

July-September 2014

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## *Global Economic Summit 2014*



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## PRESIDENT'S DESK

Dear Members

The Modi Government's 'Make in India' initiative encourages entrepreneurship and has simplified doing business in India by refining its parameters through industry and labor reforms. Also the government's initiatives to introduce changes in the energy sector along with the decontrol of diesel prices, streamlining of petroleum subsidies and its PSU's disinvestment program comes as a respite to the once flagging economy.

Besides many projects which had been shifted to cold storage have been brought out and there is a fair amount of revival.

There are high expectations in many areas of reforms and it is now vital that the Government rationalizes and revokes over 100 irrelevant laws and regulations. In particular our tax system which acts as one of the major hindrances for businesses and FDI's in India. Withdrawing some of these rules and regulations will enable the country to attract investments and promote the manufacturing, infrastructure and services sectors.

At this point confidence levels are high with the prediction that the country's GDP is expected to return to the previous 7 to 8% growth trajectory in the next couple of years. Apart from the path breaking Pradhan Mantri Jan Dhan Yojana initiated by the Hon'ble Prime Minister, AIAI welcomes the various measures taken by the Government which we hope will influence the socio economic progress of the nation.

AIAI in its endeavor to advocate the cause of

SMEs has consistently represented and submitted to the Government various issues affecting trade and industry. Amongst the issues submitted by us some of the most important issues being the Power crisis in Vidharba and other regions in Maharashtra which needs to be immediately dealt with. Also the increase in Customs Duty on bauxite has had an unfavorable effect, exports have dropped from an average 10 mn tons to 3-4 mn tons resulting in huge loss in terms of revenue to exports as well as the exporters. We at the AIAI are optimistic that the Government will look into these issues and take the positive measures that it needs to.

The AIAI's flagship event the Global Economic Summit 4th edition on Asia...Powering Global Markets; Vision 2025 was a stupendous success, affirming the Summits undoubted growth in format and popularity. We had the privilege of the Summit being inaugurated by General (Retd) Dr. Vijay Kumar Singh, Hon'ble Minister of State for External Affairs, Ministry of External Affairs and Minister of State (Independent Charge), Ministry of Development of North Eastern Region, Government of India.

As is done every year the Summit hosted dignitaries and participants from more than 35 countries including India. Over 500 delegates from Asia as well as other countries participated and were witness to the deliberations and discussions at the Summit, reconfirming India's position as an "Emerging Global Economic Superpower".

Vijay Kalantri





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## Finance Bill of the NDA Government creates confusion and chaos



Mr. Jairaj Purandare, Founder Chairman, JMP Advisors Pvt. Ltd, Mr. Nishith Desai, Founder, Nishith Desai Associates, Mr. Firoze B. Andhyarujina, Senior Counsel, Supreme Court of India, Mr. M. S. Mani, Partner, Deloitte India and Mr. Y.R. Warekar, Executive Director, MVIRDC World Trade Centre at an interactive meeting on "Implications of the Budget 2014-2015" jointly organised by All India Association of Industries and MVIRDC World Trade Centre, Mumbai.

for depreciation of the purchased asset which is an unwelcome move by trusts. Another matter of concern for charitable and religious trusts is that under section 12AA, the trust registration is liable to cancellation in event of no utility to the general public or usage towards religious communities as against the only earlier provision of money not being spent under specified provisions.

A matter of concern in the Finance Bill is the amendments on the capital gains taxation norms. As per the earlier Bill under section 54, reinvestment in buying home from selling of an earlier property was exempt from taxation. However, the recent bill restricts reinvestment exemption towards purchase of only single house with no such restrictions earlier. Also, as per the section 54 reinvestment in property abroad had been exempted from taxation which is now restricted to "India" only thereby unsettling earlier laws passed by the Courts.

Earlier Capital gains from forfeiting failed negotiations on purchase of land, building or house were exempt from tax. However, as per the current bill forfeiting of failed negotiations is to be taxed as income from other sources violating the basic cannons of taxation.

The dividend distribution tax was levied at 16.995% as per earlier provisions. However, the amended bill states gross taxation of dividend distribution tax thereby including surcharge and education cess which is likely to reduce dividend profits of shareholders.

The Companies Act obligation of 2% investment towards Corporate Social Responsibility by companies was exempt from taxation which has been brought under taxation bracket.

Lastly, as per the earlier provision interest payment for nonpayment of taxes commences since the time period when liability arose. However, the bill states interest payment since the assessing officer makes the order.

The Budget has tinkered with laws leading to

hardships for the common man. The need of the hour is clarity of laws besides building trust by the Government towards its law abiding citizens. The clarification of policies is likely to continue in the near term, Mr. Andhyarujina stated.

Affirming the views of Mr. Andhyarujina panelist Mr. Nishith Desai, Founder, Nishith Desai Associates said the country is in need for less government interference and more governance. India needs to learn best practices from the US and UK for designing an unambiguous taxation structure. It is vital that drafts men be involved in designing legislative bills henceforth.

Mr. M. S. Mani, Partner, Deloitte India elaborated on the indirect taxation code of the Government. The service taxes purview has been expanded to include commercial, economic and business activities. The Budget stipulates no definitive time frame for the implementation of the GST. Lastly, the budget has given the much needed boost to the manufacturing sector by slashing excise duties and custom duties of key resources required for manufacturing.

Mr. Jairaj Purandare, Founder Chairman, JMP Advisors Pvt. Ltd said the Union Budget 2014-15 signals reforms with provisions such as smart cities,

e-visas, development of power sector, infrastructural sector, revival of the coal industry, linking of rivers, skill development programmes, incentive for housing and FDI cap changes in defense and insurance. However, proposals alone cannot make a difference to the economy. Ensuring execution of the said provisions is of paramount importance to generate sustainable growth in the next five years.

Mr. Y. R. Warekar, Executive Director, MVIRDC World Trade Centre said the NDA government presented its maiden budget 2014-15 keeping in view the expectations of all segments of society. The Budget is pragmatic, all encompassing with intense focus on development, particularly the social sectors. The Budget offers big relief to tax payers. The sops announced in the budget are distinctly reforms-oriented aiming to lift economic growth to 7-8 percent in the next 3-4 years by promoting manufacturing and infrastructure and rationalizing subsidies. The Finance Minister has sought to retain the budgetary deficit at 4.1 percent of gross domestic product this year and proposed to bring down the deficit to 3.6% in 2015-16 and further to 3% in 2016-17. The Finance Minister also announced the setting up of an "Expenditure Management Commission" to bring in reforms on the expenditure side.





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## Moselle Development invites India to participate in EITS 2014



Ms. Rupa Naik felicitating Mr. Thierry PETRY, Director for India, Moselle Development during an interactive meeting on "Doing Business with Europe" jointly organised by All India Association of Industries and MVRDC World Trade Centre.

"Euro India Technology Sourcing (EITS) is a business meeting aiming to establish new contacts between companies from India and Europe interested to develop and boost strong trade relations in the field of materials, processes and energies. EITS is a part of the public strategy for the development of a European Materials and Energy Valley in Eastern France. EITS is organised by Moselle Development, the economic development agency of the General Council of Moselle", said Mr. Thierry PETRY, Director for India, Moselle Development during an interactive meeting on "Doing Business with Europe" jointly organised by All India Association of Industries and MVRDC World Trade Centre.

EITS 2014 scheduled from 9th to 10th December, 2014 expects participation from 300 companies from India & Europe focusing on materials & processes for industry, transportation & energy. The focus sectors for the technology conference include producing materials (metals, chemicals, plastics & natural fibers) and equipment endowed with new functions, generating power, improving energy efficiency, saving energy, storing energy, distributing energy, recycling renewable raw materials and saving of raw materials, Mr. PETRY stated.

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

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

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

Ms. Rupa Naik, Executive Director, All India Association of Industries and Director-Projects, MVRDC World Trade Centre said we have participated at the EITS 2009 summit focusing on Euro India Transportation Systems. We look forward to participating at the EITS 2014 summit as well.

Further, Ms. Naik enlightened the audience on the recently established World Trade Centre Bhubaneswar which was inaugurated by Shri Naveen Patnaik, Hon'ble Chief Minister of Odisha. The WTC Bhubaneswar is promoted by the World Trade Centre Mumbai with the support of Industrial Infrastructure Development Corporation, the industrial promotion agency of the State Government of Odisha.



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## Project monitoring group successfully resolves Projects worth Rs 5.7 lakh crores



Capt. Somesh Batra, Vice Chairman, WTC Mumbai, Mr. Vijay Kalantri, President, AIAI and Vice Chairman, WTC Mumbai, Mr. Anil Swarup, IAS, Additional Secretary & Chairman, Project Monitoring Group, Cabinet Secretariat, Government of India and Ms. Rupa Naik, Executive Director, AIAI during an interactive meeting on "Investor After Care" organised by AIAI and WTC.

