unfortunately no effective reporting is happening on this front and the standard disclaimers have been given that the data of MSME units is not maintained by the companies to report on this point. Even at the time of tax assessment, the authorities are not strict on this specific requirement of reporting.

⑥ Technology and Marketability - On the backdrop of increased competition in a global environment and uncertainty due to the global downturn, MSMEs need to be technology literate to compete effectively. However, the vicious cycle of funds does not allow MSMEs to upgrade their technology and equipment to world's best practices. There has also been general reluctance to improve quality and competitiveness or marketing of the products. So SMEs must be encouraged to

participate in world level exhibitions and fairs to improve their exposure to best practices.

❶ **Complexity of laws and compliances** - Multiplicity of labour and other laws and complicated procedures associated with compliance of such laws have been a major issue for SMEs due to their limited resources. At present a full-fledged SME has to comply with about 70 laws. The government has taken a step to set up an agency to collect data from all MSMEs prior to filing to the government for a nominal fee, in order that all compliances are met with, under one agency. This is a welcome step but confidentiality of data needs to be ensured.

The other schemes that the Government of India has taken towards the SME sector for boosting entrepreneurship, investment and growth are the following:

- International Cooperation Scheme
- Assistance to Training Institutions Scheme (ATI Scheme)
- Marketing Assistance Scheme

Policy Initiatives

- Implementation of Micro, Small and Medium Enterprises Development Act, 2006 - both the Central and State Governments have taken effective steps towards implementation of the Act by framing a number of Rules and issuing Notifications in respect of the Act.
- National Manufacturing Competitiveness Programme (NMCP) - The objective of NMCP is to ensure healthy growth of the MSME Manufacturing Sector. There are eight components of NMCP which address the entire gamut of manufacturing in the sector
- Prime Minister's Task Force on Micro, Small and Medium Enterprises (PM's Task Force on MSMEs) - The implementation of the recommendations is being

monitored periodically by the Steering Group constituted under the Chairmanship of Principal Secretary to the Prime Minister

Other Miscellaneous Schemes

- Credit Guarantee Scheme
- Credit Linked Capital Subsidy Scheme for Technology Upgradation
- ISO 9000/ISO 14001 Certification Reimbursement Scheme
- Micro & Small Enterprises Cluster Development Programme
- MSME Market Development Assistance (MDA)
- National Awards (for individual MSEs)

Conclusion

MSMEs are the backbone of economic development in any country. Over 65% of Indian population is below 35 years of age and the MSME sector has the largest potential to provide employment to this young generation. However in order to continue scaling up, the existing challenges are required to be overcome. Banks have been making steady strides in order to bridge the gap in MSME funding. But the approach is restrictive as the banks have to create value by controlling and managing risks. An India Opportunity Fund of USD 878 million to support Indian SMEs was announced in the 2012-13 budget. Furthermore, availability of land for MSMEs has to be ensured. State governments may allocate at least one industrial estate in each block and identify barren lands and set up industrial estates there. Various policy initiatives and schemes introduced by the government for technology upgradation, market development assistance, international cooperation, training assistance etc would certainly help the sector.

Make in India is the new buzzword in the industry circles. The new Government has been dynamic enough and they understand the need of the hour to generate sufficient employment to a large working population. This would not have been possible if the MSME sector did not grow. If the MSME sector grows, the real results of the 'Make in India' Campaign would be achieved.

■



Do you aspire to be a Real World Economist ?



Meghnad Desai
Academy of Economics

Introducing an 11-month Post
Graduate Program in Economics and
Finance, starting from July 2015, in
collaboration with some of the
world's leading economists.

Contact Us

For more information please visit our website
www.meghnaddesaiacademy.org

For admissions related information please email us
at admissions@meghnaddesaiacademy.org
or call us at 022-60126001

In association with the World Trade Center



WORLD TRADE CENTRE™
MUMBAI - Promoted by MVRDC

Integrating India in Global Value Chains: Aspiration Meets Reality

Abhijit Das

Head, Centre for WTO Studies

Indian Institute of Foreign Trade, New Delhi

While trade economists had recognised two decades ago that global value chains (GVCs) represent a paradigm shift in manufacturing and trade, it is only in the past few years that this phenomenon has caught the attention of diplomats and policymakers at various multilateral organisations and other international fora. At the WTO, Pascal Lamy, the former Director-General, provided significant emphasis on estimating the trade through global value chains. During the past two years, it has also figured prominently at OECD's ministerial council meetings held annually in Paris. Successive declarations of G20 Leaders have recognized the relevance of GVCs to world trade. We can expect more news on GVCs at the WTO.

Given the growing importance of GVCs and its implications for reducing production costs and enhancing competitiveness, it would have been desirable for Indian firms to get integrated in GVCs. However, in most of the sectors GVCs have by-passed India. It is relevant to understand why the

global lead firms in GVCs have shied away from linking with Indian firms.

The decision of lead firms to locate various activities of the GVCs relies more on the ability to move goods continuously, safely, timely and economically, rather than on labour cost arbitrage. Several behind-the-border deficiencies appear to stymie India's integration in GVCs. It is also relevant to compare India with other countries on parameters that influence the decisions of lead firms to link with suppliers in developing countries.

First, as trade in GVCs generally requires goods to cross multiple borders in distant locations, transportation costs get magnified. Thus, efficient port facilities become the backbone of GVCs. Despite improvements in India's port infrastructure in recent years, its relative performance has actually regressed compared to many other countries.

Average turn-around time for all major ports in India has improved from 8.10 days in 1990-1 to 4.63 days in recent years. The turn-around time ranged

between 2.20 days at Cochin Port to 7.73 at Paradeep Port. The average turnaround time of major Indian ports compares unfavourably to 10 hours in Hong Kong. This underlines the relative lack of competitiveness of Indian ports compared to the efficient facilities available in countries integrated in GVCs.

While the turnaround time captures one aspect of port physical infrastructure, the Liner Shipping Connectivity Index (LSCI) published by UNCTAD is a more comprehensive measure that captures a country's level of integration into the existing liner shipping network. With India's rank in LSCI slipping from 21 in 2004 to 32 in 2012, alarm bells must ring. As one of the key aspects of GVCs is that goods flow in and out of chains in a just-in-time process, the relative decline in India's access to high capacity global maritime freight transport system poses a significant deterrent to lead firms that may seek to locate manufacturing in India.

Second, containerised trade is becoming increasingly important in the GVC context. Thus cost of an export container from different countries becomes an important determinant of GVC integration. India's score on this crucial aspect is disappointing. The cost of a typical export container in India is around US \$ 1332, which is significantly higher as compared to most of the other developing countries that are integrated in GVCs. By way of comparison, this cost is US\$ 823 for China and US\$ 525 for Malaysia. To a certain extent these twin factors erode the cost of competitiveness of India's exports and reduce the possibility of Indian firms getting linked in GVCs.

With India's rank in LSCI slipping from 21 in 2004 to 32 in 2012, alarm bells must ring. As one of the key aspects of GVCs is that goods flow in and out of chains in a just-in-time process, the relative decline in India's access to high capacity global maritime freight transport system poses a significant deterrent to lead firms that may seek to locate manufacturing in India.

Third, in a highly competitive world, the quality of trade logistics can have a major bearing on a lead firm's decisions about which country to locate in, which suppliers to buy from, and which consumer markets to enter. Logistics Performance Index (LPI) calculated by the World Bank, is a good indicator of the efficiency of trade logistics.

On this index, India's unimpressive rank of 39 in 2007 dipped further to 54 in 2014. This suggests that India is likely to miss the opportunities of integrating in GVCs due to high logistics costs, low levels of service in tracing and tracking consignments and bottlenecks in border clearance procedures.

Fourth, most of the Indian firms lack the productive capacities to meet large orders from lead firms. Even in sectors in which some Indian firms are integrated in GVCs, such as textiles and clothing and auto components, the local suppliers operate at low scale of production. Not only does this reduce the attraction of lead firms for outsourcing production to India, it also limits the opportunity for generating employment through GVC integration.

Fifth, a relatively higher efficiency and abundant skilled labour force-entrepreneurial, technical and managerial - is one of the reasons behind the emergence of East and South-East Asia as a manufacturing hub for GVCs in information technology and communication products. Most of these enabling factors and drivers of GVC integration are weak, or missing, in India.

There is a tendency to view hurdles in GVC integration from the perspective of trade policy issues, particularly tariffs and rules of origin. While these issues may be relevant, they rank low in priority in the Indian context. Overall, big retailers, fashion companies and high technology manufacturers have repeatedly tried to develop GVC linkages in India, only to encounter infrastructure bottlenecks and shortages of skilled managers and workers. Instead, the lead firms have preferred to integrate with suppliers in South-East Asia and East Asia.

Given the growing importance of GVCs and its implications for reducing production costs and enhancing competitiveness, it would have been desirable for Indian firms to get integrated in GVCs.

In GVCs, manufacturing is generally undertaken wherever the necessary skills and input materials are available at a competitive price. Consequently, products manufactured through GVCs are likely to be less expensive compared to similar products manufactured outside GVCs. This would gradually erode the market prospects of latter category of products, in favour of similar products manufactured through GVCs.

With manufacturing and international trade increasingly shifting towards global value chains, time may be running out for India's industry to get linked to international production networks. Unless long term corrective action is initiated by the government, the stagnant manufacturing sector in the country is likely to face further rough weather. Instead of focusing on trade policy issues, the solution lies in better infrastructure, improved trade logistics and incentive to enhance productive capacities to garner benefits of scale. These certainly are not low hanging fruits, but require significant resources – both financial and human. In parallel, there is also a need to create globally recognizable Indian brands. This would facilitate a larger share of incomes generated from GVCs flowing into India. Is anyone in the government listening?

(Views expressed are personal)





Indo-US Relations to Witness Greater Heights

Mr. Thomas L. Vajda, Consul General of US in Mumbai, in an interview with the World Trade Centre Mumbai, said that at this juncture, there is great enthusiasm and energy around the U.S.-India bilateral relationship.

As you have worked in Asia in various capacities prior to taking up office in Mumbai, can you share your observations on the region?

Asia is large geographically, dynamic, and extremely diverse, and I have been fortunate to work on the issues, and in the countries, of East Asia, Southeast Asia, and now South Asia. Compared to my most-recent work, this current assignment in Mumbai has entailed a shift from dealing with the Middle East—where the region has been impacted by both crises and reform movements—to working within the vibrant democracy that is India, the world's largest democracy. As you would expect in Mumbai, India's financial capital, I also spend more time focusing on economic and commercial issues than I did in my previous assignments. At this juncture, there is great enthusiasm and energy around the U.S.-India bilateral relationship, and all of us in the Consulate are very excited about the possibilities for the partnership going forward.

If India needs to achieve a target growth rate of 8-9 percent a year, how could the United States partner with India to reach this target?

When they met September 2014, President Obama and Prime Minister Modi recognized that U.S. and Indian businesses have a critical role to play in

sustainable, inclusive, and job-led growth and development. Total bilateral trade already stood at nearly \$100 billion in 2013, which is a fivefold increase in bilateral trade since 2000. Our two leaders signed a joint statement pledging to increase trade between India and the United States to \$500 billion. The United States is one of India's largest foreign direct investors as well. U.S. FDI in India totals \$28 billion, and through their foreign subsidiaries U.S. companies have invested considerably more here. Those investments in India create job, spur economic activity, and contribute to growth. We believe that stronger commercial ties between our two countries will be of tremendous benefit to both countries' economies and societies.

What role can young entrepreneurs and youth in India play in this?

For many years now our governments and people have been on a path bringing our countries closer together. At the Consulate, we strive to do what we can,

“I am confident that the United States and India will continue on a very positive trajectory next year. The year will get off to an auspicious start in terms of our bilateral relationship, with President Obama's trip to India in January as the Chief Guest at India's Republic Day celebrations.”

to help facilitate ties between U.S. and Indian organizations and individuals, particularly as we believe that real, lasting progress can be made by our businesses, institutions, and universities working together—not just our governments. I would invite your readers to join us in the shared goal of a stronger U.S.-India relationship. On the commercial front, the U.S. Commercial Service is working hard to create greater linkages between small and medium-size enterprises in both countries. We believe there is great potential for trade and investment at these levels. In terms of youth, India, like all countries of the world, will need a skilled workforce to deal with the economic challenges of the future and be competitive. As Indian students prepare themselves, we encourage them to consider studying in the United States to achieve their academic and professional goals. Studying abroad, whether it's an American student coming to India or Indian student going to the United States, paves the way to future business and research collaboration. Currently, there are more than 100,000 Indian students studying at U.S. schools and universities, which is the second-largest foreign student population. When they return, these students will be able to apply the education and skills gained in the United States to contribute to India's growth and prosperity. We hope students from western India will think about studying in the United States.

What do you think about the WTO-related announcement of November 2014?

It was a very positive development, for which President Obama expressed appreciation for Prime Minister Modi's personal leadership in finding a path forward. Our two leaders held productive

discussions on this issue during the Prime Minister's visit to Washington in September 2014. Following that, officials of both governments worked intensively and reached an agreement that should give new momentum to multilateral efforts at the WTO. We aim to reduce the transaction costs and improve the integration of supply chains in ways that can benefit emerging markets, including India. The Trade Facilitation Agreement (TFA) is estimated to reduce the cost of trade by 10% for developed countries and up to 14% for developing countries. Some have said that it could add hundreds of billions of dollars—or even a trillion dollars—to the global economy. The United States and India will be among the beneficiaries of the TFA. Together, our two countries have reaffirmed our joint commitment to the success and credibility of the WTO, and we look forward to working towards the full implementation of all elements of the landmark Bali Package, including the TFA.

What are the prospects for an India-U.S. Bilateral Investment Treaty?

A Bilateral Investment Treaty between our two countries will foster openness to investment, transparency, and predictability as well as support economic growth and job creation in both, the United States and India. As with any high-quality agreement, negotiating such a treaty will take time, but we look forward to making progress. U.S. Assistant Secretary of State for Economic and Business Affairs Charles Rivkin said while he was here in Mumbai that a Bilateral Investment Treaty is very important, and it can serve as a terrific foundation for our countries' economic relationship going forward.

India is an energy deficient country. What progress have India and the United States made in the area of energy cooperation?

On November 18, the U.S. Export-Import Bank Chairman Fred Hochberg signed a Memorandum of Understanding with Chairman K.S. Popli of the Indian Renewable Energy Development Agency, that will explore options for utilizing up to \$1 billion in Ex-Im

financing to promote the export of U.S. clean energy technology to India. This financing could contribute to the Indian government's recently-announced goal of providing 24-hour electricity to India's 1.3 billion citizens by 2019, much of it set to come from renewable sources. In fact, Ex-Im Bank has authorized \$353.4 million for U.S. renewable energy exports to India since 2009, and Ex-Im Bank was one of the top financiers of projects under the National Solar Mission Phase I. This latest memorandum is really a win-win for both countries: it further invigorates America's clean energy industry, while equipping India to meet its own ambitious energy goals that are critical for its future economic growth. There



are considerable other avenues in which U.S. and Indian business and institutions are working together in the area of energy.

What about the field of science and technology?

In November, President Obama's Science Advisor and Director of the Office of Science and Technology Policy Dr. John P. Holdren led a delegation of 100 U.S. government officials from multiple agencies to the first-ever India-U.S. Technology Summit near Delhi. At the Summit, researchers, academics, policy makers, industry representatives, and students discussed how science and technology cooperation across a broad range of issues can help tackle mutual 21st century challenges. Dr. Holdren also co-chaired a meeting of the U.S.-India Science and Technology Joint Commission, which specifically focused on how to make progress in the shared priority areas of science, technology,

clean energy, climate change, and innovation. The United States and India collaborate across a wide range of scientific endeavors, to include the recently established NASA-ISRO Mars Working Group, and we are optimistic that these latest meetings will spur even greater cooperation.

What can we expect in 2015?

I am confident that the United States and India will continue on a very positive trajectory next year. The year will get off to an auspicious start in terms of our bilateral relationship, with President Obama's trip to India in January as the Chief Guest at India's Republic Day celebrations. This is the first time a U.S. president will have this honor. It also will mark the first time a sitting U.S. president has visited India twice.

We are also excited about the Vibrant Gujarat Global Investor Summit that took place in January. This will be the first time that the United States is a Partner Country for Vibrant Gujarat. U.S. commercial links with Gujarat run deep, as reflected by the large number of U.S. firms with operations in the state and the presence of a U.S. Commercial Service office in Ahmedabad since 1997. We are excited by the potential boost to bilateral and trade investment from the Summit.

As the world's oldest and largest democracies, the United States and India are witnessing a natural convergence of interests and values that will continue to broaden and strengthen our strategic partnership. Within the Consulate here in Mumbai, we are excited about the possibilities for India and the United States working together, whether on a government-to-government, business-to-business, or person-to-person level. Looking ahead, we endeavor to stay true to the motto President Obama and Prime Minister jointly announced in September 2014: "Chalein Saath Saath, Forward Together We Go!"

■

Navi Mumbai gets World Trade Center

*The Real Estate Sector encounters some of the most challenging times, with changing business landscapes. Here is what **Mr. Ashish Raheja, Managing Director, Raheja Universal Pvt Ltd** had to say on the upcoming WTC Navi Mumbai and what he envisions for the sector.*

Raheja is a household name in the real estate industry. What sets you apart from your competitors?

We believe that we have established a reputable, strong legacy and a brand name in the Mumbai Metropolitan Region (MMR) real estate market due to the credibility we enjoy, transparency in our dealings, high quality execution and innovative design of our projects. Our primary focus has always been to set a benchmark in the industry with an organized outlook by creating quality and classy buildings with emphasis on aesthetic appeal. We have created many a landmark in Mumbai which has satisfied the aspirations of our customers in terms of better living and working conditions.

We are one of the few Real Estate Companies to have received both ISO 9001: 2008 for quality management systems and ISO 14001: 2004 for environmental standards. We were chosen as a Selected Business Super Brand India in 2008 and Selected Consumer Super Brand India in 2009-10 and 2011-12.

What are the projects being planned for the future?

Some of the projects which are ongoing and in the pipeline include the following:

- Raheja Imperia, Worli, Mumbai, a Luxury Residential Tower
- Raheja Ridgewood, Goregaon (E), Mumbai, a Residential Complex
- Raheja Exotica - Sorento, Madh Island, a Residential Complex
- Raheja Reflections – Eternity & Odyssey, Kandivali (E), a Residential Complex
- Raheja District I, Jui Nagar, Navi Mumbai, a Commercial & Residential Complex; which will

also house the World Trade Centre Navi Mumbai

- Raheja District II, Jui Nagar, Navi Mumbai, a Destination Industrial Park

Having received the license to start the World Trade Centre Navi Mumbai, what plans are afoot in that direction?

We are planning to break ground for development of World Trade Centre Navi Mumbai, (comprising of WTC 1, WTC 2, Town Plaza & Retail Promenade) around mid 2015 and it will be completed in phases, starting with WTC 1.

What are the economic implications of the WTC Navi Mumbai project?

Navi Mumbai is a nerve centre of business due to its strategic location and has emerged as a prominent commercial destination for growing needs of business community.

WTC Navi Mumbai would serve as an ideal platform to connect various verticals of trade, investments, government agencies, etc. and provide trade services to entrepreneurs in Navi Mumbai.

Businesses will choose it as an alternative business district to Mumbai, financial capital of India and attract premium international and Indian corporates.

Could you share your perspective on the making of a Smart City? Any plans to partner with the Union Government?

As we understand, the vision of the present government at the Centre is to



promote, upgrade and develop 100 Smart Cities in the country; some of the existing cities as well as development of satellite cities.

These cities would implement modern technological and well-planned infrastructure with efficient use of information technology which are also sustainable. Since smart cities would imply considerable demand for technology-enabled services, this is a big positive for IT and ITeS companies in India. Significantly, as much as one-third of the country's demand for office space also emanates from this sector.

With increased urbanization taking place rapidly, there is a need for more urban areas. Most of the existing Indian cities especially the metros are already becoming unlivable due to massive population and limited infrastructure. The government will have to come out with concrete plans for partnering with private enterprises and realty developers in this massive task.

Land acquisition is a major hindrance in the preparation of real estate. Could you share your thoughts on how this could be eased out?

Other than our historical land bank, we concentrate on acquiring and jointly developing clean lands owned by landlord families, corporate and industries in urban areas of MMR.

The major cost of any project to be

developed in MMR, especially in Mumbai, is the land cost which is exorbitant. There are many developers chasing the same land parcel(s). We use our strong networking with our stakeholders and contacts, who have a lot of trust in us, through which we acquire land parcels or enter into joint development and development management.

One amongst the hurdles in development of land is that the State Government is still exercising control over land under some provisions of the already repealed Urban Land Ceiling & Regulation Act (ULCRA) 1976. It is suggested that the government takes a lenient view towards the same to ease out the scarce land in the MMR and support development which is in the interest of all stakeholders.

What are some of changes you wish to see in the Union Budget 2015-16 for the real estate industry?

Our Suggestions include the following:

The Union Budget should further simplify the process of granting of pass-through status for taxation for successful implementation of Real Estate Investment Trust (REITs) in India.

The deduction limit on interest payment for housing loans should be further increased from Rs. 2 lakh to Rs. 3 lakh which has been a long standing demand of the housing loan customers and the real estate sector. This will lead to a vastly improved sentiment on the housing markets.

The government should review varied forms of taxes imposed on purchase of a house which is making it unaffordable for people. In the government's vision to provide housing for all by 2022, it should review and limit the various taxes imposed.

Given the current economic scenario, what are the prospects for the real estate sector in the next 5 years?

The real estate industry has been going through a consolidation phase ever since the 2008 downturn. Also, restrictions were imposed on the banking sector on funding the real estate industry. With a pro-reforms agenda, development and

“We are one of the few Real Estate Companies to have received both ISO 9001: 2008 for quality management systems and ISO 14001: 2004 for environmental standards.”

growth-oriented policies of the new government and its thrust for smart cities, housing for all by 2022, policy formation on REITS, etc. There is a positive sentiment for both residential and commercial real estate.

The government will have to come up with pro-industry policy initiations faster which will help the real estate industry to roll and support government initiatives for overall growth and development.

Could you shed some light on the FDI policy for the construction development sector?

The government has relaxed rules for FDI in the construction sector by reducing minimum built-up area as well as capital requirement and easing the exit norms. The government has decided to reduce the minimum floor area to 20,000 sq mt from the earlier 50,000 sq mt. It also brought down the minimum capital requirement to USD 5 million from USD 10 million.

These measures are expected to result in enhanced inflows into the construction and real estate development sector. It would help developers get an alternative route of funding for their projects.

This will have a multiplier effect on the economy by way of development and employment generation.

With increasing migration rates, what can Raheja Universal do to manage it through affordable housing?

Affordable is a relative term. In Mumbai, even a Rs. 1-1/2 to Rs. 2 crore house in suburbs such as Goregaon – Malad –

Kandivali – Borivali belt is affordable. The same cannot be said for other and Tier II Cities where anything upwards of Rs. 30 lakh to Rs. 50 lakh may not be termed as affordable.

Therefore, ‘realistic pricing’ is a better term to define how a project should be priced. Also, the Indian consumer is very value-conscious and is able to critically assess value for the price offered.

Our ongoing projects in the western suburbs are realistically priced and have been receiving positive response even in this slow and recovering market.

What are your suggestions to decongest the City of Mumbai with special reference to floor space index (FSI)?

As we all know land in Mumbai is very scarce. It is essential that the government develops road and rail network in the MMR for rapid urbanization. With the mainland opening up, Greater Mumbai can expand eastwards.

With various controls and restrictions such as the ULCRA, coastal regulation zone (CRZ), no-development zone (NDZ), heritage, etc., the supply is limited. Large tracts of land such as the salt pans and the excess lands owned by Mumbai Port Trust, railways, NTC, etc. need to be released for the growing demand for houses and this will add to its supply at attractive prices. Large land tracts are also converted into slums, as a huge and migratory population of Mumbai and MMR lives in the slums.

Alternatively, vertical development is essential by allowing higher FSI both in the island city and the suburbs of Mumbai. However, the government will have to do its bit to improve the infrastructure to complement the same.

■



Raheja Universal supports YouWeCan, an initiative by Yuvraj Singh Foundation (YSF). A foundation which will help in creating awareness on cancer prevention, early detection of the disease and fight against the stigma related to cancer.



