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MAKE IN INDIA

SKILLING
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COMPETITIVENESS
EXPORTS
GROWTH

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'Make in India' the Smart Way

The dream of strengthening India's manufacturing capabilities took a new shape when the central government launched a high decibel campaign 'Make in India'. Considering the importance of a sound policy framework to attain this dream, the government took a slew of measures which include liberalizing foreign investment norms in railways and defence, easing labour laws and simplifying procedures for setting up businesses to make India a favourable destination for the manufacturing sector. The National Investment and Manufacturing Zones are being conceived as giant industrial greenfield townships to promote world-class manufacturing activities. In order to provide world class infrastructure for the manufacturing sector, the government is developing the Delhi-Mumbai Industrial Corridor (DMIC) along the 1,483 km-long western dedicated railway freight line.

This renewed thrust on manufacturing sector is due to the fact that India's economic progress since its independence in 1947 has not given rise to a globally competitive and resilient manufacturing sector. The share of manufacturing sector in the GDP of our country has risen only marginally from 14% in 1950s to 17% at present. However, the share of services sector has risen from less than 30% to 61% during this period. India's leadership in the service sector is in contrast to the export-led industrialization followed by south-east Asian nations. The share of manufacturing in the GDP of Thailand is 34%, China 32%, South Korea 31%, Indonesia and Malaysia 24% compared to 17% in India.

The 'Make in India' campaign aims to raise the growth of the manufacturing sector to 12-14% per annum over the medium term from the present 5-6%. It also aims to raise the share of manufacturing in the country's GDP to 25% and create 100 million additional jobs by 2022 in this sector.

Considering the dominance of 'Make in India' campaign in the contemporary policy discourse of the Indian economy, this issue of On Trade covers the various features of this campaign and its impact on employment, investment, agriculture and trade.

As a trade promotion body, World Trade Centre Mumbai strongly feels that this campaign should strengthen India's manufacturing capabilities in high-tech sectors including defence, consumer electronics, renewable energy, space, biotechnology etc. India must focus more on these high-tech sectors in order to avoid direct competition with our south-east Asian neighbours like Myanmar, Cambodia, Laos, Vietnam, who are also set to emerge as leading manufacturing destinations owing to the availability of cheap labour. Once the ASEAN Economic Community becomes a reality (2015 is the deadline set for forming this union), these countries can freely export their goods to the other ASEAN countries like Singapore, Thailand, Malaysia, Indonesia etc. The ASEAN Economic Community envisages a single market and production base among the 10 ASEAN countries - Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei Darussalam, Vietnam, Lao PDR, Myanmar and Cambodia. Amidst this development, India must carve a niche for itself by specializing in high-skilled manufacturing sectors where the south-east Asian countries like Myanmar, Cambodia, Laos and Vietnam find difficult to compete. Thus, the smart way to promote 'Make in India' campaign is to develop a globally competitive high-tech manufacturing sector in India.

Wish you Happy Reading!

Y. R. Warerkar

Y. R. WARERKAR

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ALL INDIA ASSOCIATION OF INDUSTRIES

GES 2015

The 5th Global Economic Summit

19 20 21 November 2015, Expo Centre, World Trade Centre Mumbai

Theme: Enabling Food for All

Objectives

- Create a forum for exchange of knowledge
- Learn about emerging trends in food industry
- Encourage innovation in the industries business models & processes
- Connect with potential business partners

Who Should Participate/Exhibit?

- **Agriculture Institutions**
- **Processed Food Manufacturers**
- **Micro Financing Institutions**
- **Logistics**
- **Food Supply Chains/Cold Chains/Value Chains**
- **Agricultural Educational Institutions**
- **Government Regulatory Bodies and Agencies**
- **Trade Promotion Organizations**
- **Importers and Exporters**
- **Country Representatives**

Summit fee	Exhibiton fee
Indian Delegate: Rs.6000 **Overseas Delegate: US$100** (inclusive of service tax)	**Indian Exhibitors: Rs. 30,000** (inclusive of taxes) **Overseas Exhibitors: 500 USD** (inclusive of taxes) Dimensions: 3mtrs x 2 mtrs x 2.5 mtrs (ht.)

Highlights

CONFERENCE ✧ EXHIBITION ✧ B2B ✧ INDUSTRY VISITS ✧ HANDBOOK

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'Make in India' to Drive SME Growth

Chaitanya Shah
CEO, CKPP Associates

'Make in India' is the strategy of the new government to launch India on the global economic scene with a bang. It has brilliant win-win strategy for global economies as well as India. The International companies / economies will gain through highly-skilled labour at very cheap cost, whereas India can gain by way of attracting investment, technology and also creating employment for its growing qualified youths. Make in India – plans to manufacture not only for Indian markets but would like to make India a manufacturing hub for all international companies for manufacturing even for global markets.

Small and Medium Enterprises (SMEs – here SMEs are interchangeably used to include MSMEs as well), are expected to play a very important role in this initiative. SMEs have formally been acknowledged as the backbone of the Indian economy for over the last decade. Government of India has passed the MSME Act, 2006 and also has set-up a separate MSME Ministry to provide support and to promote MSMEs across India. Currently, MSMEs account for about 16-18% of Indian GDP; however, with proper support it can easily contribute 30%+ of GDP. Besides, SMEs contribute 45% of industrial output, employment for over 42 million people and potential to create one million jobs every year. Moreover, it can also help in creating entrepreneurs, financial inclusion, equitable distribution of wealth and balanced regional development. 'Make in India' can help create enormous opportunities for Indian SME entrepreneurs, who have been acknowledged world over.

> It is the entrepreneurial quality which drives the growth of an entreprise from start-up to micro to small and to medium scale.

Although, on one hand there are enormous opportunities for SMEs with the 'Make in India' initiative, on the other, there are equally large number of challenges to be addressed to ensure that Indian SMEs are in a position to seize opportunities. The challenges range from proper product / service identification to finance, marketing, HR, management, infrastructure and many more operational difficulties. The article concentrates on SME challenges with respect to entrepreneurship, management and finance.

Interesting Statistics

There are over 300 million MSME units in India. Of these around 95% i.e. 285 million are Micro units i.e. manufacturing units with investment of Rs. 25 lacs and less in plant and machinery. Balance around 5% constitutes Small & Medium Enterprises i.e. less than 15 million. Almost 25% of start-ups close down in the first year of its commencement and only 50% survive beyond five years. Most of the units have been facing financing issues both from debt and / or equity. As per RBI, only 7% of total units have access to organized and formal channels of financing. Besides, SMEs also have tremendous social as well as political impact.

Hence, it is necessary to identify and analyze the key factors which can help optimize the performance of the SMEs in India. It is in this context, following three key factors have been identified and suggestions have been made to overcome challenges.

Management skills are key to providing 'Leadership' and proper 'Managerial' inputs for the growth of business.

Entrepreneurial Qualities

It is the entrepreneurial quality which drives the growth of an enterprise from start-up to micro to small and to medium scale enterprise. SME owner's 'Dream and Vision' is the driving force. At each stage, the owner needs to adapt to changing needs and accordingly mould into those roles – he has to keep on wearing different caps at the same time. The owner has to also have clear priority between 'Business vs. Personal' requirements. Business "needs" to have priority over personal 'wants'. As an entrepreneur, the owner needs to concentrate on building an Institution. Business 'Ethics' and 'Culture' that is imbibed into an organization will go a long way in building the institution.

Management Skills

Management skills are key to providing 'Leadership' and proper 'Managerial' inputs for the growth of business. It will also help identify right talent and build great 'Team' for

different stages of growth. Formal management education and exposure / experience will enable the SME owner to have 360º view of business. Knowing KRAs in key functions will optimize 'Time Management'. This will help in creating right mix of various 'Resources' vis-à-vis 'Business Requirements'. Most importantly, the SME owner is the best person to know the business requirements. In the absence of which, the SME owner has to depend on an advisor for key and important business decisions.

Understanding Financial Management

Most of the SME owners are technocrats and hence lack in 'Understanding and Appreciation' of Financial Accounting and Management. Financial management is the fulcrum

around which the business rotates. Proper financial management will help the SME owner to optimize business performance. Quality and timely information to all stakeholders will ensure in building credibility, particularly, with investors. This will pave the way for future growth.

Proper financial management will help the SME owner to optimize business performance.

Recommendations

Considering the importance of the issues and their impact on the SME future performance, the following recommendations were made which have been initiated by the government and / or Private sector.

- Identification of entrepreneurs / SME owners and projects for taking them on fast track basis.
- Giving case study based 2-3 day management education which will highlight the importance of 360º view of business.
- Creating awareness of the importance of financial management for managing business along with basic knowledge on accounting and personal vs. business finances.
- Creating all India level resource base for outsourcing various professional services.

These measures should provide an excellent support base for SME entrepreneurs, who have right business model and entrepreneurial perspective. The SME owners will be in a position to professionalize their outlook and organization to align them with the 'Make in India' initiative. In doing so, Indian entrepreneurs will come in contact with number of overseas business organizations and professionals.

■

'Make in India' can Create the Jobs Needed in Manufacturing

Santosh Mehrotra
Prof, JNU, is the author of Policies to Achieve Inclusive Growth in India (Cambridge University Press, 2015).

To avoid a rising tide of social conflict, the economy must create at least as many jobs as new entrants to the labour force: how many? And how?

How many jobs must be created to realise the Demographic Dividend (or avoid a Demographic Disaster)? At the risk of some over-simplification, the demographic dividend occurs when the share of the working age population in total population is on a rising curve, while the share of dependants (under 15 and over 60 year olds) is falling, it enables workers to save (hence saving's share in GDP rises); to invest; and thus, ceteris paribus, the growth rate rises. But for this dynamic to be in place the working age population should earn more than their parents were earning. For the latter to happen, they must be increasingly in jobs more productive than in agriculture (where the parents were), and agriculture itself must become more productive. The reason, it is understood, that East Asians (especially China) rode the wave of the demographic dividend is that they created jobs rapidly for those joining the labour force, as well as those leaving agriculture for better opportunities in industry and services, especially in export-oriented manufacturing.

But now international demand has collapsed (after the global economic crisis), India will have to rely to a greater extent on domestic demand to create jobs. Can the government's focus on 'Make in India' lead to non-agricultural sectors – mainly construction, manufacturing and services – creating enough jobs to absorb those entering the labour force?

Scare-mongers (or really the innocent) will tell you that 12 million persons are joining the labour force every year; or restate this myth by scaring you that this means 1 million a month must be provided jobs (or 30000 a day). This myth-creating number derives from the misinterpretation of the National Sample Survey (NSS) estimate that 60 million entered the labour force between 1999-2000 and 2004-5; implying that this number has been entering the labour force ever since. The fact is that 2004-5 was a total outlier among NSS estimates since the late 70s, which resulted in the modern version of scare mongering about India's population growth.

But when you smooth out the additions to the labour force over a longer period, the labour force growth suddenly drops to about 6 million per annum over the decade of 2000-2012. And when you factor in the population growth that has slowed to 1.4% pa, one realises that the 0-6 year old child population is not any higher in 2011 than it was 2001. So the implication is that though the population entering the labour force age of 15 to 60 is growing, it is doing so at a slowing pace. This demographic dividend will end in 25 years.

So let us return to the question: how many non-agri jobs need to be created every year over the eight year period 2011-12 to 2019-20 (the latter year taking us up to the terminal year of the new government's term)?

If the labour force participation rate (LFPR) (i.e. the share of the 15-60 year olds offering themselves for work) remains the same, the size of the labour force would increase by about 51 million from 2011-12 (485 million) to 2019-20 with an average increase of 6.4 million per annum. If the LFPR increases (as an upper limit), especially if those with secondary and above level of education (girls in particular) would increase by 5 percentage points, in that case the size of labour force would increase by about 63.6 million from 2011-12 to 2019-20 with an average of 7.8 million per annum. Providing jobs for this increase is achievable, since in the period 2004-5 and 2011-12, 7.5 million non-agri jobs per annum were created (and the same number were created annually over 1999-2000 to 2004-5).

Clearly, the most important point is that the number of jobs in total that have to be created is nowhere close to the 1 million a month that scare-mongers or innocents have believed.

Secondly, as young people get more educated, they will neither want to work in agriculture (currently the biggest employer, with 49% of the workforce) nor in construction (with 12% of the workforce, but exhibiting the fastest growth in employment). They will want wage-work (casual or regular) or self-employment in manufacturing or services – off-farm in rural areas, but mostly in urban areas. So non-agri jobs must be created, otherwise educated unemployment will rise, which can create a rising tide of social conflict.

Thirdly, a rising share of those educated, at least up to secondary level, will be girls. Elementary education is getting universalised, and girls have been continuing into secondary education, encouraged by the cash transfer given by nearly all state governments for those girls that continue beyond class 8 into secondary level. The LFPR of women in India is one of the lowest in the world. This is set to change, provided non-agri jobs exist that girls normally would accept (manufacturing garments, or in modern services). Is the government ready to create the enabling environment to meet the demands for jobs of these new entrants to the labour force?

Fourthly, jobs have to be created not merely for those just joining the labour force, but also for those leaving agriculture for better paying non-agricultural employment. For the first time in India's economic history the absolute number of those in agriculture has been falling, since 2004-5. The absolute number in agriculture fell from 269 to 232 million between 2004-5 and 2011-12. For the new NDA government elected in 2014, this is a very different reality from the one facing them between 1999-2000 and 2004-5, when the absolute numbers in agriculture actually grew by 20 million – a retrogressive development. Now jobs will have to be provided for the roughly 5 million per annum or so that were leaving agriculture for non-agri job between 2004-5 and 2011-12, and likely continue to do so.

However, this last challenge is in some ways the easiest to address. If investment in infrastructure, housing and public works is sustained, the unskilled who leave agriculture will get absorbed in construction, as they have been for the last decade or more. The first three challenges are much more serious, especially if those jobs are to be organized sector formal jobs. But the preceding analysis suggests that it is clearly feasible for India to sustain the increase in industrial (manufacturing plus non-manufacturing) and service jobs into the future, just as we have managed to do over the period 2000-2012.

An increase in organized sector, formal jobs will require the investments in infrastructure, power, coal, logistics, and skills, as well as labour law and other reform. This will enable productivity in Indian industry and services to rise. But to be realistic unorganized sector jobs will continue to be relied upon to create most of the new industrial jobs. That requires a slightly different policy focus than what the advocates of 'Make in India' have spoken about so far (e.g. industrial corridors and smart cities).

It will require investment in small town infrastructure. As Mckinsey Global Institute recently reported, less than a third of India's urban population is in the middle tier of cities (with populations between 0.5 and 4 million), as against 50% in China. In India, 50% of the total urban population is found in the tiny towns each with less than 0.5 million people (while only a quarter of China's urban population is in such tiny towns).

> Scare-mongers (or really the innocent) will tell you that 12 million persons are joining the labour force every year; or restate this myth by scaring you that this means 1 million a month must be provided jobs (or 30000 a day).

Without greater investment in the middle tier of cities and also in tiny towns, the rate of urbanization will not increase.

Such an urban infrastructure investment strategy could be well complemented by a focus on cluster-based development, especially in India's 1100 or so modern industry (as opposed to 5000 or so traditional, artisanal products) clusters. This focus on modern clusters would have enormous pay-offs in terms of both manufacturing output and employment. Such a strategy requires a focus on credit for smaller/medium enterprises on a scale that has so far not been in evidence. In fact, the financial inclusion goal the government rightly espouses cannot merely be restricted to ensuring un-banked households get bank accounts. It must mean that the micro-small and medium enterprises (MSMEs) that get crowded out by big players in bank-lending (causing public sector bank stress), are financially included through credit.

While China is having to consciously re-balance its economy to meet domestic consumption demand (as international demand has collapsed after the global economic crisis), India already has a positive domestic dynamic in place on both the demand and supply side. As the number of poor fell by 140 million between 2004-5 to 2011-12, the new poor are generating new consumer goods demand on an unprecedented scale. Many of these new non-poor are the ones getting employment in the small enterprises that are producing the goods they are consuming. 'Make in India' can ride this wave, by focusing on not just raising output, but employment and growth in manufacturing.

Credit can help create entrepreneurs, who can create jobs for others. For the highly educated there are usually venture capital funding available, from 'angel investors'. For the less well educated, who wish to become entrepreneurs, the latest budget has provided for a Micro Units Development Finance Agency (MUDRA) Bank, with a corpus of Rs.20,000 crore, as well as a credit guarantee corpus of Rs 3000 crore. The MUDRA Bank will be responsible for refinancing all micro-finance institutions that are in the business of lending to such small entities of business through a PM's Mudra Yojana. The government could thus provide an enabling environment for the emerging educated class to choose entrepreneurship as a viable career option rather than end up as a wage earner. Promoting budding entrepreneurs in the manufacturing sector to realize the 'Make in India' dream.

■

Taiwan - A World of Innovation and Technology

*The Taiwan External Trade Development Council (TAITRA) is globally recognized as Taiwan's foremost non-profit trade promotion organization, with over 60 overseas offices around the world. In an interview, **Ms. Emma Yang, Director TAITRA Mumbai** elucidates on how she has created a wealth of trade opportunities through effective promotion strategies.*

What is TAITRA's strategy for India?

TAITRA has a fresh approach to global trade by adapting to changes in domestic and international markets. We would be working more closely with associations and government trade bodies to create a concrete base for both Indian and Taiwanese companies to encourage trade between them. TAITRA has many industry specific Business-to-Business (B2B) trade shows where a buyer and / or a visitor can go to Taiwan and can meet Taiwanese companies in person before procuring the products. Some of the big TAITRA trade shows are listed below:

- Taipei International Machine Tool Show
- Taiwan International Fastener Show
- Taipei Cycle
- Taipei International Sporting Goods Show
- Taiwan International Lighting Show
- Taipei International Auto Parts & Accessories Show / AutoTronics Taipei
- Computex Taipei
- Medicare Taiwan
- Food Taipei
- Semicon Taiwan
- Aqua Taiwan
- Taiwan International Electronics Show
- PV Taiwan
- E –Commerce Expo Asia

What are some of the success stories within the Indian market?

Taipei World Trade Centre Mumbai is successfully completing 23 year in India. Though there are many success stories, it is difficult to name a few as every step taken towards trade and business development between Taiwan and India is a success for us.

Which are the sectors you are looking to promote here in India? How do you intend doing this?

Under the guidance and support of our Chairman - Mr. Francis Liang, this year India is one of the emerging markets where we would be concentrating more on promoting trade and generating awareness about Taiwanese products and their innovativeness. Taiwan's strength lies in the sectors like machinery and automobile, computer and ICT, green energy, sporting goods, bicycles, fitness equipment, electronics, food and tourism. We have planned few industry specific R&D projects, increased participation and presence in B2B trade

Formosa; The Beautiful Island was named by the Portuguese in the past and is today popularly known as Taiwan (ROC). It is a multiparty democratic country. The quick industrialization and rapid growth of Taiwan during the latter half of the 20th century has been called the "Taiwan Miracle". Now Taiwan is one of the "Four Asian Tigers" alongside Hong Kong, South Korea and Singapore.

shows, media invitations, delegations, industry specific sourcing meets and much more.

How was the response to Taiwan Excellence 2014 Campaign held in India?

The Taiwan Excellence Campaign has seen an extraordinary response in the last five years. In 2014, Taiwan Excellence Campaign's theme was 'Excellent lifestyles in India'. We had showcased that there's more to Taiwan Excellence than the outstanding technological innovation in the ICT industry. We wanted India to witness that we have a strong foothold in other industries such as home appliances, sports & leisure, healthcare and machinery. The reliable, innovative, and remarkable products have become an extravagant treat for Indian consumers, giving them the opportunity to enjoy a superior quality lifestyle brought about by 'Taiwan Excellence'.

At the launch of Taiwan Excellence 2014 Campaign, Siddhartha Malhotra, leading Bollywood actor and our brand ambassador had said, "It's a pleasure and privilege to launch the Taiwan Excellence 2014 Campaign in association with TAITRA." Being a health and sports enthusiast, he was happy to be a part of the event wherein TAITRA promises to present the finest quality products from international Taiwanese brands to the Indian market and bringing 'reliable', 'innovative' and 'worthy' products for Indian consumers. For more information and promotional events about upcoming Taiwan Excellence 2015, please visit the main site:http://www.taiwanexcellence.com.tw or the Indian event site: http://www.taiwanexcellence.in

How do you plan to promote Taiwanese brands through e-commerce?

Taipei World Trade Centre Mumbai being a bilateral trade promotion body does not promote any brand online. But yes, you could find many Taiwanese brands like Asus, Acer, Adata, D–link etc on e–commerce portals like Snapdeal, Flipcart, Amazon.com, Ezone, Croma….We understand that India has a huge potential market for online products . TAITRA has decided to create a common platform by starting a trade show exclusively dedicated to the e-commerce industry which is called E-Commerce Expo Asia 2015 (Oct 6 - 9 2015).

How can the World Trade Centre Mumbai and Taipei World Centre - Mumbai form a mutually beneficial cooperation in the days ahead?

Both WTCs are very strong in India with a reach, knowledge and understanding of Indian as well as Taiwanese market and Industries. Through delegations and industry specific seminars WTC Mumbai and TWTC Mumbai can work together for mutual benefit of both countries. At present we have joined hands with WTC Mumbai for 2 of our upcoming Taiwanese Trade and Association's delegation to Mumbai in the month of May and July respectively. We also look forward to having a delegation by AIAI & WTC Mumbai to the Food Taipei Show 2015.

What is your view on the ease of doing business in India? Any suggestions?

India is a huge market with numerous business opportunities. One of the best things I like about India, is most of the people can speak in English which helps to understand things, while doing business in India. For suggestion I would say, if India can make their tax structure less complicated and create a common web portal where all trusted information can be found through a common window for a foreign company, it will really be encouraging for them to come to India for doing business.

■

Riding the 'Make in India' Wave of Growth

Ravinder
Director, Ministry of Commerce and Industry,
Department of Industrial Policy and Promotion,
Government of India.

Agriculture and allied activities contributed around 18.9 per cent to India's Gross Value Added (GVA), the recently adopted measure of national income in India with 2011-12 as base year. These activities employ 48.9 per cent[1] of the total workforce. This clearly indicates that a large part of India's workforce is still engaged in un-remunerative agriculture. Economic survey recognizes small share of manufacturing in total employment as a major factor in sluggish growth in employment generation[2]. India's National Manufacturing Policy, 2011 was announced with an objective of enhancing the share of manufacturing in GDP to 25% by 2022 and creating 100 million jobs. However, manufacturing witnessed a downward trend with growth rates of 1.1 % and -0.7% during 2012-13 and 2013-14 respectively. There was a need to give a significant impetus to manufacturing activities boosting sentiments and creating a conducive environment to promote entrepreneurship.

With this background, the Prime Minister of India launched 'Make in India' global initiative on September 25, 2014 from Vigyan Bhawan. The objective of the initiative is to unleash the untapped power of India's strategic strengths. The three D's that work in favour of India namely, democracy, demand and demography, are to be harnessed in a focused manner to ensure India's continued movement on the path of growth. 'Make in India' initiative intends to invite both domestic and foreign investors to invest in India. The initiative was simultaneously launched in the capital of all states and in several Indian embassies/high commissions where time-zones permitted. Few other Indian embassies have also organized 'Make in India' interactions after the launch.

The 'Make in India' initiative is based on four pillars, which have been identified to give boost to entrepreneurship in India, not only in manufacturing but also other sectors. The four pillars are:

- **New Processes:** Simplification and streamlining of the processes through deregulation and de-licensing articles; improving 'Ease of Doing Business'
- **New Infrastructure:** Creation of state-of-the-art infrastructure, nurturing innovation and preparing skilled youth.
- **New Sectors:** Opening up avenues for foreign direct investment in newer sectors.
- **New Mindset:** Industry is accustomed to seeing 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. The approach will be that of a facilitator and not regulator.

With these canons in mind, an Investor Facilitation Cell has been created in 'Invest India' to assist, guide, handhold and facilitate investors during the various phases of business life cycle. This Cell will provide necessary information on vast range of subjects such as policies of the ministries and state governments, various incentive schemes and opportunities available, to make it easy for the investors to make necessary investment decision. Information on 25 sectors has been put up on 'Make in India's web portal (http://www.makeinindia.com) along with details of FDI Policy, National Manufacturing Policy, Intellectual Property Rights, Delhi-Mumbai Industrial Corridor and other National Industrial Corridors. Investors can use this portal to search information on specific sectors and topics. An automated response system presents related FAQs through identification of key words. Further, this portal provides an opportunity to raise specific queries to Investor Facilitation Cell. Till March 26, 2015, Investor Facilitation Cell has received 8,298 specific queries. With a mandate to reply within 72 hours Investor Facilitation Cell has been efficiently clearing doubts, facilitating meetings and visits on these queries and handholding investors wherever required.

A workshop was conducted on December 29, 2014 with sectoral emphasis to finalize targets under 'Make in India' initiatives and an action plan for targets to be achieved in 1 year and next 3 years, which have been drafted. A special break away session was organized on 'Ease of Doing Business' in states officers to deliberate on future course of action, to improve regulatory environment with Industry representatives. At the concluding session, the secretaries of various ministries/departments made presentation based on the recommendations to the Prime Minister

Prime Minister Narendra Modi first mentioned the words 'Make in India' during his maiden speech as PM on August 15, 2014. "I tell the world, 'Make in India'. Sell anywhere but manufacture here. We have the skill and talent for it," said Narendra Modi.

of India projecting targets for one year and the next three years. These ministries are working on ensuring timely achievement of these goals.

Another important area where government has worked tirelessly is in the 'Ease of Doing Business'. With determination to improve India's rank in World Bank Group's Doing Business Report, a number of landmark reforms have been undertaken. A bill has been introduced to remove the requirement of minimum paid up capital and common seal for companies. The number of documents required for import and export of goods has been reduced to three. Process of providing electric connection is being streamlined to drastically reduce the time required. A number of items have been taken off the licensing requirement. Processes have been made online and real-time[3]. A single window eBiz portal is being developed and is already working with 14 central government services. The list is long and commendable[4].