"The Government of India has set up a project monitoring group to fast track projects worth Rs 1,000 crores. The group tasked with the job of clearing 449 projects worth Rs 22 lakh crores has successfully resolved 163 projects worth Rs 5.7 lakh crores", said Mr. Anil Swarup, IAS, Additional Secretary & Chairman, Project Monitoring Group, Cabinet Secretariat, Government of India during an interactive meeting on "Investor after Care" jointly organised by All India Association of Industries and MVRDC World Trade Centre. The performance of the project monitoring group is measured in terms of economic activity generated by the group such as power generated, productivity achieved or services created, Mr. Swarup stated.

Elaborating on the working of the project monitoring group Mr. Swarup said timely implementation of projects is the sole criteria of the group. For the purpose the group has adopted digitalisation by creating a national portal. The portal receives problems faced by the industry which is automatically sent across concerned Ministries. The transparent flow of information ensures immediate action on the part of the Government while restricting unfair practices such as corruption and ensuring accountability in the system.

Also, the project monitoring group periodically meets central and state officials to discuss and disperse pending proposals.

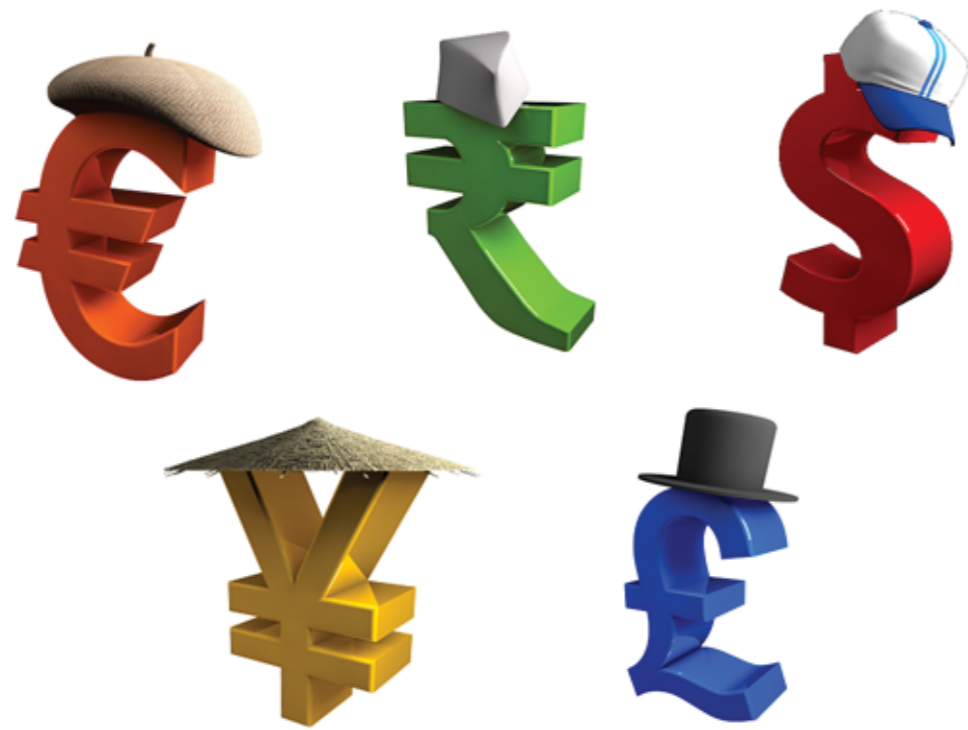
Pointing out to the various research studies prepared by industry and trade bodies Mr. Swarup said that the studies merely mention the predicament of the economy. However, the studies lack a road map to address the dilemma facing the economy. It is necessary that research studies also mention practical and amicable solutions to the issues pertinent to the economy.

Enumerating on the future activities of the project monitoring group Mr. Swarup said firstly the group intends to form an interstate web portal to fast track state projects in the range of Rs 100 crores to Rs 1,000 crores. Secondly, an independent grievance portal for Ministry of Forestry has been created. Going forward, the group shall be replicating the same for Ministries of Environment, Mining and Coal.

In his concluding remarks Mr. Swarup said that the Indian economy has been at the helm of global affairs with a new, promising and vibrant Government. India is of paramount importance for foreign investors. Displaying ease of doing business with India with an able and efficient IT application is the agenda for the project monitoring group.

Mr. Vijay Kalantri, President, All India Association of Industries said that Indian administration is in the hands of a new and stable Government which has targeted high growth rates for the economy. The capital sparse Indian economy has huge potential for drawing investments in the sectors such as technology, health, education to name a few. Also, the economy looks forward to investing US\$ 1 trillion in infrastructure sector. However, a major hindrance in the growth of the economy is that policies initiated by the Government do not percolate to the desk level. Hence, the setting up of the project monitoring group which stipulates timelines will go a long way in generating domestic and foreign investments for the economy. If India displays ease of doing business foreign investors are likely to be drawn from across US, European Union, Japan and Korea.





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## Innovation Sutra - An Alternate Approach to work-life balance



Mr. Vijay Kalantri, President, All India Association of Industries (AIAI) and Vice Chairman, MVRDC World Trade Centre (WTC) Mumbai, Ms. Rupa Naik, Executive Director, AIAI, Mrs. Rekha Shetty, Managing Director, Farstar Distribution Network Ltd, Mr. Y. R. Warekar, Executive Director, WTC Mumbai and Mr. V. Sarangapani, Executive Director, Bombay Management Association during the book launch of Mrs. Shetty's 'Innovation Sutra' jointly organized by AIAI, WTC Mumbai, Bombay Management Association and Penguin Books.

The book 'Innovation Sutra', based on the teachings of the Buddha, is about instant transformation serving as a guide to work-life balance. Just as a drop of water gets transformed when touched by a ray of sunlight or seed, given the right proportion of nutrients, transforms into a full grown plant further giving birth to numerous forests, so also a parent sends his son to the corporate world hoping that he transforms into a dutiful and responsible adult, said Mrs. Rekha Shetty, Managing Director, Farstar Distribution Network Ltd and renowned innovation expert, at the launch of her 8th book titled 'Innovation Sutra', which was jointly organised by All India Association of Industries and MVRDC World Trade Centre, Mumbai.

An ardent believer in the 'Buddha as the CEO', she said that every person innately possessed the very nature of Buddha. Everyone should aspire in doing things that would make the people around feel happy. Whatever one does affects the other. It only takes a single person to bring about change.

Speaking about the Book she said, the book was aimed at the 30s age group, where a person entering the workforce should not look at grabbing, amassing, cheating and indulgence in fraudulent behaviour, but seek out the larger good for everyone directly or indirectly related to one's work. One should be professionally skilled, efficient,

learned and above all be honest, while aiming for excellence in a chosen field. Keep company with good people, do not take away what is legitimately earned by another. Work environment should be participative and not dictatorial, she added.

While drawing a parallel from 'Innovation Sutra', Mrs. Shetty said that the protagonist 'Dharam', an immensely successful banker in Manhattan, USA, using wrong means to create wealth, meets Kunal who too is in a profession of selling fake Indian antiques to Americans. They both decide to flee as soon as possible or later they would be jailed. They undertake a journey along the Buddhist pilgrim trail - from Lumbini, Kapilavastu and Bodh Gaya to Sarnath, Rajgir, Nalanda, Vaishali, Kaushambi and Kushinagar. As they journey through these places, Dharam is inspired by Buddha's teachings, finding a new purpose to his business life, developing the idea for an ethical yet profitable business—'The Buddhist Footprint'. Likewise every person can seek out a good transparent work culture bereft of misguidance, cheating and misrepresentation if they desire to do so, if they truly followed the Buddha's word. Buddha's approach to management comprises 3 emotions namely, loving kindness or metta, compassion or karuna and equanimity or upekkha.

She advocates practising Dharma in everyday living. Principles of innovation lie in a gift-based economy. Maximum good comes from giving rather than taking. Every chapter in the book deals with a 'Sutra' or 'Rule of functioning'. The final chapter in the book explains how Dharam goes back to the Buddhist Footprint and inspired by the teachings intends to sell off his assets and pay off debts which he held onto. By doing so he was making people happy which in turn had a positive effect on himself giving rise to others to emulate his behaviour. In this way he was able to implement Buddhist principles in business.

Mr. Vijay Kalantri, President, All India Association of Industries said, Mrs Shetty is a prolific, innovative writer and always had something thrilling, inspiring and articulate to say in her books. He stressed on the need of a good entrepreneur, which is possible, if one innovated and to innovate one should take risks. Value systems were falling and the world was moving towards being materialistic. He said that even if everyone was to follow just 10 per cent of what Mrs Shetty conveyed through her book, the world would be a better place to live in.

## Lithuania keen to forge ties with India



Mr. Vijay Kalantri, President, All India Association of Industries (AIA) and Vice-Chairman, MVIRDC World Trade Centre and H. E. Mr. Laimonas TALAT-KELPSA, Ambassador, The Republic of Lithuania, during an interactive meeting with the Ambassador jointly organised by All India Association of Industries (AIA) and MVIRDC World Trade Centre.

"Lithuania seeks to broaden economic and trade relations with India. Lithuania has a strong industrial base and is technologically highly advanced. There are many potential areas where Lithuania and India can successfully cooperate. Lithuania is keen to forge ties with India to work together in Laser Technology. Laser technology can be put to multiple uses such as detecting air pollution, ensuring national security besides wide applications in optical industry, diamond processing and medicine", said H.E. Mr. Laimonas TALAT-KELPSA, Ambassador, The Republic of Lithuania during an interactive meeting with the Ambassador jointly organised by All India Association of Industries and MVIRDC World Trade Centre, Mumbai.