You can Volunteer & Donate, by visiting the website www.youwecan.com



THE INDUSTRIAL REVOLUTION HAS A NEW DESTINATION.

INTRODUCING RAHEJA DISTRICT II IN JUNAGAR, NAVI MUMBAI.

This state-of-the-art Destination Industrial Park is located in Junagar, Navi Mumbai's nerve centre. Easily accessible by road, rail, sea and air, it's well-connected to raw material sources, talent pool and markets. Equipped with Future Ready Internal Infra ideal for small and mid-sized Modern Industrial Undertakings.



HIGHLIGHTS: 27-acre project approved by MIDC ♦ 5 buildings (to be built in phases) ♦ Total Saleable Area of 2.5 million sq.ft. ♦ Launching Edision - building 1 (Ground + 4 floors) of the 1st phase ♦ Units ranging from 1,842 sq.ft. onwards ♦ Column-free units - 16 feet floor-to-floor height including loft ♦ Town Plaza with Convenience Store, ATM, Restaurants, Clinics/Trauma Centre and Convention Space ♦ Vehicle lift within the building from the ground to the 4th floor with provisions for loading & unloading on each floor ♦ Close to Vashi, Turbhe, Panvel and Chembur ♦ Close to arterial roads like Eastern Freeway, SCLR and Sion-Panvel Expressway ♦ Close to Junagar Railway Station, existing and proposed airports and JNPT ♦ Environmental clearance received for full layout ♦ Commencement Certificate received for Building I & II

SO WHEN ARE YOU JOINING THE REVOLUTION?

Contact - Navin Gupta: Tel.: 022-6641 4343, Mob.: +91-97693 68681 | Email id: commercial@rahejauniversal.com

Site Add.: Plot GEN-2/1/C/Part of TTC Industrial Area, MIDC, Junagar, Navi Mumbai.
Corporate Add.: Raheja Universal (Pvt.) Ltd., Raheja Centre-Point, 294, C.S.T. Road, Kalina, Santacruz (E), Mumbai - 400 098. | **Web:** www.rahejauniversal.com

Disclaimer: The plans, specifications, images, configurations and other details herein are only indicative and the Developer/Owner reserves the right to change any or all of these at its/their sole discretion. The information contained here is indicative of the kind of development that is proposed, subject to the approval of MIDC. **Note:** The Project "Raheja District II" is mortgaged with HDFC Limited and Raheja Universal (Pvt.) Limited would obtain/provide No Objection Certificate from HDFC Limited for sale of units.

RAHEJATM
UNIVERSAL
 THE WORLD TO COME



WTC Hull & Humber - A Gateway for Businesses to Thrive

*Almost 20 per cent of the United Kingdom's seaborne trade goes through the Humber Estuary. In an interview, **Mr. Dominic Ward, Director, World Trade Center Hull & Humber** elucidates what this Region, which is also on the doorstep of North Sea wind farms, has to offer Indian investors.*

What is your strategy in creating new local business opportunities for the Humber region?

We very much believe in building strong partnerships with like-minded organisations, and World Trade Center Hull & Humber has led the way in this respect. Our offices in Hull have become the home for other main business networks. These include the Bondholders organisation, which is a strong promoter of the region through its 250 member companies.

We also accommodate the regional office of UK Trade and Investment, the department of central government with

responsibility for increasing UK business. In addition, we are home to Team Humber Marine Alliance, a cluster of marine engineering companies with a specific focus on the offshore renewables field, and Humber Local Enterprise Partnership, which is charged with the task of promoting economic growth in this region.

As a hub for many of the main business groups, we complement one another and use our combined strengths to bring investment into the region. The particular strength we have, as a WTC, is the access to the WTC global network. We are now building on this successful formula following the addition of a

second office on the south bank of the Humber, which connects us to new businesses and organisations.

What is being done to encourage SMEs to export-import globally?

We host regular events for SMEs to help and encourage them to become involved in international trade. These range from market specific events with speeches from experts and case studies from local firms, to practical events such as those covering export documentation and packaging, for example. We stay in touch with businesses through our regular newsletter and put out the message that we are impartial and here to help them.

How has WTC Hull and Humber enabled the region reach out to global opportunities?

We are connecting with other World Trade Centers that operate in the same or complementary sectors. Representatives of our WTC attended the WTC congresses in Mumbai in 2013 and Bucharest in 2014. Lindsay West, one of the Directors, followed this up with a visit to New York where he chaired the European regional meeting. For my part, I visited WTC Mumbai whilst on business there. Recently the WTC led a trade mission to Belgium and hosted an inward visit from there.

Could you shed light on the incubator space that is being provided by your WTC?

We always wanted to play a role in helping new businesses get on their feet and thought that offering good value space at a very reasonable cost would be one of the ways in which we could provide support. The incubator space is intended for international businesses that want to set up in the region or for local start-up businesses.

We also offer 'hot-desking', which means a business person can drop in and rent a desk for a few hours as well as using our services and networking with others based here. This is a great service right in the center of the city, which is an enormous help to people who visit regularly on business.

Since the Humber Region is a coastal one, how is it reaping the benefits of trade through this mode of connectivity?

The Humber has been reaping the benefits of its geography for centuries. Historically, it has always been part of a significant trading route and still is. Almost 20 per cent of the UK's seaborne trade is in the Humber. Hull and Grimsby were also huge fishing ports until the 1970s. The huge opportunity presented by offshore wind has become a focus for today's activity, with many businesses and organisations coming together to secure investment. This is now paying off and the Humber, which is being dubbed the UK's Energy Estuary, is seeing investment from major global

“We always wanted to play a role in helping new businesses get on their feet and thought that offering good value space at a very reasonable cost would be one of the ways in which we could provide support.”

players in offshore wind sector such as Siemens, DONG Energy, E.ON and Centrica. Securing investment has taken a concerted joint effort by the private and public sectors. As a region, we have lobbied central government to ensure their support in helping us make the significant gains we need. This has paid off.

Why has the WTC chosen to promote the renewable energy, digital gaming and entertainment sectors? How are you pursuing this? Are there any other sectors in the offing?

We have chosen to promote renewable energy because of the UK's suitability for offshore wind and tidal stream energy as well as our proximity to the offshore wind farms. In addition, because of our long-established sectors such as marine engineering and offshore oil and gas, we have the transferable expertise and skills right here. The UK has a target for reduced carbon emissions by 2020, so the political will is there to make it happen – although government commitment to subsidies has been somewhat lacking in stability and consistency.

Digital is a fast growing global sector – particularly in the gaming and entertainment arena. It was felt that more could be done in the Humber in order to benefit our economy and retain young talent in the area. We have a lot of expertise, but the digital clusters tend to be centered around cities such as London, Manchester and Leeds. There has been a lot of work to create a new cluster in the Humber region, particularly led by Lindsay West. As a result we now have a well-established gaming conference, platform expos, as well as some start-up businesses working from platform

studios. It has also been adopted by the public sector in the Humber as a focus for attention.

The Humber is already home to significant number of chemical companies and this is set to continue growing with ongoing investment from international firms based here. We also have a major strength in food processing on the south bank of the Humber, and, on the north bank in global healthcare. Naturally ports and logistics are very big in the region.

How has World Trade Center Hull & Humber partnered with other WTCs in promoting local and regional businesses?

We have been actively strengthening our presence within the organisation. We made some good contacts at the General Assemblies in Mumbai and Bucharest and through our relationship with the WTC in The Hague, have also been building on the Humber's age old trade links with the Netherlands to urge greater cooperation between offshore operators in the two countries. There is a world of opportunity and our efforts are designed to make sure our businesses are well placed to compete in a global marketplace. A highlight of 2014 was welcoming the Chief Executive of the World Trade Centers Association, Eric Dahl, to the Humber after we had stated our interest in bidding to host the General Assembly in 2018.

What would you like to share with a potential Indian investor to your region?

The Humber is open for business. Any business from India will find that the private and public sectors are very keen to see a new business successful. We are in an excellent geographic location – facing mainland Europe and only two hours or so from London by train. In addition, Hull will be UK City of Culture in 2017, so the spotlight will be on this region which can only assist businesses in this area. The WTC Humber is at the center of the renaissance of this region and keen to assist any company looking to invest here or trade with companies here.

WORLD TRADE INSTITUTE

Nurturing Tomorrow's Trade Leaders

Announces the **53rd** Batch of Post Graduate Diploma in Foreign Trade (PGDFT)

- To understand the Business of Export-Import
- To learn Risks in Forex Markets

LEARN
INTERNATIONAL TRADE
at

**WORLD
TRADE
CENTRE**
M U M B A I



53rd Post Graduate Diploma in Foreign Trade from 1995

(Mon - Wed - Fri : 6.30 pm to 8.30 pm)

Six months part time course suitable for professionals, SMEs, top & Middle Management, beginners in Export-Import

4th Certification Course in Export-Import Business from 2014

(Saturday: 10.30 am to 5.30 pm)

Three months course suitable for entrepreneurs and owners of family businesses. (Graduation not necessary - No written exams)

30th Post Graduate Diploma in Forex & Risk Management from 1999

Six months course suitable for Corporate Sector for Export Import business, Finance, Bank Managers, Employees in Forex Treasuries, Financial Institutions, Market Analysts.

- Certified as 'Best Practice Institute' by World Trade Centers Association, New York
- Faculty drawn from industry houses who are experts in the business of International Trade
- The Courses are designed with the view to provide practical expertise from trade specialist
- The Courses are well recognized in India and abroad



ADMISSION OPEN

To Enrol Contact:

VIVEK / DORIS / JYOTSNA

World Trade Institute @ World Trade Centre Mumbai

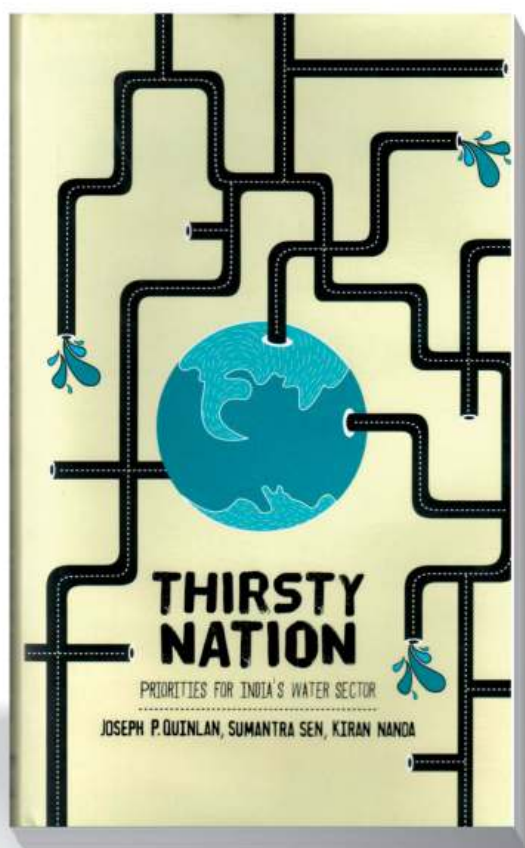
Tel.: 022-66387391-92-97

Email: wti@wtcmumbai.org

Log on to: www.wtcmumbai.org

Thirsty Nation

The bitter truth that we all need to face is that we do not have any substitute for water



'Thirsty Nation: Priorities for India's Water Sector' written by Joseph P Quinlan, Sumatra Sen and Kiran Nanda spells out the actual problems India faces in the availability of water, which could pose as an impediment to its economic scenario. The book also delves in overcoming such a situation through appropriate policy measures and their implementation. Here's a look into the book.

A Basic Research on Water in India

What the book is about?

By now, most of the Modi government's 'Water Agenda' has been spelt out. 'Thirsty Nation' also contains a 'Policy Agenda' on water issues, which is placed in a contextual form and runs throughout the book. In fact, the coverage of the book goes beyond what has been written on the subject of Water so far.

The aim of the book is manifold - examining the current water issues of India objectively and recommending remedial measures including creation of an environment of inviting investments in the water sector. The book serves as a propeller of water financing, quoting global expertise but suggesting Indian variants. Getting water pricing right is at the heart of the matter. This alone will enable bankable water projects to emerge, a sure recipe to attract private, domestic and foreign investments.

Prime Minister Narendra Modi's message –“Today we face a water crisis, but there was no such crisis two hundred years earlier. Human population was also less. Our ancestors were highly aware of the need for water conservation. Best example of this is Gandhiji's house in Porbandar. Augmenting water, conserving it, storing it and using it judiciously has been the mantra for Gujarat's phenomenal growth in last decade. Let us conserve water! Let us give the future generations their right”.

A holistic view of water issues is taken in the book, which is the main thrust of Modinomics.

Water is the most precious natural resource in the world—far ahead of oil and minerals. What is it that drives a nation towards economic growth and sustainability? Some argue it is the entrepreneurial spirit, for others it is the people, for few others it is the form of governance, but the point which the authors of this book want to drive across is that for a nation to develop and develop sustainably, there is nothing more important as the reliability of its blue gold: i.e. the reliability of its water sources. Indeed, the importance of water is well known and well publicized over last few years. Unfortunately, when it comes to maintaining the water discipline and governance, most of the stakeholders have been found faltering.

The authors in this research point out the dependency of our nation for water on Monsoons and how this can prove harmful if corrective action is not taken on time. Already, it is too late but better late than never.

Numerous water issues touching daily lives of nation's inhabitants have been discussed threadbare in the book. Most important revelation is the sensitive nature of policy making and its poor and uncoordinated implementation.

The 'Thirsty Nation' also elaborates on impediments and opportunities for India's water sector. It defines water as a resource that is both an enabler and disabler to society and economy. It underlines the need to attain water sustainability at the earliest because of rising young population and fast depleting finite water resources. The subject matter becomes most relevant when even the local self-governing institutions in the country have started developing policies to deal with their local water issues.

Interestingly, the research dwells on concepts such as virtual water trade, water audit and water foot-printing as useful tools to monitor and manage the sustainable use of water. Though the Companies Act, 2013 has incorporated mandatory CSR activities, which include water, it is promising to find a less known fact, that many major members of Indian corporate sector voluntarily coming forward with initiatives for reducing their water foot-prints.

The book also outlines the role of Business Membership Organisations (BMOs) like chambers of commerce & industry as enablers and catalysts towards providing solutions and implementing the same including best governance practices related to the water issues.

A separate chapter is dedicated to discuss the quality aspects of water, most important for attaining water sustainability. Degrading quality of surface and ground water in India by unchecked water pollution from Industries and domestic sector is worrisome. Though updating legal rules and regulations is a must as suggested by authors, many a time it is the lack of implementation that is causing the damage.

It is pointed out that although there has been very little involvement of the private sector in the water arena till date, even then it cannot be denied that some of the policy initiatives taken have actually paved the way for private investors to invest in specific areas of the water value chain and that too in a cost-effective manner thereby catering to the growing demand for water in the country.

In the final chapter of Thirsty Nation, authors recommend learning from the rest of the world and have outlined some best practices and policies that could be adopted.

An issue with this book that has been pointed out is that it is a little too academic for the layman's taste and if written in a more story telling way the book could have appealed to a larger audience and thus contributed a little more towards the nation's water priorities. This, indeed, was the original intention of the authors but during the process of writing and while interviewing experts it was strongly felt that the subject of water was such that it required substantiation with statistics, case studies and water experts' views, which infused seriousness in the research.

Another issue mentioned was that, it would have been better if decentralized planning, community participation and gender equality had also been incorporated in the book. Importance of these areas for research cannot be denied at all but at the same time this criticism points out the success of the book in encouraging water enthusiasts to think ahead in terms of need for more research on water.

Select Edited Excerpts

India is considered by many to be one of the most dynamic economies among the developing nations. But its economic potential could very well get derailed or aborted by the nation's looming water crisis.

The economy, one of the largest in the world, is overly dependent on water, or to be more precise, monsoons. While the ADB recently forecasted that India will confront a serious water crisis by 2020, many believe the crisis will arrive a great deal earlier. Indeed, India is a country under intense water stress.

A disappointing monsoon season can bring havoc on the pace of growth in one of Asia's largest economies. Given a severe shortage of proper irrigation facilities, the lack of rain becomes notably difficult for India's agriculture sector, accounting for nearly one fifth of its gross domestic product. More importantly, roughly two thirds of India's population relies on farming and related industries. Hence, poor monsoon rains have a huge negative multiplier effect on the rest of the

INTERESTING FACTS

- It takes 2900 gallons (1 gallon is 3.785 litres) of virtual water to produce a simple pair of blue jeans, 1857 gallons to produce a pound of beef, 634 gallons for a hamburger, 500 gallons for a pound of chicken and 9 gallons for a simple one cup tea.
- India currently has the world's second largest population, and is expected to overtake China by 2050, when it is likely to reach a staggering 1.6 billion, putting unheard of stress on the available water resources. Presently, the nation has 17 percent of the world's population, but only 4 percent of its usable fresh water.
- The per capita availability of water in India has dropped from 5,300 cubic meters per annum in 1951 to 1,544 cubic meters in 2011.
- Water is under growing pressure both on the supply side (insufficient freshwater, uneven distribution, poor quality, non-revenue water, climate change), and the demand side (agriculture, industry and residential). Moreover, even the reduced availability of fresh water is highly uneven over time and space.
- According to the World Watch Institute, India suffers from poor governance because of unviable water pricing—giving either water free or at heavily subsidized rates. This naturally has led to over-exploitation of ground water and widespread environmental damage.
- For years, experts have been issuing warnings about the likely onset of water wars. However, the policy makers have failed to realize the gravity of the situation.
- Indian economy has started witnessing the first glimpses of conflicts over water, like many countries in the Middle East, Africa and Central and South Asia. Thirst for water is leading to social unrest, conflict and migration.
- India's 12th Five Year Plan's (2012-17) focuses on providing a facilitative environment for the amelioration of water related problems. The country can no longer postpone serious actions to address its water crisis.
- The problem is complex—how to provide clean water to a population of over one billion people who are eating better, driving more, and living in urban areas. The solutions are just as complex and expensive as it will take billions of dollars in investment to meet this crisis. India will not only fail to grow and prosper but will see its economic development and prosperity retard and diminish.
- According to the World Bank, private financing has accounted for less than 10 percent of total water supply and sanitation investment in the developing world to date.

economy. In particular, the lack of rain often triggers a hike in food prices that erodes the purchasing power of both urban and rural households.

The development and long term sustainability of water infrastructure poses a bottleneck as expressed by authors and will require the identification of additional sources of financing and introduction of market principles such as appropriate water pricing mechanisms, or private sector participation. The call for reforms in water pricing is logical as it will give rise to fundamental and healthy changes in consumer behavior in the usage of water. In India, the water supply is still largely dominated by the state level bodies, public utilities and municipalities most of which have been facing acute shortage of funds to develop, operate and maintain the water supply-distribution infrastructure in an efficient and viable fashion.

This book is recommended for the non-fiction readers who have a penchant for figures and tables and illustrations. The book strongly advocates authorities to take lessons from the best water practices followed abroad and even from within the Indian economy and to emulate the same across the country.

'Thirsty Nation' comes out as an informative work on water. The book will prove useful for researchers, academia, households, organizations, Investors, Industry and most importantly the government while formulating its water policies. Overall, it provides a useful backgrounder to number of initiatives taken by the Modi government like creation of smart cities, which will require smart water solutions and the 'Make in India' movement, which cannot be successful without serious water issues getting resolved effectively.

■

HAPPENINGS...

Exhibitions and Events held from October-December 2014

208 Events in the Centre **1** Building

16 Exhibitions at the Expo Centre

A snapshot

Society Collection	South Mumbai Shopping Fest	National Silk Expo Weaves of India	The Kid Town Fair
Matrimony Expo	Scat 2014 India Trade Show	Techyard 2014	Sattva Shopping Carnival
Life Positive Expo 2014	Bakery Business Trade Show 2014	Times Ethnic Fashion Village 2014	Paramparik Silk & Handloom Expo
Upper Crust Show 2014	Indian Ink International Tattoo Convention	Show Stopper & Kidsomania	Weaves, The Cotton & Silk Spectrum
Interactive meeting on Iran - India trade potential	CII Tower Run	Meeting with Nikki Haley, Governor, South Carolina, USA	Sustainable Urban Mobility & Solid Waste Management
Pennsylvania : Exploring Business Opportunities	Delhi – Mumbai Industrial Corridor	Euro India Technology Sourcing 2014	Press Conference – EITS 2014
Business delegation from Poland	Meeting with Scott Wang, WTCA for WTC Navi Mumbai	High level delegation from CCPIT, China	IDP IELTS EXAMS
OIL INDUSTRY WORKSHOP	BRITISH COUNCIL EXAMS	LIFE POSITIVE EXPO	ITC LTD - SAATHI TRADE MEET





A Journey through India-Africa Trading Ties

Arancha González
Executive Director
International Trade Centre
the Joint Agency of UN and WTO

In the post-colonial era, India's development outreach, including African countries, centred on political solidarity, concessional loans, and above all, technical cooperation. The Indian Technical and Economic Cooperation Program (ITEC), established in 1964, brought thousands of government officials and workers from state-owned enterprises to India for training, and sent Indian experts to partner countries that requested help. Scholarships brought gifted African students to study in India. Cooperation was not limited to the Indian government's action. Ethiopians of a certain age can still remember their Indian schoolteachers - hired, as legend has it, after Emperor Haile Selassie was deeply impressed, while visiting ancient churches in Kerala, to see legions of uniformed children on their way to school.

Economic renaissance in both India and much of Africa has seen ties take a renewed turn for the commercial, with governments playing a key role in facilitating private investment and trade. According to the World Trade Organization, bilateral India-Africa trade grew at an annual rate of almost 32% between 2005 and 2011 – in spite of the global economic crisis. Trade is expected to touch \$100bn in 2015. In a closed-door meeting the recent WEF India Economic Summit in New Delhi, the Financial Times reported, Indian industrialists and some African leaders expressed the belief that Indo-African trade could quintuple to \$500 bn by 2020.

While much of the existing trade has been in natural resources – the monetary value of which will drop with the recent fall in the price of oil – the sheer volume

That the Swahili word for money – pesa – is instantly recognisable to any Indian stands as testament to the historical commercial ties linking Eastern Africa to the Indian subcontinent.

For centuries before Vasco da Gama sailed around the Cape of Good Hope into the Indian Ocean in 1498, trade flourished on the monsoon winds between the great ports of Cambay and the Konkan coast and their East African counterparts of Malindi, Kilwa, and Mogadishu. Indian cloth and spices went westward, in return for African ivory,

gold, and timber. Aden served as a vital entrepôt as well as an entry point for European precious metals, wool, and weapons. Malacca, in modern-day Indonesia, served as a way-station for products from China and Japan, as attested to, by the fragments of Chinese porcelain still found in the Kilwa archipelago off the coast of Tanzania.

Indeed, the most plausible historical accounts suggest that it was a Gujarati navigator that da Gama picked up in Malindi who, for better or for worse, guided the Portuguese ships safely to Calicut.

of commodity trade has overshadowed the sustained growth in trade in other sectors, including value-added goods and services. Indian companies have made large investments in the automotive, telecommunication and IT sectors. Mahindra jeeps are a common sight in South Africa; the company is expanding to neighbouring markets. Airtel Tanzania is the country's largest operator; Airtel Kenya is second only to Safaricom.

The Indian government has actively sought to boost trade and investment ties with Africa, launching the India-Africa Forum Summit in 2008. Indian business groups have also been active in this area, as demonstrated by the Confederation of Indian Industry's India-Africa Conclave.

Another step that promises to boost Indo-African trade is India's Duty-Free Tariff Preference Scheme for all United Nations-defined least developed countries (LDCs), the vast majority of which are in Africa. Launched in April 2008, India's trade preference scheme for LDCs came fully into effect by October 2012, offering duty-free access to LDCs across 85% of Indian tariff lines, and advantageous tariff rates on a further 9% of products. India has emphasised that it took care to include in the scheme products 'of particular interest to Africa' such as cotton, cocoa, copper, cane sugar, clothing, and certain types of fish products and diamonds.

Countries' uneven performance over the past half-century shows, however, that the existence of low-tariff access is no guarantee that developing countries will be able to actually take advantage of it. Weak supply side capacity, inadequate market information, insufficient support from domestic institutions – all conspire against would-be exporters from developing countries, especially the



smaller and medium-sized enterprises that account for the bulk of employment.