A number of measures have been proposed in the Budget 2015-16 to support 'Make in India' initiative. Key highlights for proposals aimed towards 'Make in India' initiative in 2015-16 Budget are:

- The corporate tax rate for companies registered in India to go down from 30% to 25% of net profits in a phased manner over the next four years starting from FY 16-17.
- An expert committee to examine the possibility and prepare a draft legislation where the need for multiple prior permission can be replaced by a pre-existing regulatory mechanism.
- Goods and Services Tax proposed to be implemented from April 01, 2016.
- Special scheme for skilling youth with US$ 237.5 million. 1 million youth to be skilled in next 3 years
- Withholding tax rates for non-residents from royalty/fees for technical services reduced from 25% to 10%.
- Micro Unit Development Refinance Agency (MUDRA) Bank with corpus of US$ 3.15 billion.
- Foreign investment allowed in Alternate Investment Funds.
- Wealth tax abolished.

'Make in India' initiative has been extremely successful in generating interest in India. Government of India has been working to make this programme a success in partnership with the state governments. The Prime Minister of India has promised to make India the easiest place to do business in world. India still has a large canvass cut out to work on and fulfill promises made to Indian citizens and to the world.

[1] *Economic Survey 2014-15; p. 6-11, http://indiabudget.nic.in/es2014-15/echapvol2-01.pdf*

[2] *Supra, p. 21*

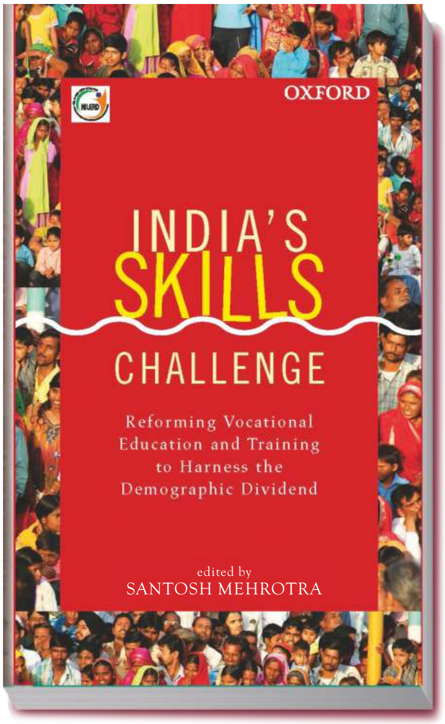
[3] *Registration with Employees' Provident Fund Organization (EPFO) and Employees' State Insurance Corporation (ESIC) has been made online and real time. Application for environment and forests clearance has been made online.*

[4] *http://dipp.nic.in/English/Investor/EoDB_Intiatives_20February2015*

■

While launching the 'Make in India' initiative, Prime Minister said, "People are talking about FDI but I see things differently. FDI is also a responsibility for the people of India. The Make in India logo is derived from the Ashoka Chakra. The lion in the logo stands for strength and power while the wheels are a sign of development and progress."

Talking about creating job opportunities through the 'Make in India' campaign, PM Narendra Modi said, "We have to increase manufacturing and at the same time ensure that the benefits reach the youth of our nation."



India's Skills Challenge: Reforming Vocational Education and Training to Harness the Demographic Dividend

India's economy has seen a consistent rise in the rate of growth of Gross Domestic Product in the three decades since the 1980s, with the country entering the phase of demographic dividend marked, by a rising share of the working age population to total population. Economic growth has raised demand for skilled labour. However, only 20 percent of the non-agricultural workforce has received or is receiving formal or informal vocational training. The percentage of firms offering formal training programmes for its permanent, full-time employees in India is just 35.9, compared to China's 79.2 (World Bank Enterprise Survey data). In this context, Santosh Mehrotra's book critically reviews the vocational training system in India. The book provides a useful background to the launch of a National Skills Mission (Union Budget 2015) through the Ministry of Skill Development and Entrepreneurship (MSDE) and initiatives such as 'Skill India' and 'Make in India'.

The book provides a comprehensive agenda of reforms to improve the employability of India's youth based on primary surveys of vocational training providers and enterprises. It is argued that while Germany and China, the two successful manufacturing countries of the world, have built their vocational education and training systems on the foundations of their secondary school system; India has made only limited progress with regard to offering vocational education in schools. It is further argued that the industry needs to get involved to a much greater extent than ever before in vocational education and training in India.

The first chapter of the book quantitatively estimates the challenge of skill development faced by India. As opposed to the estimated requirement of 500 million skilled persons by 2022 (National Policy on Skill Development 2009); the requirements are set at a maximum of about 295 million additional persons to be skilled by 2022 (using the National Sample Survey data). The remaining chapters of the book are based on primary surveys carried out throughout India.

The second chapter briefly discusses the technical training system and introduces the key issues addressed in the book and the survey methodology. The following three chapters present the findings of surveys of the government funded Industrial Training Institutes (ITIs) and the privately managed Industrial Training Centres, and of the Apprenticeship Training Scheme (ATS) of the Ministry of Labour and Employment. The trainers, the trainees, the administrators of the programmes, and the employing enterprises – all were interviewed for the survey. In addition, institutions imparting training, infrastructure at the institutes, span of courses, intake structure and capacity utilization are analyzed. The Centres of Excellence among the ITIs, started in 2006-07, are also examined. The ATS is examined with regards to the type of enterprises engaging apprentices, as well as the type of enterprises supposed to do so by law but not providing training to potential apprentices and thus not part of the ATS. The surveys also examined the profile of learners of government and private ITIs and ATS in terms of courses and practical training and the problems they face.

Key findings of the surveys include the following: It is found that training curricula are not synchronized with technological changes. The stipend paid to the ATS trainees is meagre. Limited skills enhancement and lack of job mobility act as an impediment to improve the employability and earning potential of the ATS/ITI graduates. Majority of the learners are males; directing attention to the problem of low female labour force participation in India. Scheduled Tribes, socio-economically the most vulnerable group of Indian society, have the lowest representation among participants in ATS/ITI and Other Backward Classes contributed the largest proportion of participants across all social groups. It is also found that the Modular Employable Scheme's short-term courses based on labour market requirements attract employees from large-scale companies. This indicates the usefulness of the courses designed in line with the requirements of local industry.

The sixth chapter presents the views of industry on personnel policy, trainees, feedback of ITI graduates and apprentices, key impediments for training, attrition and costs. The next chapter compares the apprenticeship programmes for 16 and

The book provides a comprehensive agenda of reforms to improve the employability of India's youth based on primary surveys of vocational training providers and enterprises.

18 year olds offered by Ministry of Labour and Employment and for 19 and 22 year olds offered by the Ministry of Human Resource Development, based on the primary survey. The penultimate chapter presents an agenda for reforms mostly based on the primary surveys.

The book proposes a series of reforms in the skill development ecosystem in India. These include implementing the National Vocational or Skill Qualification Framework (the editor contributed towards developing the initial framework); re-engineering existing public institutions and building new private ones; enacting a Vocational Education and Training Act; financing skill development by establishing a National Training Fund; and developing a Labour Market Information System.

At present, more than 20 different government departments in India offer skill development programmes. The MSDE was created as the aggregator in the sector, but it has been argued that the duplication of roles and policy confusion amongst the different government departments has persisted, and tasks allocated to MSDE, such as 'frame policies for soft skills', 'computer education', and 'work relating to ITIs' are ambiguously crafted, with large overlaps with the work of existing central ministries . In this regard, the book stresses that, 'the extent to which the new measures would be effective would depend largely on the willingness of stakeholder institutions to coordinate and adopt a broad-based reform agenda that is responsive to the needs and realities of trainees, trainers and employers'.

The book offers a commendable assessment of the vocational training system of India, focuses sharply on its weaknesses and is insightful in its discussion of the policies required to meet India's skill challenge. A number of initiatives are proposed to make the skill development mechanism in India more efficient and effective. The book is an invaluable resource for development policy practitioners.

■

Chambers Handhold Businesses to Scale New Heights

***Anthony Parkes, Director, ICC World Chambers Federation** is at an influential position when it comes to helping businesses gain from chambers of commerce. In this interview, he elaborates on the power vested in them to bring about positive changes in businesses.*

Could you enlighten us on the International Chamber of Commerce, the world business organization and the ICC World Chambers Federation's engagement with India? What are the major contributions India has made to these bodies?

The International Chamber of Commerce (ICC) is the world business organization representing enterprises from all sectors in every part of the world. The fundamental mission of ICC is to promote trade and investment across frontiers and help businesses meet challenges and opportunities of globalization. As part of this work, ICC has established a range of trade and business tools providing codes and rules that facilitate business, with Incoterms and its series of model contracts being the most well-known of its product range. ICC's International Court of Arbitration is the world's leading body for the resolution of international disputes by arbitration. ICC was founded in 1919.

ICC World Chambers Federation, established in 1950, is the unique and truly global body uniting the global network of more than 12,000 chambers from every country around the world. WCF facilitates the exchange of best practices and fosters the development of new global products and services for chambers, as well as fostering international partnerships between chambers and other stakeholders, in helping their local businesses grow.

Many chambers of commerce, in countries all over the world, work closely with World Trade Centers, often collaborating on events.

India is one of our most active member countries and ICC's local chapter was opened in 1929. It is located in the Federation of Indian Chambers of Commerce and Industry (FICCI) headquarters.

Indian business leaders have held important leadership positions within our organization over the past few decades. Sunil Bharti Mittal has been Vice-Chairman of the International Chamber of Commerce, the world business organization since July 2013. Hari Shanker Singhania and Bharat Ram are past ICC Chairmen. India currently also serves on ICC Executive Board with Yogendra Modi, Chairman of YKM Holdings.

Avijit Mazumdar (Kolkata) held the position of Chairman at the World Chambers Federation from 1997-2005, with representation on WCF General Council currently from India which has been very strong. The position has been previously held by past Assocham President, Mahendra Sanghi, who is also a WCF Vice Chair, as well as Ram Gandhi, from Mumbai's Indian Merchants' Chamber.

One of ICC key role in policy advocacy is the G20 CEO Advisory Group, its primary body for establishing the direction of business input within the G20 process. The group determines policy priorities and takes a final review of policy products, including inputs gathered during the consultative process. Led by Skandinaviska Enskilda Banken (SEB) Chairman and CEO, Marcus Wallenberg, Great Eastern Energy's Chairman & CEO, Yogendra Kr. (YK) Modi, is an active member of this group.

The Indian Chamber of Commerce (Kolkata) was also one of our recent bidding chambers to host the 2017 World Chambers Congress, the only international forum for chamber leaders to share best-practice experiences, exchange insights, develop networks, address the latest business issues affecting their communities and learn about new areas of innovation from chambers around the world. Though the final result saw Sydney being selected for the 2017 event, India's commitment to the WCF remains strong, with governing bodies to be held in India in February 2016. The Indian Chamber of Commerce is also one of our laureates in the World Chambers Competition, being both a winner and finalist.

In your view how should a chamber of commerce serve a region where it is located, while promoting International trade?

To be a member of a chamber of commerce is a mark of distinction. Businesses are more likely to choose a business over another if they are a member of the local chamber.

With a unique heritage spanning more than 400 years, operating with local impact and relevance, chambers of commerce and industry have built a well-recognized global network and brand.

Chambers are found at the heart of every local economy and comprise the backbone of the nation's economy. They are the bridge between government and business playing a pivotal role in shaping the economic and industrial policies of national and local governments. They also play a role in shaping international business policies and facilitating access of all businesses to the global market.

Chambers advocate on behalf of the community at large for economic prosperity and business interests. Chambers promote their communities as a global hub for business and investment, with a belief that a diversified and successful economy is underpinned by a high quality dynamic, productive and innovative private sector.

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One of the major pre-occupations of chambers is trade facilitation and as such, chambers have a unique partnership with customs to help their local businesses trade worldwide.

ATA Carnets are offered by chambers of commerce to traders, sales professionals, exhibitors and other international business travellers.

Chambers of commerce also issue certificates of origin and other trade documents. Increasingly, with the growing world of trade agreements, chambers are being called upon by Customs to issue preferential certificates of origin, on behalf of customs agencies.

Working as a global community, chambers also promote their local companies internationally through their online hub, the World Chambers Network, a project operated by WCF in collaboration with the Paris Chamber of Commerce. Its services include an international business opportunities platform, as well as a business certification seal (ChamberTrust), where chambers validate the profile of a business. Such services connect local chamber member companies, with fellow chamber member companies all over the world.

What is ICC's mandate in promoting corporate responsibility, environmental stewardship and pursuing success within an uncertain economic climate?

Companies across the world increasingly recognize that doing business with integrity is the only right way of getting business done.

Enterprises seen to be doing business with integrity are more likely to attract and retain highly-principled and motivated employees as well as ethically-oriented investors. In today's global supply chains that heighten the exposure of companies, many companies are adopting a more integrated approach to their corporate responsibility, integrity, ethics and compliance policies.

Increasingly companies today are approaching corporate responsibility and rigorous corruption prevention as part of their overall policy to manage their activities in a responsible way. As a necessary part of good management, responsible business conduct can help companies advance their management systems, attract a new range of investors, increase morale, and induce better supervision of supply-chain management.
An emerging trend is showing that companies are bolstering their principles and policies of transparency, ethics and risk management, not just for legal compliance, but as an ethical and necessary part of good management.

ICC is a pioneer in helping companies develop their own approach to supply chain responsibility and to fight corruption, by developing and issuing a suite of publications, private sector rules, guidelines and other tools as guidance in this regard.

In addition, ICC envisages pursuing ethics, compliance and corporate responsibility training to embed best practices for big and small companies. ICC is committed to actively contribute to the development and implementation of such training.

ICC is also engaged in bringing global recognition to 'business worthy' behaviour through our partnership with the Oslo Business for Peace Award, which aims to accelerate the development of ethical business practices through increasing awareness of strengths of ethical business case. The vision is to inspire and encourage business people to foster peace and stability to the benefit of humanity. ICC chapters and chambers of commerce assist in the global nomination process for the Award by searching outstanding business people who have been able to achieve business success while acting in an ethically responsible way. Ratan Tata is a recipient of this Award.

Chambers are active on the ground on CSR matters. WCF recognizes the outstanding achievements by chambers in this domain as part of its World Chambers Competition, held during the World Chambers Congress, with the next one being held in Torino, Italy June 10-12, 2015. This part of our work showcases clearly how chambers work and support businesses in their endeavours to help address their social responsibility actions towards community, environment, workplace and marketplace activities.

What is your assessment of how world businesses are moving with special emphasis on the Indian context?

ICC has always been clear that the World Trade Organization's Trade Facilitation Agreement, along with other elements of the Bali package agreed in December 2013, has a huge potential to boost growth and create up to 21 million new jobs, the majority of which would be in developing economies, as well as a potential to inject US$1 trillion into the global economy.

Last year, ICC's leadership, Chairman Harold McGraw III and ICC Secretary General, John Danilovich, worked closely with Indian leaders to secure India's ratification of the WTO Trade Facilitation Agreement, seeing it as crucial to advancing multilateral trade negotiations.

India's priorities in G20 discussions such as SMEs, employment, global supply chain and infrastructure are shared by the world business community noting that global supply chains and investment in infrastructure play a pivotal role in creating jobs and increasing the GDP growth of G20 countries. ICC believes strongly in the primacy of a strong, rules-based multilateral trading system embodied by the World Trade Organization. The world business organization remains dedicated to ensure that global business plays an active and constructive role in working with WTO members to help strengthen WTO rules and to adapt them to the current needs of global trade.

> The business community believes that the term 'Green Economy' is embedded in the broader sustainable development concept. It is described as an economy in which economic growth and environmental responsibility work together in a mutually reinforcing fashion, while supporting progress on social development. Business and industry have a crucial role in delivering the economically viable products, processes, technologies, services, and solutions required for the transition to a Green Economy.

Could you shed light on working relationship that ICC has with the United Nations?

Since 1946, ICC has held top-level consultative status with the United Nations (UN) and a close working relationship with its specialized agencies. Louise Kantrow, based in New York, is the ICC Permanent Representative to the United Nations, with ICC also working closely with UN bodies in Geneva and elsewhere, via ICC's headquarters in Paris.

Business, as represented by ICC, has been deeply and constructively engaged over the years in UN meetings and conferences, identifying the crucial components of a global partnership for development and its interlinked priorities.

ICC is the collective voice of global business in the UN Global Compact. Although not a part of the UN formal intergovernmental structure, its personal sponsorship by the Secretary-General places the initiative clearly in the UN context. ICC's Secretary General, John Danilovich is a member of the UN Global Compact Board.

In 2007, ICC published a policy statement on 'the role of the United Nations in promoting corporate responsibility', in which ICC presented global business views on the role of the Global Compact and suggestions to improve its effectiveness. ICC has also strengthened its working relationship with the Global Compact Office in two vital areas under the Global Compact's remit: anti-corruption and environment.

Since 2006 ICC has provided on-going support to the mandate of the Special Representative of the United Nations Secretary-General (SRSG) on the issue of human rights and transnational corporations and other business enterprises. This support has materialized in numerous contributions to convey global business views on the SRSG's efforts to map out and define standards of corporate responsibility with regard to human rights. ICC was also present for the recent UN Conference on Disaster Risk Reduction - Sendai, Japan.

ICC, through its Commission on Environment and Energy, has been engaged in serving as the main focal point for business in the United Nations Framework Convention on Climate Change (UNFCCC) Business and Industry NGO, attending all its sessions, as well as the United Nations Commission on Sustainable Development sessions (CSD).

How has ICC aligned its best practices towards greening world economies?

ICC member companies, chambers of commerce and associations from a wide range of sectors are working together in the ICC Green Economy Task Force to develop business and industry positions into these policy debates and share experiences and best practices to help build a green economy. Green Economy is a term developed by policy makers and there is no single agreed definition or set of financial measurements on what exactly it should comprise. As a unifying theme, it seeks to define the 'direction' in which the global economy needs to move.

ICC's position is that a 'Green Economy' must provide commercially viable products and services while promoting environmental responsibility and enabling progress on social development.

The ICC Green Economy Task Force defines 'Green Economy' as follows:

'The business community believes that the term "Green Economy" is embedded in the broader sustainable development concept. It is described as an economy in which economic growth and environmental responsibility work together in a mutually reinforcing fashion, while supporting progress on social development. Business and industry have a crucial role in delivering the economically viable products, processes, technologies, services, and solutions required for the transition to a Green Economy.'

ICC's position is that a 'Green Economy' must provide commercially viable products and services while promoting environmental responsibility and enabling progress on social development.

ICC Green Economy Task Force was launched in October 2010 to prepare, among others, ICC business and industry input into the United Nations Conference on Sustainable Development in 2012 and to develop a business response to the UNEP Green Economy Initiative. The initiative currently consists of approximately 90 members from a variety of sectors worldwide seeking to advance the Green Economy concept with their respective stakeholder constituencies and national contexts. While global in scope, the actions needed to transition towards Green Economy may vary from one sector and value chain to another, and according to specific national circumstances. The task force takes these multidimensional aspects into account.

The 'Green Economy' concept has emerged prominently in numerous intergovernmental forums such as the United Nations Environment Programme (UNEP) Green Economy Initiative, the Organisation for Economic Co-operation and Development (OECD) Green Growth Strategy and the G20. 'Green Economy in the context of sustainable development and poverty eradication' had furthermore been declared a priority theme for the United Nations Conference on Sustainable Development in 2012 (Rio+20). Governments around the globe are seeking ways to define and shape this concept into meaningful policy frameworks that advance economic growth while enhancing environmental protection.

Business is a substantive participant to shape and implement this concept at both, policy and market levels. Business plays a critical role in delivering jobs, investments, technologies, products and services that drive the changes and innovations needed to move towards a Green Economy. Although the Green Economy concept is global in scope, it seeks to 'green' all elements of the economy, from global to local, in different ways. Part of the challenge and opportunity for business and industry is to understand the concrete possibilities of a Green Economy with its opportunities and risks for its many sectors, value chains, and different national contexts.

Chambers have been pro-actively working with their businesses to adapt to the challenges of climate change and accessing the opportunities of the green economy. WCF has a range of case studies of such initiatives. Winner of the Best Unconventional Project - World Chambers Competition was the Indian Chamber of Commerce of Kolkata. The Chamber set up an Environment Management Center (ICC-EMC) and has become a recognized leader in the environment area. The Chamber has subsequently won an award for Environmental Excellence.

What are some of the concerns raised in the Indian side of business that have been brought up at the Indian National Committee at ICC?

ICC has collaborated closely with India, in response to

Business networking comes in a variety of forms and styles and for many companies, it is the first reason to join a chamber of commerce.

increasing member company concerns about the growing counterfeiting and piracy problems.

ICC Business Action to Stop Counterfeiting and Piracy (BASCAP) has set India as one of its priority countries. Concern over counterfeiting and piracy is not confined solely to the private sector. The government of India wishes to attract foreign investment for R&D, but with a vacillating track record for intellectual property rights (IPRs) the country will need to embrace policy change to realize the full potential of its goals.

ICC has brought together, in partnership the Federation for Indian Chambers of Commerce and Industry (FICCI), to put a spotlight on practical policy recommendations for India that counter illicit trade and 'grey markets'. Several forums have been held with government officials and experts in New Delhi, to exchange views on the economic consequences and public safety concerns beget from counterfeiting, piracy and smuggling.

In 2013, President Mukherjee delivered a statement praising the role of Intellectual Property Rights and their ability to foster economic development. To that end, BASCAP actively advocates for policy that supports IPRs. BASCAP has established strong links to Indian member company representatives and key national industry associations. Engagement with these local partners includes the development of comprehensive IP reports and recommendations and also participation in conferences to present findings to key decision makers and national leaders. Earlier this year, BASCAP submitted comments on the first draft of India's National IPR Policy and applauded the Indian government for the recognition of the importance of IP protection to innovation and economic development.

How can SMEs benefit from the World Chambers Network? Can you elaborate on the procedure for Indian SMEs to join this Network?

WCN links chambers of commerce, companies and their customers from around the world via its website: www.worldchambers.com

WCN's unique platform is a vital business tool which offers promotion, verification and trust services which fosters open and comprehensive exchange of business information on companies, products, services, markets and resources; to establish an electronic commerce network that links chambers of commerce, companies and their customers from around the world and enables each participating chamber of commerce to serve as a unique content provider and become an electronic commerce facilitator for its local companies.

WCN is the only website designed by chambers of commerce, for chambers of commerce worldwide, focusing on its daily role in facilitating international trade. The WCN site provides a platform for exchange amongst chambers to better serve and promote their SME members worldwide.

For businesses, WCN is key to being a successful business. Our global chamber network helps companies of all sizes expand their local, regional, national and worldwide markets. Through a local chamber of commerce services, SMEs will find new trade opportunities and partners worldwide.

WCN is led by ICC World Chambers Federation (ICC WCF) and the Paris Chamber of Commerce and Industry (CCIP) – a partnership which benefits from the capacity to 'think global and act local.' Businesses gain from the global network of chambers of commerce working together within a common standard and platform in order to deliver business facilitation services.

What is your message to Indian businesses aspiring global presence?

Develop network and use the opportunities of global business networks, like chambers of commerce and World Trade Centres.

Business networking comes in a variety of forms and styles and for many companies, it is the first reason to join a chamber of commerce. Business markets are made up by networks of companies related to each other in different ways. Networks have proven themselves to leverage new business, improve productivity and aid in the development of new products and innovations.

New business networks are emerging daily, providing new and exciting opportunities for business exchange and innovation. Business networking is also an effective low-cost marketing method for developing sales opportunities and contacts, whether this happens via referrals and introductions, gatherings and increasingly business networking websites.

A business network of contacts is both a route to market for you, and a marketing method. Business networking offers a way to reach decision-makers which might otherwise be very difficult to engage with using conventional advertising methods.

Exchanging knowledge, sharing business relationships and other networks underlie and form future opportunities.

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WTC MUMBAI OFFERS A WIDE RANGE OF VENUES
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60,000 sq. ft, centrally air-conditioned venue for Exhibition

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Trade Promotional Activities held this Quarter

WTC Bhubaneswar holds its first 'Members Networking Meet'

The New Year get-together of the World Trade Centre Bhubaneswar members organised on January 13, 2015 at Bhubaneswar, witnessed participation of all members who gathered to support the forthcoming activities of WTC Bhubaneswar for the year. On the occasion a discussion on emerging trends on international markets was addressed by **Prof. A. N. Khedkar** an expert in International Marketing. He shared his insights on the patterns governing trade and advised the members the importance of converting a customer into a consumer. Since its inception WTC Bhubaneswar has been promoting the state's export potential and has gathered the state's SMEs through various programmes on export developments. Experts and well known resource persons have addressed the issues on export-import business and encouraged the SMEs to enter the global market.

WTC Bhubaneswar, which commenced its operation on July 8, 2014, has received positive response from the entrepreneurs of the State who are keen to utilize its services for getting into international markets and conduct businesses on a global platform. Members registered with WTC Bhubaneswar represent products like agriculture, chemical, metals, infrastructure, gems and jewellery, handicrafts, real estate, minerals, iron ore, education, tourism, sea food, garments, processed foods, IT, handloom, logistics, automobiles, cold storage, solar power, spices, PVC products etc.

The network meet organized by WTC Bhubaneswar was highly appreciated by the members as it not only gave them a common platform to meet and interact with each other and share their experiences but also provided them with a B2B networking opportunity where they could identify immediate and reliable contacts to serve some of their business solutions.

Deliberations were made by members on the future activities of the Centre, expectations of the members from WTC on how to strengthen the operations of WTC in the State. They have suggested taking up their representations on export-import matters to State Government as well as to the Central Government through WTC platform for favourable attention. Members also showed keen interest in receiving live enquiries from the overseas WTC members. They have requested WTC Mumbai to organise trade delegation to visit Bhubaneswar to facilitate one-to-one business meetings. The meeting was followed by a networking dinner.

■

Workshop on 'International Market Opportunities for Odisha Products'

Workshop on 'International Market Opportunities for Odisha Products' received a lot of enthusiasm among the entrepreneurs in Odisha. Its objective was to encourage the entrepreneurs of the State to think out of the box and conduct international trade, which would not only them beneficial to the nation as a whole. The workshop focused on understanding the prospective of International trade and business and how one should look at it while trying to build up a sustainable and profitable business.

Prof. A. N. Khedkar, an expert in International Marketing, Foreign Trade Policy and International Shipping and Logistics, facilitator for the workshop highlighted the expectations of the international market players who import goods from other countries and also as to how one should go about exploring such markets. He also spoke about the technical as well as attitudinal requisites one should take care of while dealing with foreign clients which would in turn help their businesses to flourish in the global markets.