Elaborating further on prospects of broadening Indo-Lithuanian relations H.E. Mr. Laimonas TALAT-KELPSA said that besides cooperation in laser technology, Lithuania and India need to strengthen bilateral trade. The present level of trade is marginal with total value of two-way trade at Euro 55.53 mn. Lithuania could supply laser technology and components and augment its exports of fertilizers and phosphates, agro products and marine products to India while Lithuania could import textiles, leather and footwear and other raw materials from India.

Inviting Indian companies to invest in Lithuania H. E. Mr. Laimonas TALAT-KELPSA said there are several economic zones in Lithuania offering good investment opportunities and Indian businesses should consider these. Also, the rapidly growing Lithuanian economy is strategically located in the centre of Europe with a major port in the Baltic Sea and as such serves as an important hub for trade and business.

Mr. Vijay Kalantri, President, All India Association of Industries and Vice-Chairman, MVIRDC World Trade Centre said it is widely acknowledged that there is a close similarity between the Lithuanian and Sanskrit languages, Lithuanian being the Indo-European language grammatically closest to Sanskrit, signifying possible close ancient links. As of today, the bilateral trade between India and Lithuania stands at Euro 55.53 mn. Chief exports of India to Lithuania include pharmaceuticals, cosmetics, textiles and consumer goods. Indian imports from Lithuania are machinery and mechanical appliances, high tech optical instruments, base metals and articles of base metal, chemicals, sulphur, lime and cement.

A high level delegation from sectors of food and agro processing, organic products, preservatives, condiments and other agro products participated in the meeting.



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## GES 2014 on Asia .... Powering Global Markets: Vision 2025



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The 4th edition of the Global Economic Summit concluded successfully with delegates from over 35 countries participating in this significant Summit on Asia- Powering the Global Markets. The Summit was addressed by eminent expert and dignitaries who analyzed and presented the various facets of Asia and the potential market it offers for investors.

However it was enormously felt by all the speakers that lack of infrastructure, logistical support and unskilled labour over all pose as major hindrance for Asia's growth story.

Asia, the largest market in the Global economy provides a great potential for trade, investments and technology across sectors. More than 500 participants came together to network and participate in deliberations and exchange views on India's and Asia's current economic scenario, its industries, laws and regulations.

It is a well known fact that the growth of Asia has been possible largely due to the investments and trade that has flowed from other continents namely Europe, Canada, Africa, Australia, Middle East and Americas. The summit acknowledged their immense contribution and invited global partners to explore newer avenues for co-operation. Simultaneously, the summit also invited Asian economies to seize this opportunity to promote their respective region during the summit.

This annual flagship event aims at addressing the most critical challenges that SMEs and Corporates face and brings together technocrats, business heads, policy makers and government officials to exchange views and deliberate on the most critical challenges for sustained regenerative policies for economic and industrial development.

Inaugurating the summit and setting the stage for discussions Chief Guest General (Retd) Dr. Vijay Kumar Singh, Minister of State for External Affairs, Ministry of External Affairs and Minister of State (Independent Charge), Ministry of Development of North Eastern Region, Government of India analyzed that the growing importance of the Asian economy. Asia has much to offer to the globe. The Asian continent has a demographic advantage being home to a young, skilled and productive work force. Secondly, the continent boasts of a pool of natural resources which needs to be tapped to give impetus to its manufacturing. There is a pressing need to revisit the global trade regime to create equal opportunities for all economies to benefit from global trade and growth. The Summit shall facilitate guidelines and policy frameworks for Asia to grow and prosper as a continent Dr. Singh said.

The Indian economy which occupies an area of prominence in the Asian continent is gradually looking up from its decadal low growth commented Mr. Kamal Morarka, Chairman, MVIRDC World Trade Centre in his welcome address to the august



gathering. He added that the previous editions of the GES have covered a range of macroeconomic issues spanning a gamut of sectors such as manufacturing, innovation, technology, trade and investment, SMEs and industrial clusters. The Summit has always witnessed an overwhelming response from various states of India and around the world since its inception.

Asia is the next power house of economic growth. Asian economies together encompass growing share of manufacturing, international trade and service industry. The MSME sector of the continent is the mainstay of the economy. However, this continent's key drawback is its infrastructure. We need to create a conducive business environment to boost the Asian region specifically the developing countries. The Summit will discuss the opportunities and challenges that lay a head to achieve Asia's next step to economic growth highlighted Mr. Vijay Kalantri, President, All India Association of Industries and Vice Chairman, World Trade Centre Mumbai.

The main objective of the WTPF lies in giving impetus to international trade and facilitating the growth of global trade network with SMEs forming the focus sector of the WTPF remarked Mr. Bruno Masier, President, World Trade Point Federation (WTPF).

Congratulating WTC Mumbai and AIAI for organizing this prestigious Summit Mr. Ghazi Abu Nahl, Chairman, World Trade Centers Association (WTCA) and Chairman, World Trade Center Holdings (Cyprus) Ltd. Stating that the Summit presents a platform for sharing learning lessons besides formulating business strategies in the context of the day's challenging macroeconomic environment.

The advent of globalisation products and services cannot be said to be "made in a country" rather



"made in the world" asserted Dr. Talal Abu-Ghazaleh, Founder and Chair, Talal Abu-Ghazaleh Organization (TAG-Org).

Mr. Jean-Luc Schneider, Deputy Director, Economics Department, The Organisation for Economic Co-operation and Development (OECD) enumerated on the OECD exercise of "How the world will look like in 2060?"

Touching upon the issues of trade facilitation agreements Mr. Yonov Frederick Agah, Deputy Director-General, World Trade Organization (WTO) stated that with the passage of the agreement it will be faster and cheaper to do cross country business. The cross country business may touch US\$ 1 trillion creating 25 million jobs. It shall ensure better participation of developing countries in global trade with Asia being an important participant and a prominent beneficiary adding that the WTO and WTC share a common good of achieving prosperity through trade.

Mr. Yaduvendra Mathur, Chairman and Managing Director, Export-Import Bank of India analyzed that Asian economies have witnessed growth in recent times. However, the continent suffers from inadequate infrastructure. The GDP growth of Asia has been constrained by 4% due to lack of infrastructure.

The Summit was a meeting point for many powerful minds vibrant session and special panel discussions on critical factors behind Asia's rise as a economic power was discussed and deliberated. What emerged was that the world is "Shifting East – to Asia" its unprecedented expansion of economic freedom and market liberalization including the need for developing Asian countries to concentrate on getting the fundamentals right for economic growth.

“ *The paradox of globalisation is that there will be increased international cooperation with national policies being less effective in the global world. However, global integration is expected to give way to conflict of interests amongst nations, free riding on trade agreements, international collusion, etc.* ”



#### Day I

#### Relevance of Support Infrastructure for the Growth of Manufacturing Sector and Investment Opportunities

Chairing this intensive session Capt. Somesh Batra reflected on the paramount importance of infrastructure in India. The session deliberated on the significance of industrial zones, industrial parks, free trade zones and industrial corridors in Asia.

Prof. George Haley, Professor of Marketing and Director of the Center for International Industry Competitiveness, University of New Haven, USA stated that India has advantages such as low labour cost, demographic dividend, domestic-centric economic model, growing domestic market and free trade agreements but the problem lies in infrastructure and weakness in manufacturing sector.

Mr. Shishir Priyadarshi, Director of the Development Division, World Trade Organization (WTO), Switzerland shared that the global focus is moving towards regional infrastructure that stretches across countries and the increasing emphasis on regional and global value chains system.

Dr. Yahya Ale Eshagh, Chairman, Tehran Chamber of Commerce, Industries, Mines and Agriculture (TCCIMA), Iran acknowledged that, post the Cold war, continental imperatives such as the desire to achieve higher level of development has prompted majority of countries to consider gaining larger market share as their main goal and concern as economic efficiency has turned out to be one of the most important benchmarks for the legitimacy and acceptability of governments. Also infrastructure development is one of the major requirement to achieve these goals.

Mr. Ashish S. Raheja, Managing Director, Raheja Universal Pvt. Ltd., India opined that at present we need to drive manufacturing and infrastructure within the country. We are trade leaders by perspective with the rest of the world," SMEs are manufacturers who can become regional, national global players later. This huge canvas provides the networking, the learning and the access necessary for that, this is a great learning point".

Projecting the infrastructural and industrial growth in Odisha, Mr. Tapan Sahu, Consultant, Industrial Promotion And Investment Corporation Of Odisha Ltd. (IPICOL), informed the audience about the improving credibility of Odisha as a business and investment destination.

#### Overview of Financial Markets of Emerging Economies

Deliberating on the strategies and policy directives pursued by financial institutions to restore the momentum in financial markets. The discussions contemplated on financial sectors reforms in emerging markets, strategies and policies in challenging times and the efficacy of innovative financial instruments in the present market scenario.