To try to ensure that Eastern African countries, at least, are able to make use of the untapped potential to expand and diversify trade with India, the International Trade Centre (ITC), which I run, in 2014 launched a project on Supporting Indian Trade and Investment for Africa (SITA).

While still in its incipient stages, the project, which is backed by the United Kingdom Department for International Development (DFID), springs from the recognition that targeted interventions, could greatly expand the potential for investment, export diversification and growth, for mutual developmental benefit. The project focuses on the challenges that Ethiopia, Kenya, Rwanda, Tanzania, and Uganda face in international markets, and has started with a series of multi-stakeholder meetings involving the public and private sectors to identify priority sectors in each country.

The ultimate goal will be to develop policy options and solutions aimed at improving the business and investment climate, and removing impediments to

trade and investment flows between the five African countries and India. ITC's free-to-use data tools, accessible through www.intracen.org, already help countries and companies determine potential opportunities – and obstacles – to trade and investment.

In a world where 80% of production occurs in value chains, and fully 60% of global merchandise trade is in intermediate rather than final products, it is important to remember that 'making in Africa' can advance the goal of 'making in India.' Indeed, for India, this would be a homecoming of sorts, to what the journalist and scholar Nayan Chanda has described as its historical role as a 'crucial link in the ancient global supply chain'. Chanda has written about how, over a thousand years ago, an established value chain saw African ivory shipped to India, where the subcontinent's skilled craftsmen carved it into jewellery that was a coveted – and expensive – import in the courts of Europe.

Similarly, the notion of 'making in India' should not be limited to manufactures. Online education, for instance, could potentially be a lucrative export for Indian companies – and a worthy heir to the Keralite teachers who educated a generation of Ethiopians.

At a time when some World Bank and IMF economists suggest that established international supply chains across the Pacific Ocean are maturing, there are still new gains to be had from specialisation and the global division of labour in South Asia and Africa. Seizing these gains, however, will require concerted and coordinated action among governments, donors, international agencies, and the private sector to encourage trade and investment across the Indian Ocean.



EXPORT-IMPORT BANK OF INDIA

Exim Bank Leads Indian Companies to Establish Global Footprints

Yaduvendra Mathur

Chairman and Managing Director
Exim Bank

Export-Import Bank of India (Exim Bank) was set up by the Government of India for the purpose of financing, facilitating and promoting India's international trade. The Bank provides export finance and advisory services to Indian companies wanting to explore international markets. Since the Bank started its operations in 1982, it has successfully supported Indian exporters in establishing their presence across continents, including Africa, America, Asia and Europe, through its various financing support programmes and advisory services.



Exim Bank also encourages Indian companies to invest abroad for, inter alia, setting up manufacturing units and for acquiring overseas companies to get access to the foreign markets, technologies, raw materials, brands, IPRs etc. For financing such overseas investments, Exim Bank provides: (a) Term loans to Indian companies up to 80% of their equity investment in overseas joint venture (JV) / Wholly-owned Subsidiary (WOS); (b) Term loans to Indian companies towards up to 80% of loan extended by them to the overseas JV/ WOS; (c) Term loans to overseas JV/ WOS towards part financing (i) capital expenditure towards acquisition of assets; (ii) working capital; (iii) equity investment in another company; (iv) acquisition of brands/ patents/ rights/ other IPR; (v) acquisition of another company; (vi) any other activity that would otherwise be eligible for finance from Exim Bank, had it been an Indian entity; (d) Guarantee facility to the overseas JV/ WOS for raising term loan/ working capital.

Eligibility to avail finance or services for Overseas Investments:

Exim Bank's funded/non-funded assistance is generally with recourse to the Indian promoter company. Exim Bank's financing is available in Indian Rupees (to the Indian borrower) and in foreign currency [as per extant RBI guidelines]. Commercial interest rates are charged on the term finance. The tenor range is usually 5-7 years with a suitable moratorium, and repayments in suitable monthly/ quarterly installments. Promoter margin is minimum 20% and security includes inter alia appropriate charge on the assets of the overseas entity, corporate guarantee of the Indian promoter backed by appropriate charge on its assets, political and/ or commercial risk cover, pledge of shares held by the Indian promoter in the overseas venture etc.

As on March 31, 2014, the Bank had provided finance to 494 ventures set up by 391 companies in 80 countries. Aggregate assistance for overseas investment amounted to Rs. 37,139 crore.

To deliver on its mandate, the Bank has also fostered a network of alliances and institutional linkages with a number of multilateral agencies, export credit agencies, banks and financial institutions, trade promotion bodies, and investment promotion boards across a number of developed and developing countries to help create an enabling environment for supporting trade and investment for Indian entrepreneurs.

Exim Bank's support is limited not only to large enterprises, but also MSMEs and rural and grassroot enterprises, that are at the bottom of the pyramid. The Bank's range of support includes providing assistance for cluster development, helping companies in technological enhancement for quality exports, marketing and advisory services, research-oriented market inputs, and thereby enabling them in their internationalization efforts. Exim Bank has been playing the crucial role in promotion of project exports covering overseas industrial turnkey projects, civil construction contracts, supplies as well as technical and consultancy service contracts out of India,

which in turn would give major stimulus to manufactured exports from India and employment generation in the country. Exim Bank's flagship programmes such as Lines of Credit and Buyers' Credit are also designed to offer funding options to the overseas buyers in order to enable Indian project exporters to access new markets in developing countries and increase exports of goods and services from India, while at the same time create jobs in India.

Exim Bank strives to be the go-to institution for any company which is engaged or aspires to be engaged in foreign trade. "We will be aligning our priorities according to the direction set by the government as we continue to focus on aiding manufacturing exports, with a special attention on the engineering, procurement and construction (EPC) sector. The Vision of the Bank is to become India's Lead Development Bank for International Cooperation for supporting projects and programmes in India and in countries of strategic importance. The Vision is to be achieved through a 3-pronged Mission of supporting exports on medium and long term credit basis with higher associated risks, which otherwise would have been foregone; Creating a level playing field for Indian companies; Enhancing the visibility of Indian technical capabilities in emerging and developing markets overseas. Going forward, the Bank intends to focus on the key business verticals of Finance for Project Exports; Lines of Credit; and Overseas Investment Finance. We are sending delegations to Africa and Asia to boost and promote India's efforts in globalization", said Exim Bank's Chairman and Managing Director, Mr. Yaduvendra Mathur.

Exim Bank has also been successful in catering to the grassroots by supporting businesses at the bottom of the ladder, while also marketing and assisting them in identifying markets for their products and services and we would continue such endeavours with companies at the 'bottom of the pyramid', he added.

Since the Bank started its operations in 1982, it has successfully supported Indian exporters in establishing their presence across continents, including Africa, America, Asia and Europe, through its various financing support programmes and advisory services.





अपने व्यवसाय को भारत के बाहर तक पहुँचाएं

यदि आप अपने व्यवसाय का भारत के बाहर विस्तार करना चाहते हैं, तो एक्जिम बैंक सुनिश्चित करता है कि वित्त की कमी आपके लिए बाधा न बने. ओवरसीज इनवेस्टमेंट फाइनेन्स प्रोग्राम मैन्युफैक्चरिंग इकाई स्थापित करने, विदेशी कंपनियां खरीदने, विदेशी बाजारों में प्रवेश करने, कच्चा माल, ब्रांड को खरीदने या अन्य निवेश कार्यों में आपकी सहायता करता है. इन अंतर्राष्ट्रीय निवेशों में वित्तीय सहायता के लिए एक्जिम बैंक विदेशी संयुक्त उद्यमों/पूर्ण स्वामित्व वाली सहायक कंपनियों में इक्विटी निवेश के 80 प्रतिशत तक का मियादी ऋण प्रदान करता है. साथ ही एक्जिम बैंक इन्हें मियादी ऋण या कार्यशील पूँजी प्राप्त करने के लिए गारंटी सुविधा भी प्रदान करता है. अधिक जानकारी के लिए हमें कॉल करें, ई-मेल लिखें या मिलें.

 **एक्जिम बैंक**
EXIM BANK
भारतीय निर्यात-आयात बैंक
EXPORT-IMPORT BANK OF INDIA

प्रधान कार्यालय: 21वीं मंजिल, केन्द्र-1 भवन,
विश्व व्यापार केन्द्र, कफ परेड,
मुंबई - 400 005.
दूरभाष: 022 2217 2600
फैक्स: 022 2218 2572
वेबसाइट: www.eximbankindia.in
ईमेल: cbg@eximbankindia.in

कार्यालय: भारत: अहमदाबाद, बेंगलूर, चंडीगढ़, चेन्नई, गुवाहाटी, हैदराबाद, कोलकाता, नई दिल्ली, पुणे
विदेश: अदिस अबाबा, दुबई, जोहान्सबर्ग, सिंगापुर, वाशिंगटन डी. सी., यांगोन. **शाखा:** लंदन

Trade Promotional Activities held this Quarter

'Odisha's Exports - Sail towards a better future with International Trade'

A Panel Discussion

WTTC Bhubaneswar in association with WTC Mumbai and Business Standard organized a panel discussion on 'Odisha Exports: Sail towards a better future with International Trade' at Bhubaneswar on November 7, 2014.

Mr. Vishal Dev, (IAS), Industries Secretary and Chairman and Managing Director, IDCO said the new export policy of the State will provide support to the entrepreneurs to boost exports. The policy envisages increasing the export turnover from the present level of Rs. 12,246 crore to Rs. 38,714 crore in a span of 10 years. The new policy has a life cycle approach and the challenge is to see that the export policy is properly implemented. It mainly focuses on youth and enabling them to start export. In order to compete in the global market export, units of Odisha need to improve quality of their products, adopt new technology and undertake skill upgradation, diversification, etc which will have significant impact on the overall industrial climate of the State, Mr. Dev said.

Mr. Ramesh Mahapatra, President, Utkal Chamber of Commerce & Industry is of the opinion that the export target of the State for the next 10 years should be \$ 10 billion and not \$ 6.35 billion as projected by the State and accordingly the state export policy should be reframed. The present export target of Rs. 30,000 crore set for the next 10 years in Odisha, is not a good sign as it is less than one percent of the country's total projected exports. If we consider CAGR of 15 percent it would be less than 0.5 percent. Gujarat has set a target of \$ 400 billion, by 2020, 5.33 times of its present exports while Odisha's projection is just 2.2 times of its present exports, he noted.

Mr. Mahapatra mentioned that China's labor is three times costlier than India. They are the major importers of iron ore from the State which are re-exported post processing. The State needs to

concentrate on sectors such as IT and ITes, gems and jewellery, marine products, textiles, agro products, handloom and handicrafts as these are the potential items for the export basket of the State. The State should initiate bringing automobile manufacturing so that all the ancillary industries can grow. In order to strengthen the potential of Gems and Jewellery Sector, a dedicated park can be thought of, for the State.

Mr. S. Prahlathan, Chief General Manager, Export Import Bank of India said handicrafts, marine products and tourism sectors have a lot of potential to generate foreign exchange for the State. There is tremendous scope for adventurous eco-tourism in the State. State intervention is needed to achieve scalability. Tax holidays are a good concept that has to be provided to achieve higher productivity and generate employment.

For development of MSMEs he suggested the cluster approach. The cluster approach needs to be extended for providing access of credit, collective branding, sourcing and marketing of the products. The cluster units should work on the principle of compete while collaborating, he stressed.

Mr. S. S. Acharya, Deputy General Manager, SIDBI said that financing is only one part of the MSME assistance. They need to be more competitive in costing, along with quality upgradation to enter the value chain of international markets. Quoting the example of MSMEs in Italy, he said that this is the era of collaboration. Forming clusters and mutual credit guarantee will ease the monetary requirement from the financing agencies to provide adequate funding for the projects in the MSME sector. Trust is the pipeline of entrepreneurship. Lot of mentoring is needed in this direction.

While moderating the panel discussion, **Mr. Dilip Satpathy, Deputy Resident Editor, Business Standard** said that 2/3rd exports of the State consist of only minerals and metallic products. There is a need to diversify the export product basket of the State. Citing few examples he said, the major port of the State, namely, Paradeep Port, does not have container service to facilitate export of other products from the State. The port of the State is yet to start international operations. The State's potential needs to be showcased at international fairs which has been minimal so far.



From (L-R): Mr. Vishal Dev, Mr. Dilip Satpathy, Mr. Ramesh Mahapatra, Mr. S. Prahlathan, Mr. S. S. Acharya and Mr. A. O. Kuruvila.

WTC Bhubaneswar Participates in Enterprise Odisha 2014



Mr. Vijay Kumar Srivastava, Deputy General Manager, Union Bank of India being received by Mr. A. O. Kuruvila, at the exhibition booth.

WTC Bhubaneswar participated at the 19th Edition of Enterprise Odisha organized by the Eastern Region of CII during November 26-30, 2014. The theme was 'Accelerating Odisha's Growth: Promoting Entrepreneurship, Enhancing Employability'.

It was inaugurated by Hon'ble Chief Minister of Odisha, Shri Naveen Patnaik on November 26, 2014. WTC Bhubaneswar showcased its services by setting up a booth at this event. On an average 30-40 business visitors daily interacted with the officials at the exhibition stall. Export guidance was given at the booth and many have shown interest in associating with WTC Bhubaneswar to enhance their business interests. Media channel, 'Odishalive' facilitated an interview with Mr. A. O. Kuruvila, Deputy Director, MVIRDC World Trade Centre to cover his views on Odisha's entrepreneurship and the role of WTC Bhubaneswar in Odisha.

Office Spaces / Showrooms Available at

WTC Mumbai

A premium address to locate your business readily available well-furnished office spaces and showrooms to meet your requirements.

Facilities

- 24x7 Security Arrangements
- Centrally Air-conditioned Complex
- ATMs
- Well Connected by Public Transport
- Ample Car Parking space
- 360° Panoramic View of the Arabian Sea



Call Now! 022 6638 7377 / 74

The Entrepreneurial Spirit of MSMEs in Odisha

Shri Panchanan Dash, Secretary, Department of MSME, Government of Odisha is the man behind the growth of the sector in the State. He has always aspired to aim high and continues to do all it takes to give the necessary boost to the sector. The following is an excerpt from an interview with him.



MSMEs play a key role in a developing economy. How do you see the sector growing in Odisha?

The sector is growing well in Odisha. The performance of the MSME segment is assessed periodically in the All India Census of MSMEs. As per the 4th Census of MSMEs, the entrepreneurs and employment have increased at an annual component growth rate of 32.29% and 29.15% respectively as compared to the 3rd Census. Odisha is one among top 10 states in terms of the percentage of work of enterprises.

SME cluster is a concept, finding wider acceptance among India's manufacturing fraternity. How far do you think the State of Odisha has adopted this concept to develop its MSME sector?

Odisha has identified 84 clusters for intervention of which 24 cluster interventions have commenced. In case of 2 clusters, Detail Project Report (DPR) have been prepared and in other two Certified Filing Centres (CFC) established and active intervention has started.

The growth of MSMEs depends to a great extent on the percentage of growth of entrepreneurship in the State. What measures is the State taking to spread the concept of entrepreneurship?

To spread the entrepreneurial spirit in the State of Odisha, synergy has been developed between various state and central government agencies to conduct motivational campaigns in every nook and corner of the State to educate the youth. Entrepreneurship development

programme, skill development programme, management development programme etc. are being conducted in various locations of the State. Also various entrepreneurship related programmes are conducted in technical institutions. Identifying the problems of MSMEs and finding solutions through engineering and management students during their summer projects are being contemplated.

Financing is a major issue faced by MSMEs in India. What measures do you suggest could be taken to ease out the access to finance?

MSMEs should have access to adequate and timely credit. An effective regulator of banks should check and ensure compliance to the instructions and guidelines given by Reserve Bank of India (RBI).

Availability of higher amounts of loan without insistence on collaterals and third party guarantees. This will, however, depend to a great extent on the experience under the Credit Guarantee Fund Scheme.

A large segment of MSMEs, particularly those who are part of supply chains, face working capital shortages due to unpaid or delayed bills.

New projects and start-ups find it difficult without access to funds as either loan proposals are not acknowledged or not disposed. Venture funds and private equity funds have also disappeared. The banks continue to discourage credit guarantee cover in lieu of collateral and have deposited more money under Statutory Liquidity Ratio (SLR) / Cash Reserve Ratio (CRR) than what is

“To spread the entrepreneurial spirit in the State of Odisha, synergy has been developed between various State and Central Government agencies to conduct motivational campaigns in every nook and corner of the State to educate the youth.”

required, instead of lending.

MSMEs get the raw deal in interest rate, made to pay higher charges for all types of chargeable services particularly non-fund based limits such as bank guarantees. The RBI should benchmark maximum services as is done by Telecom Regulatory Authority of India (TRAI) and make continuous efforts for their reduction in the following ways.

- There is need for change in the attitude and orientation of commercial bank staff in their lending to the SME sector.
- RBI may take up the matter with the banks for sub-allocating the overall limits sanctioned by banks to such large borrowers specifically for meeting the payment obligations in respect of purchases from SMEs either on cash or bill basis.
- SIDBI should promote financial intermediaries such as venture capital funds, equity funds, marketing consortia, co-operative industrial banks, and incubators, consultancy services at national,

state and district levels to be operated by different agencies including industrial associations.

- Banks must adhere to the recommendations of Task Force on MSME and provide 60 per cent of the MSME credit to micro enterprises. The committee responsible for closely tracking the flow of credit to micro enterprises should advise the Ministry of MSME accordingly.



How far has the sector opened up to alternate financing as an option to solve its financial shortcomings?

Various state and central governments are coming up with venture financing. The Government of India has already made provision of Rs.1000/- crore for venture financing. The Government of Odisha is also coming up with Odisha Venture Finance Ltd.

How far do you think the new Export Policy of Odisha 2014 is going to benefit the sector?

In the Export Policy, the export strategy for the State is not limited to the MSME sector alone. The Export Policy aims at achieving the export turnover from the present level of export of the State valued at Rs. 12,246 crore to Rs. 38,471 crore in a span of 10 years at the rate of 10% per annum.

MSMEs have been mentioned as one of the focus areas of the Government of Odisha in Industrial Policy Resolution (IPR) 2007. How do you think that IPR 2014 is going to add to the development of the sector?

MSME is a very dynamic segment of the

“The sector is growing well in Odisha. Odisha is among top 10 states in terms of percentage of work of enterprises.”

Indian Economy and I feel the IPR 2014 will address the emerging needs of MSMEs.

What are some of the infrastructure challenges being faced by local players and foreign companies looking to enter the markets in Odisha? How are the infrastructural requirements of SMEs being addressed?

Infrastructure has been critical for growth of micro and small enterprises but the requirement of MSMEs is not fully met by the existing system of providing infrastructure.

There are a few districts where there is no industrial estate. The government is considering to develop an independent Infrastructure Development Corporation exclusively for micro and small enterprises to provide the necessary infrastructure.

How well-equipped are MSMEs in Odisha to take benefit from new marketing tools?

The MSMEs of Odisha get exposure in various national, international and state level trade fairs for marketing their products. The State Government, since last 3 years, has been organizing MSME Trade Fairs where the entrepreneurs are exposed to Business-to-Business (B2B) and Business-to-Consumer (B2C) meetings.

In the absence of availability of risk capital and exit route to SMEs, what best could be done to serve entrepreneurs' interests?

There is enough scope for the banks to provide credit to potential entrepreneurs of the State. The Government of Odisha has decided in principle to come out with Odisha Venture Finance Ltd. This would provide adequate and timely credit and bring out policies and programmes that would support MSME competitiveness.



How are the MSMEs in the state managing their skilled manpower requirements?

There are large number of polytechnics and ITIs to provide manpower to the MSMEs in the State. Apart from this, Central Tool Room & Training Centre (CTTC) and Central Institute of Plastics Engineering and Technology (CIPET) are also providing skilled manpower to MSMEs.



Potential of Odisha Steel Industry

Background

The economic reforms initiated by the Union Government since 1991 have added new dimensions to industrial growth in general and steel industry in particular. Licensing requirement for capacity creation has been abolished, except for certain location restrictions. Steel industry has been removed from the list of industries reserved for the public sector. Automatic approval of foreign equity investment upto 100% is now available. Price and distribution controls have been removed from January 1992, with a view to make the steel industry efficient and competitive. Restrictions on external trade, both in import and export have been removed. Import duty rates have been reduced drastically. Certain other policy measures such as reduction in import duty of capital goods, convertibility of rupee on trade account, permission to mobilize resources from overseas financial markets and rationalization of existing tax structure for a period of time have also benefited the Indian steel industry.

The history of steel industry in Odisha can be traced back to the start of the first steel plant in India at Rourkela. Rourkela Steel Plant (RSP) was the first integrated steel plant in the public sector in India and was set up with German collaboration with an installed capacity of 1 million tons in the year 1960. Odisha has abundant natural resources and a large coastline. It contains a fifth of India's coal, a quarter of its iron ore, a third of its bauxite reserves and most of the chromites as well. With over 25% of India's iron ore reserves, Odisha accounts for over 10% of India's steel production capacity and has a crucial advantage in the iron and steel industry.

Further, the presence of seaports in the State of Odisha makes exports and imports cost effective and more competitive. The government has been taking steps to promote the iron and steel industry in the State. Prominent players present in Odisha's Steel Industry are SAIL and Neelachal Ispat Nigam limited. The Rourkela Steel Plant has a capacity to produce 1.9 million tons of



crude steel and was expanded and modernized in the mid 1990s. Another of its units is located in Barbil in Keonjhar District. Nilachal Ispat Nigam Limited has a fully operational steel plant at Duburi in Jajpur District. Jindal Steel Plant is located in Jharsuguda District.

Inputs Available

The steel sector in Odisha is fast emerging which will supplement the industrial sphere of the State. The developing industries producing steel will dominate the economy of the State. The presence of raw material in abundance in the region which has resulted in attracting big investors.

In the year 2004, the Government of Odisha had received 40 proposals for establishing steel plants in the State. The large scale steel enterprises have opted to invest in Odisha. The State mines comprise 58 percent of iron ore which is an important raw material for making steel.

Odisha has deposits of the other raw materials required for the production of steel in substantial quantities. The State also has a ready market for the steel products. Labor and electricity are cheap which account for a low cost of production. The infrastructure of the State is also well developed, facilitating progress in the industrial sector. These factors have lured the reputed steel companies of the country to invest in the State.

The industries have proposed a 75 million tonne installed capacity which comes at an investment of Rs.198,149 crore.

The industrial sector of Odisha also hopes to gain from foreign investments in the region. The government will also benefit from the investments to the steel sector earning, bringing in huge revenue every year. The state exchequer is also estimated to earn Rs. 250 crore per annum from the steel industries in Odisha.

The Existing Steel Industry

Steel can be called the backbone of the industries in Odisha. Apart from the Rourkela Steel Plant which is still the largest of all steel plants operating in the State, there are new large-scale level potential entrants into steel such as Vedanta, Jindal, POSCO, Tata and Essar.

The State Government has signed MoUs with national and international steel companies for establishment of new steel plants in the state.



RSP presently has the capacity to produce 2 million tonnes of hot metal, 1.9 million tonnes of crude steel and 1.67 million tonnes of saleable steel. It is SAIL's only plant that produces silicon steel for the power sector, high quality pipes for the oil and gas sector and tin plates for the packaging industry. Its wide and sophisticated product range includes various flat, tubular and coated products like HR coils, plates, chequered plates, CR sheets & coils, galvanized sheets, electronic tin, plates, silicon steel sheets & coils, spiral welded pipes, and ERW pipes.

Almost all major units of the plant, including its personnel department and steel township, are certified to ISO: 9001 standards. RSP's silicon steel mill, sintering plant II, environment engineering department, plate mill, hot

strip mill, ERW and SW pipe plants, special plate plant as well as steel township have been awarded 'ISO:1400' certification for environment management.

A fully integrated stainless steel plant of Jindal Stainless is located in the State. The plant comprises 250,000 tons per annum of ferro alloy's facilities and 1 million tons per annum of stainless steel making facilities with state-of-the-art technology and equipment sourced from Siemens VAI, SMS Siemag and Andritz Sundwig. This complex with captive power generation is scalable up to 3.2 million tons per annum of stainless steel, which will make it the world's largest stainless steel facility at a single site.

In addition, Jindal Stainless is working on its plan to create a stainless steel industrial park adjacent to its plant to facilitate setting up of downstream industries producing stainless steel products for various applications. The plant and the industrial park sites are well connected by road and railway networks and are located within 150 kms from the mines and shipping port.