Shri. Panchanan Dash, Secretary, Department of Micro Small and Medium, Enterprises, Government of Odisha, highlighted the strength of MSME in the State. He said that there are about 1.5 million MSME units in the state providing jobs to about 3.3 million people and Odisha ranks among the top ten states in terms of providing employment. The growth rate of MSME in Odisha is 32 percent against all India rates of 28 percent. For the growth of the sector the state government has been

From (L-R): Shri. Panchanan Dash, Mr. B .K. Das, Mr. A. O. Kuruvila, Dy. Director, WTC Mumbai, Prof. A. N. Khedkar, and Ms. Nimeshika Natarajan, Manager-Trade Research, WTC Bhubaneswar

organizing a trade fair under the banner of Odisha MSME Trade fair for the last three years, bringing all agencies concerned with MSMEs under one roof. He also mentioned that the state government is contemplating setting up of a separate cell at the Odisha Small Industries Corporation for taking up infrastructure development for the MSME sector and also aiming at the vibrant growth of the MSME sector. The state government plans to formulate a new MSME development policy to replace the MSME policy 2009.

Mr. B. K. Das, Director, Directorate of Export Promotion and Marketing (DEP&M), Government of Odisha in his introductory remarks explained the export oriented initiatives of DEP&M to assist the MSMES in the State. Over 150 delegates, who attended the workshop representing local entrepreneurs, leading companies of the State in sectors like manufacturing, logistics, travel services, health services, food processing units, power, sea food, Government Bodies and Financial Institutions were totally convinced to enter the global market and reap the benefit thereof.

The workshop was jointly organised by Directorate of Export Promotion and Marketing, Government of Odisha and WTC Bhubaneswar, which was the 4th programme organised by WTC Bhubaneswar in Odisha.

■

WTC Bhubaneswar Participates in the Mega Exhibition 'UCCI EXPO – 2015'

World Trade Centre Bhubaneswar actively participated in 'UCCI EXPO 2015' a National Level Mega Exhibition held from March1-5, 2015 at IDCO Exhibition Ground, Bhubaneswar. This exhibition was organised in association with the MSME Department, Government of Odisha to mark the closing celebration of 'Golden Jubilee Year' of Utkal Chamber of Commerce and Industry.

The exhibition was inagurated by Shri. Dharmendra Pradhan, Hon'ble Minister of State, Ministry of Petroleum & Natural Gas, Government of India. The inaugural session was also graced by Shri. U.N. Behera, IAS, Development Commissioner, Government of Odisha, Shri. Vishal Dev, IAS, CMD, IDCO & IDCOL, Shri. Ansuman Das, CMD, NALCO and Shri. Rajiv Kumar, VP Operations, Tata Steel as the Guests of Honour.

Various sectors of the industry from the state including minerals, steel, aluminium, coal, power, fuel, petrochemical complexes, infrastructure, food processing, agriculture, animal husbandry and fisheries as well as trade and commerce, banking & insurance and MSME sector participated in the five day exhibition.

Around 100 visitors came to WTC Bhubaneswar booth at the expo and interacted with the WTC officials enquiring about the services and facilities. Many have shown interest in associating with the World Trade Centre in the near future.

■

MSME Units in the IT Sector to come Forward and Take up Manufacturing Activities, urged I.T.S. Special Secretary of Odisha

Mr. R.N. Palai, I.T.S. Special Secretary Department of Information & Technology, Government of Odisha while emphasising on the growing prospects of the ESDM sector in the State of Odisha, urged the MSME units in the IT sector to come forward and take up manufacturing activities, ensuring all the required support from the government. This he spoke while delivering the inaugural address at the ITCO 2015, a colloquium on 'IT Sector in Odisha – The Way Forward', organised by the World Trade Centre Bhubaneswar in association with IT Association of Odisha (ITAO) on March 5, 2015. Mr. Palai spoke about the upcoming info valley project and the various other efforts being taken by the Government not only to support the software industry but also to develop the ESDM sector in the State. He highly appreciated and thanked World Trade Centre Bhubaneswar for having organized this colloquium at an appropriate time as with the ICT policy coming into place recently, it was important for the stakeholders to get into such discussion forums.

The colloquium was organized with an objective of getting together experts from the sector to speak to the industry on how they could explore the latest and non-conventional utilities of Information Technology. The colloquium also aimed at bringing out the highlights of the ICT policy, which the State Government of Odisha has released in 2014.

Mr. Rajiv Vaishnav, Vice President, NASSCOM spoke on the need to develop entrepreneurship in the IT sector. He emphasised on developing a good eco system and incubation centres for the upcoming entrepreneurs. He highlighted the existing potentials of the sector in the state and the need for the stake holders to come together to demand as well as contribute towards the development of the sector.

Mr. R.N. Palai delivering the inaugural address. On his left is Mr. Rajiv Vaishnav.

Mr. Tu Fu Han, Director, TAITRA, Kolkata gave an overview of the IT industry in Taiwan. He explained the products offered by Taiwan for the IT sector and how they explored the international markets. He offered support to the entrepreneurs who wanted to get into manufacturing by creating good and sustainable business linkages so as to support the 'MAKE IN INDIA' concept through it.

Col.(Rtd.) A. K. Nath, Executive Director, C-DAC, Kolkata Centre gave very vital inputs on the non-conventional and innovative ways in which IT services could be developed and intervened. He shared the technology developments of C-DAC Kolkata centre emphasizing on the importance of innovations so that IT services could be utilized and provided to the grass root level people like the farmers, differently abled people etc. In his presentation, he demonstrated few technologies which would enable solving and simplifying the basic necessities of a society to be met.

Mr. Brahmananda Rath, Senior Consultant, State E-governance mission team, presented the highlights of the ICT Policy 2014, Government of Odisha. He deliberated on the salient features, objectives, incentives and benefits being offered by the government to the entrepreneurs in the sector.

Mr. A.O. Kuruvila, Deputy Director, World Trade Centre Mumbai welcomed the participants giving an overview about the growing importance and contribution of the IT sector to the economic development of Odisha as well as in India as a whole.

A lively Q &A session added much value to the seminar. **Mr.Arun Dey, President, ITAO** proposed the vote of thanks. The colloquium was attended by large number of participants from the IT sector of the State.

From (L-R): Mr.Brahmananda Rath, Mr. Arun Dey, Mr. Tu Fu Han , Mr. R.N. Palai, Mr. Rajiv Vaishnav, Col.(Rtd) A.K. Nath, Mr. A.O. Kuruvila, Mr. Dayananda Ratho, Secretary, ITAO.

"Need for Greater Focus on Multi-Product Clusters in Rural Economies," says MSME Secretary Madhav Lal

MVIRDC World Trade Centre Bhubaneswar organised a workshop on 'Make in India', **Mr. Madhav Lal, Secretary, Ministry of Micro, Small and Medium Enterprises, Government of India** said , "The state of Odisha needs to work towards creating the infrastructure for multi-product clusters in the rural sectors to strengthen the rural economies. The state must identify few prominent sectors in a particular rural segment and focus on their clusterization with necessary support system." Referring to the SFURTI scheme of the government of India for the rural areas, Mr. Lal mentioned that the scheme is designed to strengthen the village and traditional sectors with relevant assistance. 'Make in India' initiative will be successful if the rural economies can be transformed by integrating the capabilities of the rural industry in our country. In this context Mr. Madhav Lal stressed on the role of local institutions and other verticals such as industry associations and chambers of commerce in channelizing the MSME activities in the rural areas.

Mr.Madhav Lal deliberating the key note address.

Mr. Lal mentioned that in order to ensure that these support organizations play a more proactive role, the government of India has introduced a system of accreditation and benchmarking of associations in terms of quality standards. This mechanism would align the government schemes with the mandates of these local associations. Further, we need to understand the issues that the MSME sectors face so that the policies can be attuned accordingly. There is a need for collective action at the cluster level as well as state and national levels. Specific interventions are called for wherever there are market failures and the government has to play a greater role in addressing the concerns of the MSME sector, Mr. Lal said.

Shri. Gokul Chandra Pati, Chief Secretary and Chief Development Commissioner, Government of Odisha said that the 'Make in India' initiative is a significant step towards building a strong industrial base in the country and the State of Odisha stands to benefit significantly from this initiative. However, first and foremost we need to address the concerns of the MSME units which accounts for 90% of all units in the state. To streamline MSME operations, the rigid regulatory and statutory compliances need to be eased. Referring to the increasing role of the Self Help Groups in the rural areas, Mr. Pati said the local self-help groups are fast transforming the rural economies and in particular the women self-help groups have emerged as active players in strengthening the clusterization in the rural areas. Mr. Pati emphasised the need for skill development and lauded the scheme of apprenticeship of the

From (L-R): Ms. Rupa Naik, Mr. Ravindra Nath, Shri. Gokul Chandra Pati, Mr. Madhav Lal, Mr. Vijay Kalantri, Mr. Panchanan Das, Mr. Arup Dasgupta.

government of India which imparts various forms of training to upgrade the skill of the small scale enterprises.

Deliberating on the role of NSIC as a promotional agency for the MSME sector, **Mr. Ravindra Nath, Chairman and Managing Director, National Small Industries Corporation, Government of India** said that MSME competiveness is key to the success of the 'Make in Indi' initiative. Referring to the various promotional schemes for MSME sector Mr Ravindra Nath mentioned that presently 31 banks were covered under the MSME program and last year sanctions worth over Rs.350 crores were made by various banks for the MSME sector. Further, in order to impart skill to MSME units, the NSIC offers extensive training and operates several common facilities centres for the sector.

Mr. Panchanan Das, Secretary MSME, Government of Odisha spoke about the status of MSMEs in the state and the various opportunities now available through the 'Make in India' campaign of the central government to boost the MSME sector of the state. Earlier in his welcome address **Mr. Vijay Kalantri, Vice Chairman- World Trade Centre Bhubaneswar** said that the MSME sector is a vibrant sector and provides huge direct and indirect employment. The sector accounts for 87% of the country's employment and contributes to 40% of the total exports. However the sector is constrained by many disadvantages such as inadequate finance, lack of infrastructure and weak marketing. Referring to potentials of Odisha's MSME sector Mr.Kalantri highlighted the prospects of Odisha becoming a hub for defence, food and textile sectors. Mr.Kalantri suggested that in order to provide fillip to these sectors, dedicated task forces may be set up to examine various issues concerning the growth of these sectors.

Referring to the activities of WTC Bhubaneswar, Mr.Kalantri said that WTC Bhubaneswar will integrate with the network of 343 World Trade Centers in 100 countries thereby help promote Odisha's products in the global market.

Mr. Arup Dasgupta, Deputy General Manager, State Bank of India Bhubaneswar Zone, elaborated the special schemes offered by the Bank to assist MSME units in the state.

Representatives from various organizations, industrial bodies and other trade and business stakeholders were present at this event.

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His Excellency Governor S.C. Jamir lauded the Initiatives of WTC Bhubaneswar

A team from World Trade Centre Bhubaneswar led by Mr. Vijay Kalantri, Vice Chairman, World Trade Centre Bhubaneswar met His Excellency Shri. S.C. Jamir, Governor of Odisha on March 23, 2015.

Mr. Kalantri apprised His Excellency Shri. Jamir, of the establishment of the World Trade Centre Bhubaneswar and the activities planned in the near future. Mr. Kalantri informed that WTC Bhubaneswar would assist the local businesses, particularly the MSME sector in accessing partners in global markets. WTC Bhubaneswar is a member of the World Trade Centers Association, New York and integrates with the global network of more than 340 WTCs in 100 countries. The aim of WTC Bhubaneswar is to place Odisha on the global business map.

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From (L-R): Mr. Vijay Kalantri, H.E Shri. S.C.Jamir, Ms. Rupa Naik, Director (Projects), WTC Mumbai; Ms. Debjani Chowdhury, Advisor, WTC Mumbai and Ms. Nimeshika Natarajan, Manager-Trade Research, WTC Bhubaneswar.

A Warm Welcome to Our New Members

Organization: **BATOI SYSTEMS PRIVATE LIMITED**
Contact Person: **MR. ASHWINI KUMAR RATH**
Designation: FOUNDER DIRECTOR AND CEO

Batoi Systems Private Limited provides Cloud Services, Enterprise Software Solutions and Business Analytics.

Organization: **GUPTA POWER INFRASTRUCTURE LIMITED**
Contact Person: **MR. MAHENDRA KUMAR GUPTA**
Designation: MANAGING DIRECTOR

Gupta Power Infrastructure Limited is a leading manufacturer of Overhead Conductors (All Voltage Range), LV MV, Power Control Cable (Upto 66KV).

Organization: **MAGNUM SEA FOODS LTD**
Contact Person: **MR. RAMESH MAHAPATRA**
Designation: MANAGING DIRECTOR

MAGNUM Sea Foods Ltd., processes and exports prawns and other sea food to Japan, USA and the European Union. The company has commissioned a modern value added processing unit to process & export Individual Quick Frozen (IQF) products, cooked and tray packed products, ezpeel, peeled deveined tail on shrimp and other varieties for the international market.

Organization: **SHIREE SAMPANNA FOODS PRIVATE LIMITED**
Contact Person: **MR. A. K. SHARDA**
Designation: CHAIRMAN

M/S. S.S. Foods (P) Ltd., produces 35,000 to 40,000 vegetarian eggs (Organic) every day. M/s. S.S. Foods (P) Ltd., though a business venture, has more social value to it than profit at its core.

Organization: **SATYAM PACKERS PROCESSORS PRIVATE LIMITED**
Contact Person: **MR. A. GOVINDA RAO**
Designation: MANAGING DIRECTOR

Satyam Packers & Processors Pvt. Ltd. are manufacturer and supplier of optimum quality gamut of food packaging wrapper, agriculture seeds packaging wrapper, copier wrapper, corrugated boxes and solid alum.

Organization: **SOM IMAGING INFORMATICS PRIVATE LIMITED**
Contact Person: **MR. SHANTANU SOM**
Designation: TECHNICAL DIRECTOR

Som Imaging Informatics Pvt. Ltd., branded as Somnetics, is an organization, offering enterprise class, affordable, end-to-end solutions for business process management, imaging & information management and content management.

Organization: **GANDHI INSTITUTE FOR TECHNOLOGY**
Contact Person: **SHRI. PATITAPABAN PANDA**
Designation: DIRECTOR

Gandhi Institute for Technology is awarded as the best engineering college and also the best technical institute in Odisha.

Organization: **UTKAL CHAMBER OF COMMERCE & INDUSTRY LTD**
Contact Person: **MR. MUKTI KANTA MISHRA**
Designation: ADDITIONAL GENERAL MANAGER (MARKETING) MMTC LTD.

Utkal Chamber of Commerce & Industry Ltd. promotes trade, commerce, industry and services in Odisha with a view to strengthen and expand economic activity in the State.

Odisha Gears Up to be Preferred Manufacturing Destination

Dr. Pradipta Mohanty
Chairman, S. N. Mohanty Group of Companies

The world economy is recovering from an extended slowdown, with all the key economic groups, including USA, Euro zone and BRICS (Brazil, Russia, India, China, South Africa), expected to stage higher growths over the next few years. India in turn has recently witnessed the most emphatic election verdict in 3 decades, and is gearing up for growth. The overall outlook is positive, with leaders across the industry expressing confidence in this economic revival. In keeping with the theme of development, Prime Minister Mr. Narendra Modi has launched the 'Make in India' campaign, targeted to transform India into a manufacturing leader. The Government has identified 25 sectors in which India has the potential of becoming a world leader. This list includes automobiles, information technology, pharmaceuticals, ports, aviation, tourism, hospitality, wellness and railways. Prime Minister assured that the government would take steps to make governance more effective and investor friendly, both in the states and at the centre. These, he said, would be fully visible soon on the ground. The campaign highlights global vision through both 'look east' and 'link west' approach. Such a move would be mutually beneficial for many countries, for employment generation. It will enable exchange of talent and expertise.

The 'Make in India' campaign can be termed as 'extremely progressive', hurdles in infrastructure development; bottlenecks in environmental clearances and unfriendly tax regime have to be removed to create a level playing field. There is no doubt in the minds of investors, both domestic and foreign, that the government needs to create a sense of 'trust' in its policies. Government needs to bring about a goods and services tax (GST) regime to reduce the cascading of taxes and comprehensive labour reforms. However, in order to attract Foreign Direct Investments (FDI), it is essential and imperative that we devote time in 'first developing India' and to do so effectively, we need to 'first discover India', in what it can offer! If it is coal as a source of energy supply, it is imperative to completely overhaul this sector by inviting the very best in the world to begin the coal mining operation in the country. Licence to operate should cover both coal and methane gas that is being needlessly wasted and evaporates into thin air, which is a great loss to the country. This has to be tapped. With a heavy hand, power pilferage that goes undetected needs to be stopped. Solar power, which is perennial and free, needs to be tapped on a national scale. It is heartening to note that the Government of India has already started granting coal licenses through auction under Coal Bearing Areas Acquisition Act. The Mines and Minerals (Development And Regulation) Act has been amended to grant leases and licenses through auction sale. These steps will go a long way in building confidence among the investors.

Yet the vision, while laudable, is not easy to achieve. The world is fast changing, with a rebalancing of manufacturing weight across the developed and developing economies. China, with its rising wages and increasing cost of production, is fast losing its cost advantage. Russia too is facing challenges in maintaining its competitiveness, with rising wages, increasing factor costs, and geo-political issues. The US and Mexico, on the other hand, are reclaiming their share of the global manufacturing pie on the back of declining factor costs and rising productivity. India, in this competitive global environment, is starting from a position that is far from advantageous. India's manufacturing sector, with a 16% share of overall GDP, compares poorly with peers like Malaysia, Thailand and Indonesia. India also suffers from some critical drawbacks like a lack of an enabling infrastructure, poor perception of India in terms of ease of doing business and a lack of proven ability to compete at a global scale. At the same time, India's long term prospects remain intact with its core strength of human resource, a strong base of entrepreneurs and a robust and growing domestic demand.

It may be noted that, in the World Bank's 'Ease of Doing Business Rankings', out of 189 countries in the list, India stands pitifully at 134; lower than its BRICS counterparts. There is an urgency to focus on improving the business environment and arrest decline in relative performance against various determinants of investment attractiveness. India's manufacturing sector accounts only for 16% of GDP which is currently posting a negative growth, while it is 36% in China, 34% in South Korea and 22% in Germany. It is important to catch up with these countries, as the aim is to reach 25% by 2022, as stated in the National Manufacturing Policy, in order to create 100 million jobs. Currently, according to media reports, it takes 12 procedures and 27 days to start a business; 35 procedures and 168 days to get construction permits and 1,420 days to enforce contracts in India. All these have to change and be reduced to the least possible levels, if the 'Make in India' campaign has to succeed.

When arriving at the 'Doing Business' rankings, the World Bank ranks 11 parameters that impact businesses across various stages of the lifecycle – at start-up, searching a location, getting financing, daily operations and even when things go wrong. To maintain its growth trajectory, India needs to be a relatively attractive investment destination across each of these parameters. The Government would need to undertake reforms to help place the country on an equal footing amongst countries having favourable, flexible, liberalised and a transparent business environment. Indian labour laws and interventions have gone too far even by the standards of democracies. Today, Indian corporates avoid labour-intensive industries such as apparel. When they do invest, they go for machines for tasks that workers could readily perform. It is time to relook at the Indian labour laws. Stable policies and competitive tax structure would be needed apart from giving priority to e-governance, cost-effective energy and flexible labour laws with safety net for workforce. With this in view, the government should aim to identify areas for improvement in various aspects of doing business in India viz. starting a business, land acquisition, labour, taxes, and contract enforcement etc. There is need for Reforms in Policy & Regulation and Administration & Execution of it. It should be noted that new initiatives started in some states have led to a positive change - many of these could perhaps be leveraged at the national level.

It is important for the purchasing power of the common man to increase, which would further boost demand and spur development, in addition to benefiting investors. The faster people are pulled out of poverty and brought into the middle class, the more opportunity there will be for global business. India is the only country in the world which offers the unique combination of democracy, demography, and demand. The new Government has taken initiatives for skill development to ensure that skilled manpower is available for manufacturing. The Digital India mission would ensure that government processes remained in tune with corporate processes.

Odisha's role in Realizing 'Make in India' Campaign

Odisha was always a natural choice for investments. A host of advantages the state enjoys in terms of connectivity, mineral reserves and sound government policies have combined to make it a lucrative investment destination. The State offers tremendous opportunities for domestic and international investment in export-oriented industries and other sectors. It is well connected by all modern means of transport - surface, air and water. It has a substantial industrial base, comprising a number of large, medium and small-scale enterprises in steel, aluminium, chrome, power, textile, handicraft and host of other sectors. The thrust is more on agro, mineral and forest-based industries, food processing, cement, paper, sugar, fertilizer, iron and steel, handloom, information technology, power, tourism, aluminium industries, gems and jewellery, automobile, basic drugs and pharmaceuticals, petro-chemicals and export-oriented units. Odisha is also the land of unique handicrafts and other excellent artifacts. Infrastructure facilities in the State offer tremendous opportunities for national and overseas investment in the export-oriented industries.

Odisha excels in certain sectors of the industry. However, it needs only promotion to set up manufacturing hubs.

Textile - handloom

Odisha is known for handloom rather than powerloom and textile mills.

- Sambalpur known for Sambalpuri Sarees
- Berhampur Silk Sarees
- Keonjhar, Baripada & Sonpur known for Sarees & Yarns made of Tassar.

Handicrafts

The handicrafts should be encouraged and promoted.

- Handicrafts made of Lac in Nabarangpur
- Patachitra (cloth-based scroll painting) work is found in and around Puri especially in the village of Raghurajpur.
- Applique of Pipili
- Handicrafts made of Paddy in Nilgiri (Balasore)

Tourism

- S.E.A. Aquariums, Marine Life Parks and Adventure Cove Water Parks can be set up to boost eco-tourism and attract tourists not only from other states but from other countries as well.
- The Nesting grounds of Olive Ridley sea turtle also known as the Pacific Ridley sea turtle near Gahirmatha Wildlife Sanctuary & Rushikulya Estuary and Crocodiles in Bhitarkanika Wildlife Sanctuary in Odisha can be conserved to protect them from any danger and can be promoted for tourists.
- Water Sports like surfing, rafting and waterskiing etc. can be created to develop eco-tourism along the long coastline. Also resorts and hotels can be constructed along the coastal corridor.
- Ayurvedic Spas can be set up at Simlipal (Mayurbhanj) & Badrama (Devgargh) to promote eco-tourism. Some of the activities that promote ecotourism are Animal watching, Bird watching, Plant observation, Mountain trekking, Photographic

safari, Forest patrolling with forest staff etc.

- Conducted Tours can be organized to acquaint tourists with cultural festivals, colourful ornaments & livelihood of aboriginal tribes.

Agriculture (Agro & Food Processing)

- Maize (Corns) is cultivated in Koraput & Jeypore while food processing units can be set up to promote maize products. Promotion of winter maize in the integrated areas of coastal districts and encouraging specialized maize like baby corn and sweet corn in the peri-urban areas can benefit maize farmers in the state.
- In uplands of interior districts, diversion of cropping system from rice based mono-cropping to oilseed or pulse crops will increase the profitability and reduce the risk of drought.
- Promotion of dryland horticulture with fruit crops e.g. mango, jackfruit, guava, tamarind, aonla, bael, ber, cashew etc., growing tuber crops like yam, arrow root & sweet potato and advocating off-season vegetable cultivation in high altitude areas will increase the profitability of land.
- Coffee cultivation can be encouraged and processing units can be set up in Koraput.
- Production of Pineapple can be done at a large scale and food processing units can be set up to make juice, slices etc.

Gems & Jewellery

- Sizable occurances of gem stones have been reported from KBK (Kalahandi-Bolangir-Koraput) and Boudh districts of Odisha. Cutting and polishing units for gem stones can be set up for value addition.

SEZ & Port-led Development

- The development of ports is essential to promote exports from India. The port-based SEZ is witnessing an investment through public-private partnerships and is expected to generate jobs. The proposed SEZ at Paradip, Dhamra and Gopalpur ports may be developed to promote industrial growth and exports.

The Government of Odisha has reaffirmed its commitment to transform the State into a vibrant industrial one by reformulating and passing IPR in March 2007.

Urban Development

- With a view to meeting a vital issue of providing holistic facilities to the urban people in view of fast urbanization, building of beautiful, clean, developmental and vibrant cities and keeping the necessities of all inclusive growth into account, the government should take steps for urban development and initiate organized development of the cities viz. Sambalpur, Jharsuguda, Anugul, Joda-Barbil-Koira etc.

Non-conventional sources of energy namely, renewable energy flows involve natural phenomena such as sunlight, wind, tides, plant growth, and geothermal heat. But wind, solar, and biomass are three emerging renewable sources of energy. Solar Power Plants can be encouraged to take care of the State's power problems. Wind power plants can be set up in southern and eastern areas of Odisha. According to energy experts the non-conventional energy potential of India is estimated at about 1, 95,000 MW. An estimate of 31 per cent of this potential comes from sun, 30 per cent from ocean-thermal, 26 per cent from bio-fuel and 13 per cent from wind.

Biotechnology

- A variety of indigenous medicinal plants occur in Gandhamardhan and Simlipal hills. Pharmaceutical companies can be attracted to put up manufacturing facilities in the State.

Metals & Minerals

According to the latest Global Economic Forum Report of Morgan Stanley, the State has the potential to emerge as a centre for metals business in India and can attract investment within a bracket of US$ 30 billion and US$ 90 billion.

With its abundant mineral resources, long coastline, plentiful inland waters and diverse forest wealth, along with cheap availability of manpower, Odisha has the potential to attract industrial investments. The Government of Odisha has reaffirmed its commitment to transform the State into a vibrant industrial one and has therefore reformulated and passed the Industrial Policy Resolution in March 2007 (IPR 2007). IPR-2007 focuses on providing institutional infrastructure and need based fiscal incentives to consolidate and reinforce the industrialization process. The policy emphasizes on deregulation, simplification of rules and procedures to enable a conducive business climate. Some of the features of the IPR are mentioned below:

- Reduce regional disparities in economic development within the State.
- Deregulate the business environment.
- Implement and operationalise single window mechanism for industrial clearances.
- Ensure balanced utilization of the natural resources for sustainable development.

Under IPR 2007, new industrial units and existing units in Odisha are eligible for various incentives and concessions subject to certain conditions as stipulated in the policy. Abundance of skilled and semi-skilled manpower at competitive rate in an environment of peaceful industrial relation and positive work culture offer favorable opportunities for industrial development. Availability of qualified people from a number of engineering colleges, polytechnics and management institutes in the State provide a rich human resource base for rapid industrialization. Odisha has vast reservoirs of natural resources to spur industrial growth and development. Its fertile land, water resources, mineral wealth, long coastline and forest resources are great assets.