Addressing the audience, Mr. Peter R Kohli, Chief Executive Officer and Chief Investment Officer, DMS Funds, Pennsylvania, USA illustrated the specificities of his company.

Mr. Feroze Andhyarujina, Senior Advocate, Supreme Court reflected that the emerging markets and developing countries are striving to overtake the present developed economies in the market.



Considering the global economic crisis in the recent past, Mr. R. Kannan, Head-Corporate Performance Management, Hinduja Group, India affirmed the requirement to introspect the financial markets of the emerging economies.

Mr. Sanjeev Gupta, Deputy General Manager, Small Industries Development Bank of India (SIDBI), presented the various financial support programmes initiated by SIDBI for financing the micro small and medium enterprises (MSMEs).

The issues of the emerging economies dependency on agriculture was addressed by Mr. D K Sood, Deputy General Manager - CP & MSME Department, Union Bank of India.

#### Asia and Security Challenges

Contemplating on the steps to counter Asia's security threats in the near future this session raised serious issues on the strong linkage of a robust security system to the economic well being of Asian countries, the panelists assessed the prevailing security environment in Asia and the major challenges it confronts.

Emphasizing that Asia's position in the world has seen a tectonic shift to being a major player, influencing the trading activities of developed markets. This has led to emerging concerns in Asia's security issues reflected Shri. Amitabh Rajan, Additional Chief Secretary, Home Department, Government of Maharashtra, India.

Mr. P. M. Heblkar, Director, Maxgrid Securicor (India) Private limited, India, Professor M. D. Nalapat,

UNESCO Peace Chair and Director, Department of Geopolitics and International Relations, Manipal University, India and Mr. V. Balachandran, Former Special Secretary, Government of India elaborated on the various control measures required to be taken up by the government and private sectors to control security lapses.

#### Day II

#### How Should Regulatory and Policy Frameworks Be Designed To Foster Trade and Investment in These Competitive Times

This session assumes importance as it explored avenues to streamline regulatory and policy frameworks for Asian markets to foster trade and investment in these competitive times. Indian and international experts from diverse backgrounds addressed the audience and deliberated on sustainable policy framework sharing experiences, insights and respective regional best practices.

Projecting Maharashtra as the second largest province of India and favoured investment destination of the country Mr. Bhushan Gagrani, I.A.S, CEO, MIDC highlighted that the National Manufacturing Zone- Delhi Mumbai Industrial Corridor which is coming up in three areas of Maharashtra and is the final node of the Dighi Port Industrial town will enhance the industrialization process of the state of Maharashtra.

Mr. Milind Kothari, Managing Partner & Head – Direct Tax, BDO India LLP commented that the last five years witnessed a freeze in policy decisions by the Indian Government coupled with lack of availability of infrastructure such as land, water and power.



#### Significance of FTAs and Regional Economic Cooperation

Chaired by Dr. Surajit Mitra, Director, Indian Institute of Foreign Trade (IIFT), India This vital session aimed at throwing light on the efficacy of FTAs and regional agreements on flow of trade, investments and services, the prospects for regional integration in Asia, implications of FTAs on Asian businesses and the role of WTO in correlation with such FTAs.

Ms. Kavita Iyengar, Economist, India Resident Mission, Asian Development Bank shared the Asian Development Bank's (ADB) views on regional economic cooperation and its significance in the growth of Asian countries. Over the past four decades, Asia has developed well where the middle class has grown.

#### Role of Trade Promotion Organizations and their contribution in creating linkages for Trade and Investments

This knowledge based session discussed possibilities of catalyzing trade and investments from an international perspective, the role of Trade Promotion Organizations as a vehicle for regional integration and the promotion of SME exports.

Chairing the session along with panelists from diverse economies such as Switzerland, Bangladesh, Poland and Thailand and Dr. Ashraf A. Mahate, Head of Export Market Intelligence, Dubai Exports Development Corporation, Dubai projected Dubai's perspective

“ The proliferation of FTAs and RTAs in the recent times have been the building blocks for trade creation and trade diversion and have carved a special place in world trading as these FTAs and RTAs have increased multifold in the last 10 – 15 years. ”

on the Trade Promotion Organizations (TPOs) and its importance.

#### Relevance of Technology, Innovation and Knowledge Based Industry

The session put forth glaring economic issues present in the Asian economies and emphasized on transforming the economies through technology and innovation. A perspective on building technological capacity, developing support infrastructure for technology incubation and rural innovation were discussed. The session was chaired by Mr. N P Mohapatra, with esteemed national and international speakers sharing their facts, experiences and thoughts on the subject.

Mr. N P Mohapatra, General Manager, Off-Farm Development Department, National Bank for Agriculture and Rural Development (NABARD), India enumerated on NABARD's phenomenal role in development of the India economy and its consistent approach towards the upliftment of rural India through a series of initiatives under NABARD's regime.

Mr. Dato' Norhalim Bin Yunus, Chief Executive Officer, Malaysian Technology Development Corporation, Malaysia elaborated on the transformation of Malaysia from an economic backwater to a successful middle-income economy lies in conducive policy environment and infrastructure development.

“ Industries should play an important role in rural innovation through its Corporate Social Responsibility activities and the requirement for upscaling in the near future. ”





Dr.K. Narayanan, Institute Chair Professor, Department of Humanities and Social Sciences, Indian Institute of Technology Bombay, India articulated the changing paradigm in India with reference to the technology, innovation and knowledge industry.

Ms. Carolina Quintana, Economic Affairs Officer of the Creative Industries Programme, UNCTAD outlined the growing importance of creative industries in the economy. Mr. Peter Kohli, enumerated on the bright prospects in the rapidly developing Asian continent.

#### Orientation on Global Procurement by UNPD

Over the last decade, the share of UN procurement from developing countries and countries with economies in transition has significantly increased. Conducted by Ms. Anita Pinto, Procurement Officer, Peacekeeping Procurement Section, United Nations Procurement Division (UNPD), USA, this informative session provided an overview of the United Nations Procurement Division.

#### Day III

#### Economic Growth through Women Empowerment

This enigmatic session discussed the role of women in innovative economic development and business expansion in Asia. The panelists reflected on the importance of empowering women entrepreneurs in order to adopt an inclusive approach towards the growth of the economy.

"Every woman counts, be it at home, in civil society or at the government level. Unleashing the potential of a woman and existence in gender gaps inequality have left a large scope for improvement in empowering women across the globe", said Ms. Michele Weldon, Strategic Partnerships Coordinator, UN Women Office for India, Bhutan, Maldives and Sri Lanka.

Ms. Nilakanthi Ford, Director, Europe and Asia, KfV Consulting and Ex-Chairperson of the London Women in Business Network, Ireland opined that Women needed to recognize their strengths to be able to successfully contribute to society.

Ms. Amrit Shahzad, Founder and CEO, Zeest Inc., USA, in her remarked that while women were in powerful positions they still lacked in many ways, although women were part of the workforce they suffered from barriers to leadership.

Ms. Karon Shaiva, Chief Impact Officer & Managing Director, Idobro Impact Solutions, India, In order that women hone their entrepreneurial skills they needed



access to markets, build on their capacities, create linkages and deliver solutions.

Ms. Seyedeh Fatemeh Moghimi, Member of the Board of representatives and Adviser to the President on Business Women and Entrepreneurs Affairs; Tehran Chamber of Commerce, Industries, Mines and Agriculture (TCCIMA), Iran, raised the topic that women as entrepreneurs contribute to the welfare of the family, employment, business and societal issues. They have accepted challenging roles guided by their strong desire to achieve.

Ms. Akila Agrawal, Partner M/s Amarchand & Mangaldas & Suresh A. Shroff & Co., India spoke on women and the law.

Ms. Nilima Patil, Chairperson, Mahila Samiti-Maharashtra Chamber of Commerce, Industry and Agriculture (MACCIA), Nashik Branch, India said that women empowerment can be achieved through institutional support.

Ms. Khatera Yusufi, Afghan-German journalist and Ambassador of the Organization of War Victims and disabled people in Afghanistan advocated education for women to be the key to better life, better society and better country. Addressing the challenges faced by Afghan women she said that post war, the country was in the process of rebuilding and lacked in skill development and capabilities for its women.

#### Asia and Millennium Development Goals

The Millennium Development Goals (MDGs), the goals of the international community in the 21st century is a blueprint agreed to by all the world's countries and all the world's leading development institutions that have galvanized unprecedented efforts by governments, civil societies and other

partners to meet the needs of the world's poorest. The MDGs list eight goals which should be achieved by 2015 further establishing specific targets and indicators for measuring the achievements under each goal, analysed Dr. Talal Abu-Ghazaleh, Founder and Chair, Talal Abu-Ghazaleh Organisation.

#### Cluster twinning

The Cluster twinning meeting was arranged for industrial clusters of Maharashtra, Andhra Pradesh, Jharkhand and Karnataka. Attendees to the cluster twinning session included prominent representatives from industrial clusters namely Mr. K Suryaprakash Goud, Associate Faculty, National Resource Centre for Cluster Development (NRCD), National Institute for Micro, Small & Medium Enterprises, Mr. Sanjay Desai, President, Maharashtra Clusters, Mr. Shinde, President, Engineering cluster and Mrs. Nilima Patil, President, MACCIA's Ladies Wing including participants from engineering cluster, textile cluster, leather cluster and other relevant service providers comprising of IT companies, printing and packaging, etc.