State wide Steel Industry / Future of the industry in Odisha

In addition to the existing steel plants at Rourkela of SAIL, Kalinga Nagar of NINL and MESCO, the State Government has signed 49 MoUs with an investment of Rs. 2,30,422 crore and an estimated production of 83.66 million tons per annum (MTPA). Of these 49 MoUs, 30 projects have started partial production with an investment of Rs. 80,506.17 crore, achieving a production capacity of 12.66 MTPA of steel, 11.45 MTPA of sponge iron and 4.23 MPTA of other products. These industries have provided direct employment to 27,690 persons and indirect employment to 60,390 persons so far. The list of MoUs signed with details of capacity to be installed and investment to be made is mentioned in the table.

Sl No.	Name of the Company	Date of MoU	Project Type	Location	Proposed Investment (Rs. In Cr)
1	Uttam Galva Steels Ltd.	13/10/06	Steel	Palaspanga	14307.00
2	Jindal Stainless Ltd.	09/06/05	Steel	Kalinga Nagar	6628.00
3	Arcelor Mittal India Limited	21/12/06	Steel	Patna	40000.00
4	MGM Steels Ltd.	22/12/06	Steel	Nimidha	208.10
5	SPS Steel & Power Ltd.	26/08/04	Steel	Badmar	210.00
6	Monnet Ispat & Energy Ltd.	27/11/04	Steel	Nisha, Angul	281.09
7	Rungta Mines (P) Ltd.	03/11/05	Steel	Koira & Jharband	930.00
8	Surendra Mining	22/12/06	Steel	Barahamusa, Bonai	221.62
9	Bhusan Power & Steel Ltd	15/05/02	Steel	Lapanga	1650.00
10	Welspun Power & Steel Ltd.	11/10/06	Steel	Suitable Place	6103.80
11	Jindal Steel & Power Ltd.	03/11/05	Steel	Angul	13135.02
12	POSCO India Pvt. Ltd.	22/06/05	Steel	Paradeep, Jagatsinghpur	52000.00
13	Bhushan Steel & Strips Ltd.	03/11/05	Steel	Meramandali	5828.16
14	Patnaik Steel & Alloys Ltd.	04/05/05	Steel	Purunapani, Ioda	337.00
15	Adhunik Metaliks Ltd.	01/10/03	Steel	Rourkela	202.50
16	Aarati Steels Ltd.	01/10/03	Steel	Ghantikhal, Athagarh	512.00
17	Deo Mines & Minerals (P) Ltd.	01/10/03	Steel	Thiabera, Bonai	316.00
18	Scaw Industries (P) Ltd.	01/10/03	Steel	Gundichapada	310.00
19	SMC Power Generation Ltd.,	26/12/03	Steel	Hirma	141.00
20	VISA Steel Ltd.	26/12/03	Steel	Duburi	345.78
21	Shyam DRI Power Ltd.	09/02/04	Steel	Pandloi	224.71
22	Maharashtra Seamless Ltd.	26/08/04	Steel	Duburi	245.00
23	Odisha Sponge Iron Ltd.	26/08/04	Steel	Palasponga	395.00
24	Sterlite Industries (India) Ltd.	15/10/04	Steel	Palaspanga	12500.00
25	Tata Steel Ltd.	17/11/04	Steel	Duburi	15400.00
26	Action Ispat & Power Ltd.	27/11/04	Steel	Jharsuguda	270.00
27	Aryan Ispat & Power Pvt. Ltd.	27/11/04	Steel	Bomlai, Rengali	393.00
28	Maheshwari Ispat Pvt. Ltd.	27/11/04	Steel	Khuntuni	210.00
29	MAL Industries Ltd.(Maithan Ispat Ltd.)	27/11/04	Steel	Duburi	335.00
30	MSP Metaliks Pvt. Ltd.	27/11/04	Steel	Jharsuguda	260.00
31	Odisha Cement Ltd.	27/11/04	Steel	Raigangpur	204.00
32	Sree Metaliks	27/11/04	Steel	Barbil	180.00
33	Essar Steels Ltd.(Hygrade Pellets Ltd.)	21/04/05	Steel	Paradeep	10721.00
34	Beekav Steel & Power Ltd.	04/05/05	Steel	Uliburu, Barbil	319.80
35	BRG Iron & Steel Co. (P) Ltd.	04/05/05	Steel	Khurunti	228.50
36	Deepak Steel & Power Ltd	04/05/05	Steel	Topodih, Barbil	195.31
37	Jain Steel & Power Ltd.	04/05/05	Steel	Durulaga	252.00
38	Konark Ispat Ltd.	04/05/05	Steel	Hirma	196.50
39	Rathi Steel & Power Ltd	04/05/05	Steel	Pattapalli	272.85
40	Viraj Steel & Energy Ltd.	04/05/05	Steel	Pandaloi	207.00
41	Brand Alloys Ltd.	03/11/05	Steel	Palaspanga	307.54
42	Eastern Steel & Power Ltd.	03/11/05	Steel	Lahandabud	254.00
43	Jai Balaji Jyoti Steels Ltd.	03/11/05	Steel	Tanisar	321.14
44	Crackers India	22/12/06	Steel	Gobardhanpur	236.39
45	SSL Energy Ltd.	27/12/06	Steel	Nuahat, Angul	7667.00
Total for Steel					195462.81

Source: Department of Steel & Mines, Government of Odisha

Indicative Downstream Industry for Steel

Sl No	Type of Steel	Important Downstream Products
1	High-Carbon Steel	Carbon steel is mostly used in the making of wood cutting tools because they can be sharpened easily. However it cannot be used in the making of tools used for the cutting of hard substances because it is not hard enough for that purpose. It is also used in the making of axes, swords, scissors and other cutting tools.
2	Mild Steel	This steel is used in the making of vehicle frames, panels, boxes, cases and sheet metal for roofs. It is now also used as a replacement for wrought iron in the making of railroad rails.
3	Medium Carbon Steel	They are used in the making of tool frames and springs.
4	Stainless Steel	This steel is used in the making of crockery, wrist watches, kitchen utensils, cutlery and surgical equipments.
5	High Speed Steel	Basically this steel is used in the making of tools that cut other metals.
6	Cobalt Steel	It can drill through certain types of metals. The drill tools made of cobalt steel have a touch of brown color.
7	Nickel Chromium Steel	This is a special type of steel which apart from being strong is also shock resistant therefore it is commonly used as an armor plate.
8	Aluminium Steel	Aluminium steel is smooth steel with a high content of aluminium. As a result of its strong and smooth surface it is used in the making of furniture.
9	Chromium Steel	They are very strong, tensile and elastic in nature. They are used in the making of automobile and airplane parts.

Sources & references: The Economic Survey of Odisha 2013-14

Odisha - An Exotic Tourist Destination

Background

The growing importance of tourism for economies is clearly borne out of the fact that in about 150 countries across the world, it is the top five export earners and in 60 odd countries, tourism accounts for the single largest export earner. The potential to drive socio-economic progress that is very much inclusive has made tourism a focus sector. Tourism plays an important role in the creation of large employment opportunities, establishing enterprises, providing impetus to infrastructure creation as well as upgradation and above all generating much-required revenues for the

Indian hospitality add value to a tourist destination over other places.

According to the annual report for the year 2013 by the Ministry of Tourism, Government of India, foreign tourist arrivals in India during 2013 were 6.97 million with a growth of 5.9% as compared to the foreign tourist arrivals of 6.58 million during 2012, registering a growth of 4.3% over 2011. The Foreign Exchange Earnings (FEEs) from tourism in terms of US dollars during 2013 was US\$ 18.445 billion with a growth of 4.0% as compared to FEE of US\$ 17.737 billion during 2012 registering a growth of 7.1% over 2011. Substantial growth has been observed in domestic tourism sector as the domestic tourist visits during the year 2013 was 1145 million (provisional), showing a growth of 9.59% over 2012.



government. Inbound tourism has become one of the world's major trade categories as an internationally traded service. The Tourism Sector contributes significantly to the national economy of India, that has the potential to grow at a high rate and ensure consequential development of infrastructure at destinations.

Domestic tourism in India may be correlated as a means for spiritual elevation for a religiously bent population, a way for physical invigoration, mental rejuvenation for others and a much-needed break from stressful daily living. The sector has shown phenomenal growth in the past decade. The country is embedded with destinations for even the most discerning tourist both domestic as well as international. Ranging from foggy hill stations, captivating beaches, historical monuments, golden deserts, serene backwaters, pilgrimage sites, rich wildlife to colourful fairs, it has all the potential that a tourist would look for. In addition, a variety of festivals, lively markets, vibrant lifestyle, and traditional

Tourism in Odisha

Pilgrimage or spiritual elevation remains the major driver of Odisha's tourism with Puri as the focal point. Tourism in Odisha thrives on its natural capital such as forest, wildlife, rivers, seas, culture, heritage, ethnic art forms etc. As a sector, Odisha Tourism has immense potential owing to the numerous tourist spots, it has huge scope to improve the State's economics through foreign exchange earnings and employment opportunities. One could however encapsulate the potential of tourism in the State as 480 kilometres of coastline, the largest forest cover among states in our country, diversified flora and rich fauna, home to the most primitive tribes in the country, Asia's largest salt water lake (The Chilika Lake), large stretches of mangrove forests, temperate climate, historically important Buddhists and Jain sites. The State is home to several famous temples, such as the Lingaraj Temple and the

Kedareswar Temple in Bhubaneswar, Jagannath Temple and Gundicha Temple in Puri and the Sun Temple in Konark. Bhubaneswar, the capital city of the State, is home to about 500 temples. Puri, a hotspot for religious tourism is a beach city, famous for hosting the annual temple festival, known as the Rath Yatra, which draws lakhs of religious tourists every year.

Some of the tourist attractions of the state are:

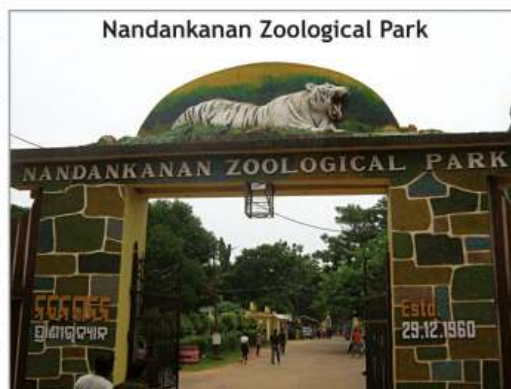
♦ **Wild Life Sanctuaries** like Similipal Tiger Reserve, Chandaka Elephant Reserve, Tikarapara, Ushakothi, Karlapat, Bhitarkanika, Chilika Bird Sanctuary & Nalabana Sanctuary, Konark Balukhanda Sanctuary, Sunabeda Sanctuary, Kothgarh, Lakhari Valley and more.

♦ **Nandankanan Zoological Park** in Bhubaneswar was established in 1960; it is the first zoo in India to join World Association of Zoos and Aquariums in 2009. One of the main attractions to the Zoo is the species of White Tigers it houses. It attracts 2.5 million visitors every year.

♦ **Some of the famous beaches** out of the 480 km coastline are the Puri Beach, Chandipur Beach, Gopalpur Beach, Konark Beach, Balighai Beach, Talsari Beach and Pati Sonapur Beach.

♦ **Religious destinations** are at Jajpur, Chandaneshwar, Sonapur, Nrusinghanath, Taratarini, Saintala Puri, Mahendragiri, Konark and Dhenkanal.

♦ **Buddhist monasteries** are at Dhauri, Ratnagiri, Lalitgiri, Pushpagiri.



Ratnagiri - Lalitgiri - Pushpagiri are three hills and their environs comprise a remarkable Buddhist complex.

Odisha is one of the few states in our country that has accorded 'industry' status to tourism in the late eighties. In terms of a dedicated policy, the State Government came out with a dedicated policy for this sector in the year 2013. The policy envisages an aggressive and proactive approach to achieve the growth potential by initiating identified policy measures, strategies, fund support, professional management input and establishing required synergies through effective coordination, institutional arrangements, focused attention and improved performance of the sector.

As per the Economic Survey of the State for the year 2013-14, the estimated inflow of revenue to Odisha during 2012-13 has been assessed at Rs. 4, 875.10 crore, an increase of 9.4 percent over 2011-12. As the hotel and tourism industries are strongly linked, development of the hotel industry is essential for the growth of tourism. Over the last 13 years, the number of hotels have doubled in the State.



Puri beach

Festivals and Temples

The people of Odisha religiously celebrate a large number of fairs and festivals round the year. Each famous temple to say, has a special festival associated with it and is being celebrated for years. These are festivals relating to religion, tribal festivals, and festivals relating to Lord Jagannath, the presiding deity of the Puri Temple, as well as special festivals such as the Konark Festival, Rajarani Music Festival, Puri Beach Festival etc. Along with the general festivals like Holi, Deepavali, Ramnavmi, Mahashivratri, Ganesh Chaturthi, Dusshera, Makar Sankranti, Janmasthami etc which are celebrated all



Bhitarkanika Wildlife Sanctuary

over the country, Odisha in particular celebrates few traditions and festivals like Prathamastami, Nuakhai, Raja Sankranti, Kartika Purnima, Savitri, Visuva Sankranti, Kumar Purnima and more.

Konark is famous for its Sun Temple. It is one of the key places in the Golden Triangle of the State. It is situated in the coastal belt of Odisha at a distance of 35 kms from Puri; the temple is around 65 kms from the capital city of Bhubaneswar. The name of Konark Temple is an amalgamation of two words--Kona meaning corner and Arka meaning the Sun. The temple is thus famous as the Sun Temple. It is an architectural masterpiece. It is designed in the shape of a colossal chariot with seven horses and twelve wheels. It is well known for its stone carving and sculptures. It is a landmark in the tourism map of India and is a World Heritage Monument. The beach at Konark is named as the Chandrabhaga Beach and is very famous for its scenic beauty.

The Konark Festival is an annual festival where the classical dances of India are performed at the backdrop of the Sun Temple. It is held in an open air auditorium with the temple as the backdrop to showcase a magical parade of India's classical and traditional dance forms. Eminent dancers and their troupe delight visitors in the wintry evening of early December with dramatic choreographies. Besides, dance performances, visitors are treated in an artist camp to an exhibition of Odishan temple sculptures which

are often described as poetry transcribed on stone. Sand Art Exhibition is another attraction for tourists.

Puri is situated on the Bay of Bengal, 60 kilometres south of the State capital of Bhubaneswar. Puri could be referred to as the centre point of Odisha's tourism sector. It is this city on the coast which attracts millions of tourists all around the year. The temple of Lord Jagannath here is an architectural wonder. Puri is not only famous for being the abode of Lord Jagannath and for the marvellous beaches but also for its handicraft potential. The applique work created by the craftsmen here are world famous and include handbags, bed sheets, wall hangings, purses, pillow covers, canopies, garden umbrellas etc. In fact, Pipili which is one of the towns in Puri District serves as the centre of selling and exporting of applique items from Odisha. Apart from this, there are also many items of wood craft which are coming up.

The Puri Rath Yatra is one of the famous and much awaited festivals of the State. It usually falls during the months of June / July and this is the period when the State witnesses highest number of inbound tourists. Although, this is a local festival of the State, it is followed and celebrated nationwide and annually lakhs of devotees gather to be a part of this festival. The Rath Yatra is the annual festival of the Puri Temple when all the three deities of the Temple, Lord Jagannath, Lord Balabhadra, and Goddess Subhadra are carried on their chariots to another temple named Gundicha Temple which is some two miles away from the prime shrine.

Nuakhai is one of the important harvest festivals celebrated in the State. It is intended for eating new rice of the year and is celebrated by wearing new clothes, singing, dancing and merry making.



Chilika Lake

Raja Sankranti is a monsoon festival celebrated to welcome the rains. During the festival, all agricultural operations remain suspended. It is celebrated for three days where people worship Mother Earth. During all the three consecutive days, they are seen in the best of dresses and decorations, eating cakes and rich food at the houses of friends and relatives, spending long cheery hours, moving up and down on improvised swings, with merry impromptu songs.

The **Savitri Brata** is one of the most celebrated festivals of the State. This festival is observed by married women to pray for the long life of their husbands by fasting and visiting temples. **Visuva Sankranti** is again a harvest festival observed with great sanctity in various forms and is celebrated on the first day of the month of Baisakh. **Kumar Purnima** is the popular autumn festival and an important one too, celebrated on the full-moon day in the month of October-November.

Tribal Festivals: Odisha has one of the largest numbers of tribes in the country. They mainly inhabit the eastern ghat hill range, which runs in the north-south direction. More than half of their population is concentrated in three districts of Koraput (undivided), Sundergarh and Mayurbhanj. The tribals of Odisha observe a string of festivals of which some are a closed affair related to births and deaths and some are related to harvest time. The festivals are mostly an occasion for liquor (Mahua), animal sacrifice and a night of song and dance.

Some of the few famous temples of the State are Lingaraj Temple, the Mukteswar Temple, Temple of Baliharchandi, Kapilasa Mahadev, Kantilo Nilamadhaha, Rajarani Temple, Panchalingeswara Temple and Maa Tarini Temple.

Lingaraj Temple is one of the oldest temples in Bhubaneswar. It is dedicated to Lord Shiva and is about a thousand years old and an architectural marvel. It is one of the prime tourist attractions in the capital city and attracts large number of tourists from all over the world throughout the year.

The Mukteswar Temple which is also housed in Bhubaneswar is known for its exquisite sculptures and elegant looks and is thus identified as one of the jewels of Odisha. It is an important landmark to the architectural development in Odisha.

Temple of Baliharchandi is near Konark-Puri Road. Puri falls 27kms southwest from Puri and is dedicated to Goddess Durga. It is mounted on a sandy hill near the ocean. It is a well-recognized picnic spot in the State and is famous for its scenic beauty.

Kapilasa Mahadev is the Temple of Lord Vishwanath located at Dhenkanal. The Temple is situated at a height of about 2239 feet from sea level. The main tower of the Temple is 60 feet tall.

Kantilo Nilamadhaha Temple as it is popularly known is a very old and famous Vaishnav Temple. It is near to the bank of River Mahanadi and surrounded by green forests. A permanent flow of holy water from the feet of Lord Nilamadhaha is the main attraction of this temple.

Rajarani Temple in Bhubaneswar is a 11th century Temple famous for the gardens around it. The Temple resembles the Temples of Khajuraho. The Temple is famous for holding the Rajarani Music festival every year where many renowned artisans from the world of dance and music participate.

Panchalingeswara Temple is situated on the hilltop of the eastern ghats in Panchalingeshwara, Nilagiri and Baleswar Districts. It's a beautiful place and famous for picnics. The main attraction here is the waterfall that flows over five rounds of Shiv Lings which could be touched and felt by putting the hands into the stream.

Maa Tarini Temple is one of the Shakti peeths located in the village named Ghatagaon in Keonjhar District.

We could thus conclude that the essence of Tourism in Odisha strongly exists in its temples and natural beauty which have been able to attract large numbers of tourists every year.

TEMPLES & FESTIVALS



Sun Temple



Buddhist Monasteries



Puri Rath Yatra



Famous Odishi Dance



Tribal Festivals

A warm welcome to our New Members

Organization: **IMPERIAL EDUSYSTEMS PVT LTD**
 Contact Person: **MR. ASHOK KUMAR JENA**
 Designation: DIRECTOR

Imperial Edusystems Pvt. Ltd. deals with exports of handicrafts and handloom products.

Organization: **AGARWAL SPICES & FOOD PROCESSORS PVT LTD**
 Contact Person: **MR. SANDEEP KUMAR AGARWAL**
 Designation: MANAGING DIRECTOR

Agarwal Spices & Food Processors Pvt. Ltd. exports spices worldwide. Their focus is also on food processing business.

Organization: **MADHAV MANAGEMENT CONSULTANCY & ASSOCIATE**
 Contact Person: **MR. MADHAV C. SAHU**
 Designation: MANAGEMENT CONSULTANT

Madhav Management Consultancy & Associate is a project management consultancy firm.

Organization: **NORTH ORISSA CHAMBER OF COMMERCE & INDUSTRY**
 Contact Person: **MR. C. P. BHARTIA**
 Designation: HONORARY SECRETARY

North Orissa Chamber of Commerce & Industry identifies and strengthens the role of industry and commerce of North Odisha in keeping with the economic development of the State and country.

Organization: **SUBHASHREE MARKETING AND SERVICES**
 Contact Person: **MR. BHABANI SANKAR MOHAPATRA**

Subhashree Marketing and Services is a business promotor house.

Organization: **SHIVSHANKAR TRADING COMPANY**
 Contact Person: **MR. MANOJ K. AGRAWAL**

Shivshankar Trading Company is an exporter of polypropylene based disposable glasses, cups, plates and imports polypropylene (pp), LDPE, HDPE, LLDPE.

Organization: **PARESH KUMAR SINGH**
 Contact Person: **MR. PARESH KUMAR SINGH**

Organization: **SHYAMA COMMERCIALS PVT. LTD.**
 Contact Person: **MR. PRASANNA SAMANTARAY**
 Designation: MANAGING DIRECTOR

Shyama Group exports iron ore. Also undertakes stevedoring, clearing, logistics services, transportation and land developing projects.

Organization: **ARTyaCRAFT**
 Contact Person: **MR. LIKAN PATRA**

ARTyaCRAFT is an online store for art and handicraft lovers. The products listed and sold are crafted by real artists from different places of India. The products listed are ethnic, organic, natural and handmade.

Organization: **UBET SOLUTIONS PVT. LTD.**
 Contact Person: **MR. BISWANATH PATI**
 Designation: DIRECTOR

Ubet solutions Pvt. Ltd. is an exporter of garment/apparel and an importer of baby products.

Organization: **EASTERN GOURMET PVT. LTD.**
 Contact Person: **MR. AMARJIT PATTANAIK**
 Designation: DIRECTOR

Eastern Gourmet Pvt. Ltd. is a manufacturer and exporter of pasta, vermicelli and rice.

Organization: **DEEBENDRA PRASAD RATH**
 Contact Person: **MR. DEBENDRA PRASAD RATH**
 Designation : DIRECTOR

Organization: **GADACHANDI MINING CORPORATION**
 Contact Person: **MR. SUNIL KUMAR CHOUDHARY**
 Designation: BUSINESS MANAGER

Gadachandi Mining Corporation is a manufacturer and an exporter of decorative stones, tiles and slabs.

Organization: **SURYA MACHINERY**
 Contact Person: **MR. PRADIP KUMAR DAS**
 Designation: PRINCIPAL CONSULTANT

Surya Machinery is a leading manufacturer, supplier and exporter of industrial processing machines, industrial agitators, mechanical agitators and industrial chemical agitators for ceramic industries and chemical plants.

Organization: **SMT. NANDINI SATPATHY MEMORIAL TRUST (SNSMT)**
 Contact Person: **MR. SUPARNO SATPATHY**
 Designation: CHAIRMAN & MANAGING DIRECTOR

Smt. Nandini Satpathy Memorial Trust (SNSMT) is a charitable trust in honor of the legendary late Smt. Nandini Satpathy.

Organization: **DISTRICT SMALL SCALE INDUSTRIES ASSOCIATION**
 Contact Person: **MR. PRAKASH RAO**

District Small Scale Industries Association works intensively for the cause of development and expansion of existing small scale industries in Odisha.

Road Ahead: Top 12 Macro-Economic Policy Agenda

The Indian economy has come a long way in creating the right buzz on economic reforms. There prevails widespread hope and the will for a change.

Reviving investments, tackling deep rooted slackness in consumer demand and creating new employment opportunities have emerged top imperatives.

A strong, stable and participatory policy environment will go a long way in reinvigorating the Indian economy and boosting the investor confidence.

As there are still a number of pending and unattended policy essentials, prioritization of agenda has become critical.

Following 12 - point Agenda is indispensable.

■ Kickstarting Sustainable Growth

Government needs to pursue structural economic reforms, if India is to once again achieve the sort of growth momentum that is needed to provide opportunities for its growing labour force.

Then there is a need to find resources to step up public investment in infrastructure for kick-starting growth.

Resources need to be garnered without lowering the guard on fiscal consolidation and governance.

■ Observing Fiscal Prudence

Fiscal Consolidation

April-November 2014 deficit at 99 percent of full-year target poses a serious challenge to the government's aim to achieve the 4.1 percent fiscal deficit target. Fiscal consolidation roadmap has provided for fiscal deficit to be brought down to 3 percent of GDP by 2016-17. India should be borrowing more for specific purposes like infrastructure and not general purposes.