In view of the above, the State of Odisha is geared up to take on the 'Make in India' initiative making it one of the manufacturing hubs which will in turn create the necessary jobs, increase purchasing power, thereby creating a larger market for manufacturers.

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Unraveling 'Make in India' from Budget 2015-16

Since the launch of 'Make-In-India'which is perhaps the most prominent campaign in recent times, all key movements and policy formulation of the government have been viewed through the Make-in-India filter. In fact, the whole Union Budget 2015-16 is an exercise that supports the Make in India culture. Budget formulation points out that India is moving fast towards creating a dynamic manufacturing sector.

Post Budget, a number of developments have taken place which will be strengthening the Make-in–India movement. Most important is the recent Foreign Trade Policy for 2015-20, which like the Budget, provides a major boost to 'Make in India'. The five-year plan aims at lifting India's exports that would make the country a bigger player in global trade by doubling overseas sales to $900 billion by 2019-20, while giving a boost to the 'Make in India' initiative. Both domestic as well as foreign companies have been coming forward to support the 'Make in India' initiative. For example amongst many others, Mankind Pharma, a Rs.3,500 crore pharma giant, is set to launch a factory in 2015 to promote affordable drug manufacturing in India. It plans to focus on the goals set by Prime Minister Modi, to turn India into a manufacturing destination, through a stringent focus on quality and efficiency, as well as on reducing the collision on the environment of the production processes deployed. The initiative will incur a mammoth investment in the pharmaceutical sector with a focus on zero defects, zero effect by making drug manufacturing affordable by 20-30%.

A number of countries - USA, UK, West Germany, France, Canada and many others have started showing interest in actively participate in the 'Make in India' initiative.

The three words 'Make in India' are loaded with number of pre-conditions such as Ease of Doing Business; Skilled India; Digital India and Smart Cities etc.

Institutional reforms are very essential for India if 'Make in India' has to be made successful.

The ambitious 'Make in India' campaign aims at enhancing the manufacturing sector's contribution to GDP from 15% to 25%.

The three words 'Make in India' are loaded with number of pre-conditions such as Ease of Doing Business; Skilled India; Digital India and Smart Cities. Though hectic efforts are on by the Centre on various fronts regarding the initiative much of the action does not seem to be visible on the ground. Pradeep S Mehta of CUTS International has rightly pointed out that "What India needs is a coherent and systematic approach. While the urgency shown by the new government to bring about necessary reforms to help businesses is promising, it needs to be followed equally ardently with action on the ground".

Institutional reforms are essential for India if 'Make in India' has to be made successful. India is continually trying to improve on the most common feature of tax reforms — enhancement of electronic systems for filing and paying taxes. The long pending goods and services tax (GST) will most likely usher in the next set of institutional reforms. Budget 2015-16 has given a major push to overhaul a number of institutions. Finance minister announced several initiatives towards this endeavour — a new law to replace the need for multiple prior permissions with pre-existing regulatory mechanisms, bankruptcy law reforms, simplification of tax procedures, exclusive commercial divisions in various courts and a new law to resolve disputes in public contracts.

The Economic Survey 2014-15, which build the backgrounder for the budget, has highlighted the need to initiate skill development programmes to achieve the government's objective of 'Make in India' campaign.

The ambitious 'Make in India' campaign aims at enhancing the manufacturing sector's contribution to GDP from 15% to 25%. Finance Minister Jaitley has justified the 'Make in India' movement in his budget speech, "Two-thirds of our population is below 35. To ensure that our young get proper jobs, we have to aim to make India the manufacturing hub of the world. 'Skill India' and 'Make in India' programmes are aimed at doing this". Prime Minister initially had explained how 'Skill India' needed to be closely coordinated with 'Make in India'. Yet, today less than 5% of country's potential workforce gets formal skill training to be employable and stay employable.

Finance Minister Jaitley also stated that "Our third major challenge (first and second being Agricultural incomes under stress and increasing investment in infrastructure) is that manufacturing has declined from 18% to 17% of GDP as per new GDP data; and manufacturing exports have remained stagnant at about 10% of GDP. The 'Make in India' programme is aimed at meeting this challenge, thus creating jobs".

Finance Minister Jaitley specifically mentioned in his speech that the 'Make in India' policy is being pursued to achieve greater self-sufficiency in the area of defence equipment, including aircrafts. In order to get this going a major policy overhaul is required. The key thrust of the 'Make in India' programme is on cutting down delays in manufacturing project' clearances, develop adequate infrastructure, make it easier for companies to do business in India and generate more employment opportunities.

The Economic Survey 2014-15, which provided a background for the budget, has highlighted the need to initiate skill development programmes to achieve the government's objective of 'Make in India' campaign. Also, 'Make in India' should be targeted at sectors that are capable of facilitating structural transformation in an emerging economy, which includes characteristics such as:

- Have high level of productivity
- Show convergence to the technology frontier over time
- Draw in resources from rest of the economy to spread the fruits of growth
- Be aligned with the economy's comparative advantage
- Be tradable.

Indian economy has rapidly transformed from an agrarian economy to a services-driven one. However, share of manufacturing in India's GDP has remained stagnant at 15%. It lags way behind the average share of manufacturing in GDP for some of the other rapidly developing economies such as China (32%), Thailand (34%) and Malaysia (24%). The manufacturing sector in India continues to stagnate, pulling down the country's overall growth.

Union Budget Highlights – What's in it for 'Make in India'

While finalising budget tax proposals, FM has adopted certain broad themes, which included, 'Job creation through revival of growth and investment to promote domestic manufacturing and Make in India'. Major measures include:

- Series of steps to promote domestic manufacturing and 'Make in India' so as to attract capital, both domestic and foreign. Tax 'pass through' is allowed to both Category-I and Category-II Alternative Investment Funds, so that tax is levied on the investors in these Funds and not on the Funds per se. This will step up the ability of these Funds to mobilise higher resources and make higher investments in small and medium enterprises, infrastructure and social projects providing the much-required private equity to new ventures and start-ups.
- Role of indirect taxes is also very important in the context of promotion of domestic manufacturing and 'Make in India'. In indirect taxes, therefore, the rates of basic custom duty on certain inputs, raw materials, intermediates and components (in all 22 items) have been reduced so as to minimise the impact of duty inversion and

reduce manufacturing cost in several sectors.

- Launch of scheme for Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India -Fame India-An initial outlay of Rs 75 crore was allotted for the scheme in 2015-16.
- Announcement to set-up manufacturing hubs in CMLV countries, namely, Cambodia, Myanmar, Laos and Vietnam.
- Creation of Micro Units Development Refinance Agency (MUDRA) Bank, with a corpus of Rs 20,000 crore, and credit guarantee corpus of Rs 3,000 crore to enable refinancing Micro-Finance Institutions through a Pradhan Mantri Mudra Yojna.
- Earmark Rs 1,200 crore for the Delhi-Mumbai Industrial Corridor.
- Defence Manufacturing to get a boost. India's current defence requirement comes largely by imports. Opening up the strategic defence sector for private sector participation will help foreign original equipment manufacturers to enter into strategic partnerships with Indian companies and leverage domestic markets and also aim at global business. The government has increased defence budget by 7.5% to Rs 2.46 trillion. There will be focus on the 'Make in India' initiative to boost local manufacturing of defence equipment and exports in the coming year.
- Promotion of Labour Reforms & Skill Development. Introduction of "Pandit Deendayal Upadhyay Shramev Jayate Programme" (Ministry of Labour and Employment) are part of labour reform initiatives. Key features of the programme include creation of favourable environment for industrial development, transparent labour inspection scheme, effective implementation of revamped Rashtriya Swasthya Bima Yojna, and vocational rehabilitation centres for handicapped etc.
- Savings Mobilisation-Improving savings rate is seen as critical for India's Sustainable Growth.

Budget 2015-16 has paved the way for increased savings inter-linked with higher investments to become the key driver for regeneration of Indian economic growth in the near future. This runs as an under-current throughout the Finance Minister Jaitley's Budget 2015-16 speech. Though the Indian economy, in a way, is endowed with a largesse of domestic savings, they are largely held in unproductive physical assets. The time has come when this distortion, which is causing tremendous harm to the economy needs correction. Savings need to be channelized towards productive investments. Only then, foreign investment will get attracted to flow in. Together both domestic savings and foreign money will be able to transform India into a sustainable preferred investment destination. With India now the fastest growing country for a second quarter, staying ahead of China by a small margin, there is more likelihood of the cake of savings getting enlarged and then getting invested in productive channels.

Some Comments

- All talk of 'Make in India' and efforts to improve the country's ease of doing business rankings will sound hollow if capital goods makers do not see a big pickup in their order books and if the share of fixed capital formation in GDP does not rise. Investments can really go up with infrastructure, where India has a serious demand-supply gap. Thus, stuck projects and bad loan issues need to be tackled.
- Project developers cannot invest further without more access to capital, giving rise to a catch-22 situation. Banks cannot give them additional capital unless they turn their existing bad loans into performing ones. The way out is a bailout, similar to what the US government did with companies like General Motors in the wake of the 2008 financial crisis.
- Revenue expenditure needs reduction while the capital expenditure should increase to boost the 'Make in India' campaign.
- India faces an export challenge, reflected in the fact that the share of manufacturing and services exports in GDP has stagnated in the last five years. Exports need to increase to be integral to global supply chains.
- Banking sector has to become healthier. This is crucial for success of the Make in India.

The Union Budget has clearly provided an impetus and lead to 'Make in India'. This is just the start. Journey ahead is long and challenging for all stakeholders to achieve the last mile of 'Make in India.'

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Will India be Investing in 'Make in India' ?

Anuraag Gupta
Profound Consulting Pvt. Ltd

Most of the employees in the Indian Corporate sector have majority of their savings parked in fixed deposits, employee provident funds and other tax saving plans. Most of the investments are done with a focus on tax planning. Unfortunately, these investments do not yield higher returns for these individuals.

Consider this, when the economy grows, which section of the society prospers the most-consumers, employees or entrepreneurs? The answer is simple – entrepreneurs. The reason for this is that the economic growth happens when earnings of the economy increases. The majority of this growth in earnings is created by people engaged in business. As the size of the economy grows, so does the value of businesses in the economy. This leaves out a major component of our population – employees – from participating fully in the growth process. Although, they do get salary increments during good economic times, inflation lowers their real benefit.

The only way for an employee to participate fully in the economic growth of a nation is by owning a piece of a business, i.e. shares in companies doing business. However, it is difficult to pick a single company that will give the owner a reasonable return. To tackle this, one can simply own shares of the top 30 or 50 companies in India i.e. BSE Sensex or S&P Nifty. These are stock indexes, which are a basket of the top companies in India – Reliance Industries, ICICI Bank, HDFC Bank, Hindustan Unilever Ltd., etc. This can be done through buying index funds – which are bought and sold on the Stock Exchanges. One needs to simply approach a stock broker and ask him to buy Index Funds. Having the money invested in Index Funds, one is assured of participating in the growth expected from the 'Make in India' initiative. If one goes through the ownership patterns of the top companies in India, he will discover that not many Indian individuals own shares in Indian companies. Institutions, especially foreign institutions, own most of the shares. This means that if Indian companies benefit from the 'Make in India' initiative, the real beneficiaries would be the foreign institutions who own the shares in these companies.

If the Indian Public parks some of its money in shares of these companies, they will be the beneficiaries of this growth.

The next question would be when to invest? The answer is now and forever. One might think – 'The Sensex is already at 30,000! It has gone up! It is risky to invest at these levels. I will wait for the market to come down.' This thought process would only hurt in the long term. No one can predict where the stock market will be in the next two, three, six or twelve months. If one is confident of India's growth potential in the next 10 years, one has to stay invested in these companies for the next 10 years. The best way would be to invest a fixed amount regularly – say every month. This method will help the investor to participate in the market at all levels.

By following this method of disciplined investing for a period of 10 years or more, one can easily expect to earn a tax free return of 12% per annum. This is far better than any other asset class available in India.

If one desires to invest in stocks directly, he/she may do it at their own risk. The variables involved in the method of identifying stocks are way too many, and the individual investor needs to put in special efforts to get a grip on them all. Most full time employees don't have the time or the inclination to research on companies. Investing in Index Funds takes away this problem of stock picking. The individual is simply investing in the top 30 to 50 companies in the country.

To participate fully in the 'Make in India' movement, while being a full-time employee, one has to somehow own pieces of businesses. If one is really serious about planning finances for the future, one must hire a professional financial planner. Abhishek, CEO of Moat Wealth Advisors says, "Just like we hire the best professionals in other areas of our lives – doctor for our illnesses, lawyer for our court cases – we also need professional help for our financial planning. It is a vast field and it is easy for anyone to get confused and misguided in trying to do it alone. There are several firms who specialize in financial planning. A financial planner will analyze the current financial position of the individual, find out the financial goals and construct a portfolio aimed at achieving those goals. "Every now and then, we meet clients who have no idea where their money is being invested. Most of them don't own a single mutual fund or an equity share. If we don't change this situation, the real beneficiaries of Make in India will be foreigners and not Indians" Abhishek adds. Moat Wealth Advisors has helped several individuals to participate in owning companies while minimizing their risk at the same time. They even do financial analysis of individuals' and families' portfolios for free.

The writing on the wall is clear. Indian businesses will massively benefit from the 'Make in India' initiative. However, till what extent will Indian employees participate in the prosperity - only time will tell.

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Can Sustainable Agriculture be Realized from 'Make in India' Campaign?

Agriculture has consistently remained unattended in India's economic growth story except receiving mere lip sympathy. Backed by continued technological innovations in the sector, India's food grain production has more than doubled over the decades to a record 264 million tonnes in 2014, but the paradoxical situation is that the same has not being capitalised to increase the revenue and profit margins of farmers. There is still a large dependency on rainfall and other climatic conditions for good yield. Besides, post-harvest logistics remains an area of concern.

State of Indian Agriculture from a 'Make in India' perspective

The 'Make in India' story cannot be successful without a thriving, competitive and sustainable agriculture. Most farmers want to sell their land and move out of farming. Indian agriculture is at a critical stage. No matter how developed or rich we become, we need food to eat and cannot survive on software or metals. Agriculture is important as It directly impacts food security. It forms still a significant share in India's GDP and provides employment to almost two-thirds of the workforce and as such is an integral part of the Indian economy. Agriculture based industries like cotton, jute, silk and woollen textiles, sugarcane, vegetable oil and food processing etc. are based on agricultural raw materials. Agriculture forms an integral part of overall economic development of an emerging market economy like India. It provides food security, releases labour, enhances saving, contributes to market of industrial goods and also earns foreign exchange.

Sustainable agriculture integrates three main goals - environmental health, social and economic equity and economic profitability. Basically, it means conservation of an ecological balance by avoiding depletion of natural resources. Sustainability implies attaining equilibrium between demand and supply of agricultural produce. The second green revolution can bring in the much-needed efficiency and productivity increase in agriculture production, success of which depends on the performance of numerous resources and innovative adoption of strategies and processes.

At the time of independence, agriculture was the main source of national income and occupation. After 68 years of Independence, the share of agriculture in total national income declined from 50% to near 18% in 2014-15. But even today more than 60% of workforce is engaged in agriculture. Growth of all other sectors depends on the performance of agriculture.

Indian agriculture, which grew at the rate of about 1% per annum during the fifty years before Independence, has grown at the rate of about 2.6% per annum in the post-Independence era. Indian agriculture has progressed not only in output and yield but also from the varied structural changes. Series of steps initiated by the Indian Government such as land reforms, setting up of the agricultural price commission to ensure remunerative prices for producers, adoption of new agricultural strategies, investment in research and extension services, provision of credit facilities and improving rural infrastructure have led to this progress.

Notwithstanding the above achievements, the agriculture situation coincidently turned adverse especially during post-WTO period. Growth rates in output of all crops decelerated. While livestock and fisheries declined, only forestry witnessed an increase.

In view of adverse impact of climate change on the socio- economic development, India proposed the National Action Plan on Climate Change in 2008. The National Mission for Sustainable Agriculture (NMSA) is one of the eight missions introduced to address risks associated with the impacts of climate change on agriculture and to make appropriate adaptation and mitigation strategies for ensuring food security, equitable access to food resources, enhancing livelihood opportunities and contributing to economic stability at the national level.

On the whole, economy has been progressing but agriculture sector lagged far behind. The reasons cited are that India is mainly characterised by small farms and most crops are rain fed, since only about 45% of the land irrigated. Around 60% of total population of India depends on farming compared to USA, which is about 2%; mainly because of heavy mechanisation in agriculture. Due to a number of reasons like poor availability of funds, farm inputs and support price structure for the produce with almost nil crop insurance, most of the farming is non-remunerative. Over 50% of farmers seem to be in debt. This is the main reason for a large number of farmer suicides. Farmers find more money in selling their land to builders, malls and factories than in farming.

Few farmers can afford the costly farm machinery. Solution could be to establish farm machinery leasing agencies in rural areas. Mechanised equipment can be leased, including drip irrigation systems, to farmers. Also trained manpower can be provided to run these machines. Such a practice already exists on a limited scale. Besides, a correct and timely application of inputs is dependent on the availability of labour, water and fertiliser. This hasn't been always possible. Precision agriculture can be helpful.

In the post-1990s period, there has been a continuous decline in investments in agriculture. Withdrawal of the state has led to much greater dependence of farmers on private sources. Reasons for farmer suicides, mainly marginal and small farmers, comprise greater liberalisation of the agricultural sector on the one hand and increasing costs of cultivation, crop failures and inability to face the price rise on the other.

Though serious concerns have been raised regarding agriculture but somehow these are not being addressed properly. Various credit rating agencies are questioning government's stand over the minimum support prices (MSP) but pro-farmer groups keep pressurising for a rise in MSP. Former RBI Governor Bimal Jalan-led Committee's report on agriculture reforms primarily focuses on bringing down MSP to contain both inflationary pressure and fiscal deficit. There are other concerns too, which directly affect both the health of the farmers and consumers simultaneously -- food security, procurement and subsidies among others. It is an established fact that Indian farmers receive only around 25-30% of the price the consumers pay for the produce (farmers in Europe & the USA receive around 75%) and the difference account for losses, inefficiencies and middlemen. Blaming only MSP for food inflation is not sufficient.

Major challenge is how to develop a mechanism that minimizes the intervention of middlemen. The prevailing APMC (Agriculture Produce Market Committee) Act is fully inefficient in dealing with this. Then there is inadequate storage facility resulting in a major chunk of perishable commodities like vegetables (mainly potatoes and onions) and fruits getting destroyed. Also, there is inefficient transportation and presence of middlemen in the logistics framework. Forthcoming GST set up hopefully may prove to be the panacea for these. It is no wonder that India is the second largest producer of fruits and vegetables in the world ranking tenth in terms of fruits and vegetables exports among exporting countries. India exports only 1% percent of the total production of fruits and vegetables. There is immense scope for improvement in the entire post-harvest operations that would benefit both farmers and consumers.

Inequities in the farming sector are varied galore. More than 80% of India's farmers are small and marginal and their costs of production are much higher as compared to the wealthy farmers. Medium and large farmers (5% of farmer households) operate more than 20% of total operated area. Region-wise too, the situation is not homogeneous.

Promising areas are medicinal farming in India. Seaweed is the most important resource for the pharmaceutical sector. Though both China and India enjoy the Himalayan region in their territory, China has progressed far ahead in medicinal farming. If the government becomes serious in this, large scale employment can be generated in rural areas, which can curb speedy migration and strengthen sustainable and inclusive growth.

There is also dire need to facilitate farmers to export more or to provide them an easily accessible platform for exporting their produce. Food processing, development of cold storage chains and e-marketing will certainly help in this. Building storage capacity for the perishable commodities can check seasonal price rises effectively.

Even after 68 years since Independence, India is still dependent on the international market for commodities such as edible oil (mostly palm oil) and pulses. India imports over 50% of its cooking oil demand. This is mainly due to lack of consistency and long-term approach in trade policy. Wheat, sugar, cotton, edible oil, rubber are commodities that are directly related to the government's trade decisions.

In recent times, removal of trade barriers in the form of free trade agreements with different regions and countries are also a major concern for their farmers. With the signing of free trade agreement (FTA) with South East Asian countries, a detrimental impact was observed on the Indian farmers producing black pepper, cardamom and rubber. Prior to signing the agreement, India was the leading exporter of these commodities in international markets but post agreement, India's exports have been on a continuous decline. The Indian government has to be careful in signing these agreements for the well-being of domestic farmers.

Recent hopeful developments

- Norms are relaxed for procuring wheat when farmers are faced with acute stress situation. In a relief to farmers, government increased quantum of compensation for crop damage to affected farmers by 50% along with reducing eligibility criterion for getting compensation for crop damage to 33% of loss. RBI, Insurance firms and states will carry this further.

- Government will offer 50% capital support per seat to set up rural BPOs. Subsidy will be offered up to 50% of capital expenditure or Rs 1 lakh per seat, whichever is lower, for setting up business process outsourcing (BPO) units in small towns and villages.
- MUDRA (Micro Units Development and Refinance Agency) Bank under the Pradhan Mantri Jan Dhan Yojana can be a boon for uplifting of agriculture through small businesses.
- Land Acquisition Bill is expected to ensure jobs for 300 million landless workers mainly through Industrial Corridors being set up in the country and other initiatives.
- The government is focusing on a variety of activities like Rainfed Agriculture; Development of drought and pest-resistant crop varieties; Improving methods to conserve soil and water to ensure optimal utilization; generating awareness through stakeholder consultations, training workshops and demonstration exercises for farming communities, agro-climatic information sharing and dissemination; financial support to enable farmers to invest in and adopt relevant technologies to overcome climate related stresses; risk management; strengthening existing agricultural and weather insurance mechanisms; development of GIS and remote-sensing methodologies for detailed soil resource mapping and land use planning, adoption of new technologies etc.
- India's water deficit has spurred French utilities like Veolia to facilitate agriculture with solving its water deficit and related concerns. Europe's top water management companies are seeking to expand in India as farmers, industry and urban residents compete for increasingly scant supplies.

Outlook, challenges and sum Up

- Food-borne diseases from farm to plate have emerged as a big public challenge. All stakeholders, from farmer, vendor, cook to consumer, have a key role in ensuring the safety of food. There are about 200 diseases spread through food. Infectious diseases such as jaundice are widespread even with families having a relatively high standard of living.
- Precision Agriculture (PA) could start the second 'Green Revolution' in India. What is needed is sustainable, high-tech and high-productivity agriculture which will be remunerative and help provide both food and energy security for the country. PA refers to the application of precise and correct amounts of inputs like water, fertilisers, pesticides etc. at the correct time to the crop for increasing its productivity and maximising its yields. India, though one of the biggest producers of agricultural products, has very low farm productivity.

- PA may also provide a platform for industrial corporate social responsibility (CSR) activity by helping the rural poor improve their livelihood through high-tech farming. The Government of India can facilitate in this process by giving soft loans and sops to the industry so that they get more engaged in agriculture and PA activities.
- Agriculture needs huge investments in research, education, extension, irrigation, fertilizers, and laboratories to test soil, water and commodities, warehousing, cold storage. Crop yields in most states have been stagnant, even declining. With climate change, India faces a serious fall in the yields of wheat and rice unless it generates varieties that are heat resistant, water efficient and able to withstand temperature volatility. The government should invest substantially in research on seed adaptation as well as agro-ecological practices so as to replenish soils. Soil health cards can diagnose but not cure.
- Rationalisation of subsidies and better targeting of beneficiaries would generate part of the resources for public investment. There are wide differences in the yields within states. Even the best of the states are having much lower yield in different crops as compared to the world's best.
- The focus of public expenditure for agriculture needs to shift from provision of subsidies towards investments to boost productivity. Shanta Kumar Committee report provides suggestions for the future road-map of food policy and a common market for agricultural commodities.
- Budgetary measure of merger of SEBI & FMC and implementing GST are two measures which carry the potential to bring a transformational change in agriculture and the overall Indian economy.
- Ultimate aim should be to integrate Indian agri-value chain with the global agri-value chain. Also, the advantage can be taken of the potential product opportunities. This will not be easy to achieve, but certainly, there is no alternative for Indian agriculture but to move in this direction. India's share is mere 2% in global trade. With the new FTP, this may rise to 3.5%. India can do still better by tapping the enormous potential in value added agri-trade.

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FTP 2015-20 – Set to Ease Trade Procedures

The much-awaited Foreign Trade Policy 2015-20, which was announced on April 1, 2015, emphasized on simplifying the bureaucratic procedures for exports and imports. 'Steps are being taken by various ministries and departments to simplify administrative procedures and reduce transaction costs based on the recommendations of two Task Forces. The implementation of these recommendations is being actively pursued,' according to the 66-page policy statement.

The policy aims to raise India's exports of merchandise and services to approximately US$ 900 billion by 2019-20 from US$ 465.9 billion in 2013-14 and to raise India's share in world exports from 2 percent to 3.5 percent. The government seeks to attain this target by providing a stable and sustainable policy environment for foreign trade in merchandise and services, link rules, procedures and incentives for exports and imports with other initiatives such as 'Make in India', 'Digital India' and 'Skills India'.

While supporting the traditional focus areas of labour intensive and agricultural products, the policy also aims to encourage technology intensive manufacturing, defence, pharmaceuticals, environment-friendly products, products meeting BIS standards and technical textile-related products.