#### B2B Meetings at GES 2014

Pre scheduled Business to Business meetings were organized for the participating overseas delegates, to facilitate business collaboration from across regions.

As many as 500 B2B meetings were arranged for the overseas delegates representing countries such as Afghanistan, Argentina, Bangladesh, Cameroon, China, France, Italy, Poland, Korea, Thailand, and UAE. In addition, a number of non-scheduled business meetings with the Indian businessmen were organised on request with the representatives from



ADB, DMS Funds, OECD, WTCA, WTPF, WTO UNPD, UNESCO, Malaysian Technology Development Corporation, Tehran Chamber of Commerce.

#### Valedictory Session

Mr. Vijay Kalantri, Vice-Chairman, WTC Mumbai and President, All India Association of Industries announced the theme of the 5th edition of the Global Economic Summit on Agro and Food Processing. Agriculture, with its allied sectors, is unquestionably the largest livelihood provider in the world, more so in the vast rural areas. It also contributes a significant figure to the Gross Domestic Product (GDP). Sustainable agriculture, in terms of food security, rural employment, and environmentally sustainable technologies such as soil conservation, sustainable natural resource management and biodiversity protection, are essential for holistic development of a nation, emphasized Mr. Kalantri.

#### Signing of MOUs

MOUs to promote economic cooperation, trade and investment were signed in between World Trade Centre Mumbai and World Trade Centre Quanzhou, WTC Mumbai and Trade Point Lomas De Zamora, All India Association of Industries and Trade Point Lomas De Zamora, WTC Mumbai and Maharashtra Centre for Entrepreneurship Development Aurangabad and All India Association of Industries and World Trade Point Federation.

#### Exhibition

Nearly hundred exhibitors showcased their products, services and organizations from India and overseas. The expo facilitated these enterprises to meet and interact with the participants.





# Snippets



# Snippets





## Report Official Mission to Poland September 28 – 30, 2014



At the invitation of India and Russia Centre, Wroclaw and, Indo Polish Chamber of Commerce and Industry, Warsaw, The All India Association of Industries (AIAI) and the World Trade Centre Mumbai jointly led an Official Mission to Poland from September 28 – 30, 2014. The mission was headed by Mr. Vijay Kalantri, President All India Association of Industries and Vice Chairman, World Trade Centre Mumbai. The objective of the mission was to explore the possibilities of investment and trade opportunities in Poland and in particular to associate with the India and Russia Centre, Wroclaw and the Indo Polish Chamber of Commerce and Industry Warsaw with a view to promote trade and investment opportunities between the two countries.

### Day 1 – Monday, 29th September 2014, Wroclaw

#### Meeting with Mr. Adam Bisek, Founder and President, Bisek Company and President, India and Russia Centre, Wroclaw.

Bisek Company was established in Wroclaw in 1976 the company offers a range of activities for construction particularly rubberized asphalt. For more than 20 years the company has worked towards the transfer and placement of modern technologies into the Polish market. Bisek is the first

company in Poland to introduce the technology of reconstruction of water and gas pipelines without excavation and the use of noiseless ecological tram tracks. Currently the main priority of the company is the introduction of rubberized asphalt technology in Poland.

Mr. Bisek informed that his company's mission is the innovative development of manufacturing rubberized asphalt concrete mixture of the highest quality using for its manufacture the latest advanced environmental technology to manufacture rubber asphalt for pavements and roadways the company uses its own machines for this production. Further apprising that this technology is a cost and time effective way to repair and modernize existing roads as well as build new roadways. The layers of pavement based on rubber modified asphalt are more resistant to cracking under pressure and have better adhesiveness on vehicle wheel contact surface of pavement and at the same time is quieter. Moreover he looks forward to co-operating with India for future prospects for providing rubber asphalt to India.

An important aspect of the meeting was to discuss the cooperation between Dighi Port, the first and the

largest Greenfield port of Maharashtra, Dighi Port is being developed as a multipurpose, multi-cargo, all-weather port with deep draught, direct berthing facilities and modern cargo handling equipment with adequate stack yards and warehousing facilities and Invest Process for the export of textiles and coal from Poland to India. Since India has a huge requirement capacity for its coal output for the production of Power for its industries.

Mr. Kalantri discussed the possibility of collaborating with Bisek Company for the construction of road connectivity of Dighi Port, which is headed by Mr. Kalantri as Chairman and Managing Director.

Mr. Bisek indicated that Poland is one of the largest producers of coal and ranks No. 2 in copper mines the world over. He also informed that uranium, molybdenum and other such products required for the manufacture of jet planes can be imported from Poland.

Assuring of Dighi Port's collaboration for these projects Mr. Vijay Kalantri stated that his organization Dighi Port Ltd is itself in the process of constructing roads connecting the Dighi Port to the National Highway and will use the rubberized asphalt technology for their construction.

The delegates also visited the Bisek Company Asphalt Plant and the location for the building of the India and Russia Center, European Centre for the Development of Investment, Innovation and Economic Cooperation in Lower Silesia. The construction of which is in progress. The delegates were informed that the Centre is located in the planned economic zone and will occupy an area of over 10 hectares.



#### Meeting with Mr. Sebastian Burdzy, Mayor of Sroda Slaska, Wroclaw



The delegates called on the Hon'ble Mr. Sebastian Burdzy, Mayor of Sroda Slaska, Wroclaw Mr. Burdzy met with the delegation and discussed at length of the investment opportunities available in the Sroda Slaska County.

Mr. Burdzy apprised the delegates of the Construction of a 40,000 square meter manufacturing facility of BASF's largest emissions catalysts plant in Europe. Stating that the emissions catalysts produced in Sroda Slaska will be used by manufacturers of light duty gasoline vehicles and light and heavy duty diesel vehicles to meet more stringent Euro 6/VI emissions regulations.

Among the advanced technologies that will be produced at the Sroda Slaska facility are Selective Catalytic Reduction (SCR) systems, cutting-edge SCR on Filter (SCRoF) solutions as well as ozone

Mr. Burdzy also informed that the Pittsburgh Glass Works (PGW), a world leading supplier of automotive glass has signed a co-financing agreement in Warsaw under the Operational Program, Innovative Economy 2007-2013, for the new automotive glass manufacturing facility which is being built in Sroda Slaska near Wroclaw, Poland.

Adding that the new facility's manufacturing focus will be on high-technology, high-content windshields with full surface control that meet the needs of the European premium vehicle market. This segment





currently accounts for approximately 60% of European auto production.

Mr. Kalantri indicated that the AIAI and WTC would inform its members of the investment potentials in the Sroda Slaska County and thanked the Hon'ble Mayor for his hospitality.

#### Meeting with India and Russia Centre, Wroclaw

A business meeting was organized for the delegates at the India and Russia Centre in Poland, President of the Centre, Mr. Adam Bisek in his welcome address to the delegates said this meeting with the delegates from India is of great significance to the India and Russia Centre.

The signing of the Memorandum of Understanding with All India Association of Industries is very significant. The MOU is to facilitate important works for the Centre and that is to get enterprises from Poland and Russia to collaborate with India.

Mr. J. J. Singh, informed the delegates of the business opportunities in Poland Adding that Poland has emerged as an important and dynamic market and is a great location for doing business from the point of logistics, having access to European markets and countries in the east.

Besides business representatives. Following dignitaries and representatives from the Mayor's office, Government officials, trade promotion organizations, and airport operators were also present at the meeting.

- Mr. Dariusz Kus, President, Wroclaw Airport.
- Mr. Krzysztof Pianowski, Director, ARKOP
- Mr. Dariusz Chmura, Burmistrz Wolowa,
- Mr. Piotr Stanislaw Bak, President, NAV – Solutions
- Dr. Zbigniew Hajlasz , RTC International
- Mr. Wlodek Czausow, Poland- India Business Consultant, Insight Consultancy
- Mr. Mirosław Maliszewski, Member Parliament
- Mr. Arkadiusz Kowalewski, General Manager, Priority Freight
- Mr. Jakub Feiga, Główny „Specialist Committee of Tourism, Dolnoslaska Organizacja Turystyczna
- Mr. Bartłomiej Ostrowski, Director, Marshal's Office of Lower Silesia

The delegates introduced themselves and spoke about their business interests.

Mr. Vijay Kalantri thanked Mr. Bisek for his hospitality.

He further said that this is an excellent opportunity to promote business relations between Poland and India. India should collaborate with Poland for its logistics, pharmaceuticals, automobile, IT, engineering, textile, food and agro sectors. These are the important areas where we can co-operate. Mr. Kalantri also articulated on the DMIC Project in India, further stating that the asphalt technology can be introduced for this project. Also 26% of the 4 lane national highways still need to be developed and the asphalt technology can be used in the development of these highways.

Mr. Kalantri further added that the visit to Poland was very interesting, we have had an opportunity to see where Dighi Port, AIAI and Russia India Centre can collaborate.