Window dressing needs to be avoided at any cost. The government has started resorting to expenditure compression. Attention needs to be paid to the quality aspect of government expenditure while cutting the same.

The government is Rs 70,000 crore short of revenue (over-optimistic forecasts and slow economic recovery). The answer lies in looking at the revenue side, not just expenditure.

Simplify Tax Laws

Tax payers should easily understand and comply with tax laws, but the Direct Tax Code 2013 Bill has voluminous 325 clauses, 21 chapters and 23 schedules.

GST: Now time to fix the back end

The Goods and Services Tax (GST), touted as the biggest tax reform since independence, that has been passed, will lift GDP growth by around 2 percent and increase tax revenues. However, it faces tougher two challenges — streamlining the IT infrastructure needed for seamlessly implementing the proposed tax norm and correcting the anomalies that have been built into the broader contours of the Bill. This has to be done keeping in view the targeted deadline of April 1, 2016 set for ushering in the new tax regime. There are a number of stumbling blocks like the imperfect structure of Constitution Amendment Bill tabled in the Lok Sabha.

PSUs Disinvestment Strategic Vision

The government should frame a strategic long term vision for PSUs.

■ Ensuring Agrarian Prosperity

- Agricultural reforms should begin with improving the economics of farming through appropriate pricing and marketing policies.
- Long pending investments in the agriculture sector have to start. These will depend on the following—
 - An efficient input delivery system.
 - Rapidly expanding irrigation facilities.
 - Infusing multiple technologies – including information technology, bio-technology, satellite technology, nano technology and nuclear agricultural technology – to make Agriculture operations cost-effective. Information & Communication Technology including mobile technology to be used to deliver



timely and latest prices and market information to farmers.

- Building growers capacity to withstand market volatility.
- Building weather resilience of agriculture. India is a tropical country and is highly vulnerable to global warming. Indian agriculture has to be climate change ready. The process is on but is slow.
- As farm loan waivers have hit credit flow and have not been effective, these should be avoided.

■ Attending to Perils of India's Urbanisation

By 2040, India's urban population will be over 600 million. Noble Laureate Amartya Sen describes India as a place where 'Islands of California' exist amidst a 'Sea of Sub-saharan



Africa'. To reduce rather than deepen inequities, India needs an urban agenda that is more wide-ranging, inclusive, sustainable and locally-driven.

To meet the perils of urbanization, the following are required –

- Enhanced urban planning and design.
- Improved urban capacities and enough tools to raise resources.
- Empowered mayors.
- Transparent, accountable and participatory cities.
- There should be coherent, integrated articulation on the potential of India's urban sector.
- Urban India should be seen as an opportunity waiting to be harnessed, not a problem needing to be solved.

It is time to focus on leadership of mega cities, not states, to spur development. Concept of smart cities is not only closely linked to urbanization but can provide solutions to the urbanization perils of India. Smart cities require smart governments. The concept of smart cities must be seen in the Indian context without the biases of techno-centrism and one-size-fit-all solutions.

■ Making India Globally Competitive

'Make in India' policy aims to raise the share of manufacturing in GDP from the current 13-14% to 25%. To reach this goal, Indian manufacturing requires multiple initiatives like increasing the ease of doing business, pro-growth labour regulations, availability of required skills and low taxation regime. India can do well in skilled manufacturing. Certain sectors would need special attention. Billed as the Davos of the East, the Vibrant Gujarat Summit has made pan India this year, in sync with the 'Make in India' campaign.

'Make in India' should be focusing on making Indian business more competitive both in India and abroad.

Emphasis should not be on manufacturing alone but on all components of GDP - industry, agriculture and services.

In order to make, 'Make in India' to be successful India needs an innovative and effective tax boost.

Simultaneously, systems need to be made simple and easier to function to lure domestic and foreign entrepreneurs.

India will need to integrate into the global supply chain but principally the focus should be on the domestic market.

Domestic Savings Mobilisation is important for the success of 'Make in India' initiative. Monetisation of gold reserves will be another way to boost productive savings in the economy.

■ Rendering Sustainability to Capital Market

Realizing and fulfilling the immense trust deficit in equities is vital to the productive use of India's large household savings.



It is not lack of rules that is the problem. It is the rigorous enforcement of it. The need to name, shame and punish the guilty is imperative to cleanse our markets and rebuild trust. This requires meticulous data collection and its critical analysis.

Financial literacy has to be pursued more vigorously.

■ Banking Reforms

Indian Prime Minister Modi promises Public Sector Unit (PSU) banks autonomy. India Finance Minister Jaitley has assured Public Sector Banks (PSBs) and commercial decisions will be protected.

Huge bad assets of PSBs could worsen if global commodity prices continue to soften. Containing the rising stressed assets in Indian banks is needed.



Market believes cut in interest rates around the corner, is the solution.

Consolidation is key for Indian banking industry's growth. M&A of PSBs have become writing on the wall. Mr Rana Kapoor's recommendation - Cash in, on the opportunities available. Centre must set up an investment company for raising resources from the capital market for PSBs which is worth implementing.

The non-performing asset (NPA) reporting in India needs to be made watertight.

Time for the RBI to cut its policy rates, minimum by 100 bps or basis point system, before it gets too late.

■ Boosting MSMEs Competitiveness and Viability

Facilitating MSMEs can make these an effective engine of sustainable economic growth.

❶ **Encourage Entrepreneurial Qualities:** Need to identify entrepreneurs with entrepreneurial qualities like vision, institution building, adaptability etc. and facilitate them to the last mile.



❷ **Promote Financial and Management Skills:** To provide an understanding and appreciation of financial management and general management skills.

❸ **How best to meet Statutory Compliances:** Enormous time, energy and resources are spent by the MSME owner in observing various compliances and doing related paper work rather than on resolving critical business issues and planning for the future.

■ Optimum Deployment of Natural Resources - Energy, Water and Land

Energy

Falling oil prices offer a chance to cut spending on fossil fuels and invest in alternative energy. It is high time that India, the world's third largest polluter, take its place among countries promoting sustainable and clean energy alternatives. Solar Power should be made a must for all buildings all over the country.

Water

More focused attention on proper implementation of water policy decisions is needed lest the reform process gets derailed.



Framework of the most suitable transparent water pricing system needs to be established to run throughout the country for all times to come as this forms the basis of success of all other water policy measures.

Focus has shifted to building dams upstream of rain-fed rivers. A revival of the traditional storage structures could reduce the dependency on dams and even help a state achieve self-sufficiency in water.

Efficient water governance to be observed by one and all and this has to become the culture of the country.

Land

Land acquisition continues to be the biggest challenge to India's economic growth. The last four years have seen a large number of projects being shelved or stalled due to difficulty in acquiring land.

Given how the land acquisition is done, including purchases by the private sector, was made next to impossible in terms of both costs as well as time taken, the NDA government has done well to try and untangle the knot to a large extent. Of course, getting the Ordinance on this through Parliament will still be an uphill task. The official price of land is a joke.

There were hectic controversies over the government's decision-making, resulting in significant amendments in the Land Acquisition Act. Changes in the law, however, are required to ensure faster processing without compromising on compensation or relief and rehabilitation measures for farmers. Some of the measures suggested:

- India should adopt demat model for land titles.
- Make the land loser a stakeholder.

- Projects must be sustainable for society at large under the new land acquisition law.

Oil Reforms

Though lower oil prices (\$110 a barrel in June 2014 to \$60 per barrel in December) mean lower expenses for both industry and the common man and also for the government (low FD and low CAD). It also points to a dampened global demand. As such one should not expect the plummeting oil price to fuel economic growth, which is tottering at 5 percent. In fact, chances are that it might dry up liquidity in emerging markets. Hence, India needs to quickly implement oil reforms at the centre as well as states with immediate effect.

The government must retain the present prices for petro products and use the resulting surplus for capital expenditures.

Tourism

Tourism needs an out of the box approach. State and central governments should work together in this area. Culture and heritage should be the focus areas apart from the wanderlust locations. Some states have done well and others could learn from it. The first thing to be done is to have an India tourism unified approach rather than fragmented approach for marketing purpose. For implementation, it can then be fragmented into categories and regions and so on. There should be regular debates nationally. A white paper can be



prepared as this sector has widespread linkages holding tremendous potential. If necessary, experts from countries like Singapore and others could be invited, from whom we could learn and implement a few ideas. Chambers of commerce & industry and other business associations can be associated with the preparation of a white paper.

Transforming Institutions

NITI Aayog (National Institution for Transforming India) in place of the Planning Commission seems a promising move. The government plans to adopt a 'Bharatiya' approach to development. NITI will have a multi-tiered structure including a governing council that comprises the chief ministers of all states and lieutenant governors of union territories with a view to fulfill the spirit of 'cooperative federalism'. Revamped institution will serve as a government 'think tank' with the mandate to provide strategic and technical advice on issues of 'national and international importance' to the centre and states.

The proof of the pudding will lie in its objectives implementation.

Other strategic institutions also need to be made relevant to contemporary times. A strategic perspective on the roles that different institutions need to play, the structures that are best suited to these roles and making of transition road maps are sorely needed.

Concluding Remarks

The potential of 1.25 billion-strong Indian population, with the highest (and growing) proportion of people below 35, is huge. Given the receptiveness of the people to innovation and new technologies, India is attractive as a production-centre where labour costs are low and capability is high.

Medium term goals before the economy are:

- To integrate all above measures as far as possible so that the economy moves forward faster.
- Creating and maintaining a culture of accountability in the economy.
- Quality of growth to be paramount especially with scarcity of resources challenging quality.
- Nation should positively move towards achieving total factor productivity in every sphere of activity. Just like the 'Make in India' campaign, 'making the nation attain' Total-factor Productivity (TFP) should be encouraged as a movement. TFP also called multi-factor productivity, is a variable which accounts for effects in total output not caused by traditionally measured inputs of labor and capital. It is a measure of efficiency of all inputs to a production process. Increases in TFP results usually from technological innovations or improvements.

Industry needs to act responsibly in the following ways:

- Cooperate with government in making real time data available.
- Professional entrepreneurs backed by equity must come to the fore.
- To support building of compliance culture across the country.
- To make best use of emerging technologies in the digital and physical space to transform their businesses.

Finally, the Modi government needs to decisively break the cycle of over-promise and under-delivery. 2014, Year of Change should now give way to 2015, Year of Performance.

■

Doing Business in India

The Indian economy is gradually depicting signs of revival having registered GDP growth of 5.3% beating market expectations of sub 5% growth rate. The chief contributors to better-than-expected growth rate have been declining fiscal deficit (pegged at 4.1% of GDP for FY15), restoration of industrial output (at 2.5% during September, 2014) and declining inflationary pressures giving room for investor friendly interest rate regime by the RBI. The recovery of the Indian economy follows the pro-growth policy regime of the recently elected Modi Government.

Although the economy is showing signs of resurgence, there exists an ample scope for rejuvenating the economy as indicated by the World Bank's Ease of Doing Business Annual Report for 2014. India is one of the fastest growing economies in the world. However, India's position in the 'Doing Business' annual reports published by the World Bank continues to be less than favourable. The latest rankings place India 134th among 185 countries; lower than its BRICS (Brazil, Russia, India, China and South Africa) counterparts. There is an urgency to focus on improving the business environment and arrest the decline in relative performance against various determinants of investment attractiveness. A detailed evaluation is as follows:

Land Acquisition

Land is the most contentious problem in India today. According to the Centre for Monitoring Indian Economy, 106 projects have been at a standstill due to problems in land acquisition. About 30 per cent of these were government projects, while the rest were in private hands, both Indian and foreign. In the last year, projects worth Rs 1,81,126 crore got stalled, shelved or abandoned. Also work on planned 69 national highways - stretching across 8,000 km - was yet to start as of January, according to rating agency ICRA. The projects have been delayed due to land acquisition problems.

In an attempt to solve land acquisition problems, the government brought in the Right to Fair Compensation and Transparency in Rehabilitation and Resettlement Act 2013, commonly called the new Land Acquisition Act, early this year. The intention was to make land acquisition more transparent and farmer friendly. But industrialists hold that the new Act is as much a deterrent to growth as the old one.

● Price Triangle

The previous Land Acquisition Act was framed in 1894, when India was under British rule. The rules for acquisition were simple. The state governments had to notify to landowners that their land was being acquired. They would be paid the nominal circle rate (minimum rate of land in a particular area is decided by the government) or the ready reckoner rate (the prices of land for any given area published by the government each year). This was way lower than the prevailing market rate, at times even one-tenth of it, and the land owners suffered.

In the new Act, not only have the rates been corrected, but the



land buyer has to pay twice the market value of the land in urban areas and four times in rural areas. There is also an additional compensation to be paid to the affected families to ensure their rehabilitation and resettlement (R&R). Companies are expected to employ those from the displaced families. The Act has made land expensive and unaffordable for industry.

● Time Consuming

Given the complete process, which is deemed complex by many, the time to acquire land is estimated to be around 56 months by industry bodies and consultants. But the complete procedural rules, based on the provisions of the Act, are yet to be laid down. The states will play an important role in making the rules and procedures, like the time period for taking consent, doing a social impact study and creating processes for R&D, and other such rules.

Given the escalating cost of land and time consuming procedures, Modi's mission of building 100 smart cities - a project he committed himself to, in his election campaign - looks like a distant dream.

Starting a Business

The cost of starting a business in India is huge and the procedures involved can be daunting without local knowledge. There are 12 procedures to complete in the initial set up of a business costing 49.8% of income per capita. It takes almost a month (27 days) to complete the tasks on average, which is well above the OECD average of 12 days.

● Dealing with Construction Permits

Construction permits are a costly pursuit, involving 34 procedures and taking 196 days. Obtaining intimation of disapproval from the building proposal office and paying fees, takes around a month, and NOCs must be sought from the Tree Authority, the Storm Water and Drain Department, the Sewerage Department, the Electric Department, the Environmental Department, the Traffic & Coordination Department and the CFO.

● Getting Electricity

In India, the cost of getting electricity is relatively cheaper in comparison to the rest of South Asia, but the number of procedures involved can be rather daunting. The procedure is time constraining, taking around eight days to receive an external site inspection and three weeks to get externally connected, have a meter installed and conduct a test installation.

● Registering Property

Registering a property requires legwork and can also incur substantial charges. Stamp duty of 5% of the property and a 1% charge on the market value of the property incurred at the Sub-Registrar of Assurances are the two fees to look out for, besides the lawyer charges and fees at the land & survey office.

● Getting Credit

India performs the best of all South Asian economies for ease of getting credit, ranking 23rd in the world according to the World Bank and International Finance Corporation. They report this to when a 'unified collateral registry, which is centralised geographically, became operational in India strengthening access to credit and the secured transaction regime'.

Infrastructure

Infrastructure is a major sector that propels overall development of the Indian economy. Inadequate infrastructure such as roads, railways and ports, delay in environmental clearances and lack of co-ordination among the related agencies are severely hampering India's growth prospects.

● Connectivity

Judicious investment is required to upgrade all our national highways to 4-lane, to support India's growth. Besides, road and port connectivity in the hinterland need to be improved. Similarly, railways need to be modernized and effective rail-road co-ordination must be ensured to ease the movement of goods to the ports.

● Electricity

The Indian power sector has grown significantly since 1947 and India today is the third largest producer of power in Asia. The power generating capacity has increased from 1,362 MW in 1947 to over 243,000 MW by mid of 2014. Despite significant growth in electricity generation over the years, the shortage of power continues to exist primarily on account of growth in demand for power outstripping the growth in generation and capacity additions in power generation. The key targets for the Electricity Sector are as under:

- Sufficient power to achieve GDP growth rate of 8%
- Reliability of power
- Improved quality of power
- Optimum power cost to ensure availability at affordable prices
- Commercial viability of power industry to make it attractive for private sector participation

Risks in the Sector

- Power sector is a highly capital intensive business with

long gestation periods before commencement of revenue streams (construction periods of 4-5 years) and an even longer operating period (over 25 years). Since most of the projects have such a long time frame, there are some inherent risks in both the internal and external environment.

- More than 50 percent of India's generation capacity is coal based. The recent issues in the mining of coal have led to issues in power generation leading to huge import dependency for coal.
- Secondly, according to the Integrated Energy Policy, by FY31-32, India requires 2,040 million tonnes of coal for power generation, more than 5 times its current consumption levels. The shortage of coal is likely to become acute in the coming years.

● Water Crisis

In the 2013 Outlook Report, the Asian Development Bank calculated India's water security based on household, economic, urban and environmental needs concluding that India's water prospects are 'hazardous'. According to the report, a comprehensive and immediate program of investment, regulation, and law enforcement is necessary.

Taxation

In order to make the Indian economy a favoured destination for investments, it is vital that the tax authorities of the nation promote a proactive taxation policy. Firstly, the taxation rates need to be business friendly with reduction in rates. Secondly, transfer pricing assessments need to be rectified for a conducive business environment. Thirdly, delays in tax refunds need to be addressed.

● Goods and Services Tax (GST)

India's indirect tax reform is expected to replace existing state and federal levies with a uniform tax, boosting revenue collection while cutting business transaction costs. GST, which could boost India's economy up to two percentage points, has so far faced resistance from various states. The government has to address state concerns and implement GST in an 'appropriate time frame'.

● Direct Tax Code (DTC) Bill

The government needs to accelerate the enactment of the DTC Bill as well. The Bill is expected to simplify DTC law, reduce unnecessary exemptions and improve tax compliance.

● Retrospective Tax Law

The retrospective taxation law (following the Vodafone case) has tarnished the image of the Indian economy amongst the foreign investors viewing it as an unfriendly nation for FDI and as an FII. The same has led to crowding out of foreign investments from the nation. It is imperative that the government amend the law in order to draw funds to cash sparse Indian sectors.

● Contract Enforcement

Modern concepts of regulation of contracts involved in infrastructure, and the complex contracts of the market economy, require a sound framework of law and enforcement. The public goods of law and order, and contract enforcement,



are a central part of the infrastructure of a modern economy.

Enforcement of contracts is a big problem in India as legal system can be slow and litigious. India is ranked 186th out of 191 countries surveyed by World Bank in terms of ease of enforcing a contract.

Recommendations to Improve the 'Ease of Doing Business' in India

● Land Acquisition Process

- Set up industrial zones
- Single window registration and clearance
- Streamlined process for land use conversion
- A market-based pricing system

● Starting a Business

- Reduce approval turnaround by making the e-Biz portal more effective
- Wider and effective adoption of deemed approval principle
- Automatic approval for power, water and sewerage
- Moving away from department-centric approach to business-centric approach
- Labour reforms
- Continuous skill development
- Access to funds for Micro Small and Medium Enterprises (MSMEs)



● Taxation

- Implement Goods & Service Tax (GST)
- Reduce the number of taxes and the ambiguity/discretionary nature of taxes, especially in transfer pricing cases
- Efficient, effective and time-bound taxation related dispute resolution
- Ensure taxation does not hinder free flow of goods
- Implement independent grievance redressal cell
- Operational reforms required to get the tax base right
- Administration reforms required for consistency and increased efficiency in approach to taxation

● Contract Enforcement

- Create a centralized contract repository with non-repudiation
- Effective implementation of e-courts
- Increase number of courts and tribunals
- More international treaties for increasing 'reciprocal territories'
- Update antiquated laws
- Recognize and update laws keeping in mind the trends of higher technology, greater trade based on IPR and greater global trade



WTO and Food Security: India's Struggle Continues



India is nutrition and food deficient developing nation with 30-35% of its population below the poverty line. Over 40% of children below the age of five years are under-weight and stunted. There is pervasive protein and calorie deficiency leading to malnourished children and women. A demographic dichotomy is seen between under-nourished rural population and creeping obesity in urban areas. India, indeed, faces a big challenge to feed its population of 1.2 billion people.

The choice between judiciously reconciling the conflict between domestic, economic and socio-political compulsions on the one hand and international obligations on the other are being faced also by the developed world. In the OECD nations despite commitment to lower subsidies, in reality the subsidies have been increasing. Same is the case with USA. Indian poor, being large in number, the issue has taken a serious dimension, proving a major stumbling block in

The year 2014 would be noted for the success India achieved in making the developed world agree to its position on food subsidies that finally led to the end of the stalemate at the WTO.

India's growth momentum. India's agriculture subsidies are very costly and are coming at the expense of addressing other pressing development needs. It has also led India to adopting a defensive stance in the WTO Doha Round, focused on protecting these subsidies. As a result, India has missed the opportunity to shape the international trading system in ways that can strengthen food security in India. The Narendra Modi Government provides a key opportunity for India to rationalize its agriculture subsidies and



at the same time, to shift its focus towards the opportunities for its agriculture sector from reducing barriers to agriculture exports in developed markets.

The year 2014 would be noted for the success India achieved in making the developed world agree to its position on food subsidies that finally led to the end of the stalemate at the WTO. Under the Bali agreement, the peace clause, which gives legal security to member countries and protects them from being challenged under other WTO agreements, is to continue till 2017. The US earlier had opposed India's case for food subsidies arguing that it was distorting the global trade. The latest deal with the US is considered a major victory for India under the Modi Government. India has demanded clarity on agricultural issues first before the WTO proceeds any further. India has requested for a permanent solution to its Food Security problem by the end of 2014.

The WTO has agreed not to take action against India or other developing countries if their food procurement subsidies breached present caps, till a

In sum, what India has achieved so far is spectacular and hopefully developments at the WTO will happen that meet India's aspirations.

permanent solution to calculation of such subsidies was arrived at. It has also agreed to make all efforts to reach a permanent solution by 2014-end. The Indian Government's first preference would be to get the WTO to agree to exempt food procurement subsidies from the list of trade distorting subsidies so that the caps don't apply to its food subsidies. It has asked WTO to amend the norms for calculating agri-subsidies in order to procure foodgrains from farmers at minimum support price and sell that to the poor at cheaper rates without violating the norms. The current WTO norms limit the value of food subsidies at 10% of the total value of foodgrain production. There are apprehensions that once India completely implements its food security programme, it could breach the 10 per cent cap. Breach of the cap may lead to imposition of hefty penalties, if a member country drags India to the WTO. However, the support is calculated at the prices that are over two decades old. India has asked for a change in the base year (1986-88) for calculating food subsidy as it would capture the impact of inflation and currency movements over the years.

This WTO decision is crucial for India to meet over Rs 1 lakh crore a year food security programme, which needs 62 million tonnes of foodgrain in a year. This will enable India to continue procurement and stocking of foodgrain for distribution to the poor under its food security programme without attracting any kind of action from WTO members.

Under an agreement reached with the US on public stockholding, India would now lift a veto on a global agreement on streamlining customs rules but on the condition that the 'peace clause' which would ensure uninterrupted

implementation of its food security programme, will continue indefinitely till a permanent solution was found by the WTO.

Latest is that the WTO has started work on reforming fisheries, subsidies and anti-dumping rules before making headway to find a permanent solution to the food security problem, which is objected by India. Indian authorities are not at all against work progressing in the above two areas. But these have to wait otherwise there could be long delays in sorting out India's food security issues. Less developed countries like India face a non-level playing field due to scarce resources, capacity constraints and diverse priorities. India needs protection from future vulnerabilities on account of its food security issue. It is important for India to have a permanent solution in place soon as the interim relief against action comes loaded with conditions that it may find difficult to fulfill.

Supporting India's tough stand at WTO on the food security issue, the UN body 'International Fund for Agriculture Development' President Kanayo Nwanze had stated, "Ensuring food for its people is more important than creating jobs in certain other nations". Creating jobs for some other country, while people are still hungry, doesn't make sense... If I was in the position of feeding my own family or creating jobs for someone else, what would I do? What would you do?"

In sum, what India has achieved so far is spectacular and hopefully developments at the WTO will happen that meet India's aspirations.

■



‘Smart Cities’ Development Role for Indian Economy

Transforming India - Transforming Lives



Meaning of Smart City

Smart city is about compact Indian cities and their transition to more sustainable development. Technology firms such as IBM have championed another model – where millions of sensors across a city relay continuous streams of information to a command-and-control centre. In an ideal smart city, cars can be counted at traffic stops, leaks can be identified in water pipes, or foretell if a cyclone is coming. Application of technology can help the city to know, plan and track. Smart city will have e-governance systems, in which citizens can file documents or complaints online.