Some of the salient features of the policy are as follows:

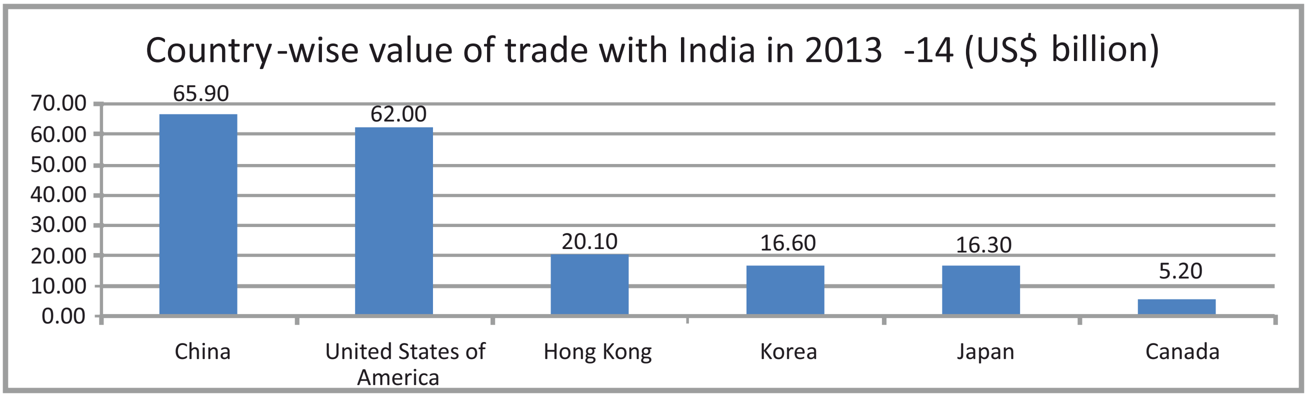
- The policy introduced two new schemes - 'Merchandise Exports from India Scheme' (MEIS) and 'Services Exports from India Scheme' (SEIS). These two schemes would replace the existing multiple schemes that entail several conditions for eligibility and usage of scrips.
- In order to ensure efficient inter-departmental co-ordination and stakeholder participation, the policy envisages the setting up of National Committee on Trade Facilitation (NCTF). The committee would co-ordinate the workings of various government departments and ensure smooth flow of goods and services across the borders. This step is in line with the government's commitment to implement WTO's Trade Facilitation Agreement (TFA).
- The policy contains a proposal to set up a new institution - the Centre for Research in International Trade - to build research capabilities in the area of international trade. The proposed centre would also enable developing countries to articulate their views and concerns from a well-informed position of strength.
- The policy mentions the setting up of two institutional mechanisms for regular communication with stakeholders, namely, a Board of Trade which will have an advisory role and a Council for Trade Development and Promotion which will have representation from state and union territory governments.
- As part of trade promotion activities, the government would deploy suitable officers at the Indian Missions of about 35 countries that are very important for India from the perspective of trade and investment. These officers will have experience and a sound understanding of trade negotiations and commercial matters.

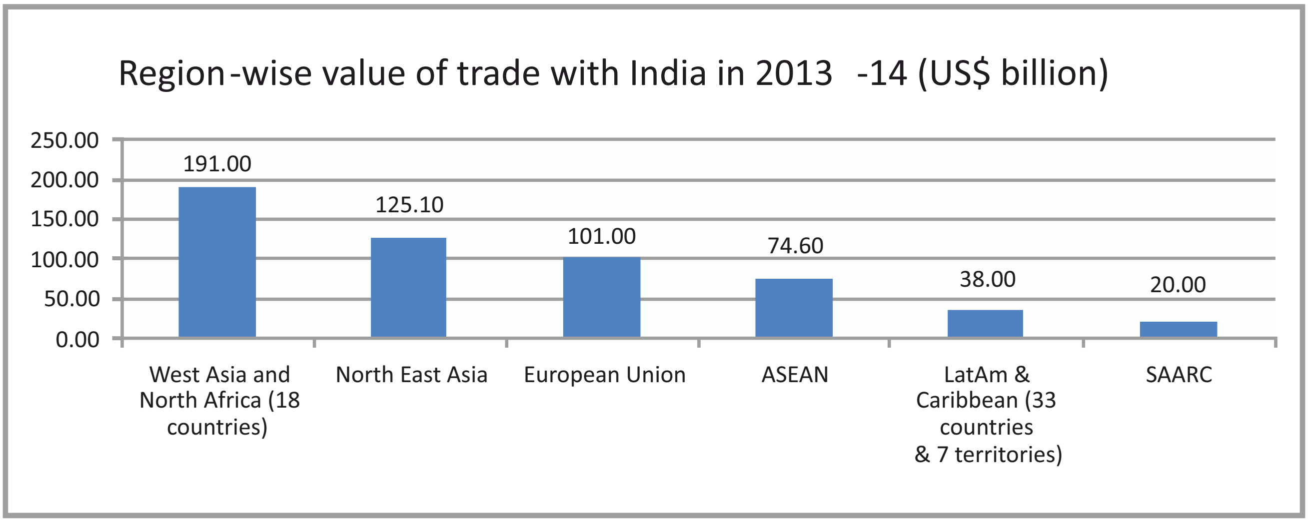
Comparative Analysis of Foreign Trade Policy 2009-14 and 2015-20

Foreign Trade Policy 2009-14	Foreign Trade Policy 2015-20
It included 5 different schemes to encourage export of goods – these are Focus Product Scheme, Market Linked Focus Product Scheme, Focus Market Scheme, Agri. Infrastructure Incentive Scrip and Vishesh Krishi And Gram Udyog Yojana (VKGUY) scheme. These schemes had different types of duty scrips with varying conditions.	In order to simplify the administrative mechanism, this policy merged all these five schemes into a single scheme, namely Merchandise Export from India Scheme (MEIS). There would be no conditionality attached to the duty credit scrips issued under the scheme. The scrips issued under MEIS and the goods imported against these scrips are fully transferable.
This policy contained Served from India Scheme (SFIS) to encourage export of services by Indians only.	This policy replaced the SFIS with Service Exports from India Scheme (SEIS), which will apply to `Service Providers' located in India' instead of `Indian Service Providers'. Thus, SEIS offers rewards to all exporters of notified services from India, regardless of the constitution or profile of the exporter.
In this policy, the government allocated a certain amount towards 'Assistance to States for Developing Export Infrastructure and Allied Activities' (ASIDE). The fund allocated under this scheme is used to finance development of infrastructure for exports like Export Promotion Industrial Parks or Zones. The fund is channeled through state governments.	This policy seeks to restructure the ASIDE scheme or formulate a new programme for supporting infrastructure development. This is because the union budget 2015-16 substantially reduced the allocation for this scheme in pursuance to government's decision to transfer additional tax resources to states.

Under this policy, the Niryat Bandhu scheme was announced in October 2011 to guide new exporters and importers on documentation, EXIM policies, key export markets abroad etc.	The designers of this policy feel that the significant potential of the Niryat Bandhu scheme remains underexploited. Therefore, they decided to revamp the scheme and dovetail it with the ongoing outreach programmes.
This policy was framed at a time when the global economy was in the throes of recession and India's export was declining. Therefore, the aim of this policy was to reverse the declining trend of exports by exploring new markets. The policy was also aimed at creating employment opportunities through export promotion.	The policy aims to link rules, procedures and incentives for exports and imports with other initiatives such as 'Make in India', 'Digital India' and 'Skills India' to create an 'Export Promotion Mission'.
This policy aimed to raise total merchandise export of India from US$178 bn in 2009-10 to US$500 bn in 2013-14. But this could not be achieved as India's merchandise exports stood at US$314.4 bn in 2013-14.	This policy aims to raise India's exports of merchandise and services from US$ 465.9 bn in 2013-14 to approximately US$ 900 bn by 2019-20.
This policy was formulated for a period of five years and reviewed every year. The yearly review was called Annual Supplement of Foreign Trade Policy.	The policy will be reviewed mid-term with the objective of making a mid-course assessment and modification where required. A concurrent mechanism of evaluation will also be put in place.

India's Commercial Ties with its Trading Partners – The Way Forward





Region/Country	Present trade relationship	Future plans
USA	The USA is a prominent traditional market for India's products and services and it has helped develop Indian business capabilities tremendously. In 2013-14, 12.5 percent of India's total exports were destined for USA.	The Indian government would promote exports in technology products and services, textiles, agriculture, leather and gems & jewellery to USA. Also, it would hold regular dialogue with US stakeholders on contentious issues like intellectual property rights, immigration policies, labour and skill-related policies of the US government.
European Union (EU)	The EU, as a regional bloc, is India's largest trading partner. India's total merchandise trade with EU rose fivefold from US$ 21 billion in 2000 to US$ 101 billion in 2014.	An India-EU Broadbased Trade and Investment Agreement (BTIA) has been under negotiation for several years. The two sides have reached an understanding on many issues. However, some areas still remain outstanding. India is an emerging economy with several policy and legislative matters still under evolution.Therefore, India's approach has been incremental rather than one off.
ASEAN (Association of South East Asian Nations) - Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam	The Indo-ASEAN Trade in Goods Agreement came into force on January 1, 2010. The Indo-ASEAN Agreement on Trade in Services and Investment became operational from July 1, 2015. India has a Comprehensive Economic Cooperation Agreement (CECA) with Singapore (August 1, 2005) and Malaysia (February 18, 2011). The second review of CECA with Singapore is underway. Meanwhile, a Comprehensive Free Trade Agreement is being negotiated with Thailand.	India is constructing the India-Myanmar-Thailand Trilateral Highway, which would ensure land connectivity between India and the ASEAN region through Myanmar and Thailand once the project is completed. Also, India is focusing on establishing seamless connectivity with Cambodia, Lao PDR, Vietnam, and Myanmar (CLVM) to enable free flow of goods, services, capital and manpower.
North East Asia (China, Japan, Hong Kong, Taiwan, The Republic of Korea, the Democratic People's Republic of Korea, Macao and Mongolia)	This region constitutes over 16 percent of India's total trade in 2013-14. Of the total trade worth US$125.1 bn with this region, China itself accounts for US$65.9 bn in 2013-14	The government plans to run special programmes for trade promotion in Japan. While India has bilateral trade agreement with Korea, Indian exporters have not taken advantage of this the way Koreans have done. Therefore, government will spread awareness about this agreement among Indian traders. With regard to China, India would continue to pursue market access issues and removal of non-tariff barriers for products like pharmaceuticals and agro commodities.
West Asia and North Africa Six Gulf Cooperation Council countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates) Six West Asian countries (Iraq, Israel, Jordan, Lebanon, Yemen and Syria) Six North African countries (Algeria, Egypt, Libya, Morocco, Sudan and Tunisia)	India exported US$ 61.8 billion worth of goods (19.6 percent of its total merchandise exports) to this region in 2013-14 . Imports from this region stood at US$ 129.2 billion, or 28.7 percent of total imports in the same year.	India hopes to conclude successfully the ongoing negotiations on two FTAs (with Israel and with the six countries comprising the Gulf Cooperation Council).

Region/Country	Present trade relationship	Future plans
Latin American and Caribbean (LAC) Region	Share of LAC in India's global exports rose from 1.7 percent in 2001-02 to 4.5 percent in 2012-13 and in imports from 1.8 percent in 2001-02 to 5.6 percent in 2012-13. India has a Preferential Trade Agreement with MERCOSUR (a trading block of Argentina, Brazil, Paraguay, Venezuela and Uruguay) and it came into operation from June 1, 2009. The India-Chile PTA is in the final stages of expansion.	India plans to diversify its exports to the region in the future. Also, it is taking efforts to expand the scope of India-MERCOSUR PTA and strengthen its trade and investment linkages with the Pacific Alliance (which includes Chile, Peru, Columbia and Mexico).
Africa	The share of Africa in India's total exports was 9.7 percent in 2013-14. India has implemented a 3-year technical assistance programme with 6 African countries for the cotton sector and it is in the final year of implementation. However, India does not have any trade agreements with countries in Africa.	In future, India may enter into trade agreements with the Common Market for Eastern and South Africa (COMESA) and the Economic Community of West African States (ECOWAS). Decision on these potential agreements would depend on the outcome of the ongoing feasibility studies in this regard.
Non-EU countries in Europe	India is negotiating a Trade and Economic Partnership Agreement (TEPA) with Iceland, Norway, Switzerland and Leichtenstein (EFTA countries)	India is planning to strengthen its trade network with the non-EU European countries. In the next 5 years, India's trade promotion activities will focus on Turkey, Visegrad-4 (Czech Republic, Hungary, Slovak Republic, Poland) and other non-EU countries in Europe.
Commonwealth of Independent States (CIS) - Kazakhstan, Turkmenistan, Uzbekistan, Kyrgyzstan, Tajikistan, Russia, Georgia, Azerbaijan, Armenia, Ukraine, Belarus and Moldova	Trade between India and CIS has increased by about 45 percent in the last five years. This region is a major supplier of raw materials. However, India's engagement with most of the countries except Russia has been much below its potential.	A Joint Study Group would be set up to enhance trade relations with the CIS countries, especially the Customs Union of Belarus, Kazakhstan and the Russian Federation. India would popularise the International North South Transport Corridor (INSTC) route to export goods to Russia. Shipments through INSTC takes 23 days for goods to reach Russia from India, while it takes 35 days in the traditional route.
Australia and New Zealand	Australia is an important source of six crucial inputs, namely, iron ore, coking coal, copper, gold, uranium and LNG. It is noteworthy that India allows import of primary products from Australia at a zero tariff or very low tariff.	India and Australia are negotiating a Comprehensive Economic Cooperation Agreement (CECA) covering trade in goods, services, investment and related issues. India is also holding negotiations with New Zealand for a Comprehensive Economic Partnership Agreement (CEPA).
Canada	Bilateral negotiations are underway for a free trade agreement (FTA)	The plan is to conclude the FTA negotiations by the end of this year.
Mexico	Mexico is the destination for several products from India.	Considering the potential of this market, the Indian government feels the need for a closer look at it.

Challenges in Transforming Indian Railways

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There has been talk in policy circles in the past few months that the role of the Indian Railway System is really crucial for rapid and sustained growth of the Indian economy. One reason for this policy stance is the lower costs involved in the rail movement of goods which is crucial for an economy, since it is necessary to be competitive in an increasingly globalised economic framework. Underlying this line of thinking, is the consideration that the railways need to get back to moving much more freight (and passenger traffic too) especially by way of bulk items as compared to road transport so as to achieve an optimal modal mix. The misallocation in terms of sub–optimal modal shares at present was brought out in the study undertaken by RITES (2009) which pointed out the then current modal share was heavily oriented towards road movement of freight and that this was contributing to an annual social cost of around Rs. 40,000 crore, a figure that could be much higher at present. One significant implication would be the huge relief on the balance of payment front, resulting from a substantial reduction in the fuel consumption of road transport. Moreover, any shift towards a greater role for the railways would be economically and environmentally sustainable. To achieve these objectives, there is no doubt that radical transformational changes in the system are required. Given this background, an attempt has been made to understand some of the policy guidelines that have been issued since the new government took over in May 2014, both within the budgets (GOI, 2014; GOI, 2015a) that have been presented and also, by way of the White Paper tabled in parliament recently.

The biggest challenge facing Indian Railways currently is its inability to meet the demands of its customers, both freight and passenger. Apart from the quantum of investment, quality of delivery is also an issue (GOI, 2015b, p.6). While the gap in provision has been

The biggest challenge facing Indian Railways currently, is its inability to meet the demands of its customers, both freight and passenger.

a consistent feature and a matter of concern over many decades, serious attempts to make better utilization of the existing capacity were made only since 2004, when rationalization of existing operations was attempted in a serious way. However, it was observed that technical limits had exceeded giving rise to serious safety concerns. This pointed out to a lack of adequate capacity to meet emerging requirements. Besides, during the past few decades, there was no attempt to recognize the need to revise passenger fares steadily and slowly while, at the same time, freight tariffs were revised upwards continuously resulting in diversion of goods to the highways, despite the point made from time to time that the revenue of railways was rapidly decreasing. On the other hand, it was also emphasized that huge surpluses required for up gradation and expansion of the system could come from rise in passenger tariffs, especially long-distance non-suburban movement (GOI, 2001). With some hikes in fares last year and no hikes this year or maybe for some years to come, one cannot expect any reasonable surpluses to emerge. It is true that people expect better services if fares are raised, but the failure to raise fares for a very long time has resulted in poor generation of surpluses, badly required to improve the quantity and quality of services. The vicious circle that has been faced needs to be broken and the process should have begun this year especially, when Indian Railway Minister, Suresh Prabhu claims that he is keen on depoliticising the railway budget. Taking fare revisions suitably forward remains a formidable task. Without sustained efforts to bring about reforms on this front, modernization efforts can be much less than half-hearted.

Considering a related issue, it has been noticed that a regular and familiar feature of the railway policy pronouncements, especially during budget time, is the talk of social burden on the railways, current estimates being pegged at Rs. 25000 core. But it is not too obvious from either a reading of the budget (and related) papers or other official sources that this is a figure that can be taken at its face value since it has never been made clear what the basis for such a figure is. The author's attempt to examine it, based on cost considerations, have always been frustrated due to the hesitation of the authorities to provide the data necessary for such calculation, which are by no means simple. With the information technology tools necessary to develop the data base at a fairly disaggregate level, it is a fervent hope that there is more transparency in cost calculations, thereby fare setting on a more rational basis. Arbitrary pricing and costing practices have no place in a competitive sector like transport.

The failure to raise passenger fares makes the railway administration's job of tackling under investment all the more difficult since there are few additional sources that can be tapped in a big way except for the budgetary support from the Central budget, which this year has been proposed at around Rs.42000 crore as compared to the Rs.32000 crore outlay in 2014-15. If initiatives to transform the system are to be taken forward, the role of the central government needs to be substantially increased at least for a period of five years by which time some turn round of the system on a self-sustaining basis can be expected. GOI (2014) had clearly emphasised the need for significant government support to the Indian railways to perform its rightful role.

It is good to note that a serious engagement with customer-related issues is to be undertaken at all levels (GOI, 2015, p.20). one of the major reasons for the sharp decline in freight movement by rail (in relative terms) has been the failure to take care of serious quality of service issues such as reliability, punctuality, etc. even with respect of bulk movements. To handle this, the pace of work on the Dedicated Freight Corridors needs to be stepped up significantly. Though this aspect finds a specific mention in the White Paper, it does not appear to get adequately reflected in planned outlays in the budget. The run up to a more seamless use of the freight corridors is already proposed by way of setting up of the Transport Logistics Corporation that can really be expected to help the railways in their attempt to promote multi modalism in a big way.

The Coastal Connectivity Programme involving linking of ports needs to be put firmly in place on a time-bound basis, so as to help boost our trade prospects in a big way.

For nearly six months, there has been a hype created with the floating of a proposal to have bullet trains between various pairs of cities. Though there is still some obstinate persistence on the bullet train front, it is obvious other such mega plans are being toned down and being replaced by proposals for higher speeds on existing corridors by way of up gradation. Here again it must be mentioned that there are many over saturated sections on the system corridors pointing out to the need to have additional track capacity. The problem is that many of these saturated corridors provide extensive movement of many pairs of short-distance passenger trains which obviously need to be taken off the system in a phased manner, while at the same time there is an effective attempt to put in place a reasonable bus system in a specified time period to take care of such short distance movements. This would require active support of the state governments under whose jurisdiction this occurs now.

The Coastal Connectivity Programme involving linking of ports needs to be put firmly in place on a time-bound basis, so as to help boost our trade prospects in a big way. As more ports with greater drafts are being constructed, adequate and effective rail connections would be the only way to handle all the containerised traffic meant for the interior parts of the country. In the case of many services at the ground level, the private sector can do a lot more in supplementing the efforts of the railways. The move to have a relook at the current public-private-partnership models on railways would be useful to help in delivering better. Service related industries should take this opportunity to work with the railways in trying to come up with appropriate models to help serve the objective of PPP better. This also gives us an opportunity to comprehensively review the PPP model not only being attempted on the railways but also on infrastructure, in general. Such a review can perhaps lead to a far practical and realistic model that can be attempted in different areas with regard to provision of hardware requirements in infrastructure while taking into account similarities and differences. This would surely pave the way for increasing participation of external investments at least in non-core areas, to begin with.

The proposal to involve the states in expansion of the network is a welcome step and here again the private sector could be tapped to partner with the railways and the states to provide connectivity to distant places and also ports. The budget emphasises decentralisation in terms of a number of activities even at the station level. This is particularly true in the case of suburban rail operations in urban areas. The railways have long expressed their unwillingness to take part in these activities. They must take a step forward in allowing the existing suburban rail systems to be autonomous agencies (formation of special purpose vehicles) under local control. Local resources need to be tapped to provide typical services of a local character in order to serve typical local needs leaving the centre to handle regional and national needs.

Given the government's insistence that the railway's core activities would continue to be under the public sector, some of the changes suggested above to revitalise the railways in India are basic and need to be put in place soon before some of the grandiose plans that have been talked about are even attempted. Only such a strategy could turn round the system and lead it on to a sustainable path, thereby revealing to the world that a publicly controlled and operated system is really working in India, while it fails in others. This could truly be a 'Make in India' success story.

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Immense Potential for Collaboration in Oil & Gas Beckons Khanty-Mansiysk Autonomous Okrug

The delegation from the Khyanty-Mansiysk Region known for its oil reserves, was promoted among prospective participants in an interactive meeting organised at the Centre. **Mr. Alexander Kim, First Deputy Governor of the Khanty-Mansiysk Autonomous Okrug** said “The Region ranked 7th in oil reserves worldwide. It has huge deposits of natural gas to last for 150 years to come. The potential is huge, generating 2 billion barrels a year. In economic terms, we are ranked 2nd after the Moscow region. Our tax reform system is ranked 2nd. The region produces 50 per cent of Russia’s total oil production”.

Highlighting the Khanty-Mansiysk Region, Mr. Kim further added that 86 billion kilowatts of oil is being exported to neighbouring regions. The region ranks 2nd after the Yamal Peninsula in Russia. Besides oil, the other major export area is transportation of gas. Currently, there are 85 oil companies in the region. In addition, there are more than 30 deposits of solid minerals.

Some of the other areas Khanty-Mansiysk is famous for are

From (L-R): Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre, Ms. Irina Beznosova, Deputy Director, Head of External Relations Division, Public and External Relations Department of the Khanty-Mansiysk Autonomous Okrug, Ms. Rupa Naik, Executive Director, All India Association of Industries, Director-Projects, MVIRDC World Trade Center, Ms. Alfiya Pavkina and Mr. Alexander Kim.

medicines & healthcare and highly developed infrastructure comprising modern roads, railways and waterways. The Centre of Active International Cooperation is instrumental in expanding international partnerships. Mr.Kim spoke of future cooperation in the hydrocarbon sector and gas-based fertilizers. He opined that the signing of the MoUs would only bring about further impetus to the $1 billion worth of projects which is a two-way investment between India and Russia.

Ms. Alfiya Pavkina, President, Chamber of Commerce and Industry of the Khanty-Mansiysk Autonomous Okrug,

From (L-R): Ms. Alfiya Pavkina being greeted by Mr. Y. R. Warerkar. Looking on is Mr. Alexander Kim, Ms. Rupa Naik and Ms. Queenie Nair.

who was part of the delegation, introduced her Chamber saying that it was more than 20 years old, having worldwide standing. The Chamber promotes tourism, oil & gas, construction and development of agriculture, besides being a Business Council and Association. The Chamber also helps create clusters and promotes sectoral business. She mentioned that the Chamber was keen on forging ties and building a strong cooperation with the World Trade Centre Mumbai, especially for development of SMEs in Khanty-Mansiysk region. The Chamber looked to us for support and professionalism. The Chamber provides a conducive environment for joint ventures and trading houses.

Ms. Pavkina added that the chamber provided protection for businesses, serving as a mediation centre in case of any dispute. Regarding its international engagements, the Chamber was active in Congresses and other worldwide promotional activities. They have sent business delegations to various countries and would be interested in sending delegations to India in the future if there were upcoming and bright projects. Several agreements have been signed with International Partners. With regard to the Chamber’s future participation in international events, some of which include ‘7th International IT Forum with participation of BRICS’ in June 2015, ‘Specialized Exhibition Ugra’ in November 2015 and ‘Goods of Ugra Land’ in December 2015.

On the occasion, Memorandum of Understanding (MoUs) were signed between MVIRDC World Trade Centre and the Government of Khanty-Mansiysk Autonomous Okrug and All India Association of Industries and the Government of Khanty-Mansiysk Autonomous Okrug.

January 13, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries

Tremendous Potential Lie Untapped between India and Iran

An interactive meeting was organised by the Centre to elaborate on the trade potential which is yet to be explored between India and Iran. **H.E. Mr. Hadi Ghavami, Member of Parliament, The Islamic Republic of Iran** said, “India and Iran share a relationship which is age-old, backed by strong cultural, social and economic ties. I am here as the Member of Parliament to support this strong bondage, to give a boost to the private sector and support foreign investments to Iran. Development and growth are the basis for this relationship. India has all along followed the path of development and Iran has always embraced development and so India-Iran ties, have gone to the root of development for better ties which is important”.

H.E. Ghavami said that both countries have encouraged entrepreneurship and the private sector, giving a thrust to development. He said that Iran had laid the foundation for good connectivity by developing its infrastructure, citing the example of a new railway route and further developing existing routes to create a strong north-south corridor. Besides rail networks, entrepreneurs, industrialists, pioneers of industry and the setting up of factories near markets, have all gone into creating the right environment for increasing the trade ties. The Government of Iran has provided all support for local businesses to reach out to global markets. Infrastructure development has come about due to demographic increase, geographical expansion and abundant natural resources. This will lead to reduction in unemployment, paving the way for joint collaborations. Foreign pressures through sanctions have played its role in providing a window of opportunity for both countries thereby enhancing trade ties. He stressed on positive vibes and interactions between India and Iran which would only further trade.

From (L-R): H.E. Mr. Hadi Ghavami, Dr. Kavita Gupta, Dr. Ali Akbar Farazi, Mr. Vijay Kalantri greeting Mr. Masood Khaleghi, Mr. Seyed Abdolvahab SahlAbadi, Vice President, Chairman of the Board Ishfahan Chamber of Commerce and Industry.

Dr. Ali Akbar Farazi, Vice President for International Affairs, Iran Chamber of Commerce, Industries, Mines and Agriculture, stressed that although India-Iran have friendly relations, much needed to be done in increasing trade values between the countries. He was of the opinion that the private sector needs to do much more. The coming together of various Iran-India chambers of commerce, city representatives, private sector organizations in the fields of chemical and tourism through the business-to-business meetings organized would give a major thrust to the private sector. “There is ample scope to increase trade. There are several other business opportunities that need to be seized,” he added.

While presenting an overview of Iran Dr. Farazi said that Iran is a resource and labour rich country with 40 industries listed on the Tehran Stock Exchange. Worldwide, the country is ranked 4th largest oil producer, 2nd highest gas reserves, 10th rank in tourism, 5th rank in ecotourism, 4th and 10th ranked in zinc and cobalt respectively and 4th in diversity of agriculture products. Iran has tremendous opportunities for growth in areas of petroleum, fertilizers, textiles, cement, construction, materials, vegetable oil products and tourism. Iran is a part of the Silk Route and is the gateway hub to Central Asia. It has 6 free trade industrial zones and 19 special economic zones. Some of the important business areas are the Kish, Qeslum and the strategically located Chabahar region. The latter being a transit of South East Asia to Commonwealth of Independent States (CIS), Afghanistan, Turkey and Iraq, besides having good access to land roads and possessing good infrastructure.