Addressing the participants Mrs. Rupa Naik, Executive Director, All India Association of Industries and Director (Projects) World Trade Centre Mumbai expressed that Poland has always been her favorite country and AIAI will work towards promoting trade relations between the two countries, encouraging joint ventures and exchange of knowledge and technologies. Ms. Naik also informed the participants of the 5th edition of the Global Economic Summit on the theme "Enabling Food For All" inviting all to participate in this very significant event scheduled in November 19-21, 2015 at Mumbai.

#### Day 2 - Warsaw

#### Meeting with H. E. Mrs. Monika Kapil Mohta, Ambassador of India to Poland and Lithuania



H. E. Mrs. Monika Kapil Mohta, Ambassador of India to Poland and Lithuania invited the delegates to a breakfast meeting at the Ambassador's residence. The purpose of the meeting was to discuss collaborations between India and Poland.

#### Meeting with Mr. Marek Belka, President, Narodowy Bank Polski (National Bank of Poland)



The delegates met with Mr. Marek Belka, President, Narodowy Bank Polski. Narodowy Bank Polski is the Central Bank of the Republic of Poland. Mr. Belka and Mr. Kalantri discussed the EU and Indian Economy and its impact on global trade. They also deliberated on the credit lines between Exim Bank India and Central Bank of Poland, indicating that the two banks should get into a longer association treaty. They also conversed on the impact of common currency on the economy if the EU decides to implement and Poland's views on the same. Another topic of discussion was the viability of cooperation for the coal and power sectors between the two countries.

Mr. Tomasz Cizak, Deputy Director and Ms. Paulina Gomulak, Director, Narodowy Bank Polski were also present during the meeting.

#### Meeting with Mr. Tadeusz Nalewajk, Undersecretary of State, Ministry of Agriculture, Republic Of Poland

The delegates met with Mr. Tadeusz Nalewajk, Undersecretary of State, Ministry of Agriculture. Besides Government representatives from the Ministry of Agriculture and Rural Development,





exporters and business representatives were also present at the meeting.

Mr. Nalewajk welcomed the delegates informing that the EU economy is undergoing a transition due to global competition. He further stressed that exporters of meat, fish, dairy and fruits, in particular apples were looking for newer markets, stating that India is one of the favored countries for exporting their food products.

Pointing out that Poland has agricultural produce of high quality and competitive price suggesting that a kg of apples from Poland would be at a workable 30 cents. The delegates were also informed that the South of Poland offers a variety of fruits that can be exported to India. Besides home products, fruits from Chile, Brazil, China, New Zealand, US are available in India, Polish fruit exporters are keen to explore possibilities of exporting to India as well. Considering its competitive costing Mr. Kalantri opined that some of the apples and fruits could be exported to India.

Also expressing the concern of the Ministry of Agriculture and the exporters of fruits, meat, fish and dairy products Mr. Nalewajk indicated that the exporters were unable to understand the required compliances, certifications and documentations necessitated by the Department of Animal Husbandry, Dairy and Fisheries (DADF), Government of India, even though the exporters have consented with all the required compliances besides each container is tested. However the products are not cleared and certified for exports.

Asserting that Polish exporters are willing to organize voluntary inspection for their products to get fresh permission. They have been in touch with Mr. Anup Kumar, Secretary in the department of Agriculture, GOI and propose that Mr. Kumar should visit Poland. This will give the exporters and farmers the opportunity to showcase the various measures implemented by them to maintain the quality and safety standards for their produce especially dairy products. Further stating exports of dairy products to India has a great potential and that they would also like to collaborate with potential milk powder importers.

There were also a number of queries that the exporters needed clarifications, some of them being:

- What kind of documentations and certifications are required to export to India?
- Where to export?
- How to go about obtaining certification from DADF, as this is important to get the clearance for exports to India.
- Is it possible to get Banks and Insurance assistance
- The type of tests to be carried out and its requirements so that they can ensure they pass these tests

During the meeting the exporters had also showcased the different types of apples available in Poland. The delegates were informed that representatives from the Polish fruit industry have visited India in September and had also met with business partners from the Mumbai whole sale market who were keen to import from Poland.

Affirming that through the Ministry of Agriculture the industry of fruits would like to reach India and they would like to organize a delegation to India to promote the same. Mr. Kalantri assured the exporters of the AIAI and WTC's support, should they wish to visit India.

Besides the fruit industry; meat, fish and poultry

products also has a good potential. As Poland's food, meat, fish processing industry are regulated and are at par with EU standards and are already exporting 20% of their produce all over the world specifically to the USA and countries in the Middle East. Mr. Nalewajk further asserted that Polish exporters are looking to export to India now that the new government has taken over and the Indian market is now more viable for doing business.

Agreeing with the Mr. Nalewajk's opinion, Mr. Vijay Kalantri stated that the business scenario in India is changing and the country is now receptive towards foreign investments and foreign goods. Emphasizing that in the present circumstances the new Prime Minister has tremendous work to be done and we all hope for tremendous changes to take place in the coming years. We shall all work together to enhance our goals affirmed Mr. Kalantri

Following were some of the participants at the meeting

- Mr. Beata Olesiak, Chief Expert, Ministry of Agriculture and Rural Development Mr. Janus Kaweczynski, President, Fruit Group Sp. Z o. o.
- Mr. Dariusz Kuz, President, Wroclaw Airport
- Ms. Krystyna Gurbiel, Vice – President, Agriculture Market Agency
- Mr. Stawomir Kedzierski, President, Sun Sad Sp. Z.o.o
- Ms. Magdalena Sieklucka, Specialist Biura Projects, Unia Producentow I Pracodawcow
- Mr. Piotr Romanowski, Export Manager, LACTIMA Ltd.
- Mr. Sylwia Sobolewska, Owner, Evita Natural Mineral Water
- Mr. Wieslaw Kuncewicz, President & CEO, LACTIMA Ltd.
- Ms. Emily Kaweczynska Managing Director, Fruit Group Sp.z.o.o
- Mr. Robert Bugajski, Blue Mountain Group

- Mr. Stawomir Kedzierski, President, Sun Sad Sp. Z.o.o
- Mr. Adam Gaik, GoldSad
- Mr. Stainlaw Lesniewski, Counsellor General , Ministry of Economy
- Mr, Tadeusz Klos, Glowny Inspector, Ochrony Roslin I Nasiennictwa
- Ms. Monika Tyska, Deputy Director, Ministry of Agriculture and Rural Development
- Mr. Marek Murawski, Main Specialist, National Association of Dairy Cooperatives.

Thanking Mr. Nalewajk for his hospitality Ms. Rupa Naik invited the Minister and the present participants to the 5th edition of the Global Economic Summit on the theme "Enabling Food for All" scheduled in November 19-21, 2015 at Mumbai. Ms. Naik informed that the Summit aims to discuss some of the most important segments of food and agriculture such as food security and safety, agro technology, food processing and food engineering as well as addressing other relevant issues pertaining to this very vital sector. Further stating that through the summit, we have to play an important role in areas for promoting cooperation in agro, food, mining, technology and we invite Poland to participate as Country Partner to this significant event.

Accepting the invitation Mr. Nalewajk assured the participation of Poland as Country Partner to the Global Economic Summit 2015.





## Empowerment of Women in NAM countries

There is a widely acceptable view that the overall development of a society will not take place, unless steps are taken towards empowerment of women. Empowerment of women entails the elimination of such factors that tend to perpetuate gender discrimination. Many prominent international organizations, including the Non Aligned Movement (NAM) have also contributed to the empowerment of women. NAM has been used as a multilateral forum where the issues pertaining to women's right have been constantly discussed. Iran as a member state of NAM, and in consonance with the NAM ideology of empowering women, has also implemented a range of measures that seek to improve the position of women in the Iranian society.

Women empowerment in Iran has resulted in positive aspects on the social, economic, and political institutions in the country. The Charter for Rights and Responsibilities of Women in the Islamic Republic of Iran states that women have the right to social security and economic facilities. They are entitled to governmental support in case of poverty, divorce, or disability.

The Iranian government has taken adequate steps to address the issue of poverty among women. Organizations such as EMDAD Committee and BONYAD SHAHID work towards welfare of women. BONYAD SHAHID supports 13% of women of who are directly responsible for running of their family affairs. The EMDAD Committee has medically insured 67% of the women who are entrusted with the responsibility of running their families.

The Iranian government has implemented a range of programmes to address issues pertaining to women's health. Such measures aim at increasing the availability of medical care and services for women through developing health care in medical centre, supporting women's fertility health project, establishing premarital consulting centers, and increasing fertility care services.

Iranian women have greatly gained from the government's education policies. In 2008, approximately 67% of women in Iran entered higher education. In fact, the presence of women

in academic education has been rising and even the number of women accepted in academic education has become more than men. Besides, there has been a growth of women students in technical and engineering institutes in Iran. In the period 1997 -2002, the number of female students in state run technical colleges was twice, and in privately run technical institutions four times the number of male students.