Smart city means ensuring affordable housing, cost-efficient physical, social and institutional infrastructure such as adequate and quality water supply, sanitation, 24×7 electricity supply, clean air, quality education, cost-efficient healthcare, dependable security, entertainment, sports, robust and high-speed interconnectivity, and fast and efficient urban mobility. Authorities will have to come out with smart-city protocols that cities will use as the basis for future development projects.

Though the smartness in a city may mean different things to different people, but for attaining sustainability, a smart city has to offer economic activities and employment opportunities to a wide section of its residents, regardless of their level of education, skill or income level. A smart city needs to identify its comparative or unique advantage and core competence in specific areas of economic activities and promote such activities aggressively by developing the

Overview

Importance of smart cities for India's development can be gauged by the fact that the World Bank signed a pact for 'smart cities' at the recent Vibrant Gujarat Summit. The UN Chief stated that India can lead smart growth. In less than eight months of Modi Government's rule, a number of countries have come forward to support specific cities to be transformed into smart cities.

Smart city concept envisages not only creation of new cities or new townships on the outskirts of cities but also making existing cities smart. Only 'deserving cities' will be eligible for central aid to carry out the 'smart city' flagship programme. Union Urban Development Ministry is currently working on a 'City Challenge' framework, which would

help identify the right cities for participation in schemes to build 100 smart cities.

Concept of smart cities first emerged in European urban planning more than a decade ago. It is a brilliant idea that carries potential of activating strong direct as well as indirect linkages that can immensely benefit the cities, states as well as the entire economy. However, this is not easy to accomplish as it involves utmost meticulous precision planning and effective implementation.

There is talk about Indian economy moving from \$2 trn to \$20 trn by 2025. This will be possible only with certain critical moves. One such critical ingredient is the concept of 'Smart Cities'.

required institutional, physical, social and economic infrastructure.

Current state of cities is appalling, it is marked by weak urban governance structures, uninspiring leadership at the level of elected urban heads, poor inventory management and resource base, weak urban planning and execution, nightmarish urban mobility, housing shortage, inadequate water and power supply and despicable management of solid waste and treatment of sewerage, etc.

Successful working of Smart Cities depends on the following:

- Ease of doing business - India Inc. is no longer interested in 'capital subsidies' but insists on obtaining provisions that provide 'ease of businesses' for faster and timely execution of its projects so that 'Make in India' campaign becomes successful in creating additional employment opportunities, spurs up manufacturing and thus deepens both its domestic and external engagements.
- Good governance norms especially in case of public services and working of key sectors.
- All cities and towns seeking to participate in 'smart cities' schemes would be profiled based on specific parameters that have a bearing on their ability to address issues of governance reforms, resource mobilization, execution etc.
- Various FTAs in the making and WTO's Trade Facilitation Agreement can be the key for success of 'Make in India' which includes creation of smart cities.
- Continuous improvement in macro-economics to boost investors' confidence and achieve sustainable growth.
- Developing niche areas in management of a city for which it can be known, like Pune's smart city focusing on waste management.
- Smart sanitation solutions to build clean, disease-free India.
- Industry to play a responsible role in running smart cities. Bajaj Electricals and Cisco have joined for smart cities projects, which require smart lighting solutions. Infosys is

developing Mysore campus as a smart city. Infosys would also offer its expertise in the areas of smart infrastructure planning and sustainable building technology to the urban development ministry.

- Encouraging PPP model to construct smart cities.
- Telecom and IT form the backbone of future smart cities. Digital India will not be a distant dream anymore.
- Promotion of efficient public transport and providing availability of walking spaces.
- Financial agencies will have their jobs cut out. Financing would be based on the ability of urban local bodies to reform urban governance and rise to new and emerging challenges.
- Smart cities will have to involve citizens on civic issues.
- Smart and reliable geo-spatial data that can be the backbone for the functioning of smart cities.
- Scaling up skills and quality of services to be the main priorities with city authorities.

In short, smart cities mean smart ways to work and most importantly smart government at the centre, states and city levels. The Urban Development Minister Mr. Venkaiah Naidu has suggested a 10-point charter to be ensured for each city — master plans and sanitation plans; long-term urban development plans for districts and city mobility plans; strategies for promotion of renewable energy sources; regulatory bodies for pricing of water and power; assessment and revision of taxes; assessing creditworthiness to mobilise resources from appropriate sources; promoting water harvesting and water recycling; promoting citizens in urban planning, decision-making and management; capacity-building in key disciplines; and improving urban governance by adopting ICT platforms.

Some Recent Developments

- Chandigarh is being mentioned to be the first Indian smart city.
- Telangana government making Hyderabad a global smart city. Dubai Holding is in talks on Hyderabad smart city plans.
- US MNC consortium to aid smart city operations. Cisco, IBM, 3M, EMC, GE, Honeywell, KPMG, Otis, Timken and Louis Berger have formed the consortium to support the joint vision of Narendra Modi and Obama for strengthening bilateral commercial relations, which includes aiding creation of smart cities.
- British companies are keen to



engage in Bangalore-Mumbai Industrial Corridor and also to engage in development of smart cities.

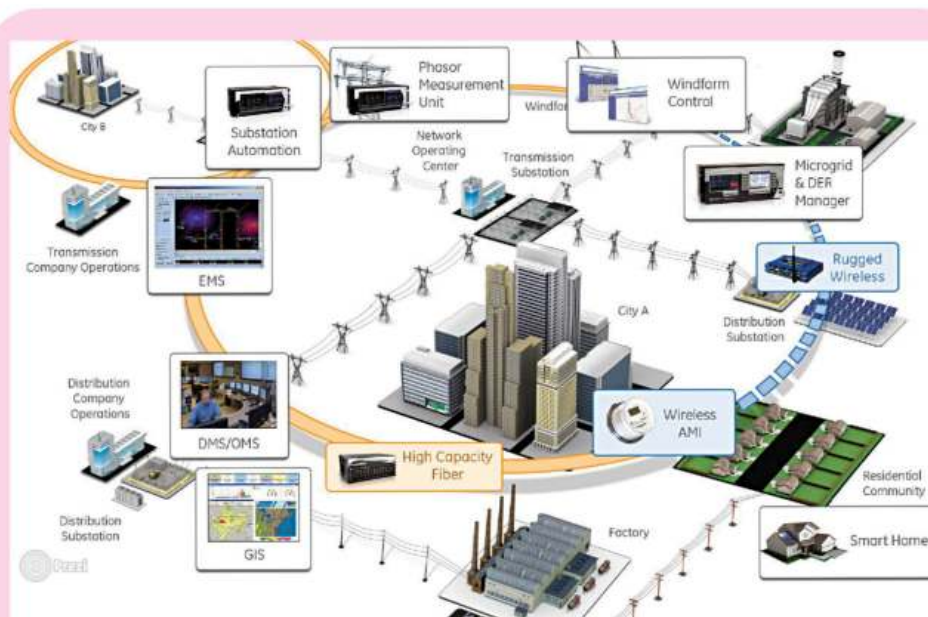
- Singapore ties with India in developing smart cities are set to grow.
- Australia is also supporting building of smart Indian cities.
- German Finance Minister has been requested for making investment in smart cities.
- Gujarat Government is ready with new smart city development policy. Dholera Special Investment Region (SIR) is one of the main investment draws at Vibrant Gujarat Summit 2015. Dholera smart city, being developed along the Delhi-Mumbai Industrial Corridor, which has already initiated the tendering process. Under the Delhi-Mumbai Industrial Corridor (DMIC), Japan and Government of Gujarat are jointly planning eco-smart cities at

GIFT city
(Gandhinagar), Dholera, Sanand, Changodar and Dahej.

- Delhi is to be the first city in India to get smart traffic lights.

Some Observations

- A number of first smart cities have been announced (Chandigarh and satellite towns around Varanasi, Hyderabad, Delhi are among others). This implies competition in this field has already set in.
- Experts are divided over the viability of the smart city proposal. To begin with, the definition of a smart city in the Indian context appears ambiguous. Some say that the cities that come up will be far from 'smart' in the sense, used by urban planners. Others fear that the ambition will distract from more pressing urban problems that cannot be solved by a 'smart' agenda. Rather, solving all urban woes should be a precondition for making smart cities successful.
- First smart cities projects are likely to begin in the next 12 to 18 months. Task will be difficult as about a third of India's population is urban, which contributes more than 60% of its GDP and this is projected to increase to 75% over the next 15 years. By 2050, India is expected to add another 404 million urban residents.
- FM has allocated Rs 70.6 bn to the smart cities scheme. The government hopes to raise five times as much through public-private partnerships, and its officials have spoken to the United States, France, Singapore and Japan about investments and collaborations. Total amount government is seeking to raise – Rs 420 bn of government and private money which may not be



To conclude, 'smart cities' concept involves elements that can facilitate catapulting the Indian Economy into the league of developed nations and strengthening India's brand image. Much depends on its implementation. A radical reorientation of mindsets and methodologies is the need of the hour to convert rapid urbanization into an economic opportunity. Most importantly, there is a need to overcome the perception with innovative awareness campaigns that given the Indian context, the smart cities plan will have a limited success. Concept will also mean rebooting of centre-state and city-state fiscal relations. It is important that positive lessons from the pre-existing massive city-modernisation scheme 'Jawaharlal Nehru National Urban Renewal Mission' (JNNURM) should be imbibed like cities to come up with a vision for themselves by way of a credible city development plan, which can be a good starting point.

- enough to create 100 such cities.
- In the technology to be adopted by the smart city, sensors are intended to provide information that optimises systems such as drainage networks. Across India, however, drainage networks are patchy or inadequate. In Lucknow, for instance, as only 16% of the population is covered by solid-waste sewage system, so sensors will not have much to optimise.
- Tackling the massive network of slums is an area that Mumbai needs to grapple with. Every year, slums are razed so that the land can be given to commercial developers. Where will the poor go? They can only move to other slums or they can move into buildings that are cheap but illegal and dangerous. The failure of providing adequate housing in Mumbai is obvious.
- The government's plan to lavish attention and money upon smaller towns on the cusp of explosive development might fix some problems, but for many of India's biggest cities, the problems lie in areas which no smart-city agenda can fix.
- Once 100 smart cities are created and competitive forces get unleashed, these will have demonstration effect on other cities, encouraging them to become smart. As India's urban populace grows, its cities will be in dire need of rethinking.
- Selection of smart cities in these priority sectors will be the most critical and responsible exercise which will determine a successful outcome.

‘Fostering Skills and Jobs through Trade Liberalization in Developing Economies’ At WTO Public Forum 2014, Geneva



Mr. Ricardo
Melendez-Ortiz

Ms Azita
Berar Awad

Mr. Vijay
Kalantri

Prof Joseph
Francois

Mr. Ken Ash

Mr. Rajesh
Aggarwal

On October 3, **World Trade Centre Mumbai and All India Association of Industries** jointly conducted a session at the prestigious WTO Public Forum 2014 at Geneva on the theme ‘**Fostering Skills and Jobs through Trade Liberalisation in Developing Economies**’. The theme of the Forum was ‘**Why Trade Matters to Everyone**’. The session was addressed by a competent panel of experts.

The session aligned with the sub-theme of the Public Forum ‘Trade and Jobs’ and examined the importance of skill in empowering labour and its relevance in creating employability in transitional and emerging economies. The subject dealt with the context of the impact of trade liberalization in these economies.

Addressing the issues of trade linkages with jobs, the panel focused on the aspect of skills development and its implications on jobs particularly in the context of trade liberalization. Discussing the pattern of two-way relationship of trade and skills development in the developing countries, the panelists cited a few explanations. The stability and quality of employment created needs closer evaluation. There is high level of unemployment among skilled labour as

well as high rate of turnover reflecting a growing mis-match in trade and jobs. This needs to be rectified and one of the ways to do is to improve the investment in work culture; labor market policies are not the only contributors to the skills gap. The panel stressed that trade openness needs complementary policies to realize the benefits that trade openness brings.

Mr. Vijay Kalantri, Vice Chairman, World Trade Centre Mumbai, Director, WTCA Board, N.Y. and President, All India Association of Industries in his opening remarks said that a large number of women and men in employment and their productivity at work has a lot to do with the available opportunities to acquire and maintain relevant skills. There is consensus that prioritizing education, lifelong learning, job training and skills development strategies are linked to growth strategies.

Highlighting the approach to skill building, Mr. Kalantri said that the first is broad availability of quality education as a foundation for future training. Education for all, and children in school and not at work, is an essential foundation of future training.

Panelist **Ms. Azita Berar Awad, Director, Employment Policy Department, ILO** said trade and jobs

inter-linkages are multi-faceted and complex; trade liberalization does not systematically and automatically generate quality jobs and benefits for all. Each process brings out opportunities but also costs and constraints and some countries have been able to reap the benefits and capitalize on the opportunities better than others.

Deliberating on implementing effective skills amongst labourers **Mr. Ricardo Melendez-Ortiz, Chief Executive Officer, International Centre for Trade and Sustainable Development (ICTSD)** said rapid changes in technologies need to match skills with jobs. Skills vary in terms of sectors, complexity of tasks, underlying infrastructure, exposure and type of links to markets, and incentives provided through policy and regulatory frameworks. Another important aspect is that as shown by the ILO, there is a growing gap between the skills acquired in education and the nature of jobs available.

Prof. Joseph Francois, Managing Director (incoming), World Trade Institute, University of Bern, focused on trade as a mechanism not so much dependent on labour policies but on labour market conditions. Mr. Francois emphasized on three basic trends:

- a) global and regional production networks or value chains
- b) services, linkages and industrial cost structures
- c) shifts from trade measures to focus on regulatory barriers

Sharing his perspectives on job creation, **Mr. Ken Ash, Director for Trade and Agriculture, OECD**, said trade restrictions stifle productivity and growth and lead to job losses in the long term while trade openness can contribute to income and job growth but complementary policies are also needed.

According to **Mr. Rajesh Aggarwal, Director of the Division of Business & Institutional Support and Chief, Business & Trade Facilitation Section International Trade Centre (ITC)**, trade liberalization contributes to growth and employment and with trade liberalization, domestic enterprises will face competition from foreign ones.

“Prioritizing education, lifelong learning, job training and skills development strategies are linked to growth strategies.”



Mr William Ruto, Deputy President of Kenya and WTO Public Forum Speaker with Mr. Vijay Kalantri.



A view of the audience

WTC MUMBAI UPCOMING EVENTS

- An interactive meeting with the Chamber of Commerce and Industry of Khanty-Mansiysk Autonomous Okrug - Ugra
- An interactive meeting with H.E. Mr. Gholam Hossein Shafei, President, Iran Chamber of Commerce, Industries, Mines and Agriculture along with a high level Iranian delegation
- An interactive session on 'Innovation Food products in India – Regulators Role'
- An interactive meeting on 'Smart Cities in India: Reality in the Making'
- Launch of the book 'Breach' by author Amrita Chowdhury
- A run-up event for Delhi Dialogue VII on the theme: 'ASEAN-India Co-operation in Food Security, Agriculture Technology & Food Engineering'
- An interactive discussion on 'Implications of the Budget 2015-16'
- An interactive meeting on the 'Emerging Trends in International Arbitration'

Delhi - Mumbai Industrial Corridor - An Update on Developments in Maharashtra

A seminar to evaluate the progress of the Delhi-Mumbai Industrial Corridor was organised. Eminent government officials, consulates and representatives of chambers of commerce discussed the economic implications of the corridor besides outlining a roadmap to fasttrack the project. "The Delhi-Mumbai Industrial Corridor (DMIC) is a major physical infrastructure project passing through six states of India. The ambitious DMIC has received major boost with India and Japan, inking an agreement to set up a project development fund. The initial size of the fund is 10 billion (US\$162.0 million). Both the Japanese and Indian Governments contribute equally", said **Mr. Vijay Kalantri, Vice Chairman World Trade Centre Mumbai.**



The Corridor intends to develop industrial estates and townships in various parts of the country in order to give thrust to manufacturing emphasized **Mr. Bhushan Gagrani, IAS, Chief Executive Officer, Maharashtra Industrial Development Corporation.** Also, the Indian economy is rapidly undergoing urbanization, however, urbanization and industrialization have to go hand-in-hand for progress of a nation. The DMIC will play a prominent role in converging urbanization along with industrialization. The Corridor is estimated to create 2.3 million jobs, industrial output worth Rs 20 trillion along with efficient logistical network. It is expected to reduce the transit time from 60 hours to 36 hours, added Mr. Gagrani

Elaborating further on the thriving importance of a corridor, Mr. Gagrani said that the Indian economy has witnessed a dip in the share of manufacturing to the GDP from 16% to 15%. The Government of India intends to give a thrust to manufacturing activity in the country through its 'Make in India' campaign. The DMIC will assist in the same.

It is vital to point out that industrial estates limit themselves to manufacturing activities. The task of developing an efficient transit system for transportation of goods from warehouses to markets is thrust upon the government. The DMIC will assist in building an organised transportation system for the nation. Secondly, industrial estates do not factor in requirements such as residence, medicine and education of their workforce. The DMIC will meet these requirements of its workforce thereby developing an 'industrial township' in itself, Mr. Gagrani added.

Updating the audience on the progress of the DMIC project Mr. Gagrani said the Corridor constitutes 49% equity of DMIC Corporation (in the form of cash) and 51% equity of MIDC (in the form of land). The government will be forming a SPV to operationalize the project. Also, the state government lends its support in the form of tax incentives, infrastructural facilities and legislative approvals. In the State of Maharashtra the two nodes being developed on priority include the Shendra-Bidkin Mega Industrial Site and the Dighi Region of the Raigad District.



Hon'ble Mr. Yoshimitsu Kawata, Chief Consul, Consulate-General of Japan, Mumbai said that India and Japan have enjoyed cordial relations since 1952. Japan takes keen interest in the development of DMIC having spent US\$ 4.5 billion on the project. Also, nearly 100 Japanese companies have invested in the Indian economy. Following

the successful completion of the DMIC project, many more Japanese countries intend to set up base in the nation. Also, PM Modi has had fruitful interactions with PM Abe during his recent visit to Japan. The two nations have promised to extend cooperation to each other in the arenas of politics, industry, trade and culture. The success of the DMIC project is of paramount importance to Japan. PM Abe, the Embassy of Japan in India and the Consulate of Japan will extend full cooperation towards the DMIC project, Mr. Kawata said.



Mr. Minoo Shroff, Trustee - The Indo-Japanese Association & Chairman - Economic Cooperation Council said that the Indian economy suffers from lack of adequate infrastructure and logistic facilities. The DMIC project is expected to facilitate the same. The project is based on the foreign concept of smart cities. Although the

conceptualizing of the DMIC project is good; its implementation needs to be adhered to. The successful completion of the DMIC project will transform India from a low income nation to a middle income society.

October 9, 2014 organised jointly by MVIRDC World Trade Centre, All India Association of Industries, Consulate General of Japan, Mumbai and The Indo-Japanese Association.

Moselle Development Agency Invites India to Participate in EITS 2014

The Moselle Delegation promoted the Euro India Technology Sourcing 2014 (EITS) business meeting amongst prospective Indian participants at a promotional event at the Centre. Mr. **Claude BITTE, Head of Moselle Delegation** said "EITS is a business meeting aiming to establish new contacts between companies from India and Europe interested to develop and boost strong trade relations in the field of materials, processes and energies. EITS is a part of the public strategy for the development of a European Materials and Energy Valley in Eastern France. EITS is organized by Moselle Development, the economic development agency of the General Council of Moselle".

EITS 2014 scheduled from December 9-11, 2014 expects participation from 300 companies from India and Europe focusing on materials and processes for industry, transportation and energy. The focus sectors for the technology conference include producing materials (metals, chemicals, plastics and natural fibers) and equipment endowed with new functions, generating power, improving energy efficiency, saving energy, storing energy, distributing energy, recycling renewable raw materials and saving of raw materials, Mr. BITTE stated.

The key features of the EITS 2014 include one-to-one meetings, company presentations, conferences, exhibition, technical-site visits, cluster matching and networking events. Attendees at EITS 2014 will benefit from new commercial opportunities, new technologies and solutions, latest information about material trends and innovations, meet potential partners and foster collaborations. It is an ideal platform to meet manufacturers, suppliers, research institutions, technology transfer organisations, Investors, government representatives and agencies from Europe, added Mr. BITTE.

Mr. BITTE further added that the region confers access to cross border territory of France, Germany, Belgium and Luxembourg comprising of 11 million population. Nearly 430 foreign companies have set base in Moselle. Also, the region is well connected by roadways, railways and airways with the neighbouring cities.

Mr. BITTE also said that the EITS 2014 seminar is expected to boost India's trade with the European Union. Germany and France which form key hosts of EITS are leading trade partners of India, with trade worth Euros 17.4 billion and Euros 7.3 billion respectively. The European participants at EITS 2014 seek manufacturing, subcontracting, machining, R&D, logistics and transport partnerships with India.

Mr. Jean Peytregnet, Consul General of France in Mumbai said that he was glad to participate in this event which marks the end of various roadshows which the French State of La Moselle has been organizing in India, in order to promote a business event which will be organized from the December 9-11, 2014 in Metz, its capital city. Mr. Peytregnet further said that more than 700 subsidiaries of French groups employ 250000 people in India and generate over US\$ 18 bn turnover per year.



From (L-R): Mr. Sateesh Kulkarni, Director, Corporate Catalyst India Pvt Ltd, Mr. Thierry Perty, Business Development Officer, India, Moselle Development Agency (MDA), Mr. Claude BITTE, Mr. Vijay Kalantri, Mr. Jacques Mambriani, Director General of MDA, Mr Philippe Bard, Secretary, MDA and Mr. Michel Gigault, Vice President, MDA.

Mr. Peytregnet confirmed that the interest for the Indian market is very high in France. The French companies know that the Indian market has a lot of potential. Last year the French agency for the promotion of foreign trade called UbiFrance organized altogether more than 300 business meetings between French and Indian companies in India.

On the other side, the interest of Indian companies for the French market is also high. Every year 100

Indian companies exhibit in French Trade exhibitions and more than 3000 Indian businessmen visit the French trade fairs. In October alone, there were about 500 Indian visitors for the agro food exhibition called SIAL. It is expected that a good participation of Indian businessmen in December will be witnessed at the exhibition on environment called Pollutech and in next February 2015 at SIMA dedicated to agriculture machinery.

November 3, 2014 organised jointly by MVIRDC World Trade Centre Mumbai and All India Association of Industries (AIAI).

Enhancing Trade and Investment Cooperation

Governor Nikki Haley, South Carolina

Mr. Prakash Mehta, Minister for Industries, GoM



Governor of South Carolina Mrs. Nikki Haley, during her official visit to India addressed a business meet on 'Enhancing Trade and Investment Cooperation between South Carolina and Maharashtra' hosted in her honour by MVIDC World Trade Centre and All India Association of

Industries. She said, "India is a spectacular country. Indian business environment continues to be strong and the country is going in a pro-business direction. I am excited about the many opportunities that have unfolded as India transforms into a vibrant economy. India can achieve greater success and faster growth if the country would reduce regulations, ensure consistency in rules and regulations and focus on trust building among businesses. India needs to ensure a clean business environment to attract more investments which will improve the investment predictability for Indian companies".

Sharing her optimism on the business environment in India and Maharashtra in particular, Governor Haley mentioned that she would like to see more investments between Maharashtra and South Carolina and improve job prospects in both regions and also work with Indian companies. Governor Haley also emphasized on the need to improve the quality of relationship in Indian businesses to achieve greater corporate excellence.

Highlighting on the areas of cooperation between Maharashtra and South Carolina, Governor Haley mentioned that both regions could successfully engage in the sectors of pharmaceuticals, IT, energy, manufacturing, waste management and services. Governor Haley mentioned that her Government would focus on cooperation in the education sector, build collaborations between universities and training centers for skill development. Citing tourism as a sector of great promise, Governor Haley said that South Carolina ranks number one vacation destination in the country and number two vacation destination in the world. There are ample opportunities for cooperation in the tourism sector of both regions.

Governor Haley urged Indian businesses to consider South Carolina as a potential investment destination and in the same breath she invited a business delegation from Mumbai.

Mr. Prakash Mehta, Hon'ble Minister for Industries and Mining, Parliamentary Affairs, Government of Maharashtra said that the State of Maharashtra offers investor friendly



industrial and investment policies and is open to foreign investments from overseas destinations. The State welcomes industrial collaborations from South Carolina particularly in the small and medium sectors, which is a vibrant sector. Given the complementarities between Maharashtra and South Carolina, both regions could successfully collaborate in the sectors of automobiles, textiles, dyes and pharmaceuticals processed foods and fisheries besides a host of other sectors. Tourism also appears to be a promising sector and can be tapped with mutual advantage.