Dr. Kavita Gupta, Additional Director General, Directorate General of Foreign Trade in her address said that the meeting comprised an important gathering and a focused group of people who were keen to forge collaborations. She stressed on the similarities of the countries. Both countries have comparative trade advantages, great potential and a special bonding. India and Iran use the rupee payment mechanism through UCO Bank’s Nostro account which is an easy payment mode. However, she added that although there exists tremendous potential, India has not been able to maximize it. She enumerated that while India is strong in sectors such as textile, pharmaceuticals, engineering, agriculture, Iran is strong in services and infrastructure. She stressed that India had taken on several measures to ease doing business through the ‘Make in India’ campaign, thereby providing an excellent business environment. She proposed a doubling of trade with Iran while hoping that Mr. Khaleghi, Consul General of Iran would quadruple the figure .

Mr. Masood Ebrahimi Khaleghi, Consul General, Consulate General of the Islamic Republic of Iran (Mumbai) was forthcoming and offered to assist in increasing trade and business between India and Iran. He stressed on having meaningful business. He was concerned about the volumes of trade being inadequate. He recommended having a fresh look at each other's trade potential, citing that capacities have increased.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and President, All India Association of Industries said the bilateral trade between India and Iran currently stands at around US$ 15 million which has potential to escalate to US$ 20-30 million. This figure comprises direct and indirect trade. Direct trade was not much. There is immense opportunity in the areas of pharmaceuticals, textile, agriculture and genetic medicines, however our manufacturing needs to be improved. He was hopeful that once the natural gas pipeline from India to Iran comes through in the next couple of years, it would reduce the energy costs for India. He reiterated that Iran should invest in India in several areas stressing on the Hon'ble Prime Minister Mr. Modi's 'Make in India' campaign, providing ample scope for opportunities for doing business in India and deepening trade ties between the two countries.

Thereafter, Memorandum of Understanding was signed between MVIRDC World Trade Centre with Iran Chamber of Commerce, Industries, Mines and Agriculture, and All India Association of Industries with Iran Chamber of Commerce, Industries, Mines and Agriculture, and MVIRDC World Trade Centre and Isfahan Chamber of Commerce and All India Association of Industries with Iran Chamber of Commerce, Industries, Mines and Agriculture and Isfahan Chamber of Commerce.

January 22, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries along with Consulate General of the Islamic Republic of Iran (Mumbai).

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Food Safety and Quality Regulations Need to be Tweaked to Indian Context

An interacting session on 'Innovative Food Products in India – Regulators Role' was organised.**Mr. Suresh Annapure, Joint Commissioner – Food, Greater Mumbai Division, Food and Drug Administration (FDA), Maharashtra** said, "Food Safety Standards Act 2006 has undergone a change since its enforcement on August 5, 2011 with a shift from 'adulteration' to 'safety'. The Act has an educative approach with friendly legislation. It has a penalty system for contamination and substandard foods. Unsafe foods would face prosecution. Food and Drug Administration (FDA) Maharashtra has 7.7 lakh licenses issued, which is the highest in India at 36 per cent. This was possible since FDA Maharashtra organized different camps to bring about awareness of the Act. The first online pilot project was held in Mumbai and Thane offices. On April 15, 2014, 100 per cent licenses were achieved".

From (L-R): Mr. M. M. Chitale, Mr. Sharad Upasani, Mr. Suresh Annapure, Dr. Joseph I Lewis, Dr. Laxmi Ananthanarayan and Mr. Firoze B. Andhyarujina, Senior Advocate, Supreme Court India

Elaborating further on the Act, Mr. Annapure said that the procedure for issuing licenses was now available online, providing transparent and time bound activities. On a futuristic note, he added that, he was looking forward to working hand-in-hand with industries, especially with the 'Make in India' campaign, so that consumers get wholesome food, making the people of India healthy.

Mr. M.M. Chitale, Consultant in the Food Industry was the moderator of the event introducing the panelist for further discussion on the subject.

Dr. Joseph I Lewis, Chairman-Regulatory Affairs Committee, Protein Foods and Nutrition Development Association of India (PFNDAI) deliberated on the topic 'Product Development – Concerns & Expectations'. He said food regulations were about balancing food diversity with safety practices. India is abundantly blessed with 52 per cent cultivable land (11 per cent world average) with 46-60 different soil types and 15 major climates all conducive to producing a variety of agricultural commodities. However, innovation provided the challenge from converting the agricultural commodities to processed foods. Prevention of Food Adulteration Act, 1954 provided a mere framework for combating adulteration while Food Safety and Standards Act 2006 widened the scope of the law to include a risk framework. What needs to be achieved is the harmonization in the processes of standardization, adulteration and innovation. He opined for freedom to innovate while adhering to safety measures. The Indian law does not take into consideration safety of the foods when adulteration is assessed. While clarifying what propriety foods are, Mr. Lewis said that they are not a category of food by itself but represents an enabling 'provision' in food law. Innovating with safety is a provision made in FSSA 2006.

Mr. Prabodh Halde, Head Technical Regulatory, Marico Ltd addressed the issue on 'Impact of FSSAI regulation on Food Industry'. Mr. Halde said that India could be a leading food supplier of the world if the production side of agriculture was taken care of in an optimal manner. Owing to the fact that India is one of the producers of perishable commodities, it is important to gear up the food processing industry which is still in the nascent stages valued at 4 lakh crore. Inspired by the Modi Mantra, he said that regulatory role of the food industry should also work within the framework of the 'Make in India' campaign, with 'Minimum Government and Maximum Governance' and a 'Single-window Clearance. Thereafter, he provided a detailed presentation on FSSAI. He explained the importance of packaging and labeling. Licensing and registration of food business is mandatory and there is a framework to monitor it while detailing the procedure. He also spoke on the categories of food and elaborated on compliances and penalties.

Dr. Laxmi Ananthanarayan, Associate professor, Department of Food Engineering and Technology (DFET), Institute of Chemical Technology (ICT) spoke on the topic 'Ensuring Food Safety and Quality through Advanced Technology.' She said that food needed to be standardized, safe for consumption, acceptable from sensory view point and nutritious. Markets for food are now global, giving ample scope for contamination with the arrival of genetically modified foods. This gives rise to good manufacturing practices. Quality of food is not always visible and so food quality and food safety are interdependent. She emphasized that FSSA law should provide specification on consumer protection. There should be production specification and scope for value-addition with changing lifestyle and access to variety of food. She opined that adapting to emerging and advanced technologies was the solution. She enumerated the various preservation processes available worldwide, elaborating on the ones that could be adopted in the Indian context such as aseptic processing and packaging, modified atmosphere packaging and microwavable packaging, to name a few. Enzymes also played an important role in food processing. Many upcoming technologies are available yielding good quality, safe and shelf stable products.

Mr. Sharad Upasani, Vice Chairman, MVIRDC World Trade Centre said that the Indian food processing industry is a sunrise industry estimated to be US$ 67 billion, employing 13 million people directly and 35 billion indirectly. He added that value addition of food products is expected to increase from 8 to 35 per cent by end 2025. Regulations for the industry are crucial giving rise to the Food Safety and Standards Act 2006. The law provides safety standards for scientific processes, manufacturing, storage, distribution, sale and import, thereby ensuring safe and wholesome food for human consumption.

January 24, 2015 organized jointly by MVIRDC World Trade Centre and the All India Association of Industries.

Sustainable Smart Cities is the Way Ahead for Inclusive Economic Growth

With the Government of India unfolding the policy on Smart Cities, the Centre organised an interactive panel discussion on 'Smart Cities in India: Reality in the Making'. **Shri. Shankar Aggarwal (IAS) Secretary, Ministry of Urban Development, Government of India,** who delivered the keynote address said, "The exciting times that we are living in are transformational in nature for India. We can all perform wonderfully well under the present government which is focused in its goals to provide meaningful and inclusive growth. This can be achieved when the 22 percent of the population that is below the poverty line, the 50 percent below the empowerment line and the disadvantaged are included in such growth. This has brought us to the juncture to relook at the urbanization process, since growth and in turn employment is generated from the urban sector".

While addressing how the 100 Smart Cities initiative came about, Shri. Aggarwal said that the process started with the Swachh Bharat Abhiyan, rejuvenating heritage towns, bringing about urban renewal of 500 towns leading to creation

From (L-R): Mr. Vijay Kalantri felicitating Mr. Shankar Aggarwal. Looking on are Mr. Dilip Shekdar, Chief Architect, Naya Raipur Development Authority, Mr. Ravi Kant Malhan, Director, Head Business Development: Smart Cities and Special Projects, Schneider Electric India.

From (L-R): Mr. Sanjay Sethi, Ms. Laura Prasad, Secretary General, Indo French Chamber of Commerce & Industry (IFCCI), Dr. Laveesh Bhandari, Mr. Vijay Kalantri and Mr. Shankar Aggarwal, Mr. Dilip Shekdar, Chief Architect, Naya Raipur Development Authority, Mr. Ravi Kant Malhan, Director, Head Business Development: Smart Cities and Special Projects, Schneider Electric India, Capt. Somesh Batra, Vice Chairman, MVIRDC World Trade Centre and Mr. Abhishek Lodha.

of the 100 smart cities. He highlighted that Indians were basically entrepreneurial by nature. India possessed demographic dividend and the urban population of 31 per cent contributes to 63 per cent of GDP. It is education that would bring about empowerment; however the quality of education is poor, which can be fixed through the right infrastructure such as e-education, imparting good quality skills. Each step of the process can be made sustainable and frugal innovation can be introduced in every area which then can be supported by governments and semi-government bodies.

Shri. Aggarwal advocated that national priorities could be made a reality through technology, innovation, citizen involvement, employment generation through 'Make in India' while improving the quality of life. In order to bring about the smart cities concept, it is important to introduce competition among cities through the Bloomberg Philanthropy whereby funding solution to urban challenges could be reached. Assuring to set up 100 cities in a span of 10 years, Shri Aggarwal was supportive towards adding to the existing strength of the people, providing the necessary hand-holding in seeing projects through and being a facilitator in the entire process.

Dr. Laveesh Bhandari, Founder and Chief Economist, Indicus Analytics Pvt Ltd., the moderator of the panel discussion while introducing the panelists showed skepticism in the policy making and sustainability issues in creating smart cities.

Mr. Sanjay Sethi (IAS). Additional Metropolitan Commissioner-I, Mumbai Metropolitan Region Development Authority (MMRDA), while attempting to define the smart city concept, said that the right definition would emphasize the process of creating a smart city and not the final product. Providing a case study on the Bandra-Kurla Complex (BKC) in making it a Brownfield Smart City Project, he said that they were achieving it through the use of ICT and non ICT initiatives coupled with the right urban design. Besides, the formation is based on foundational, advanced and futuristic initiative which is the way forward. Smart BKC was being built around centricity, business and making it environment friendly through the process of continuous innovation. It was being conceptualized in comparison to global cities. In a similar way, Smart Wadala Greenfield project was being conceptualized to include mixed land use, smart transport, pedestrian segregation, green buildings, intelligent buildings and smart physical infrastructue.

Mr. Abhishek Lodha, Managing Director, Lodha Group brought in the aspect of the private sector in the creation of smart cities. He opined that some of the most livable cities across that world have incorporated the various smart elements to improve the quality of life for its citizens. Smart Cities need to become smarter in multiple domains across governance, sustainability while improving overall quality of life of its citizens, he added. Citing the example of Palava, a project involving an initial investment of Rs. 30,000 crore, he said that the project was exemplifying the smart city opportunity with numerous initiatives being rolled out.

Addressing Session II on 'Smart Cities and Sustainable Development', **Mr. Nilesh Purey, Vice President, ICT, Gujarat International Finance Tec- City Co. Ltd (GIFT),** spoke about GIFT which is being implemented as a globally benchmarked International Financial Service Centre . GIFT is a classic example of a public private model developed by the Government of Gujarat through a joint venture between its undertaking Gujarat Urban Development Company Ltd. (GUDCL) and Infrastructure Leasing & Financial Services Ltd. (IL&FS) . Recognizing the potential of the State as a centre for the financial services industry , GIFT is being conceptualized as a financial and IT Services hub to capitalize on the in- house financial business acumen. Located between Gandhinagar and Ahmedabad , GIFT is easily accessible through 4-6 lane State and national Highways and will be in the proximity of Delhi Mumbai Industrial Corridor (DMIC). It is estimated that GIFT would provide 5, 00,000 direct jobs and an equal number of indirect jobs . Supported by state-of-the-art internal infrastructure, GIFT CITY is being developed as an integrated smart city which will also host social and residential facilities like school, training centre, business club, retail mall, hotel and residential apartments.

From (L-R): Ms. Laura Prasad, Mr. Vijay Kalantri, Mr. Apurbha Dhar, Mr. Nilesh Purey, Mr. Bhaskar Som, Country Head, IRR Services Pvt. Ltd., Dr. Amiya Kumar Sahu, Mr. NDS Chari, Mr. Sanjeev Thukral, Ms. Rupa Naik, Executive Director, All India Association of Industries and Director - Projects, MVIRDC World Trade Centre.

Dr. Amiya Kumar Sahu, Founder, National Solid Waste Association of India (NSWAI), regretted that our country has remained oblivious to the needs of garbage and waste management , a prerequisite for any smart city . Dr. Sahu said that smart cities must be built in a designated area far away from the existing large metropolises so as to keep these cities insulated from outside waste. This will ensure clean air and clean water. A major challenge before the smart cities will be the management of e-waste. Smart cities will generate and absorb a huge amount of high-tech gadgets resulting in huge quantity of e-waste. This will pose great environmental threat to these cities. Further, modern lifestyle and change in food habits will lead to enormous amount of dry waste which needs to be treated. Therefore, the aim of the smart cities should be to promote zero garbage concept by handling waste properly. According to Dr. Sahu, waste can be recycled to produce energy and he advocated the setting up of waste – based power plants owned by the public sector.

Mr. Sanjeev Thukral, Country Sales Head and Director, Steria India Pvt. Ltd., emphasized on the need for efficient services to fulfill the basic needs of human beings. All urban services should be synchronized and coordinated in a manner so as to produce the desired benefits for the people living in these smart cities. Services should be seamlessly connected. Therefore, connectivity is the fundamental aspect. Every smart city must support a central command and control solution to ensure smooth and intelligent transport and traffic. Mr Thukral highlighted on the Steria Intelligent Transport Solution which integrates different public transport systems. Finally, Mr Thukral stressed on the need for intelligent traffic management which is a basic requirement of any smart city.

Mr. Apurba Dhar, Director, BD, RATP Dev Transdev India, said in an urban setting, there is an increasing number of interconnected and even overlapping transportation services. The development of information technology has led to a new form of mobility that combines transportation, information, innovation and socializing. To travel better, make the right choices and set preferences, a whole range of Mobility Companies are available for travelers' use. Mobility Centers provide each passenger with the necessary information and services to prepare and organize their day–to-day travel from door-to- door and from one mode to another, including pedestrian. RATP Dev Transdev is a pioneer in the development of digital mobility solutions.

Mr. NDS Chari, Senior Vice President and Head of Key Accounts and Partnerships, SREI Infrastructure Finance Ltd., discussed the importance of financing and revenue generation mechanisms. Mr. Chari lay emphasis on selecting the right funding partner and advocated their involvement right from the start of the project planning. Mr. Chari spoke of holistic financing since according to him financiers and bankers have a major stake in the project.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and President, All India Association of Industries, while stressing on the need for infrastructure in order to create smart cities, said that the Honorable Prime Minister Shri Narendra Modi announced the 100 Smart initiative which has opened up a plethora of opportunities as well as challenges, necessitating some innovative approaches and measures. Although a vision to make Smart Cities was in place, he stressed the need to frame policies for the implementation process while also making the people involved accountable.

On the occasion, a Handbook on 'Smart Cities India-Reality in the Making' was released at the hands of the dignitaries present on the dais.

January 29, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries along with the Indo-French Chamber of Commerce & Industry.

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Experts Raise Alarm on Proliferating Cyber Crimes

Information technology Experts discussed the growing cyber crimes in India and its impact on young women and commercial entities, who are generally the target of such offences, at an interactive session following the release of a book titled 'Breach'.

Ms. Amrita Chowdhury, an IIT Kharagpur alumnus and a former employee of a company in the Silicon Valley, USA, said that the fictional book is about the stories of data being stored by a pharmaceutical company and a young girl being stalked by a cyber bully.

From (L-R): Mr. Y. R. Warerkar, Mr. Vijay Kalantri, Vice Chairman, World Trade Centre Mumbai & President, All India Association of Industries, Ms. Devita Saraf, Ms. N. S. Nappinai and Mr. Anil Dharker.

At the book launch event, noted columnist **Mr. Anil Dharker** shared the dias with advocate Ms. **N.S. Nappinai, Ms Devika Saraf, CEO of VU Technologies** and **Mr. Y.R. Warerkar, Executive Director, MVIRDC World Trade Centre.**

Ms. Chowdhury raised concern about the poor awareness among the general public about the magnitude of cyber crime taking place in India. "While people talk about high profile cyber frauds taking place abroad, they are oblivious to the cyber crimes being committed in India," Chowdhury said.

The author quoted a report from cyber security firm Symantec which cited India as the top 10 destinations in the world for organized cyber crime. The report also mentioned that India ranks low among world economies when it comes to spending on preventive mechanisms to combat cyber crime.

Ms. Devika and Ms. Nappinai shared their anecdotal experiences on how teenagers indulge in cyber crimes in India. Ms Nappinai talked about a group of teenagers in her locality hacking the sites of a Pakistani government website.

Ms. Nappinai was of the view that in India, the pace of introducing legal framework for cyber offences is lagging behind the advancement in technologies for committing these offences, thereby making enforcement and punishment a complex issue.

Ms. Devika recounted her own story of how a hacker intruded into her personal Facebook account and changed the password of the account thereby making it inaccessible to her.

Mr. Anil Dharker pointed out that the magnitude of cyber crime taking place in the society may force us to write confidential information on paper using typewriter and hand it over to the recipient personally. With the proliferation of cyber crimes across the globe, participants also discussed the prospect of the next world war being waged in cyber space.

February 11, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries

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India and ASEAN to Work Together to Realize Potentials in Agri and Food Sector

India has moved with a great sense of priority and speed to turn India's 'Look East Policy' into an 'Act East Policy'. ASEAN is at the core of India's Act East Policy and at the centre of our dream of an Asian century. These observations were made by **Shri Anil Wadhwa, Secretary (East), Ministry of External Affairs, Government of India** while addressing the Run Up event on ASEAN India Cooperation in Food Security, Agriculture Technology & Food Engineering for Delhi Dialogue VII. Referring to ASEAN India cooperation in agriculture and forestry, Mr. Wadhwa said that the sector forms an important part of the collaborative agenda between ASEAN and India. The Visions Statement adopted during the 2012 Commemorative Summit recognized the need to ensure long-term food security in the region and Mr. Wadhwa welcomed the efforts to strengthen cooperation in the agriculture sector between ASEAN and India. During the last ASEAN-India summit in November 2015 at Nay Pyi Taw, the President of Myanmar floated the idea of having a regional food mechanism. ASEAN and India will intensify their collaborative efforts towards this end.

Recognizing that agriculture and food security is one of the key components of a nation's overall growth plan, Mr. Wadhwa emphasized that it is not just the growth in GDP but the ability to ensure food and nutrition security at affordable and stable prices in an ecologically sustainable paradigm that is fundamental to long term global peace and stability. Agriculture is particularly important in the context of our region as most of our population depends on it for survival, Mr. Wadhwa said.

Highlighting the importance of agriculture for ASEAN, Mr. Wadhwa mentioned that majority of ASEAN countries are agrarian economy and rely heavily on the agro food sector for economic growth, trade and investments. A number of ASEAN countries are among the top exporters globally for products like rice, fruits, vegetables and coffee and the region is also the global leader in industrial crops such as palm oil, rubber, cashew nuts and pepper. Further ASEAN and India face similar challenges in agriculture such as shrinking land base, dwindling water resources, shortage of farm labour and increasing cost and uncertainties associated with volatility in international markets.

From (L-R): Ms. Pooja Kapur, Joint Secretary, Ministry of External Affairs, Government of India, Mr. Vijay Kalantri and Mr. Anil Wadhwa.

Mr. Wadhwa stressed that diversification towards higher value crops and livestock remains the best way not only to improve farm incomes and accelerate growth, but also to reduce stress on natural resource which forms the farmer's production base. The challenges are common to the region and their impact often cuts national borders. This calls for close cooperation between our countries to tackle such issues effectively.

India and ASEAN have, so far identified four components for cooperation, the first of which is enhancing co-operation in key areas for mutual interest to improve productivity and meet the challenges of food security. Both ASEAN and India are also involved in capacity building, technology transfer and joint R&D. Last but not the least, opportunities are provided for farmers from ASEAN countries and India to learn and develop more efficient farming practices and management skills through information sharing via exchange programmes that are funded under the ASEAN India Cooperation Fund, Mr. Wadhwa revealed.

Dr. Asmi Raza, Professor of Economics, University of Delhi observed that the dimension of food security has changed from food availability to addressing malnutrition and health issues.

Dr. Raza identified potential gains for all the members of ASEAN and India through their mutual cooperation in food production, transportation, processing and other related sectors. Specifically, Raza is of the view that the collective bargaining power of ASEAN countries and India would improve if they acted jointly in the international agriculture market.

Dr. Raza also expressed the view that a better co-ordination among ASEAN countries and India would go a long way in ensuring stability in the sector. He said that in the recent past we had a situation of instability in the food sector where food grain was available aplenty in some years and it was in deficit in other years. Adequate and consistent availability of food grain can be ensured through better co-ordination among ASEAN countries and India, he said.

Mr. Prashant Kumar Satapathy, Deputy General Manager, Institute of Food Security, Food Corporation of India (FCI) deliberated on the role of FCI in ensuring distribution of food grains (wheat and rice) from surplus states to deficit states in the country.

Speaking on the challenges of food security and inclusiveness, **Dr. Ashok K. Vishandass, Chairman of the Commission for Agricultural Costs and Prices (CACP)** informed that India's agriculture sector is competitive in the global market place and the economy is having $26 billion trade surplus on agriculture on an annual basis. He said there is more scope for raising the export of agricultural commodities by prioritizing reform in this sector. According to him, reform on agriculture must focus on 3 'I's, namely, Incentives, Investment and Institution. Further, states in India must focus on producing those crops in which they have comparative advantage. For example, if West Bengal can produce rice at a lower cost than Punjab, then the latter must focus on producing some other crop in which it has comparative advantage instead of producing rice.

Dr. Vishandass emphasized that farmers must be an integral part of agri-trade as the profitability of traders depends on the profitability of farmers. Further, he noted that the share of private investment in agriculture is rising, which is a welcome sign.

Dr. J.P. Singh, Joint Director at the Regional Plant Quarantine Station, Mumbai talked about the sanitary and phytosanitary measures taken by the Indian government for the import of food products in line with the international standards. Phytosanitary steps are taken to protect human, animal and plant life or health.

Professor Ms. Rekha Singhal, Head of Food Engineering and Technology Department, Institute of Chemical Technology shared her views on the role of food scientists in making the food processing industry commercially viable in the country. She commented that the country's unorganized food processing sector lacks key elements like standards of identity, quality of assurance, R&D to facilitate mechanization, packaging including nutritional labeling. Food processing companies must adopt these elements by hiring formulation experts, packaging professionals, biotechnologists, nutritional experts, among others, she said. This would benefit both the companies as well as the end consumers, she added.

Dr. T. R. Sharma, Project Director at National Research Centre on Plant Biotechnology, New Delhi enumerated the contribution of biotechnology to the agriculture sector. Particularly, he narrated the success story of how cotton production rose dramatically after the introduction of BT cotton in India and how India became a net exporter of cotton. The introduction of BT cotton not only raised cotton production but also reduced the usage of pesticides by cotton farmers, he said.

Dr. Sharma explained how India can prevent blindness among poor children in the country by introducing golden rice, which is a genetically engineered variety of rice rich in beta-carotene. Beta-carotene is a precursor to vitamin A that is essential for healthy eyes. However, farmers are not growing this crop in India because of concerns of adverse effect of genetically modified food crops on human health.

Dr. Sharma raised concern about the low level of government spending on agriculture, which stands at 0.6% of GDP at present, and stressed on the need for greater investment on biotechnology research and development.
Dr. Sharma said there is tremendous scope for India and the ASEAN to collaborate in the field of biotechnology through human resource development, launching of educational and research programmes etc.

Dr. S. P. Kale, Associate Director and Head of Food Technology Division, Bhabha Atomic Research Centre called for greater investment on irradiation facilities to prevent food spoilage. He said irradiation facilities can play an important role in ensuring food security in India where post-harvest loss of food items is high.

Other speakers who spoke at the event include Mr. Eldeen Husaini Mohd Hashim, Consul-General, Consulate General of Malaysia in Mumbai, Mr. S. Bhattacharjee, Executive Director, North Eastern Regional Agricultural Marketing Corporation Ltd (NERAMAC), Guwahati and Mr. S. K. Patra Chairman & Managing Director – India CSR Group.

February 12, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries along with the Ministry of External Affairs, Government of India.

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WTC Mumbai Signs MoU with ni-msme

An MOU was signed between MVIRDC World Trade Centre and National Institute for Micro, Small & Medium Enterprises (ni-msme) for promotion and development of MSMEs, entrepreneurship, innovation and clusters. In the picture: from (L-R): Ms. Khyati Naravane, Assistant Director - Trade Promotion, MVIRDC WTC, Prof. P. Udaya Shanker, Director - School of Enterprise Management (SEM), ni-msme, Mr. K Suryaprakash Goud, Associate Faculty, National Resource Centre for Cluster Development (NRCD), ni-msme, Mr. A. O. Kuruvila, Deputy Director - Trade and Education, MVIRDC WTC, Mr. M. Chandrasekhar Reddy, Director General, NI-MSME.

■

"Thrust on Infrastructure to Fire up the Indian Economy" says Yashwant Sinha

Mr. Yashwant Sinha, Former Union Minister for Finance and External Affairs, Government of India was invited to the Centre to share his views on the Union Budget 2015-16. He said, "The Union Budget 2015-16 is expected to create virtuous cycle as its thrust on infrastructure investment would spur private sector capital formation and consumption in the overall economy. The recessionary trend in the Japanese, Eurozone economies and the slowdown in the Chinese economy would depress global demand. This would in turn force Indian companies to depend on domestic demand. The Budget, by giving push to infrastructure spending, would lift domestic demand through the virtuous cycle".