Although the number of women in technical institutes of Iran outnumbers the men, there are relatively few female entrepreneurs in the country. This is partly on account of cultural factors, and partly on account of lack of adequate finances. However, there have been efforts both by the public and private sector to promote women's entrepreneurship. At the official level, the Women's Employment Bureau at the Ministry of Labour and Social Security organizes entrepreneurship seminars, conferences, and workshop for women. Iran is also a prominent member of the Forum for businesswomen in Islamic countries. This forum is organized by the Islamic Chamber of Commerce along with the Islamic bank. The forum aims at promoting the culture of entrepreneurship among women by facilitating joint investments and collaboration, and technology transfer between technology suppliers and women entrepreneurs. Besides, institutes such as Alzahra University, and Khorshid Entrepreneurship School offer free training in entrepreneurship for women.

At the unofficial level, a number of Non Governmental Organizations have been established in Iran, which focus on promoting women entrepreneurship. These initiatives have been successful. Women are appointed to positions of decision making. An apt example is the appointment of Bita Roohi as the first women disaster manager in Iran, where she is in charge of disaster management and risk reduction for the city of Hamadan. In an interview, she stated that "women in many countries of the world have managed to identify their personal potentials and social responsibilities and shine in fulfillment of their assignments. To move on the right track for crisis management we must define our vision and mission and focus on the development of all employees' potential and skills".

In spite of all these measures, Iran is yet to accede to the Convention on the Elimination of All forms of Discrimination against Women. Major international organizations, such as UNICEF, have constantly appealed to the Iranian government to be a party to the convention, but the authorities refuse to sign the convention citing that certain terms in the convention are incompatible with Sharia laws.

An overall assessment of the advancement of women in Iran shows that there has been a

considerable advancement of women in recent years. However, there is one aspect which could be further addressed. This aspect pertains to the low participation of rural women in community or social development programmes. This is primarily because of a lack of formal education. Therefore, education of rural women must be a priority area to ensure that women empowerment in Iran takes place in a more effective manner.

Source: News from Non Aligned World Vol. 33



## Que Mobile launched in India with unique benefits, transparency and affordable rates

Today travelling abroad seems to be high on the agenda of many Indians. A recent survey by a very popular travel website showed a 21% increase in Indians travelling abroad. Travelling to their dream destination was non-negotiable to over 60,000 prospective travelers who participated in the survey. However, the biggest hurdle always is the fear of getting inflated roaming bills on their mobile. While staying in touch with families, friends or employees ranks high among the priorities for Indian travelers the inability to do so due to high call rates, non-transparency of charges etc leads to frustration.

Sensing this discomfort among Indian travelers and realizing the opportunity that this space offers, Que Mobile a young and vibrant telecommunication services has launched its operations in India recently.

An international roaming service provider, Que Mobile, has launched dynamic consumer offerings aimed at giving travelers an easy and reliable way to stay connected when they travel abroad, without burning a hole in their pocket.

Que Mobile has launched in India with some distinct and unmatched benefits such as 30 second billing, roaming in Europe without changing the SIM and much more at extremely affordable rates. The company has smartly explored a very simple yet fundamental logic that why should travelers carry multiple SIM cards and have different

phone numbers adding to inconvenience when they actually need just one? And hence they offer access across the globe using one SIM card at local rates.

Along with its technology partner, Que Mobile has setup research & development facilities working constantly on innovative products to craft the future of international roaming, offering uninterrupted network in more than 196 countries.

The company has a wide scope of operations with over 750 network partners across the globe, users are guaranteed seamless voice and data services like never before. So no matter where one goes, connectivity stays put.

Another unique feature is the billing transparency with no hidden surprises, which is generally lacking in this category. Que Mobile's system allows you to know exactly what you are paying for. The consumer gets an update with every use, and has easy access to their account for a complete break up of call records, offering consumers the advantage of being able to keep a check on usage.

Que Mobile already has a presence in Mumbai, Delhi, Rajasthan & MP regions respectively.

For further information on Que Mobile please [www.quemobile.com](http://www.quemobile.com)



## Great opportunity for Indian companies to enter Russian food market

In the wake of Russia's one-year ban on imports of food products that imposed sanctions on Russia, India could become a major exporter of buffalo meat, processed food and dairy products to the country

The years following the 1998 financial crisis and subsequent Russian debt default presented one of the best opportunities for exporters of Indian agricultural produce to enter the Russian market. A lack of interest, information and prevalence of stereotypes about Russia kept Indian exporters from entering Russia. It was precisely around that time the Europeans, Americans and even the Chinese moved back in and completely captured the Russian market.

A visit to any supermarket in a Russian city will show how much the country depends on imported food. One would be hard pressed to find anything of Indian origin besides certain spices and tea. The Russian government's decision to ban fruit, vegetables, meat, fish, milk and dairy imports from the U.S. the European Union, Australia, Canada and other countries that have imposed sanctions on Moscow, is a great opportunity for Indian exporters to enter the Russian food market.

According to India's Agricultural and Processed Food Products Export Development Authority (APEDA), buffalo meat exports amounted to \$4.3 billion in the 2013-14. India houses almost 60 percent of the world's buffalo population, and the animal is not considered sacred unlike cows, making it the ideal beef substitute. There were some concerns in Russia about the conditions that buffalo grazed in India, but Indian buffalo meat has been exported to countries like Malaysia, Mauritius and the Seychelles, which have had no outbreak of foot-and-mouth disease. Russian agriculture and veterinary sanitation inspectors should be invited to India to inspect the conditions for themselves. This should help address their concerns about buffalo meat exported from India.

India needed to play hardball to get the Russian ban on egg products and non-basmati rice lifted last year, but given the fact that one of Russia's top priorities is to control food inflation, it is unlikely that Moscow will go beyond demanding its normal

sanitary standards when dealing with New Delhi over the import of meat and poultry products.

There's also a great opportunity for one of India's biggest success stories, Amul, to get a presence in Russia. The serious shortfall in dairy and cheese products means, the Indian cooperative can at least manage to get a small presence in Russia. India exported \$540 million worth of dairy products in the last financial year according to APEDA figures.

### The Russian market

Indian exporters of agricultural consumer products would be well served to get in touch with Moscow's small but knowledgeable Indian Diaspora. Many members of the Indian community in the Russian capital have cut their teeth and have a great degree of expertise about the complex market. For Indian food products to do well in Russia, a combination of good marketing and attractive packaging is a must along with quality products.

One of the great success stories in Russia is the Sri Lankan tea industry, which came out of nowhere and captured the market, which was dominated by India for decades. Brands like Dilmah are a household name in Russia and Mlesna tea centres can be found in the GUM department store as well as Moscow's Domodedovo airport.

Of course, it's not just Indian exporters of agricultural products that stand to gain from strained ties between Russia and the West. The Mint reported that India's Commerce Ministry has worked out a strategy to export 24 items that Russia usually buys from the U.S. and European Union. These include optics, electrical machinery, pharmaceuticals and plastics, according to the paper.

### North South corridor

Now that Russia has decided to bypass sanctions on Iran and signed a MoU to intensify economic cooperation, India along with the two countries can push for marked progress on the North-South Transport corridor.

The corridor project envisages a ship, rail and road route that connects ports on India's west coast to Bandar Abbas in Iran, then overland to Bandar Anzali port on the Caspian Sea and through former Soviet

republics right up to Russia. The route could via either Armenia and Georgia or the more practical option of Azerbaijan and Kazakhstan.

An inter-governmental agreement on the corridor was signed between Russia, Iran, India and Oman, back in 2001, but there has been very little progress in making it functional. Now more than ever, Russia needs to push for all the railway connections to be built at a rapid rate to make the corridor functional.

This functioning of the corridor would also open

Russia and many former Soviet states to India's fruit and vegetable exporters in years when India has a bumper crop.

It is not clear how long Russia's impasse with the West will last, but this is as good a time as any for Indian businesses to rediscover a country that was one of India's biggest trade partners in the 1970s and 80s.