Mr. Mehta invited businesses from South Carolina to explore these and many opportunities that have opened up in the recent years and he expressed confidence that Governor Haley's visit to India and Maharashtra in particular will open up many vistas of cooperation in the coming years. Mr. Mehta assured his Government's sincere and continued cooperation and support in fulfilling the joint aspirations of bringing the two regions closer, both economically and culturally.



Mr. Thomas Vajda, Consul General, Consulate General of United States in Mumbai expressed that Governor Haley has come to India at an auspicious moment following the very successful visit of Prime

Minister Modi to the United States. During that visit, Prime Minister Modi and President Obama chartered a common vision for the future of India-US relationship, firmly anchored in shared values, shared democratic principles and a shared commitment to expand trade and investment ties, to the betterment of both countries' economies and people.

November 19, 2014 organised jointly by MVIDC World Trade Centre Mumbai and All India Association of Industries (AIAI).



Deepening Indo-Iranian Bilateral Ties

Mr. Ali Hasanpour, Advisor to Managing Director, Middle East Bank (MEBank), Tehran elaborated on prospects to deepen the trade and commercial ties between India and Iran. He said “The election of Dr. Hassan Rohani, President of Iran in the year 2013 has raised hopes for setting up of a technocrat cabinet with liberal policies and scientific approach towards management of the economy. The development has raised expectations that the last stage of negotiations between Iran and 5+1 concludes in a win-win agreement thereby lifting the sanctions on Iran. Given the same, we invite India to broaden its trade and investment opportunities with Iran which have been restricted to traditional goods such as rice and tea”. Identifying prospective

sectors to deepen Indo-Iranian bilateral ties, Mr. Hasanpour said that Iran consumes pharmaceutical products worth US\$ 4 billion annually. The domestic production stands at US\$ 2.2 billion while importing products worth US\$ 1.8 billion. The competitive pharmaceutical industry of India exports pharmaceuticals goods worth a mere US\$ 60 million to Iran and should look forward to increasing its share.

Secondly, the recently established Iran Mercantile Exchange ensures direct supply of goods in the market at competitive prices. Indian manufacturers should explore the opportunity of commodity trading on this exchange. The traded commodities range from industrial products such as copper, steel, billet, agricultural products such as rice, oilseeds and wheat and petrol chemical products such as bitumen and polymers.

Others areas to be tapped by the Indian industry include the automobile sector besides energy saving products such as electric motorcycles, technology for industrial plants, etc.

The MEB-IndAsia Corporate Advisors Pvt. Ltd works towards building Indo-Iranian bilateral relations through its business networking services, trade facilitation services besides facilitating trade finance and assisting in identifying prospective business partners.

Mr. Masood Ebrahimi Khaleghi, Consul General, Consulate General of Republic of Iran was present on the occasion.



From (L-R): Mr. Y. R. Warerkar, Mr. Ali Hasanpour, Mr. Firoze B. Andhyarujina, Senior Advocate, Supreme Court of India and Mr. Masood Ebrahimi Khaleghi.

November 13, 2014 organised jointly by MVRDC World Trade Centre Mumbai and All India Association of Industries (AIAT).

Workshop on ‘Overcoming Roadblocks in Export Import’

As a trade promotional activity, MVRDC World Trade Centre arranged a guidance workshop for serious-minded entrepreneurs and business people already into export-import and/or planning to start exports.

It was a highly interactive session wherein an expert on international business, Mr. Arun Sehgal (Founder and Managing Director of Chempro Group) and the participants were engaged in open and dynamic discussions about the challenges faced by them at various levels of doing business. Mr. Sehgal addressed every issue that was raised right from obtaining of funds and developing a marketing strategy to the growing of a successful business venture.

The interactive workshop was an effort towards grooming and mentoring of small to medium sized entrepreneurs (SME sector). The participants were greatly benefitted from the guidance of the faculty.



Participants at the workshop on ‘Overcoming Roadblocks in Export Import’.

November 28, 2014 organised by MVRDC World Trade Centre.

Exploring Business Opportunities - Pennsylvania

Mr. Wilfred H. Muskens, Deputy Secretary for International Business Development, Pennsylvania Department of Community & Economic Development explored on business opportunities that India and Pennsylvania can work together on, during an interactive session on Exploring Business Opportunities with Pennsylvania. he said, "Shale gas in Pennsylvania is rapidly increasing as an available source of natural gas. Led by new applications of hydraulic fracturing technology and horizontal drilling, development of new sources of shale gas has offset declines in production from conventional gas reservoirs and has led to major increases in reserves of US natural gas. The fast growing energy sparse Indian economy may source its energy requirement from Pennsylvania".

Exploring other avenues from mutually beneficial cooperation between India and Pennsylvania, Mr. Muskens said that India has a large young population in need of quality education. As Pennsylvania is an education hub, being home to leading universities such as Wharton School of the University of Pennsylvania, Cairn University, California University of Pennsylvania, University of Pittsburgh, etc. we call upon Indian students to benefit from Pennsylvanian education system he said.

Also, Pennsylvania holds expertise in technology and innovation, mining, manufacturing of chemicals, rubber, plastics, industrial machinery, steel manufacturing, etc which it intends to share with the Indian counterparts, Mr. Muskens added.

Inviting Indian companies to the region, Mr. Muskens said that Pennsylvania exhibits ease of doing business with a competitive tax structure, proximity to low cost energy, good road, rail and air connectivity, technological expertise and



From (L-R): Ms. Rupa Naik, Mr. Y. R. Warerkar, Mr. Vijay Kalantri, Mr. Wilfred H. Muskens and Ms. Sushama Kanetkar, Representative Director for India, Pennsylvania Trade & Investment Office - India.

access to a skilled workforce. Also, the State is strategically located, giving access to consumers in the Northeast and Midwest U.S. and Eastern Canada.

An MOU was signed between MVIRDC World Trade Centre & Pennsylvania Department of Community & Economic Development and All India Association of Industries and Pennsylvania Department of Community & Economic Development to promote trade and investment between the two nations.

December 4, 2014 organised jointly by MVIRDC World Trade Centre, All India Association of Industries and Pennsylvania International Business Development.

WTC Mumbai Participated at EITS 2014, METZ

Euro India Technology Sourcing (EITS) 2014 organized at METZ during December 9-10, 2014 saw participation of 300 companies from India and Europe focusing on materials and processes for industry, transportation and energy. EITS is a business meeting aiming to establish new contacts between companies from India and Europe interested to develop and boost strong trade relations in the field of materials, processes and energies. EITS is a part of the public strategy for the development of European Materials and Energy Valley in Eastern France. EITS is organized by Moselle Development, the economic development agency of the General Council of Moselle. The focus sectors include materials (metals, chemicals, plastics and natural fibers) and equipment endowed with generating power, improving energy efficiency, saving energy, storing energy, distributing energy, recycling renewable raw materials, etc.

In his inaugural address, **H. E. Arun K. Singh, Ambassador, Indian Embassy in France**, highlighted the trade relation



From (L-R): Mrs. Renu Verma, Director, All India Association of Industries, H. E. Arun K. Singh and Mr. A. O. Kuruvila at EITS 2014 Exhibition Stall of WTC Mumbai and AIAl.

between India and EU and elaborated on how the new Indian Government has geared up the economic activities, restoring confidence in the Indian economy. This has accelerated India's GDP growth. Industrial growth in general and growth in the manufacturing sector in particular, have shown significant improvement. Both Foreign Direct Investment (FDI) and Foreign Institutional Investments (FII) inflows have increased. The Indian Prime Minister has signaled a new direction for India's economic growth with the launch of 'Make in India' campaign. It is a major new national program designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best-in-class manufacturing infrastructure, said the Ambassador.

The programme included round table conferences, company

presentations and pre-scheduled Business-to-Business meetings. The expo stall displayed by WTC Mumbai and All India Association of Industries attracted many visitors. H. E. Arun K. Singh, Ambassador, Indian Embassy in France took special interest in visiting the WTC stall. The embassy has shown special interest in promoting the forthcoming GES 2015, as the theme will attract french companies. The meetings with World Chambers Federation and CCI Paris on the sidelines of the programme was very successful, as it created opportunities for joint programmes and exchange of information.

WTC Mumbai participates in the EITS 2014 conference at METZ during December 9-10, 2014.

Mumbai Regional Dialogue on Sustainable Urban Mobility & Solid Waste Management

The Delhi Sustainable Development Summit (DSDS 2015) has been organizing Regional Dialogues at various cities on topics such as climate change, waste management, etc. The topics identified were waste management and sustainable transportation which are pertinent for the city's overall economic development and growth.

Mr. U. P. S. Madan, Metropolitan Commissioner, MMRDA said that Mumbai has made pioneering efforts in the arena of waste management making it stand out on the world map, however much remains to be done with growing urban areas. Mumbai's population of two crore produces 500 gms of waste per capita, with such volumes of waste to be managed, catering to its management has proved to be a failure, posing both challenges and opportunities. Waste management is being mismanaged by the informal sector and to put it in order requires the involvement of the formal sector. It is a thriving opportunity for the MSME sector to explore waste management.

Mr. G. S. Gill, Distinguished Advisor, TERI and Ex. MD and VC, CIDCO said that policy issues pose a major hindrance. Public policy is unclear as guidelines made in 2000 have not been revised since then. India is blindly following the practices adopted by the west, failing to realize that the waste produced in India is different from theirs. Rural areas produce far less waste as compared to the urban areas. While the waste in the west is more to do with plastics and is recyclable, Indian waste is more organic. It is important to segregate waste prior to disposal. One has to use technology best suited to the waste being produced. Dump grounds are fast filling and the question which lingers is, how can land fills be recycled. In an urban set up there is shortage of land and technology is expensive.

Mr. R. B. Gupte, Director, MSME Development Institute said that the waste management sector was a fast growing one.

E-waste needs much focus. It is generated in every household with the increase of technological gadgets. So it is important to either reuse or dispose it. Although, some amount of legislation has been passed in this area much still needs to be addressed. Issues that need to be addressed are hazardous chemicals that are released which need to be neutralized, skill mapping and development. There is a growing educated unemployed youth that can be engaged in this sector, which will also bring about income generation.



From (L-R): Ms. Rupa Naik, Dr. Annapurna Vancheswaran, Director, Sustainable Development Outreach Division, TERI, Capt. Somesh Batra, Mr. G. S. Gill and Mr. Shri Prakash.

Mr. Suneel Pandey, Associate Director, Green Growth and Resource Efficiency, TERI spoke on the difference in treating waste here in India and abroad. The initiative in tackling the issue lies in decentralization. At the household level, there is a sense of apathy among people to segregate the waste. One needs to segregate prior to handing over waste. Value-addition is important while converting waste into usable and fuel efficient products. Treatment of waste poses a challenge. Skilled manpower is required, which could mean introduction of a curriculum in the education system.

Mr. Shantanu Roy, Senior Vice-President, Environmental Management Centre while elaborating on the initiatives taken so far said that they were sporadic and not on a sustained basis. Waste categorization was important based on the consumption levels. Urban local bodies need to take informed decisions on how to tackle waste management. India has six climatic zones which play an important role on the waste being produced. Technology, structured approach, linkages between universities are some of possible solutions in addressing the issue. Also, waste was being generated from packaging of products. A possible way to address would be to either penalize or incentivize depending on who is the polluter and who is the controller. Procurement policy needs to be strategized. It was important to understand the quantum of waste, use suitable technology in managing it and propose a business case for it, Mr. Roy added.

Dr. Amiya Kumar Sahu, President & Founder, National Solid Waste Association of India addressed the basic issue of what comprises garbage and its value. Waste management is everybody's responsibility. Awareness of waste, segregation of it, needs to be followed by everyone. It is essential to keep one's country clean to stay at par with developed countries. Creation of a smart city is only possible if waste management is adhered to.

Addressing the growing transportation needs of the city **Mr. U. P. S. Madan, Metropolitan Commissioner, MMRDA** said that the government is working towards designing a transportation system that ensures sustainable and smart mobility. The MMRDA has proposed 450 kms of metro rail corridor besides 8.9 kms of mono rail corridor. The projects aspire to offer an efficient, convenient and environment friendly transportation system. A major network of these corridors in the next 8 to 10 years shall benefit the city.

Given the changing income levels of the citizens nearly 75% of the population relies on public transportation as against 80% population dependence earlier. Trains are a cheap, environment friendly and fast mode of transportation. The inhabitants of the city must be encouraged to use this mode of transportation by enabling better quality of services, Mr. Madan added.

Shri Prakash, Distinguished Fellow, TERI, Former Member (Traffic), Indian Railway Board & Former Secretary to Government of India said the term sustainable transport describes modes of transport and systems of transport planning, which allows access to developmental needs of individuals, companies and societies in a consistent

manner. The system needs to be affordable, operate fairly and efficiently and offer choice of transportation mode. The system needs to limit emissions and waste within the planet's ability to absorb them.

The public transportation system in Mumbai is heavily dependent on railways besides the bus provision and the much awaited upcoming metros and mono rails. However, the city needs to cater to the growing needs of the inhabitants by addressing issues such as congestion, safety concerns, discipline, etc.

Mr. Abhay Mishra, CEO, Mumbai Metro One Pvt Ltd said that an efficient public transit system should save time, be financially economical and environment friendly. The much awaited metro and rail projects intend to positively impact lives of Mumbai's citizens by meeting these criteria. However, the government has to adopt a transit oriented planning by redesigning roads considering walking aspects, stricter parking norms, eliminating road side hawkers and unauthorized constructions. Lastly, the long term metro and rail projects need to be supported with intermediate plans for expansion of suburban railways, buses, etc.

Mr. Rakesh Saksena, Former Chairman, Mumbai Railways Vikas Corporation Ltd said that the city with a population of 22 million poses mobility challenge. Over 53% of the population relies on the railways for modal transportation. It is densely occupied with nearly 7.6 million commuters daily. The city has to focus on continuous capacity creation to meet the demand-supply gap. A comprehensive roll out of metro rail, mono rail and suburban trains is required. For the same political and bureaucratic ownership of the projects and sustained government funding is the need of the hour.

Mr. Anirban Ghosh, Vice President, Sustainability, CSR and Ethics, Mahindra & Mahindra Ltd (Auto Farm Sector) said that sustainable mobility is the growing need of the city. It can be met with rapid capacity addition. In order to fund the same, CSR activities of the corporate sector must divert funds towards sustainable transportation.

December 11, 2014 organized jointly by MVIRDC World Trade Centre Mumbai, All India Association of Industries, World Sustainable Development Forum, TERI, Agence Francaise de Development and United Nations Development Programme.



From (L-R): Mr. U. P. S. Madan, Mr. Abhay Mishra, Mr. Anirban Ghosh, Mr. Shri Prakash and Mr. Rakesh Saksena.

Poland Augments Ties with India

H. E. Mr. Jerzy Witold Pietrewicz, Minister for Economy (Secretary of State), Republic of Poland enumerated the steps of the Polish Government to augment its ties with India. He said, "Poland has demonstrated strong economic foundations in the form of steady GDP growth, stable currency and low inflation along with a secure political framework. The country intends to integrate with the rapidly growing Indian economy. With this vision, Prime Minister Ms. Ewa Kopacz has announced the formation of Polish Export Import Bank which is expected to give impetus to the two-way trade between Poland and India. Secondly, the nation is working to commence direct flights to India to enhance proximity between the nations. The passage of the Renewable Energy Act has created business opportunities for Indian market players in Poland. Lastly, institutional support from the special economic zones and free trade zones makes Indian investment into Poland a lucrative one".

Elaborating on the prospects for Indian businessmen in Poland, H. E. Mr. Pietrewicz said that Poland exhibits ease of doing business with its strategic position giving access to the consumption markets of the European Union, competent and cheap labour supply, tax incentives, support towards land acquisition, besides institutional support from the Ministry of Economy and Trade, the Embassy and Chambers of Commerce.

Affirming the views of H.E. Mr. Pietrewicz, **H. E. Tomasz Lukaszuk, Ambassador of the Republic of Poland** said that Poland looks forward to augment ties with India. The Embassy stands equipped to help Indian businesses set up base in Poland and vice-versa and may be contacted for any assistance. Today's business-matching sessions shall open avenues for



From (L -R): Mrs. Monika Piatkowska, Mr. Vijay G. Kalantri shaking hands with H. E. Jerzy Witold Pietrewicz and H. E. Tomasz Lukaszuk.

boosting our economic and trade relations between the nations, H. E. Mr. Lukaszuk added.

Present on the occasion was **H. E. Mr. Leszek Brenda, Consul General, Consulate General of Republic of Poland.**

Exploring areas of mutually beneficial cooperation between India and Poland **Mrs. Monika Piatkowska, Vice President of Polish Information Foreign Investment Agency** said that Poland is an export driven economy. The nation holds expertise in manufacturing of medicinal equipment, cosmetics, machinery, construction, food processing, etc which may be exported to India. On the other hand Poland can gain from the competent IT and BPO sectors of India. The Polish Information Foreign Investment Agency supports foreign investment into Poland, by assisting companies to settle in the country.

Mr. J. J. Singh, President Indo Polish Chamber of Commerce and Industries said that Poland perceives India to be a strong partner in Asia while being an Indian gateway to the European Union. Both the economies exhibit stable macro economic prospects and conducive business climate. Given the same, both nations must share mutual complementarities with Poland exchanging manufacturing expertise for Indian technical know-how, Mr. Singh added.



From (L -R): Mr. Vijay G. Kalantri, H. E. Jerzy Witold Pietrewicz and H. E. Tomasz Lukaszuk.

December 15, 2014 organised jointly by MVIRDC World Trade Centre, All India Association of Industries and Indo Polish Chamber of Commerce.

WTCA New York Expands Activity in the Asia-Pacific Region



From (L-R) : Mr. Y. R. Warerkar, Mr. Sharad P. Upasani, Mr. Vijay G. Kalantri, Mr. Yaduvendra Mathur, Chairman & Managing Director, Export Import Bank of India, Mr. Scott Wang and Mr. Ashish Raheja.

The World Trade Centers Association plans to lay emphasis on the development of the Asia-Pacific region. **Mr. Scott Wang, Vice President, Asia Pacific, World Trade Centers Association, New York** called upon WTC Mumbai to join hands with the WTCA in these efforts during his visit to the Centre. He said, "At present there are nearly 340 WTCs in over 100 countries with a global membership of one million. We intend to expand our activity in the Asia-Pacific region. Our emphasis lies on India and China. There are more than 20 WTCs in the Indian region at present. Mumbai, the commercial and financial capital of India is a

prominent city for trade promotion activities. WTC Mumbai is a pioneer organization of the World Trade Centers Movement, setting an example to many, through its trade promotion activities and services. It houses more than 200 companies involved in trade promotion activities. On behalf of the WTCA, I seek cooperation and support from WTC Mumbai in organizing special training programmes for the benefit of new WTCs in India".

Mr. Vijay Kalantri, Vice-Chairman, MVIRDC World Trade Center and Board Director, WTCA New York said that WTC Mumbai is a vision of Sir Dr. M. Visvesvaraya, a Bharat Ratna awardee, to support international trade and business for the nation. WTC Mumbai holds more than 60 exhibitions and trade meetings every year. The Centre runs a training institute which has benefitted nearly 5000 students. Going forward, we are building the WTCA network having operationalized WTC Bhubaneswar while WTC Jaipur and WTC Goa would be commencing soon.

Mr. Ashish Raheja, Managing Director, Raheja Universal said that the Raheja Group is promoting WTC Navi Mumbai. We are developing economic zones comprising hospitality centers, healthcare, industrial parks and trade houses stretching over 137 acres in Navi Mumbai. WTC Navi Mumbai will be a part of the overall complex housing nearly 1,200 MSME companies to be operational by 2016-17, he said.

December 17, 2014 organised by MVIRDC World Trade Centre.

Gansu Province - A Conduit for India-China Co-operation

Mr. Wei Qizhu, Department of Exhibition and Conference Director, China Council for the Promotion of International Trade, Gansu Provincial Committee accompanied a business delegation from the Gansu Province to the Centre. He said, "Gansu Province located in the North West region of China forms an integrated part of the Silk Road Economic Belt, thereby unfolding many opportunities for India's cooperation with Gansu. There is scope for collaboration in the areas of agriculture and food products through our respective enterprises. Also, the Gansu Province has made excellent strides in the sectors of wind and solar power with 58 wind power stations and 1 solar power station, contributing 40 million units to the energy sector in the region. India is placing considerable importance to the sector of new energy and we look forward to cooperation with India in the new energy area".

Further, there are good opportunities for cooperation in the steel and furniture sector and Gansu is a leading importer of iron ore from India. Mr. Qizhu was hopeful of doing greater



From (L-R): Mr. Wei Qizhu shaking hands with Capt. Somesh Batra. Looking on is Mr. Vijay Kalantri, holding the signed Memorandum of Understanding (MOU) between MVIRDC World Trade Centre and China Council for Promotion of International Trade, Gansu Provincial Committee.

business with India from the coming year and he mentioned that Gansu based enterprise is already engaged in Mumbai's construction sector.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and President, All India Association of Industries mentioned that India and China trade has crossed US\$ 60 billion and trade balance is in favour of China. India and China together constitute 40% of world GDP. India at present imports a large number of commodities from China from various sectors. Mr. Kalantri said that in the emerging scenario, countries are looking at India and this is an opportune moment for China to engage with India. India has pronounced 'Make in India' and China should create a hub of manufacturing and investments in India to take advantage of India's cost competitiveness. China has already committed US\$ 7 billion worth of investments in India and the time is ripe for India and Gansu to explore investment opportunities in various sectors.

Capt. Somesh Batra, Vice Chairman, MVIRDC World Trade Centre highlighted that India has a young population with excellence in the software sector, while China has built competencies in the hardware sector. Thus both India and Gansu can work together in the IT sector and together attract a lot of global business. Mr. Batra said that joint ventures

between both our countries can bring down costs for both sides. Mr. Batra also suggested cooperation between India and Gansu in the sectors of green technology, sustainable development, solar development, water resources, infrastructure, ports and power. In addition to agriculture, both sides can work together in the areas of waste management, clean environment, food technology, food preservation and warehousing. Mr. Batra assured that MVIRDC World Trade Centre and All India Association of Industries can find suitable partners for India and Gansu to work together.

An MoU was signed between China Council for the Promotion of International Trade, Gansu Provincial Committee and MVIRDC World Trade Centre and another between China Council for the Promotion of International Trade, Gansu Provincial Committee and All India Association of Industries to promote commerce and trade between the nations.

The meeting was followed by Business-to-Business interactions between the Gansu delegation members, WTC Mumbai members and AIAI members from the sectors of construction, agro commodities and food products.

December 19, 2014 organised jointly by MVIRDC World Trade Centre and All India Association of Industries.

‘Creating an Export Plan for a Company’

A Workshop

A workshop on 'Creating an Export Plan for a Company' was organized at Keys Hotel at Aurangabad which generated much enthusiasm amongst the industrialists and the business community. Around 70 delegates attended the programme.

Mr. Virendra S. Gupte, Former Head-Trade Services and Chief Ethics Counselor, Tata International Limited and the faculty for the workshop discussed the different facets of international trade. He elaborated on the various aspects that need to be considered while entering into international trade. He examined the world trade scenario, India's external trade as well as the shift that happened in export-import basket of India in the last one decade. He highlighted the global challenges for business organizations, relevance of Global PESTLE analysis, World Bank framework of ascertaining Country Attractiveness and Ease of Doing Business parameters. He also discussed the relevance of market research, drafting a model export contract and a selling agency contract, key do's and don'ts in appointing agents, due diligence of selecting customers / suppliers, role of trade bodies for seeking trade information and the role of ECGC in supporting exports. He concluded by asking the participants to prepare a flow chart for signing a selling contract.

During the opening session **Mr. P. P. Deshmukh, Joint Director, Industries and Executive Director, Maharashtra Centre for Entrepreneurship Development** highlighted the importance of the Aurangabad Region and the steps government is initiating to improve the industrial base in the region. He appreciated the initiatives of MVIRDC World Trade Centre in organizing events to assist the entrepreneurs.



Mr. P. P. Deshmukh addressing the workshop. Others on the dais (L-R): Mr. Ashish Garde, Mr. A. O. Kuruvila and Mr. Virendra S. Gupte.