Noting the decline in the savings rate in the economy from 37 per cent (as a proportion of GDP) a few years ago to less than 30 per cent at present, Mr. Sinha expressed hope that this budget would encourage savings. The increase in savings

From (L-R): Mr. Sharad Upasani, Vice Chairman, MVIRDC World Trade Centre presenting a memento to Mr. Yashwant Sinha alongwith Mr. Vijay Kalantri and Capt . Somesh C. Batra, Vice Chairman, MVIRDC World Trade Centre.

would consequently lead to a rise in investment rate to 39 per cent and lead to overall economic growth rate of 9-10 per cent. The philosophy behind the present government policy is to ensure that public spending leads to creation of productive assets rather than enhancing money in the hands of the people, which would create inflation, he opined.

Mr. Sinha expects the fall in WPI and CPI to prompt RBI to reduce interest rate by 50 basis points in its next monetary policy review.

While various measures were announced in the budget to boost funding for the infrastructure sector, Mr Sinha raised concerns about the huge delay in implementation of projects on account of hassles such as land acquisition and environmental clearances. But he felt that the government's 'plug and play' concept would address these hassles in the days ahead. Highlighting the importance of irrigation in raising agriculture output, Mr. Sinha welcomed the Rs. 5,300 crore supports for micro-irrigation, watershed development and the 'Pradhan Mantri Krishi Sinchai Yojana'.

Highlighting the multiplier effect of investments in the realty sector, he commented that the rise in the tax exemption limit for interest rate on housing loan should have been raised up to Rs. 250,000 as against the budget proposal of up to Rs 200,000. Mr. Sinha also expressed disappointment over the government's inability to stick to the fiscal deficit target of 3.6 per cent set out by the 14th Finance Commission for 2015-16 (the budget estimate of fiscal deficit for 2015-16 is 3.9 per cent). On the taxation front, he expressed dissatisfaction over the government's stance to do away with the introduction of Direct Tax Code (DTC). Mr. Sinha was of the view that the country needs a new DTC which would spell out the government's philosophy on direct taxation. Specifically, DTC should have a clause that links personal income tax exemption limit with CPI, he remarked.

Mr. Sinha concluded by highlighting the procedural challenges in introducing GST by April 2016.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and President, All India Association of Industries, hailed the budget 2015-16 as the third phase of economic reforms since 1991. While lauding the budget for its thrust on infrastructure, he said the success of it lies in effective and timely implementation. Mr. Kalantri expressed satisfaction on the overall fine print of the budget including deferral of GAAR by two years, tax on super rich and the budget's stress on non-adversarial tax regime. However, he expressed concern over the huge size of non-plan expenditure and the marginal decline in plan expenditure in 2015-16. Further, he was of the view that more could have been done in the budget for promoting the MSME Sector. Specifically, he suggested that SIDBI should have been given an independent status.

March 2, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries.

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Experts Debate Impact of Tax Proposals on Indian Economy

The Centre organised a discussion on the Union Budget 2015-16 to share various perspectives on it. **Mr. Firoze A. Andhyarujina, Senior Advocate, High Court Mumbai** in his opening remarks, as the moderator of the meeting said, "The Union Budget 2015-16 aims to reduce litigation on tax matters through various measures like introducing Dispute Resolution Bill, raising the threshold limit for the applicability of domestic transfer pricing laws and defining the word 'substantial' in the case of indirect transfers. Also, the Budget has other progressive features like legislative framework for black money, huge investment for infrastructure, abolition of wealth tax, reduction of royalty fees and various tax benefits for individual assesses to promote savings".

Raising concern about the magnitude of tax litigation in India, Mr. Andhyarujina mentioned that currently 3 lakh cases are pending in the High Court with the government being the largest litigator. Alarmingly, the government has lost 72 per cent of the cases in the High Court. More importantly, Rs.436,000 crore is locked on tax litigation. In this context, the Budget has made an attempt to simplify tax laws while making it transparent and eliminating ambiguity, he said.

From (L-R): Mr. Vijay Kalantri, Capt. Somesh Batra, Vice Chairman, MVIRDC World Trade Centre, Mr. Jairaj Purandare, Mr. Dadi B. Engineer and Mr. Deepak Agarwal.

He also welcomed other decisions of the Finance Minister like doing away with the introduction of the Direct Tax Code (DTC), deferral of GAAR, reduction of royalty fees and abolition of wealth tax. He said the abolition of wealth tax is a sensible move because the cost of collection (which amounts to Rs. 1009 crore) exceeds the tax proceeds.

Mr. Nishith Desai, Founder, Nishith Desai Associates critically viewed the budget by saying that some of its provisions could raise the number of tax litigations. Specifically, he said the amendment to the definition of 'place of effective management' (POEM) may give more discretion to tax officers as the new definition is ambiguous. This may lead to increasing litigations on tax residency of establishments. He was also critical of the government's move to levy 10 per cent withholding tax on the income of Alternative Investment Funds (AIFs) based out of India, a step which he termed as intellectual dishonesty.

Further, he remarked that the Budget should be more transparent by disclosing the amount of deposits held by the income tax department against pending tax litigations. He termed this amount of deposits as hidden liability of the Government of India since it needs to be refunded with interest to the assesses in case the government loses the case. He also called for proportionality in the penalty for tax offences. He concluded that the government must improve drafting of laws to bring about clarity and certainty.

Mr. Dadi B. Engineer, Senior Partner, Crawford Bayley & Co. feels that the indirect tax proposals in the Budget will give rise to inflationary pressure in the economy. Specifically, the hike in excise duties, service tax and the 2 per cent cess (Swacch Bharat) on certain services may raise inflation.

Mr. Jairaj Purandare, Founder Chairman, JMP Advisors Pvt Ltd, remarked that the Budget was a growth oriented one, balancing various objectives like fiscal discipline and inclusive growth. While agreeing with Mr. Engineer on the inflationary consequences of the Budget, Mr. Purnadare said that the new agreement between the government and the RBI on inflation targeting framework would address this issue.

He also agreed that the change in definition of 'POEM' could lead to rise in litigation and therefore he hoped clarification from the government on this matter. Mr. Purandare listed out budgetary proposals related to the development of the financial sector namely, setting up of a Bank Board Bureau, allocation for recapitalization of PSU Banks, gold monetization scheme, rationalization of MAT for FIIs etc.

Mr. Deepak Agarwal, Senior Manager, Deloitte Touche Tohmatsu India Pvt Ltd touched upon some of the indirect tax proposals and concluded that some of the provisions in the Budget were favourable for assesses. Specifically, the extension of time limit for CENVAT credit and rationalization of penalty provision in indirect taxes are favourable for assesses, he pointed out.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and President, All India Association of Industries said that the Railway and Union Budgets had the vision to boost the manufacturing sector and the 'Make in India' initiative, which will give rise to inflationary growth. The progressive features in the Budget along with RBI's reduction in policy rate by 25 basis points would enhance growth prospects in the economy. The steady decline in inflation and the poor growth in the 8 core infrastructure sectors (for the month of January) prompted RBI to reduce the policy rate.

March 4, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries.

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Arbitration in India Shifts Towards International Norms

A seminar was organised by the Centre on 'Emerging trends in international arbitration' to deliberate efficient arbitration practices. **Mr. Firoze Andhyarujina, Senior Advocate, Bombay High Court** said, "Arbitration is a useful tool and it is an appropriate time to promote it". The event was organized by MVIRDC World Trade Centre Mumbai, Indian Arbitration Forum, Nishith Desai Associates, Hong Kong International Arbitration Centre, All India Association of Industries and Ernst and Young.

From (L-R): Ms. Rupa Naik, Executive Director, All India Association of Industries and Director - Projects, MVIRDC World Trade Centre, Mr. Firoze Andhyarujina, Mr. Vyapak Desai, Mr. Sahil Kanuga and Mr. Y. R. Warerkar.

Mr. Andhyarujina explained that arbitration can be conducted in either of the two methods - ad-hoc method or institutional method. "The new government has emphasized the ease of doing business in India. It not only means that one gets permissions from a single window system. It also means doing away with time consuming litigations, which frustrates dispensation of justice."

Mr. Andhyarujina highlighted the importance of the report by Justice Mr. A.P. Shah which has influenced the proposed new arbitration law. "It is definitely on par with international rules and international laws of arbitration. Now the bill will focus on specialized courts dealing with commercial disputes which involve an amount of Rs. 2 crore and above. These include intellectual property rights violations, international joint ventures and collaborations." As per the new bill, disputes between the joint partners in international arbitration will be addressed in Indian courts as per rules of international arbitration.

Mr. Vyapak Desai, Partner of Nishith Desai Associates highlighted that in 1996 India got its first unified act for domestic and international arbitrations. "Since 2012, the Indian judiciary has been recommending the litigating parties to opt for arbitration, thereby adopting a non-interventionary approach."

Mr. Sahil Kanuga, Senior Associate, Nishith Desai Associates highlighted that arbitration is an alternative form of dispute settlement. Arbitration allows disagreements between two parties to be decided outside the purview of courts. Speaking on the selection of arbitrators in the Indian context, Mr Kanuga mentioned that retired judges have been preferred mainly for their experience. "However, in international arbitration, there is increasing reliance on experts as against judges," Kanuga added.

Mr. Kanuga further observed that institutional arbitration has rules and experts in place, which adds certainty. "The world is moving towards institutional arbitration. Though, India has been following ad-hoc method, the international parties prefer institutional arbitration. Now, in India, the trend is changing and Indian clients prefer to settle arbitrations at Singapore, London and Hong Kong," said Kanuga.

Both Desai and Mr. Kanuga emphasized the need for arbitration since conflict is on the rise in modern businesses. Another important factor for arbitration is the cost. "The losing party has to bear the cost of arbitration of the winning party. This would discourage frivolous arbitration," said Mr. Kanuga.

Mr. Yogen Vaidya, Partner, Fraud Investigation & Dispute Services at Ernst & Young LLP said that India ranked 72 in the parameter of 'efficiency of legal systems' in the Ease of Doing Business. However, now with recent Supreme Court judgments on arbitration, the perception with regard to arbitration in India is changing." According to Mr. Vaidya, the

From (L-R): Mr. Aditya Kurian, Mr. Yogen Vaidya, Mr. Firoze Andhyarujina, Mr. Y. R. Warerkar, Mr. Vyapak Desai and Mr. Sahil Kanuga.

right time to claim the costs, the methodology and reasonableness standards need to be followed. Various methodologies for calculation of damages depending on specific facts and circumstances will have to be adopted and followed," said Vaidya. He also highlighted the role of forensic accountants and specialists when claiming damages and providing evidence in an arbitration proceeding.

Mr. Aditya Kurian, Counsel, Hong Kong International Arbitration Centre (HKIAC) highlighted the various benefits offered by HKIAC to the arbitrating parties. "We are increasingly seeing Indian parties approaching HKIAC for arbitration in the interest of time and cost", Kurian said. HKIAC deals with administration of arbitration, mediation and domain name disputes in international business. He spoke about the various advantages of HKIAC's service, which ensure cost-effectiveness, time-bound award and confidentiality in the settlement of disputes.

Mr. Y. R. Warerkar, the Executive Director, World Trade Centre, in his welcome address observed that in diverse judicial and cultural systems, different languages, economic and political climates create significant obstacles resolving international disputes. Arbitration provides an efficient and neutral means to resolve international disputes.

"WTC in its key object to promote international trade and investments devotes attention to assist businesses in the conduct of international trade and investment effectively", Warerkar said. The Centre offers a cohesive platform to its members to learn new business concepts and gain understanding of the various aspects of negotiation and dispute resolution in global commerce. Businesses operating in a complex global environment need to know how to safeguard their business interests as well as the pre-emptive steps they should take vis-à-vis their business counterparts.

March 13, 2014 organized by MVIRDC World Trade Centre, All India Association of Industries, Nishith Desai Associates, Indian Arbitration Forum, Ernest & Young and Hong Kong International Arbitration Centre.

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Lord Meghnad Desai Calls for New Approach to Forecast Business Cycle

Lord Meghnad Desai, Life Peer, British House of Lords, Professor Emeritus, London School of Economics, UK during an interactive session on 'Hubris: Why economist failed to predict the 2008 financial crisis?' said, "The failure of economists to anticipate the global financial crisis of 2008 and the ensuing recession in most parts of the world economy has underscored the need for a new approach to model and forecast business cycle".

Mr. Desai explained that a new theoretical and practical approach is required to understand the long-term business cycle, which is a combination of several short-term cycles. He gave the example of how the latest long-term cycle, which began after the 1970s oil price shock, involved several short-run cycles like the Latin American debt crisis (of 1980s), Asian financial crisis (late 1990s), dot-com bubble in early 21st century and the financial crisis of 2008. Modern statistical technique must be equipped to handle a large time-series of data to model long-run economic cycles, Desai opined.

From (L-R): Mr. Vijay Kalantri, Lord Meghnad Desai

He delved into the theme of his address by describing the paradox of the economists' practice. He said the paradox is that in spite of several talented economists across the globe, they failed to predict the turning point (i.e. 2008 financial crisis that originated in the US).

He took the audience through a historical perspective of how economists from Adam Smith (1770 AD) to Paul Krugman (in 21st century), theorized the various business cycles in the world economy. He explained how the Battle of Waterloo spurred economic cycle when the government of the day spent heavily on defence, which led to the boom in the economy followed by a slowdown when the government slashed its spending (after the war). He also mentioned how Thomas Malthus and David Ricardo (early 1800s) differed on the dynamics of economic cycle following the war.

Further explaining the evolution of the theory of economic cycle, Desai said John Maynard Keynes (in the early 1900s) propounded the existence of dual equilibria – one in full-employment and another in under-employment. While David Ricardo was optimistic that the free market forces would ensure full-employment equilibrium, Keynes argued that market forces can also lead to under-employment equilibrium, thereby necessitating government spending to create jobs.

Talking about the modern day dynamics of the business cycle, Desai said the Keynesian boom in economic activity (after the Second World War) came to an end with the oil shock in 1973.

Desai also explained the role of credit in causing economic cycle by highlighting the debt crisis in the third world economies after the rise in the US interest rates in the 1980s. After 1973, price of crude oil rose remarkably in the international market, thereby enabling oil exporting countries to amass huge foreign exchange reserves. These countries, in turn, lent the foreign exchange reserves to developed countries, thereby leading to decline in the interest rate (in the developed countries) towards the end of the 1970s. However, interest rate started rising since the early1980s in the developed countries, which was one of the causes of the third-world debt crisis in the late 1980s.

Dr. Ajit Ranade, Chief Economist, Aditya Birla Group while announcing the introduction of the Academy described it as being a unique venture. Highlighting that economists are in demand across all business organizations, he was positive that the course curriculum to be offered by the academy would bridge the gap between academia and industry. While introducing Lord Meghnad Desai to the audience he said that the latter is a 'rare economist who wears a political hat'.

Dr. Indu Shahani, Dean, H.R. College of Commerce & Economics emphasized the need for a holistic approach towards teaching economics. Noting that today's young economists are the likely future policy makers, she said a good curriculum on economics should have latest research techniques, data handling methods, good communication skills program and industry exposure. These features are included in the course to be offered by the Academy, said Dr. Shahani who will be associated with Academy.

Capt. Somesh Batra, Vice Chairman, MVIRDC World Trade Centre said that the lecture would provide an opportunity to hear, listen and absorb what Lord Meghnad Desai had to say on 'why economist have failed to predict the 2008 financial crisis'.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and President, All India Association of Industries praised Lord Meghnad Desai for his insights on economic cycles and called him as the 'man who speaks out of the box'. Although, economics means different things to different people, what eventually matters is profit. He mentioned the specific problems faced by economies across the world like the debt crisis of the eurozone, slowdown in the Chinese economy and challenges in India's manufacturing sector. He concluded that the current progressive policy environment in India may help in the economy reaching a size of US$ 20 trillion by 2040 from the current size of US$ 2 trillion as envisaged by PM Modi.

March 17, 2015 organised jointly by MVIRDC World Trade Centre and the Meghnad Desai Academy of Economics

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Expert Recommends Indian Government to Reignite Trade Reforms via FTA Policy

A lecture on 'Recent Developments in International and Indian Trade Law and Policy' was organised by the Centre to give an overview of international trade agreements. **Mr Raj Bhala, Rice Distinguished Professor and Associate Dean for International and Comparative Law, School of Law, University of Kansas, USA** said, "There is great pressure on the Indian government to frame a Free Trade Agreement (FTA) Policy as the trade liberalization process under the aegis of World Trade Organization (WTO) has hit the slow lane. The slowdown in the process of trade liberalization at the multi-lateral level has prompted nations across the globe to sign FTAs, bilateral trade agreements and plurilateral trade agreements. In order to ensure that India is not left behind in this race for preferential trade agreements, the government must frame a comprehensive policy on FTAs."

From (L-R): Professor Raj Bhala being felicitated by Mr. Y. R. Warerkar.

The professor also suggested that India should become a member of the Trans-Pacific Partnership (TPP) instead of taking efforts to forge a Regional Comprehensive Economic Partnership (RCEP) as the latter is a time-consuming initiative. India has a wider scope to benefit from TPP, which includes countries with different comparative advantage, than from RCEP.

Although, some of the contentious issues in TPP may not be in favour of India – these issues include rule of origin, TRIPS, Investor-state dispute settlement (ISDP) – India would benefit by being forced to implement trade reforms as part of the mandate of TPP, he said.

While entering into a membership agreement with TPP, the Indian trade negotiators must ensure that the clauses in the agreement would lead to reallocation of productive resources to sectors where India has comparative cost advantage. While such an agreement and the resulting trade reforms may involve short-term pain in terms of loss of jobs in some sectors. In the long run it may benefit the entire economy by channeling resources in the most internationally competitive sector.

Meanwhile, expressing concern about the current pace of trade liberalization professor Bhala said, it has hit a slow lane in recent years after the initial progress in terms of agreement in most-favoured nation (MFN) norms, elimination of quantitative trade restriction etc, Mr. Bhala observed.

For example, members of the WTO are struggling to arrive at a consensus on sensitive issues in the trade on agriculture like public stock holding, tarrification and export subsidy.

Mr. Bhala commented that in this time of preferential trade agreements, the role of WTO is reduced to dispute settlement, provision of trade statistics and research, and acting as a negotiating forum on key issues of trade.

Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre said that international trade law is a complex and an ever expanding area. It includes the appropriate rules and customs for handling trade between countries. Speaking on the World Trade Centre Mumbai's efforts and as a key catalyst in promoting India's international trade, he said that the topic chosen for the lecture was most apt. In conclusion, Mr. Warerkar emphasized that in the present complex business environment, it is imperative for any business to understand the intricacies of trade laws both in the national and international context.

March 19, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries.

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High Time for Paradigm Shift in Water Management Policy

A panel discussion on 'Water Matters' was organised by the Centre to dicuss the water challenges and solutions faced by the State of Maharashtra. **Ravi Mr. B. Budhiraja, Chairman, Maharashtra Water Resources Regulatory Authority** said, "Water should be given the importance it deserves. Water tariff should cover both capital costs as well as maintenance charges as against the present rate which covers only the later. In order to promote optimal use of water, municipal bodies should price water on the basis of a slab system. Demand for water can be reduced by around 30 per cent if it is recycled and used for flushing and gardening".

From (L-R): Ms. Rupa Naik felicitating Ms. Chitkala Zutshi I.A.S. (Retd.), Member, Water Resources Economy, Maharashtra Water Resources Regulatory Authority.

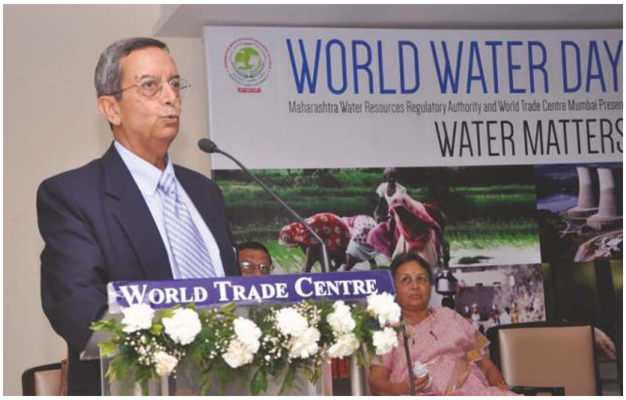
Noting that 54% of India faces extremely high water stress owing to unsustainable urbanization, contamination of fresh water bodies and sub-optimal irrigation practices, Budhiraja said the government and the civil society must employ proper demand and supply management tools to contain the crisis.

India is seriously lacking in demand management tools to ensure efficient use of water. These tools include introduction of modern metering systems in every household, appropriate pricing of water to discourage its wastage, auditing industrial water usage, promoting drip irrigation and introducing efficient canalling for irrigation.

Among supply management tools, he pointed out measures like ground water harvesting, deepening of rivers, increasing the number of water storage facilities, ensuring treatment of effluent waters before it is discharged in rivers etc.

Mr. Pradeep Purandare, Retired Associate Professor, Water and Land Management Institute, Aurangabad stressed on the need to introduce cutting-edge irrigation technologies to ensure efficient usage of water in agriculture.

Specifically, he opined that the government must migrate from the old irrigation system of open channel, which is very difficult to control and regulate, to participatory irrigation system, which is flexible in management. The modern irrigation system proposed by him must have features like arrangements for volumetric supply, duckbill weirs, better water level and discharge controls, among other things.



From (L-R): Mr. Ravi B. Budhiraja, Mr. Suresh V. Sodal and Ms. Chitkala Zutshi.

Mr. Ramakant Pandit Rao, Superintending Engineer, Maharashtra Industrial Development Corporation (MIDC) elaborated the water supply management of the corporation. He said the corporation is encouraging the setting up of sewerage treatment plants in order to ensure that waste water is recycled for non-drinking usage.

Mr. S. S. Chaudhari, Chief Engineer, City and Industrial Development Corporation of Maharashtra (CIDCO) observed that despite planned water supply system in the Navi Mumbai areas, demand for water (215 MLD) exceeds supply (190 MLD) due to rapid rise in the population in a short span.

Speaking about the measures to control demand for water, he said that the CIDCO's initiative to install water meters in individual tenements revealed significant wastage of water by households. Therefore, he called for efficient pricing mechanism to discourage wastage of water.

He also pointed out the CIDCO's move to introduce recycling of water using SBR technology. He said CIDCO has contained the loss of water in transmission to 2%, and is taking steps to arrest loss in distribution (which stands at 30-34%).

Mr. Suresh V. Sodal, Member, Water Resources Engineering, Maharashtra Water Resources Regulatory Authority talked about the impact of climate change on water availability for future generation and the importance of urban and rural development planning in this context.

Speaking on policy measures to address the challenges of climate change, Sodal recommended that the planning authorities must design hydraulic structures that can accommodate heavy rainfall in short time period, encourage cropping pattern that is best suited for the unpredictable climate pattern. He also debated on the suitability of large hydraulic structures versus small ones. While agreeing that there are pros and cons with both these methods of conserving water, he said the planning authority must choose the right one based on need.

Ms. Rupa Naik, Director-Projects, MVIRDC World Trade Centre said individual organizations and households must take steps on a daily basis to conserve water. These steps, along with the government measures, may go a long way in reducing wastage of this precious resource, Naik said.

March 20, 2015 organized jointly by MVIRDC World Trade Centre and Maharashtra Water Resources Regulatory Authority.

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Product e-commerce Sector to Grow Ten-fold by 2020

Mr. Arindam Mukherjee, Vertical Head – Banking & Financial Services, Cisco Systems said that he expects the e-commerce industry in India to rise from $4.5 bn today to $45 bn in next 4-5 years. E-commerce would revolutionise the way small and medium enterprises (SMEs) do business in the next two-three years on the back of strong government policy thrust and rising internet and mobile penetration. He shared his views while speaking at the event 'Realising the potential of e-commerce for SMEs' jointly organized by MVIRDC World Trade Centre and All India Association of Industries on March 26, 2015.

Referring to the fact that only 1% of the 47 million SMEs in India use internet for their business transactions, he said businesses can grow their revenue by 50% more by embracing e-commerce than by using conventional channels of business operation. He informed that banking sector is in the cusp of a dramatic transformation as many banks in India introduce products that enable customers to make retail transaction in a cashless way.

Mr. Mahesh Murthy, Partner, Seedfund opined that e-commerce has the potential to transform a one-time small business organization into a market dominating firm in the course of time. "The retail giant Walmart is losing market share to e-commerce giant Amazon and the software behemoth Microsoft lost the operating system battle to Google because both were late in entering the Indian market. Businesses like Facebook, Amazon and Whatsapp became a dominant brand in the market without spending a penny on advertising. Noting that businesses that succeed in the market are ones that 'out think' rather than 'outspend'. He said, 'Companies must evolve a business proposition that is too compelling to resist and unique from their competitors.'

From (L-R): Mr. Vijay Kalantri, Mr. Sanjay Nagi, Mr. Atul Tewari, Mr. Nitin Nayar, Managing Director, Warburg Pincus India Pvt. Ltd., Mr. Arindam Mukherjee and Mr. Rutvik Doshi

Further elaborating on the various online platforms that can benefit the SMEs, **Mr. Rutvik Doshi, Director, Inventus (India) Advisors** gave the examples of how Flipkart and Snapdeal are helping companies to sell their products in the farmers' websites, to raise funds from financial institutions. This has helped to raise finance easily for the SMEs.

He also explained how SMEs can adopt e-commerce for office functions other than marketing like accounts and auditing (by using accounting software vendors), human resource management, customer relation management (CRM) etc. He however cautioned that the SMEs need to build their business models to adapt to the new internet based platforms and constantly innovate in order to differentiate their products. "These would make the SMEs a winner in the long run," said Doshi.

Mr. Sanjay Nagi, Managing Director, Market Insight Consultants suggested that the SMEs should focus on long-term strategy, of 20-30 years, rather than worry about short-run factors like rise in cost. According to him, e-commerce should be viewed as a value-proposition rather than just an alternative platform to do business.

Mr. Atul Tewari, COO, Quikr observed that most SMEs in India don't have the management or human resource capability to handle the huge flow of customers when they adopt e-commerce. It is in this respect that SMEs must outsource some of the operations like handling customer complaints or grievances to specialized companies.

Mr. Sanchit Vir Gogia, Chief Analyst & CEO, Greyhound Knowledge Group pointed out that while the cost of creating a website has declined considerably in the last few years, the key to survival of e-commerce model is customer acceptability and quick adaptability to changing market dynamics.