Source: Business Central Asia (2014)

## Events Supported by AIAI

- **INASAL 2014 - Indonesia International Steel, Stainless Steel, Iron and Aluminum Expo & Forum 2014**  
14 -16 August 2014, Indonesia
- **Hong Kong International Tea Fair**  
14 -16 August 2014, Mumbai
- **Radhee Foundation's Fund Raising Initiative**  
1-15 August 2014, Mumbai
- **15<sup>th</sup> Regulators & Policymakers Retreat**  
31<sup>st</sup> July- 3<sup>rd</sup> August 2014, Goa
- **Entrepreneur Dialogue**  
26<sup>th</sup> September 2014, Mumbai
- **China Import Fair (CHIMPORT)**  
23-25 September 2014, Gaungzhou, China
- **WLS Expo 2014**  
18-20 September 2014, Mumbai
- **India Manufacturing Show (IMS) 2014**  
11-13 September 2014, Bangalore
- **Food and Hospitality Oman 2014**  
9-11 September 2014, Muscat, Oman
- **Green Port 2014**  
2-3 September 2014, Mumbai
- **Chief Learning Officers Summit India**  
9<sup>th</sup> -10<sup>th</sup> October 2014, Mumbai
- **India SME Financial Summit**  
16<sup>th</sup> October 2014, Mumbai
- **Automation 2014**  
15<sup>th</sup> to 18<sup>th</sup> October 2014, Mumbai
- **TMTS 2014 – Taiwan International Machine Tool Show**  
5-9<sup>th</sup> November 2014, Taiwan
- **2<sup>nd</sup> Annual South Asia Transport Infrastructure Conference**  
11<sup>th</sup> - 12<sup>th</sup> November 2014, New Delhi
- **Supply Chain India Summit**  
13 - 14 November 2014, Mumbai
- **Le-RuPlaTex-2014**  
14 - 16 November 2014, Mumbai
- **National Law Day 2014**  
26<sup>th</sup> November 2014, New Delhi
- **9<sup>th</sup> Southern Asia Ports, Logistics and Shipping**  
27 - 28 November 2014, Chennai
- **AVCJ India Forum 2014**  
2-3<sup>rd</sup> December 2014, Mumbai
- **Surat International Textile Expo Sitex 2014**  
13<sup>th</sup> - 15<sup>th</sup> December 2014, Surat
- **Manufacturing Excellence Summit 2014**  
15<sup>th</sup> to 16<sup>th</sup> December 2014, New Delhi
- **The 12<sup>th</sup> China Products Exhibition 2014**  
18<sup>th</sup> - 20<sup>th</sup> December 2014, Mumbai
- **Automech Show 2014**  
19<sup>th</sup> - 21<sup>st</sup> December 2014, Mumbai
- **India International Sporting Goods Show**  
19<sup>th</sup> - 21<sup>st</sup> December 2014, New Delhi



## OECD Insights: International Trade : Free, Fair and Open

The book presents an informed analyses of the complexities of trade and reasons, that prosperity has rarely been achieved or sustained without trade. It goes on to project that though it binds economies closely together, trade is paradoxical, it helps to spread developments from one country to another – the positive developments as well as the negative.

Given the need to tackle unemployment and a deteriorating economic growth, the temptation for some policy makers is to argue that the priority is to protect the national economy by reducing imports, reserving government contracts for domestic firms, declining international companies who want to invest and so on.

This approach is based on the seriously flawed proposition that any country can rely solely on its own natural, economic and human resources to produce everything it needs, at a price its population can afford to pay. In fact, national economies need international markets to produce and sell things. Most international trade is not in the goods we buy in the shops. It consists of the things needed to make these goods, ranging from the microprocessors and software in electronic equipment to the cereals in food. By making these more expensive, protectionism ends up making everybody pay more. Reducing the size of markets and making things more expensive damages the economic growth on which jobs and living standards depend.

**“Some features of the modern economy, including globalisation and financial crises, have existed for thousands of years. And debates about the best way to handle certain issues have been around for centuries. The same is true for international trade, and many of the analyses and concepts developed in the 18th and 19th centuries still form the basis for the work of today’s trade economists and policy makers. Knowledge of the basic history and ideas that shaped international trade and its study is an asset in any discussion**

**about international economic relations.”**

Confronting these issues the book lays emphasis on the history of world trade it analyses that though it is exactly not known when trade began, archaeologists believe that networks of people and regions were exchanging goods in Europe 10 000 years ago and the same was probably true elsewhere. History also shows that many of the questions we’re debating today have been around for a long time.

Although it defends that trade is vital, it exemplifies that Trade alone is not enough. Policies targeting employment, education, health and other issues are also necessary to promote socio economic welfare and tackle the challenges of a globalised economy.

**“Every nation in the world participates in international trade to some extent. And practically every product is either traded or relies on components from international suppliers. Trade is not just about physical goods, though. Knowledge and experience can be bought and sold internationally as well. So too can the many services we rely on each day. The world’s richest countries still dominate international trade, but their position is being challenged by emerging economies in what is still referred to as the “developing world”.**

It also discusses in a theoretic way, some of the major characteristics of international trade underlining the relative importance of the different products that are bought and sold internationally. It describes the value of what is traded and looks at the importance of trade among the different regions of the world, and how it has evolved.

The book also speculates at the ways governments try to control trade. The most direct way is through tariffs on imports. But other means are also important, including subsidies to domestic producers and exporters or non-tariff measures such as product standards or customs procedures.

**International trade usually hits the headlines only when a major disagreement degenerates into a “trade war”. Most of the time, trade is carried out peacefully under a set of rules overseen by the World Trade Organization. “Multilateralism” is the basis of the WTO system – that is, the more partners there are to an agreement, the better. But getting 150 or more countries to agree is a long process, carried out over a number of years in the various rounds of trade talks.**

On this note it tackles the argument, that international trade means “exporting jobs”. It describes the impact of trade on particular countries and sectors of the economy and identifies the likely winners and losers. It also examines the different rounds of negotiation that have helped shape world trade

and the major agreements that resulted from these rounds. It also describes the role of the WTO, the international body responsible for these significant initiatives.

The reader is also given to empathize with the positive and negative aspects of trade besides highlighting an argument made in the book, that trade policy is often not the best approach to tackle a problem it also examines the factors that contribute to economic growth and how trade affects them. The authors Patrick Love and Ralph Lattimore continue this analysis by discussing the link between trade and innovation and takes the reader through trade questions affecting developing countries, its influence and factors promoting innovation.

### Agreements of Co-operation July – September 2014

All India Association of Industries signed Memorandum of Understanding (MoU) with:

- BRISC-CARR Group Inc. Canada
- World Trade Point Federation, Switzerland
- Trade Point Lomas De Zamora, Provincia de Buenos Aires
- World Trade Centre, Hull & Humber (UK)
- The Indian Chamber Commerce – Japan

The signing of MoU shall encourage and promote in accordance with their respective laws and regulations co-operation between the two Associations which includes:

- a) Exchange of trade and investment related information in order to promote international trade and investments.
- b) Exchange of business proposal for joint ventures, collaborations and technology transfers.
- c) Promote the exchange of trade mission between the two countries and set up business contacts.
- d) Exchange of publications and information of bilateral trade, foreign trade and investment policies of their respective countries.
- e) Exchange of trade delegations.
- f) To regularly exchange information and help organise exhibitions and international fairs and encourage their members in participating in such events.



## Cyprus- Notified as Jurisdictional Area AIAl representation to the Hon'ble Prime Minister Shri Narendra Modi

Cyprus has been notified as 'jurisdictional area' under Section 94 A of the IT Act of 1961 since 1 November 2013, as Cyprus failed to provide the information on tax evaders, requested by the Indian tax authorities under the exchange of information provisions of the DTAA signed between India and Cyprus in 1994.

The Government's decision to blacklist Cyprus comes in the wake of the Government of India setting up a Special Investigation Team (SIT) for cases of black money amassed overseas.

The government has conveyed to the island nation that "only when it agrees for a complete revamp of the double taxation avoidance agreement (DTAA) will India reverse its decision. Cyprus, has already begun exchanging information, but is unlikely to be removed from the list any time soon.

Cyprus is the seventh largest source of foreign investment into the Indian economy with a cumulative investment of \$7.6 billion between April 2000 and June 2014.

This situation has created a negative image for Cyprus and has resulted in many investors calling off their business association with Cyprus in favor of other jurisdictions badly affecting the declining Cypriot economy due to the present banking and financial crisis that the country is going through.

Cyprus is quite articulate that it will resolve the tax issues, which has been instrumental in creating complications for investment activities by Indians into the country. To resolve these issues Cyprus despatched a team to India on 26-28 November, 2013. Negotiations were held on:

1. An effective exchange of information between Cyprus and India
2. Re-negotiation of the present Double Tax Agreement (DTA) between India and Cyprus.

Besides Cyprus has also addressed the backlog of requests from India and has been responding to any new requests that they receive from the

Ministry. Moreover on 10 July 2014 Cyprus signed the Multilateral Agreement for Mutual Assistance in Tax Matters which has also been ratified.

Cyprus has been requesting to be eliminated from the notified jurisdictional area list on the grounds that it has now started sharing information with India. Even though the information on specific requests by Indian tax authorities has started flowing in, a decision on taking it off the list has not yet been taken by the authorities and they insist on doing so if only the DTAA is amended to their satisfaction.

To address these concerns Cyprus has invited a delegation from India for another round of negotiations to resolve this issue. Moreover Cyprus is the only Country to be declared a notified jurisdiction by India under Section 94A of the Income Tax Act.

Considering that Cyprus has now started sharing information with India it becomes important that the Government consider to remove Cyprus from the notified jurisdiction list. Particularly now as the new Government led by Hon'ble Prime Minister Shri Narendra Modi seeks to encourage a conducive business environment for the country as well as promote bilateral trade..

What one should not overlook is that the diplomatic relations between India and Cyprus is long standing, the avenue which leads to the Cypriot Parliament is named after our late Prime Minister Pandit Jawaharlal Nehru and the avenue on which the Indian High Commission is located is named after our late Prime Minister Mrs. Indira Gandhi. Also the only other leaders' bust besides Cypriot leaders is a bust of Mahatma Gandhiji.

In view of the historically friendly and bilateral trade relations between India and Cyprus and the willingness of Cyprus to discuss and resolve all matters on DTAA. It becomes essential to resolve these issues and allow for business ties between the two countries to continue to thrive.

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