Mr. Ashish Garde, Vice President, Chamber of Maharashtra Industries & Agriculture signed a MoU between the Chamber of Marathwada Industries and Agriculture and MVIRDC World Trade Centre.

December 23, 2014 organised jointly by MVIRDC World Trade Centre Mumbai, Chamber of Maharashtra Industries & Agriculture and Maharashtra Centre for Entrepreneurship Development.

Economic Cooperation between India and China: A Remarkable Story



V. K. Mishra

Executive Vice Chairman,
India China Trade Centre, New Delhi

The relationship between India and China dates back to over 2000 years ago. From Buddhism that was born in ancient India and thrived in ancient China, to the Indian dances, yoga, literature, architecture and sugar making techniques that were introduced to China. In turn, China's paper manufacturing, silk, porcelain, tea and music found its way to India. All of this makes up the historic evidence of our interconnectivity through mutual contact and learning.

In 1950, India and China established diplomatic ties, opening a new chapter in bilateral relations. India was among the first to recognize the new China and in proposing a resumption of China's legitimate seat in the UN. India and China officially resumed trade in 1978. In 1984, the two sides signed the Most Favoured Nation (MFN) Agreement.

Economic cooperation between India and China in the last decade has been a remarkable story. India-China bilateral trade which was as low as US\$ 2.92 billion in 2000 reached US\$ 51.8 billion in 2008, making China, India's largest trading partner in goods, replacing the

United States of America. By the end of 2009, as a result of the world economic downturn, bilateral trade dropped to US\$ 43.27 billion (a decline of 16.54%). However, in 2010 bilateral trade reached US\$ 61.74 billion, a growth of 43% compared to the same period last year. India exported goods worth US\$ 20.86 billion (+52%) to China and imported goods worth US\$ 40.88 billion (+38%) from China, resulting in an adverse balance of trade of US\$ 20 billion. In 2011, bilateral trade reached a historical high of US\$ 73.9 billion (+20%). India's total exports to China for 2011 were US\$ 23.41 billion (+23%) and China's exports to India reached US\$ 50.49 billion (+24%).

Trade deficit for India for year 2011 stood at US\$ 27.08 billion. For 2012 the bilateral trade stood at US\$ 66.57 billion, recording a decline of almost 10% and this trend continued during the year 2013, also where the bilateral trade decline was of almost 1.5%, when compared with that of the previous year 2012 and stood at US\$ 65.47 billion and trade deficit for India stood at US\$ 35 billion. *(Statistics are as per Commerce Ministry of India and Custom Department of China)*

When we mention trade imbalance China is having competitive advantage over India, due to its large manufacturing base and higher productivity. It may be a better strategy to invite Chinese manufacturers in India which will create local job opportunities rather than allowing imports under pressure. China is reaching its acme in manufacturing but is weak in service sector where India is comparatively stronger. India can push its manufacturing base with the Chinese FDI and greater market access for Indian services sector companies.

China committed USD 20 billion investments over the next five years and agreed to provide greater market access to Indian pharmaceuticals, handicrafts, textile, gems and jewellery, bovine meat, oil meals, basmati and non-basmati rice, fruits and vegetables, with a view to reduce the large trade gap with India. The 'Five-year Trade and Economic Development Plan' was signed by Commerce Minister Nirmala Sitharaman and her Chinese counterpart Gao Hucheng in the presence of Prime Minister Narendra Modi and visiting President Xi Jinping. As per the MoU signed in June, 2014, China will set up an auto industrial park in Maharashtra and Electricity Equipment Industrial Park in Gujarat.

With an increase in the bilateral trade, the trade deficit has increased exponentially, and it may not be sustainable for a long period of time. While the uncovered trade gap was reported at US\$ 602 million in 1998, it increased alarmingly to US\$ 39.2 billion in 2012. During the earlier part of the decade (i.e. 2001-02), the size of the trade deficit declined for a few years, but started growing since 2002. During the last decade, the growth of the trade deficit was robust for the period 2004-07, when the global economy was booming. The trade deficit made a quantum jump in 2006 to reach a level of US\$ 7.9 billion from US\$ 3.5 billion in 2005, posting an annual growth rate of 129%.

A study commissioned by the Reserve Bank of India has noted that such a deficit is 'unsustainable'. Rendering this trade deficit 'unsustainable' is a series of Chinese non-tariff barriers, not just on pharmaceuticals, but also on items like steel and auto components. Moreover, India receives discriminatory treatment



on registration of its products and faces barriers in services such as banking, insurance, warehousing and freight forwarding. Over 41 products have been identified, which India exports significantly worldwide. But these products are prevented from entering the Chinese market. They include plastics, manmade filaments, electrical and optical machinery and vehicles. The registration of Indian companies in China is exceedingly difficult. It takes 3-5 years to secure registration in China — a process that normally takes six months in India for Chinese companies. China on its part wanted India to expedite approval allowing Bank of China to establish a branch in India and to restrain anti-subsidy investigations against China.

Although such trade barriers are tough in China, India can yet explore the opportunity of a large trade potential in China's diversified sectors. Considering the trade opportunities in China and India's competitiveness in several lines of exports, the present trend of trade imbalances may be settled without limiting the size of bilateral trade.

In this context, it is important to examine the import structure of China from the rest of the world. China mostly imports electronic equipment, oil, machines, ores, ash, medical equipment, vehicles, plastics, organic chemicals, copper etc. from the rest of the world.

Traditional items of export from India to the rest of world are not in great demand from China. But there is demand for knowledge-based import. Indian industries had already engaged with



China for third world country export, this can be improved and applied for export to the rest of the world. India's regular demand to China for opening up more market for India is not yielding any result. It should be dealt with India — China specific strategy. India's export basket for China can include sectors such as horticulture, automobile components, processed food, animal products, chemicals and minerals mainly. South western region of China - Yunnan, Chongqing, Sichuan and North West province — Xinjiang and Shanxi are located in the hinterland and can be

considered potential for trade activities. It is important to mention here that these provinces are located close to India. The Chinese Government has offered preferential treatment for these regions.

It is noteworthy to mention here that the export potential in India's current trade sectors are mostly linked to diversified sectors. India has to restructure its export orientation to meet the specific import requirements of China, so that it can have a wider access to the domestic market. If product restructuring is initiated in the Indian export basket, it can reduce its current pressure on bilateral trade imbalance so as to normalize its trade with China in the medium term.

Constant upgradation of technology, product development, constant rise in R&D expenditure and indigenisation of foreign technology accompanying FDI, are the important factors for the structural transformation in export

development. However, at the same time we desperately need to change our mind set and understand that India and China are friends and not foes. We need to relook at the India-China relationship and try to win mutual trust, and strengthen the cooperation. It is only through that attempt, both countries will be able to reap the benefits of playing a combined role as a strong player in the global market and create a win-win situation for both.

■

How to Improve your Customer Acquisition in Tradeshows?

Sanjay Barkataki
Co-founder, Friends of Ambition

Most companies in the Business-to-Business manufacturing space that set up their operation and start manufacturing their product, first sell it to people they know within the geography they operate. As they start getting traction and acceptability in the local market, they start looking for new customers outside their local market. But how do they source new customers?

For acquiring new customers, most Business-to-Business companies, start building their websites, create their sales and distribution network, attend trade shows as exhibitors, do digital marketing, print advertising etc. These marketing and sales initiatives are necessary for new customer acquisition beyond their local geography. According to global research company, Forrester Research Inc., 70% of Business-to-Business companies find trade shows an important marketing initiative to generate new leads.

Why is a trade show an important marketing tool for B2B companies?
Trade shows have many benefits for Business-to-Business companies. Many companies rely on trade shows to find opportunities to grow their customer list, establish partnerships, find new and better ways of doing business and building a more impressive reputation within an industry. According to data from the Center for Exhibition Industry Research (CEIR), '88 percent of the attendees, at a trade show usually haven't been seen by a member of your company's sales staff in the past year,

and 70 percent plan to buy one or more products. On an average, 76 percent of the attendees ask for quotes and 26 percent end up signing purchase orders. Seventy-two percent of visitors say the show itself influences their buying decisions'.

Of course, the fact that trade shows offer a lot of chances for boosting business doesn't guarantee success. Trade show leads can be effective, however you need to look at how relevant the trade show and its visitors are to what you have to offer. Once you book a booth in a trade show, you need to put the hard work in before, during and after. Promoting your presence at the trade show, getting your sales team to set appointment with prospective customers and making sure that you have a process in place to capture the leads properly (what was discussed on the booth, what products/services were discussed) and then you need to make sure all of the leads get followed up as soon as possible. We have found out talking to exhibitors, that only 2 percent of the exhibitors send mails to visitors within seven days after the trade show. Most of them do not follow with the visitors seeking their requirements.

It is given that winning new clients is the number one priority, but companies are not being able to leverage the trade shows to attract, excite and convert prospective customers. Most companies spend significant amount of money, senior executive time and energy in participating in trade shows, however they manage the process in an ad hoc and crude manner, resulting in sub-optimal results. Hence most promoters find trade shows expensive and cost of customer acquisition high.

Technology can help save time and streamline the regular, boring work processes, but there is no technology available now to manage the trade show participation. They could potentially be using Customer Relationship Management (CRM) applications, but they have too low a penetration amongst



SMEs. As a result, company teams at best use excel, e-mail and in rare instances MS Projects, all as isolated help. Naturally, this kills productivity and wastes time.

Keeping this in mind, 'Friends of Ambition' is launching the world's first trade show management platform in April 2015. It is a highly secure web and mobile platform that will help exhibitors at trade shows extract greater value out of their participation. The platform will help exhibitors do what they are doing, better, faster and less painfully.

Combining today's latest cloud, data and social technology, the platform will help the exhibitor manage the trade show participation throughout the life cycle of the trade show in the following ways:

- Before trade show - attract the right guests, announce the show to those who can come, plan your exhibition booth
- During trade show - excite the guests who visit the company booth
- Post trade show - follow up on the warmest leads and convert them

It will be a collaborative platform which will create value for all the participants of trade shows. The platform will have various integrated tools like marketing automation, project planning, time sheets, expense tracking, vendor management, dashboard, digital asset management, CRM, knowledge management etc, which will help the exhibitor in getting a better Return on Investment (ROI) from the trade shows. Exhibitors who participate in multiple trade shows or participate in trade shows abroad will find the platform useful for scaling their business.





The official 'Purchasing Managers Index' (PMI) slipped to 50.1 in December from November's 50.3, but remained just above the 50-point level that separates growth from contraction on a monthly basis.

In a bid to spur growth and keep borrowing costs affordable, the central bank unexpectedly cut interest rate for the first time in two years on November 21, 2014 while the economic planning agency has been approving more infrastructure projects.

Russian Economy contracts by 0.5%

Russia's economy shrank sharply in November owing to western sanctions and a slump in oil prices inflicting the first contraction in GDP since the global financial crisis. The Ministry of Economy reported that the gross domestic product shrank 0.5% in November, the first drop, since October 2009.

The oil exports form the backbone of the Russian Economy. The slide in the oil prices in tandem with the OPEC's refusal to cut output lead to the negative growth. On top of this, the sanctions imposed over Moscow's role in the Ukraine crisis have deterred foreign investment and led to over \$100 billion flooding out of the Russian Economy.

Evaluating the slump in the GDP growth Dmitry Polevoy, Chief Economist for Russia and Commonwealth of Independent States (CIS) at the ING Bank in Moscow quoted "With the current oil price we expect things to get worse. There is no cause for optimism. This is linked to sanctions first of all on oil and the panic we saw on the market in December. The damage to the banking system and consumer sentiment will take a long time to repair".

The sanctions have severely reduced the ability of Russian companies to borrow abroad, triggering the worst currency crisis since Russia defaulted on its debt in 1998. The Russian currency Rouble's weakness will inevitably lead to higher inflation next year by pushing up the cost of imports, threatening President Vladimir Putin's reputation for ensuring Russia's prosperity. Government ministries forecast the slump in oil prices will lead to a 4% contraction of the economy next year and that inflation could exceed 10%.

China's factory output slows down

A study by the government indicated a slowdown in China's factory sector underlining the challenges facing the country's manufacturers namely, rising costs of raw material and softening consumer demand. The study reinforces expectations that the government authorities will have to roll out stimulus measures to avert a sharper slowdown which could trigger job losses and debt defaults.

The economic growth in the fourth quarter is expected to slow down marginally from 7.3% in the third quarter. That suggests full-year growth will undershoot the government's 7.5% target and mark the weakest expansion in 24 years.

Oil prices fall 46% in 2014

Oil prices ended the year with the worst annual price drop since 2008, reflecting the global supply glut caused by slowing demand from China and the booming U.S. shale production.

U.S. crude (West Texas Intermediate) settled down 85 cents to \$53.27 on December 31, 2014 dropping 46% for the year. Brent oil closed at \$57.33. It fell 48% for the year.

In the past, the Organization of the Petroleum Exporting Countries has cut oil output to keep price afloat in times of supply abundance. However, the group, comprising 12 oil producing nations, has been reluctant to lower supply this year, fearing that its market share will be eroded by heightened competition from U.S. suppliers.

World Health Organization reports 7,905 Ebola deaths

The World Health Organization recorded 20,206 cases of Ebola virus disease since its outbreak in December 2013. The number of reported Ebola deaths in West Africa has risen to 7,905. Guinea, Liberia and Sierra Leone have been the hardest-hit countries in the epidemic.

An update by the WHO informs of gradual decline in the number of victims infected by the virus. The number of new cases in Liberia has declined in the past six weeks. In the region of Sierra Leone, there are signs of residing number of new cases. The situation of the epidemic in Guinea is fluctuating, between 70 and 160 confirmed cases over the past 15 weeks.



INDIAN NEWS

Government draws action plan to boost manufacturing

The Ministry of Commerce and Industry plans to strengthen India's infrastructure to boost its manufacturing capabilities. According to the Ministry, the industry is accustomed to see the Indian Government as a regulator. 'Make in India' intends to change this by bringing a paradigm shift in how government interacts with industry. The government will partner industry in economic development of the country.

Drawing an action plan to make the 'Make in India' campaign a successful one, the Ministry intends to strengthen infrastructure, improve the ease of doing business and focus on its 25 identified sectors. Announcing the progression towards the campaign, the Ministry said that significant progress has been made in the model solar power project at Neemrana, Rajasthan.

The government will develop industrial corridors and smart cities for providing infrastructure based on modern technology with high-speed communication. The Delhi-Mumbai Industrial Corridor's request for qualification proposal for the empanelment of the engineering, procurement and construction, contractors for roads and services for activation area of Ahmedabad-Dholera Special Investment Region in Gujarat has been floated. The work on other corridors including the Chennai-Bangalore Industrial Corridor, Vizag-Chennai Industrial Corridor and Bengaluru-Mumbai Economic Corridor is in progress. The government will promote special economic zones with mixed land use in non-processing areas.

The central government services such as permanent account number, tax deduction and collection account number services of central board of direct taxes, DIN, certificate of incorporation and certificate of commencement of business services and employer registration service of EPFO will be integrated shortly in tune with the e-Biz project.

In order to ensure a competent workforce for the industry the Ministry will be identifying the required skill sets accordingly to train its workforce.

Meeting fiscal deficit target of 4.1% of GDP is a challenge

India's fiscal deficit during the April - November period was 98.9 per cent of the 2014 - 15 estimate, primarily on account of subdued revenue realization. Fiscal deficit during the same period in 2013 was 93.9 per cent of the year's target.

The Controller General of Accounts reports that the government's fiscal finances were in a similar situation last year. The difference is that, while spending was higher and revenues lower last year, only lower revenues (and not higher spending) are responsible for this year's tight fiscal situation.

Given the dismal revenue growth, achieving the 4.1 per cent of GDP target would require sharp expenditure cuts, delayed

payments (tax refunds) and higher dividends from public sector companies in the next three months.

The government had put in place a fiscal consolidation roadmap as per which the fiscal deficit has to be brought down to 3 per cent of the GDP by 2016-17. To reduce the fiscal deficit to 7-year low, it has announced a slew of austerity measures aimed at cutting non-plan spending by 10 per cent.

RBI reviews economic performance

The RBI acknowledged investor optimism in the Indian growth story and said the challenge ahead for the government is to deliver 'commensurate structural reforms' in its Financial Stability Report. The central bank stated that falling inflation and political stability have helped check the macroeconomic vulnerabilities. The central bank, however, flagged lower revenue mobilisation this fiscal as a 'major concern' and said that the asset quality remains a grey area in the banking sector.

As for the recent phenomenon of an increase in FII, interest in Indian debt, RBI sounded caution, saying it can turn volatile, reacting to changes in global markets, especially in the US, the world's largest economy.

Inflationary pressures in the economy had resulted in the elevated interest rate structure. The CPI inflation over the next 12 months is estimated to be around 6 per cent (up from the 4.4 per cent in November 2014), if international crude prices remain at the current levels and monsoon next year turns out to be normal.

On banking, the regulator said the risks remain unchanged from the last Financial Stability Report (FSR) (released in June 2014) and highlighted the need to contain the asset quality stress. RBI said the gross non-performing assets (GNPA) ratio has gone up by 0.4 percentage points over the last six months to 4.5 per cent in September and may improve to 4 per cent by March 2016, if there is a sustained economic improvement. However, the central bank sounded concerns about the restructured assets, calling it a 'cause of serious concern'.

India faces widening trade deficit

India's foreign trade has increased with an annual average growth rate of 13.42 per cent from USD 42 billion in 1990-91 to USD 765 billion in 2013-14. However, trade deficit, the difference between imports and exports, jumped to USD 136 billion in 2013-14 from USD 6 billion in 1990-91. High trade deficit impacts exchange rate and foreign exchange reserve position.

The key reason for ballooning trade gap has been the declining contribution of the manufacturing sector to the GDP. The manufacturing share to the overall GDP has declined from 23-24 per cent to about 15 per cent currently. Secondly, rise in imports, including oil, has contributed to rise in the country's trade deficit.

Also, the global economic crisis, the sovereign debt crisis in Europe and the slowdown in developed economies have adversely impacted demand for India's exports.

INTERNATIONAL TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
SGI Dubai 2015	Dubai, United Arab Emirates	January 11-13, 2015	<ul style="list-style-type: none"> • Signage • Digital Printing 	 www.signmiddleeast.com
Livestock Myanmar 2015	Yangon, Myanmar	January 29-31, 2015	<ul style="list-style-type: none"> • Animal and Dairy Products 	 www.livestockmyanmar.com
Creativa Grenoble 2015	Parc des Expositions, France	January 29-1 February, 2015	<ul style="list-style-type: none"> • Floral art • Creation of Jewelry • Clay hardening • Clay soil 	 www.creativa-grenoble.com
Fastfood & Cafe Stockholm 2015	Kistamassan, Sweden	January 27-28, 2015	<ul style="list-style-type: none"> • Agro Food products 	 www.easyfairs.com
Rhein Neckar Pfalz Travel Market 2015	Munich, Germany	January 10-11, 2015	<ul style="list-style-type: none"> • Travel and Tourism 	
PSI Dusseldorf 2015	Dusseldorf Exhibition Centre, Germany	January 7-9, 2015	<ul style="list-style-type: none"> • Advertising • Photography • Electronic Media • Signage 	 www.psi-messe.com
Restaurangexpo Stockholm 2015	Kistamassan, Sweden	January 27-28, 2015	<ul style="list-style-type: none"> • Hotels and Restaurant Industry 	 www.easyfairs.com/events
World Ag Expo 2015	Tulare, USA	February 10-12, 2015	<ul style="list-style-type: none"> • Agrochemicals • Agricultural Software, Machines • Dairy 	 www.worldagexpo.com

INTERNATIONAL TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
100%Optical 2015	London, United Kingdom	February 9, 2015	• Optical Show	 www.100percentoptical.com
20th CAAR 2015	British Columbia, Canada	February 18-19, 2015	• Agriculture Sector	 www.caar.org
MTE - Malaysia Technology Expo 2015	Putra World Trade Centre (PWTC), Kuala Lumpur, Malaysia	February 12-14, 2015	• Environmental Healthcare and Life Science sectors	 www.mte.org.my
BETA International 2015	Birmingham, United Kingdom	February 22-24, 2015	• Country Clothing • Pet Product Sectors	 www.beta-int.com
ECF - East China Fair 2015	Shanghai, China	March 1-5, 2015	• Textiles • Fashion Garments	 http://vip.ecf.gov.cn
Spring Ideal Home Show 2015	Halifax, Canada	March 27-29, 2015	• Home Electronics and Appliances	
VIV Asia 2015	Bangkok, Thailand	March 11-13, 2015	• Animal Husbandry • Processing	 www.vivasia.nl

INDIA TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
AgriHorti Tech Uttar Pradesh 2015	Lucknow, India	January 22-24, 2015	<ul style="list-style-type: none"> • Agriculture • Horticulture • Technology 	 www.agrihortitech.com
Food ProTec 2015	Tamil Nadu, India	January 23-25, 2015	<ul style="list-style-type: none"> • Food Processing • Agriculture 	 www.foodprotech.com
6th Vision Rajasthan 2015	Udaipur, India	January 29-31, 2015	<ul style="list-style-type: none"> • Agriculture • Horticulture • Dairy • Poultry 	 www.visionrajasthan.org
India International Pet Trade Fair 2015	Bengaluru, India	February 6-8, 2015	<ul style="list-style-type: none"> • Pets 	 www.iptf.com
SVUM 2015 International Trade Show	Rajkot, India	February 11-15, 2015	<ul style="list-style-type: none"> • Engineering • Education • Textile 	 www.svumtradeshow.in
MachAuto Expo 2015	Ludhiana, India	February 13-16, 2015	<ul style="list-style-type: none"> • Food Processing • Machinery • Machine Tools • Pneumatics • Hydraulic Products 	 www.machautoexpo.com
Rice Tech Expo 2015	Warangal, India	February 13-15, 2015	<ul style="list-style-type: none"> • Agriculture 	 www.ricetechexpo.com
International Flora Expo 2015	Chandigarh, India	February 20-22, 2015	<ul style="list-style-type: none"> • Floriculture 	 floraexpo.com
International Horti Expo 2015	Chandigarh, India	February 20-22, 2015	<ul style="list-style-type: none"> • Horticulture 	 www.hortiexpo.com
Logistics 2015	New Delhi, India	February 26-28, 2015	<ul style="list-style-type: none"> • Logistics 	 http://ciilogistics.in/
AGRITEX -Hyderabad 2015	Hyderabad, India	March 30-1 April, 2015	<ul style="list-style-type: none"> • Agriculture 	 www.agritex.co.in



Highlights

Conference • Exhibition • B2b • Industry Visits • Handbook

Food Security and Prices	Agriculture and Labour
Agriculture Technology and Engineering	Global Plans of Action
Food Chain/Cold Chains/Value Chains	Foreign Investment in Agriculture
Agriculture Risk Management	International Cooperation
Agriculture Research and Skill Development	Sustainable Agriculture Organic Farming
Food Safety - Standards and Regulation	Right to Food - Hunger and Millennium Development Goals

The world is witnessing a major shift in the way food is produced and distributed in recent years

The world now produces enough food to feed everyone. Yet one of the great flaws in current food systems is that despite significant progress in development and food production, hundreds of millions of people are hungry because they lack the means to produce or purchase the food they need for a healthy and productive life. Improving agricultural and food systems is essential for a world with both healthier people and healthier ecosystems. This means in all agricultural production systems, the transition to move to sustainable practices requires more careful harnessing of ecosystems services. Governments around the world must make fundamental changes in the governance of food and agriculture to ensure an equitable sharing of the benefits of agricultural transition. In the light of India's efforts to strengthen agriculture sector and support to the mission 'Food for All', the Summit assumes heightened importance.

For enquiries contact organizers



Connects Odisha

With the Worlds Largest Global Business Network

WTC Bhubaneswar promoted by  MVIRDC

Facilitates Trade, Investment Promotion and Knowledge Based Services
Helps Enhance Competitiveness of Odisha
Assists Local Business to Foray into Global Markets



WORLD TRADE CENTRE
BHUBANESWAR • Promoted by MVIRDC
Member of WTCA New York

World Trade Centre Bhubaneswar

IDCO Tower, 3rd Floor Extension Building, Janpath, Bhubaneswar - 751022.

Website

www.wtcbhubaneswar.org



An initiative by
WORLD TRADE CENTRE™
MUMBAI • Promoted by MVIRDC