Mr. L. S. Subramanian, Founder & President, NISE India explained the emerging trend of commoditizing technologies and the need for SMEs to understand this trend. He said, "The cutting-edge technology services like cloud computing, domain hosting are provided by specialized companies and SMEs must take their service to ride on the E-commerce bandwagon."

Noting that SMEs have reservation to reach the global market, he said of the millions of SMEs in the country, only around 1,000 of them list their products in E-commerce websites. He opined that SMEs must change their attitude towards marketing and embrace E-commerce so that their products are identified or visible to customers who are in a distant geography.

Dr. Sharat Airani, Director – IT & CSO, Intellinet Datasys advocated e-commerce platforms must be used not only for sales but also for providing after-sale services to customers. **Mr. L. K. Gupta, Chief Marketing Officer, Girnar Software (CarDekho)** elaborated how e-commerce service providers can play a crucial role in providing data analytic solution to SMEs so that the latter can adapt their business model to the changing market condition, customer needs etc.

Ms. Rupa Naik, Director-Project, MVIRDC World Trade Centre stressed on the need for introducing e-commerce among the SME clusters in the country. She said in Maharashtra itself there are 70 SME clusters who must embrace innovative marketing solution offered by e-commerce so that they become more competitive. SME clusters could benefit from e-commerce as it increases the market reach of their products beyond their local area.

Mr. Vijay Kalantri, Vice Chairman of World Trade Centre in his welcome address said that the business to business transactions and business to customer transactions, have succeeded, however the business to government transactions still needs to find acceptability. "Today India has 970 million mobile connections and there are 18 million social media users. This just shows the acceptability social media has today." He added, "SMEs need to use this more aggressively for their marketing and business opportunity." This would be enhanced if the SMEs also start manufacturing electronic hardware.

During this panel discussion MVIRDC World Trade Centre released a handbook titled 'e-commerce…the way forward for SMEs'

March 26, 2015 organized jointly by MVIRDC World Trade Centre and All India Association of Industries

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From (L-R): Ms. Rupa Naik, Mr. Sanjay Nagi, Mr. Atul Tewari, Mr. Vijay Kalantri, Mr. Nitin Nayar, Mr. Arindam Mukherjee, Mr. Rutvik Doshi, Dr. Sharat Airani, Mr. L. S. Subramanian, Mr. Sanchit Vir Gogia and Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre.

HAPPENINGS...

Exhibitions and Events held from January – March 2015

278 Events in the Centre 1 Building

9 Exhibitions at the Expo Centre

A snapshot

National Silk Expo	Bombay Times Fashion Jalsa	The Shopping Carnival	Exim Bank Annual Function
Kidtown Fair	Wedding Reception	Vivanya - Elegance of Ethnics	Vibgyor - Lifestyle Expo
Brunch Carnival	High Level Iranian Delegation	International Women's Day Celebration	Implications of the Budget 2015 – 2016
Emerging Trends in International Arbitration	Interactive Meeting Lord Meghnad Desai	World Water Day Celebration	Export/Import Issues with Iran
Realising the potential of E-commerce for SMEs	Book Launch 'Breach' Author Amrita Chowdhury	Innovative Food Products in India - Regulators Role	Smart Cities in India: Reality in the Making
Run up Event for Delhi Dialogue VII	Life Coaching And Image Building Workshop	Outreach Partner with Asia Society India Centre	Shipping Meet
Bankers Meet	IDP IELTS Exams	British Council Exams	Saturday Global Meet
Interactive Meeting - Yashwant Sinha, Former Union Minister for Finance and External Affairs		Recent Developments in International and Indian Trade Law and Policy	





Chinese Slowdown: Boon or Bane for 'Make in India'?

Srikanth Kondapalli
Professor in Chinese Studies at Jawaharlal Nehru University, New Delhi.

Despite several strong economic fundamentals, China appears to be on the road to recession lately. If this trend continues, it will have a major impact on the global economy in the short to medium term. Ever since China was integrated into the world economy, after it launched the reform and opened up policies in 1978, more specifically from its entry into the World Trade Organization in late 2000, it had inexorably linked to most aspects of the global economy. As a result, it had become the 2nd largest economy by 2010 (displacing Japan) and largest exporting country (displacing Germany). China is now the largest trading partner for over 128 countries in the world and had gradually moved up the value chain. On the corollary, any decline in China's economic performance could have major fallout for the rest of the world.

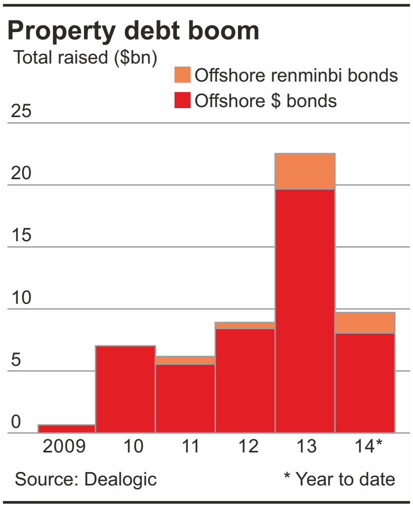
That the rumblings in China are becoming more vocal were seen even in the official statements. China's Premier Li Keqiang submitted the Work Report on March 5, 2015 highlighting his government's performance in the last one year and the challenges ahead in various fields. Premier Li started by suggesting that 2014 was 'complicated and challenging' with the regional and international economic situation still attempting recovery in the aftermath of the debilitating global financial crisis in 2008. Li also stated that the country is facing 'mounting downward economic pressure'.

Premier Li stated that China had maintained 7.4 percent economic growth in 2014 – the largest in the world today. However, for a country which witnessed double digit growth rates in the last two decades, scaling down of the growth rates meant unemployment and social crisis that the Communist Party could hardly afford. This 'new normal' growth rates – fixed at 7 percent for 2015 – has been a dampener, although the stocks jumped to a five year high. Nevertheless, the IMF had scaled down its estimates to China by 6.8 percent for 2015, further reducing this to 6.4 percent for 2016.

Other indicators also suggest to the deepening malaise in China's economy. Once, as the Vice Premier Li Keqiang in 2007 suggested to the United States Ambassador to Beijing, and as reported in the Wiki leaks cables, that China's statistics on GDP are misleading and that three sets of data on bank lending, electricity consumption and railway cargo could provide credible reading of the economic parameters of the country. One of the above – bank lending – has become notorious in China with shadow banking emerging in the recent period. While most banks in China are state owned, with the exception of a few private banks, much of the lending as such has been to the state-owned enterprises. The small and medium enterprises (SMEs) thus were starved of finance.

Most significantly, McKinsey reported that China's overall debt increased to 282 percent of GDP, reaching over $28 trillion in 2014 from $7 trillion in 2007 – that is debt rising by about 20 percent of the GDP annually. The local government's debt had reached more than $1.7 trillion – although 70 percent of these are investments in the infrastructure projects.

Also, it was reported that China's annual growth in electricity demand has fallen sharply to below 4 percent for the first eight months of 2014, although one has to see changes in this category over a period of time.



Other indicators as well suggest the downward momentum in China's economy. The famous HSBC's purchasing managers' index had indicated a decline to 49.2 in March 2015. China's National Bureau of Statistics had indicated that in August 2014, home prices fell in 68 out of the 70 major cities. As the housing sector constitutes nearly 16 percent of the GDP, and as more than 170 million units are reportedly unsold resulting in the phenomenon of 'ghost cities', fall in home prices will have drastic consequences for the economy. Compounding these problems are reports about the value of land sold in 100 major cities which fell by 51percent in July 2014.

While record foreign direct investments into China – at more than $120 billion – China's economy should cheer up, as with the falling energy prices recently that could lower energy import bills, the overall negative trends could stall further growth. China's leaders are well aware of the rapidly rising wage levels in the recent times, although the manufacturing sector is attempting to shift to the interior. Besides, environmental degradation, resource depletion, income inequality, and declining exports to the

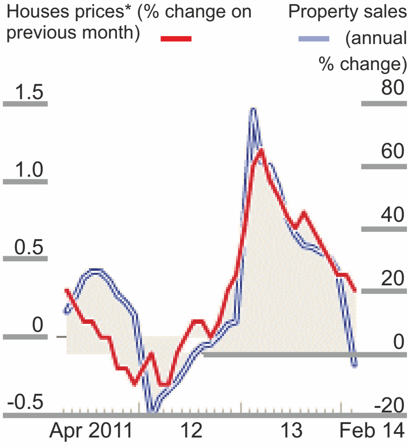
US, Europe and Japan – the largest export destinations for China – are troubling China.

As a result, China today is entering into the phase of 'new normal' phase of economic growth rates. In May 2014, visiting Henan Province, President Xi Jinping suggested that China has 'to respond with a cool head the new normal economy'. According to the data released by the National Bureau of Statistics, China's growth rates of 10.45 percent in 2010 declined marginally to 9.3 in 2011, 7.7 for both 2012 and 2013 and 7.4 in 2014.While these figures are still one of the highest growth rates in the world today, China's leadership has to adjust to the times. Given the fact that the growth rates have a direct bearing on the employment situation and social stability, China's leadership has to unleash further reform measures.

To overcome the economic woes, China's leadership had introduced further tranche of reforms and organized several discussion forums in the recent period. Specifically, at the highest level, two major Party forums recently have laid down the reform agenda even as the 18th Party Congress ushered in the new leadership under Xi Jinping. The Third Plenum of the 18th Communist Party Congress in November 2013 is path-breaking much like the Third Plenum of the 11th Communist Party Congress in 1978. The latest meeting suggested 'comprehensively deepening reforms'. These include state-owned enterprises (SOE) reforms and breaking monopolies and assisting SMEs; reforming land rights, retaining arable land up to nearly 11 billion acres; introducing green technologies and overcoming environmental issues; gradual easing of the one-child policy; abolishing the 're-education through labor' and reducing capital punishment gradually; establishing a specialized National Security Commission (NSC) primarily geared to counter the 'three evils' (separatism, extremism and splittism) and the like. The 12th Five Year Plan had called for moving away from the export-oriented economy and towards intensifying domestic consumption for sustainable development of the country. Also, instead of emphasizing on the manufacturing sector, China's leadership is also nudging the country to strengthen the service sector. Later, the Fourth Plenum in October 2014 emphasized on 'rule by law' and enforcement of constitutional provisions and initiated measures for creating transparent environment for foreign businesses.

During the 1997 Asian Financial Crisis and the 2008 Global Financial Crisis, China tackled problems by boldly unveiling monetary stimulus packages which included mainly infrastructure projects across the country. The Western Development Campaign of improving infrastructure in the interior 16 provinces was emphasised from the 9th Five Year Plan period. Thus, in 1997, apart from not devaluing the currency renminbi, China had issued bonds to finance projects in the local areas, specifically roads and railway projects that opened up the interior and facilitated the Western Development Campaign. Later, when the global melt down took place, triggered by high energy and food prices, housing mortgage collapse, China during the 2008 financial crisis invested $586 billion in the infrastructure projects across the country. This was the time when over 60,000 SMEs were drastically affected and millions were forced out of jobs in Guangdong and other provinces.

Property sales and prices



* 70 medium and large cities

Source: Thomson Reuters Datastream

A few more initiatives taken by the Chinese leadership recently could alleviate the economic situation. Over a decade ago, China had launched a policy of 'go out' (zou chuqu). This policy was given a fresh lease of life recently with outward investments and mergers and acquisitions abroad. In 2014, nearly $100 billion was invested abroad – mainly in the energy sector in West Asia, Africa and Central Asia. While, previously Chinese companies faced a hostile attitude, in the last few years they succeeded in acquiring assets and companies abroad.

In 2013, China also announced the reconstruction of the continental and maritime Silk Road and began laying foundation for the Asian Infrastructure Investment Bank. With these initiatives China could place its excess capacities in rail, road, harbour, pipeline construction materials and personnel in different parts of the world in the near future, besides attempting to internationalise its renminbi currency, thus triggering investments and transfers of manufacturing hubs abroad. The current low oil prices may help stimulate growth in China in the near future, although any decline in growth rates in China will have drastic consequences for lowering of demand for various commodities. Already several mineral prices from Africa and Asia are falling due to the low demand.

In relation to India, China's current economic woes could prove to be an opportunity. Much as Deng Xiaoping hit the rod when it is hot during his 'southern tour' in 1992 and invited foreign direct investment and industrial technologies from Taiwan, Singapore, Japan and South Korea, India needs to similar position itself to make the 'Make in India' a successful campaign. China's wages are an average over double that of India's. China is looking to relocate its manufacturing sector. When Xi Jinping was Vice President, he only toured Bangladesh in South Asia. However, with the political uncertainties there, China is looking for safer havens. Although, some in China still hark back to the cold war ideology of putting down India, or see rising India as a challenge to China, New Delhi nevertheless, need to take this opportunity forward and set up manufacturing zones across the country. While iron ore exports predominantly from Goa – and constituting nearly 60 percent of Indian exports to China - may decline in the short to medium term, India needs to restructure its industrial policy in this regard.

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Macroeconomic Round-up

- India's rupee has been appreciating in the last few months against the dollar and other currencies in recent months owing to strong inflow of foreign capital. The exchange rate of rupee appreciated to Rs 62.59 per US dollar at the end of March 2015 from Rs 63.33 at the end of December 2014. *(See Table)*

- Net investment by foreign institutional investors (FIIs) in India rose to Rs 78,975 crore in Apr-Mar 2015 from Rs 57,727 crore in the year-ago period.

- Appreciation of rupee against the dollar has affected the competitiveness of Indian exporters at a time when the currencies of many other developing countries are weakening against greenback. This is reflected in the poor performance of India's exports.

- India's exports fell 15.02 per cent to US $ 21.54 billion (Rs 1,336.62 billion) during February, 2015 from US $ 25.35 billion (Rs 1,577.69 crore) in the year-ago month.

- During April-February 2014-15, total exports grew 0.88 percent to US $ 286.582 billion (Rs 17,474.51 billion) from US $ 284.08 billion (Rs 17,198.88 billion) in the corresponding period of last year. This translates into a growth of 1.60 per cent in rupee terms over the same period last year.

- India's import fell 15.66 percent to US $ 28.392 billion (Rs 1,761.39 billion) during February 2015 from US $ 33.665 billion (Rs 2,094.95 billion) in the year-ago month.

- Total imports rose 0.71 percent in April-February 2014-15 to US $ 411.803 billion (Rs 25,108.24 crore) from US $ 408.919 billion (Rs 24,634.80 billion). The growth was 1.92 per cent in rupee terms over the same period last year.

- Trade deficit during April-February 2014-15 rose marginally to US $ 125.220 billion from US $ 124.844 billion in the year-ago period.

- After two unexpected cuts in policy rates during January and March, the Reserve Bank of India kept the rates unchanged during its first bi-monthly monetary policy meeting on April 7, 2015. It expects the CPI inflation to be 5.8% by March 2016 and the economy to grow at 7.8 per cent in 2015-16, higher by 30 bps from 7.5 per cent in the previous financial year.

Exchange rates of key currencies

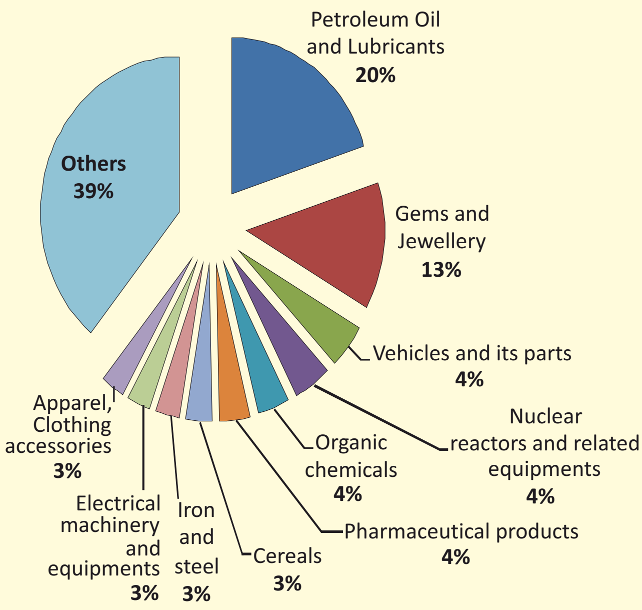
	31-Mar-15	31-Dec-14
BRICS currencies		
Indian Rupee	62.59	63.33
Brazilian Real	3.19	2.66
Russian Ruble	57.65	56.24
Chinese Yuan	6.14	6.12
South African Rand	12.18	11.58
Other developing nations currencies		
Indonesian Rupiah	13084.00	12440.00
Thai Baht	32.55	32.96
Philippine Peso	44.80	44.62
Mexican Peso	15.24	14.73
Malaysian Ringgit	3.72	3.50
Korean Won	1105.00	1099.20
Chilean Peso	626.87	607.38
Advanced nations currencies		
Euro*	1.08	1.21
Japanese Yen	120.11	120.64
U.K. Pound Sterling *	1.48	1.56
Canadian Dollar	1.27	1.16

*** expressed as number of US dollars per unit of foreign currency**

Source: IMF

Table

Share of principal commodities in total exports during Apr-Dec 2014



- Growth of eight core sectors (which include coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity) declined to 3.8% in April-February 2014-15 from 4.2% in the year-ago period. *(See Graph: 1)*

- Specifically, the output of steel grew just 1.1% during April-February 2014-15 from 11.4% in the previous year period. Similarly, output of fertilizers, refinery products, crude oil underperformed during this period compared to April-February 2013-14.

- India's index of industrial production grew 2.6% in January 2015 compared to 1.1% growth in the corresponding month of the previous year.*(See Graph: 2)*

- During April-January 2014-15, the index grew 2.5% compared to 0.1% growth in the year-ago period.

- Out of the 22 industry groups in the manufacturing sector, 14 industry groups registered a positive growth in January 2015.

- India's inflation as measured by the consumer price index marginally rose to 5.37% in February 2015 from 5.19% in the preceding month.

- India's national income as measured by the new formula of gross value added at basis prices is estimated to have grown 7.5% in 2014-15 compared to 6.6% in the previous year. The CSO changed the measure of economic growth to gross value added (GVA) at basic prices from the earlier measure of GDP at factor cost. The statistical agency also revised the base year for calculating national income to 2011-12 from the earlier base year of 2004-05. *(See Graph: 3)*

- The Economic Survey 2014-15 expects the economy to grow more than 8 per cent in 2015-16

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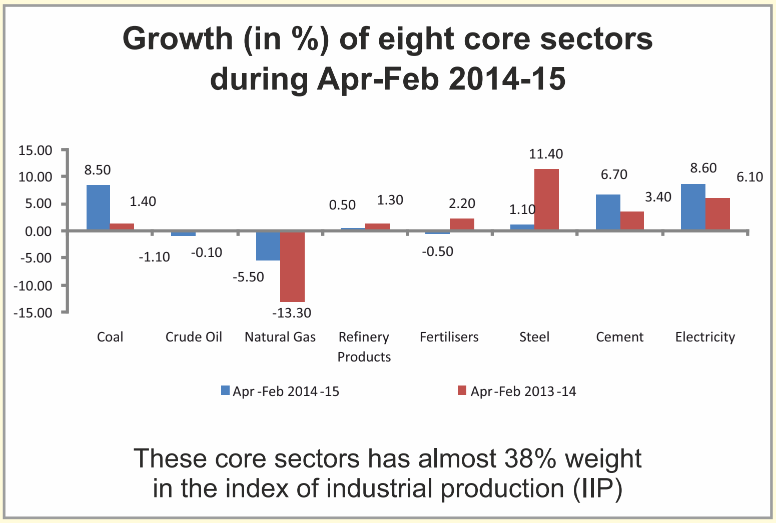
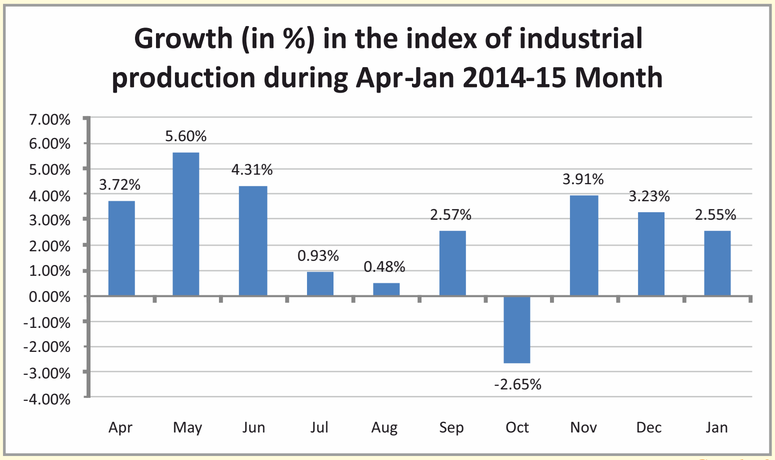
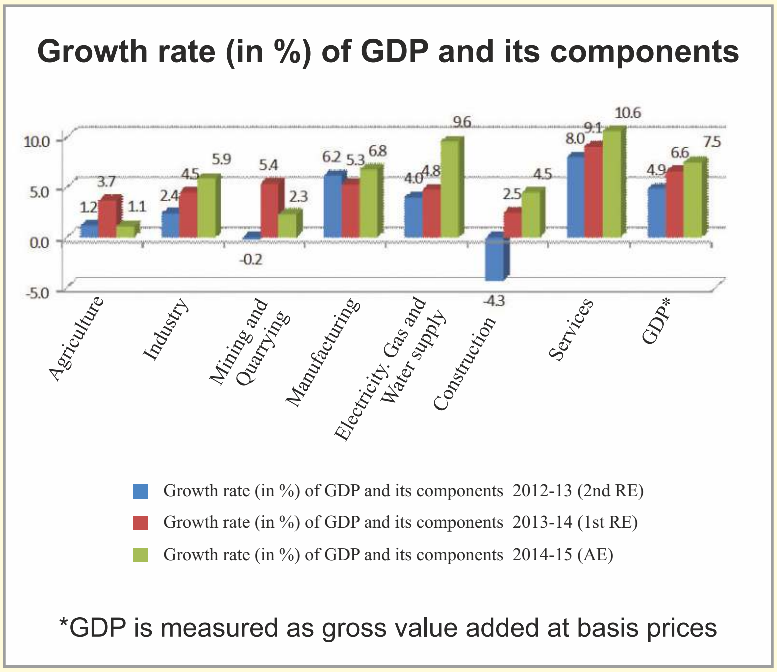


Graph: 1



Graph: 2



Graph: 3

INTERNATIONAL TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
Leatherworld Middle East 2015	Dubai, United Arab Emirates	May 4-6, 2015	• Leather	 www.leatherworldme.com
Plast Rho	Milan, Italy	May 5-9, 2015	• Plastics • Rubber	 www.plastonline.org/
Foodagro Africa 2015	Nairobi, Kenya	May 7-9, 2015	• Food	 www.expogr.com/kenyafood/
Bakery China 2015	Shanghai, China	May 12-15,2015	• Baking and Confectionery	 www.bakery-china.de
Windpower	Orlando Florida, USA	May 18-21, 2015	• Electrical Energy • Engineering, • Wind Energy	 www.windpowerexpo.org
Logistik & Transport Gothenburg 2015	Gothenburg, Sweden	May 19-21, 2015	• Logistics • Transport	 www.logistik.to
Foodagro Tanzania Dar es Salaam	Dar-es-Salaam, Tanzania	May 23-25 2015	• Agricultural Engineering • Bakery Products	 www.expogr.com/tanzania/foodexpo/
Sudwest Messe 2015	Villingen -Schwenningen Germany	May 30-7 June,2015	• Private and Commercial Equipment • Consumer Goods • Handicraft • Agriculture	 www.suedwest-messe-vs.de

INTERNATIONAL TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
IAPH World Ports Conference 2015	Hamburg, Germany	June 1-5, 2015	• Ports	 www.iaph2015.org
Techtextil North America	Houston Texas, USA	June 2- 4, 2015	• Textiles • Nonwoven Fabrics	 www.techtextilna.com
China Guangzhou International Food Exhibition 2015	Guangzhou China	June 4-6, 2015	• Food and beverage industries	 www.ifechina.com
ShanghaiTex Shanghai	Shanghai, China	June 15-18, 2015	• Textile	 www.shanghaitexonline.com
Craft And Quilt Fair Sydney 2015	Sydney, Australia	June 17-21,2015	• Craft and Quilt	 www.craftfair.com.au/wp/Sydney
IBS Las Vegas-International Beauty Show 2015	Las Vegas, United States	June 20-22, 2015	• Fashion	 www.ibslasvegas.com
Aerospace And Defense Business Convention 2015	Kuala Lumpur, Malaysia	June 23-25, 2015	• Defense Services • Technology	 www.bciaerospace.com/malaysia
ASEAN Food Conference AFC Philippines 2015	Pasay, Philippines	June 24-26 2015	• Food production	 www.afc2015philippines.com
Taipei Int'l Food Show 2015	Taipei Taiwan	June 24 -27 June 2015	• Food and Beverage	 www.foodtaipei.com.tw

INDIA TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
ISRMAX India 2015	New Delhi	May 3 - 5, 2015	• Agriculture • Horticulture • Food	 http://isrmax.com/
POWER-GEN India	New Delhi	May 14-16, 2015	• Power	 www.indiapowerevents.com
FoodTech Kerala 2015	Cochin Kerala	May 14-16,2015	• Food Processing • Packaging	 www.cruzexpos.com/FoodTech.html
ad:tech	Gurgaon, Haryana	May 19-20, 2015	• Advertising and Marketing	 http://www.ad-tech.com/
15th edition of PALM Expo	Goregaon, Mumbai	May 28-30, 2015	• Audio Technology • Electronics	 http://www.palmexpo.in/
intec Coimbatore	Coimbatore, Tamil Nadu	June 5-9, 2015	• Engineering • Industrial Machinery	 http://www.intec.codissia.com/
India Packaging Show	New Delhi	June 10-13, 2015	• Packaging	 http://www.indiapack.org/
Food Hospitality World 2015	Bengaluru	June 11- 13,2015	• Food and Hospitality	 http://www.fhwexpo.in/
Heimtextil India 2015	New Delhi	June 25-27, 2015	• Home Furnishing • Textiles	 www.heimtextil-india.in.messefrankfurt.com/
Bakers Technology Fair Coimbatore 2015	Coimbatore	June 26-28, 2015	• Baking and Confectionery	 http://bakerstechnologyfair.com/