



WORLD TRADE CENTRE™
MUMBAI

Promoted by MVIRDC



MVIRDC

M. Visvesvaraya Industrial Research and Development Centre

World Trade Research and Information Report

ON TRADE

THE INTERNATIONAL TRADE RESEARCH JOURNAL OF MVIRDC WTC MUMBAI

JULY - SEPTEMBER 2015

VOL. 2 ISSUE 1

For private circulation



2015

International
Year of Soils



Upcoming Event

GES
2015

5th Global Economic Summit

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

Theme: Enabling Food For All

28 COUNTRIES TO DISCUSS TRENDS IN AGRICULTURE AND FOOD SECURITY

CONFERENCE BUSINESS-TO-BUSINESS MEETINGS

EXHIBITION RELEASE OF RESEARCH STUDY AND HANDBOOK

TOURS TO FARMS AND FOOD PARKS



MVIRDC

World Trade Centre Mumbai



Bharat Ratna Sir Mokshagundam Visvesvaraya

September 1860 - April 1962

The M. Visvesvaraya Industrial Research and Development Centre (MVIRDC) has promoted the World Trade Centre Mumbai

Vision

To be India's preferred catalyst for world trade development

It will achieve this by effective networking with WTCA members and other trade promotion organisations and by providing an array of knowledge-based services and space-based facilities



Mission

Prosperity through Trade and Investment

Dear Readers,

On the occasion of the 1st anniversary issue of 'On Trade', it makes me proud to say that the journey thus far has been an enriching one, bringing to you a mix of articles, analysis, reports and interviews on topical issues every quarter with the latest trade developments, market opportunities, small businesses and our very own events. We continue this endeavour as we move into yet another year.

The current issue of 'On Trade' is dedicated to Agriculture and Food Security. This issue has covered articles by agricultural economists, agriculturists and other experts in the sector world over, providing solutions to some crucial issues. Some of these issues include India's need for farm mechanisation, soil health, importance of agro-technology and climate resilient agriculture, agriculture sustainability, food security, tackling farmers' distress through policy changes and the way forward.

Agriculture continues to be the backbone of the Indian economy as about half of the population still relies on agriculture as its principal source of income and it is a source of raw material for a large number of industries. Even after 50 years of adoption of the 'Green Revolution' strategy, the sector is still in an acute state of crisis, raising concerns about India's future food security. The crisis has been on many fronts: economic changes both domestic and global, stagnating crop yields, farmers' suicides, climate change reflecting both on soil and water resources.

In view of the significance of agriculture in the global economy, World Trade Centre Mumbai is organising the 5th edition of the Global Economic Summit on the theme 'Enabling Food for All' from November 19-21, 2015, which coincides with the United Nations Declaration of '2015 International Year of Soils' and the proposed Sustainable Development Goals.

Additionally, this edition of 'On Trade' has dealt with current issues of how India has addressed its 'Ease of Doing Business' and enhanced its 'Trade Facilitation System', heralding significant changes to how foreign businesses view and intend to do business with India.

World Trade Centre Mumbai welcomes the central government's 'Vision 2050' for the agriculture sector which was released in July 2015. The document announces among others, fast tracking of lab to land programme and launch of four new schemes of Indian Council for Agricultural Research (ICAR) - farmer first, student ready, ARYA and mera gaon mera gaurav. These initiatives have provided a platform for transformation of the sector, triggering innovative approaches to reduce wastage in agricultural produce and to reduce our reliance on import of all agricultural products. I believe that the good days for the agriculture sector will come soon.

The Centre has attained a milestone by launching a World Trade Centre in Goa with the support of the state government. The Goa World Trade Centre (WTC), which was inaugurated by the State Chief Minister Laxmikant Parsekar in August, would place the State on the world trade map as a promising destination for international trade promotion. Subsequently, WTC Goa instantly embarked on its trade promotion activities.

We reflect on the year gone by with renewed aspirations to reach greater heights of excellence. The challenge that lies ahead is to offer our readers through 'On Trade' a conducive platform for businesses to thrive and prosper in an ever-evolving international trading scenario.

Wish you Happy Reading!

Y. R. Wazerkar

Y. R. WAREKAR





WORLD TRADE CENTRE™
GOA

Promoted by MVIRDC



MVIRDC

M. Visvesvaraya Industrial Research and Development Centre

Connect Globally Prosper Locally

**With the World's Largest Global Business
Network of 329 WTCs in 92 Countries**

**MVIRDC establishes the global brand
World Trade Centre Goa**

Objective

- Facilitates: Trade/Investment
- Knowledge-based Services:
Training/Educational Programs
- Promotes Competitiveness through
Research/Trade Promotional Activities

*SMEs, Corporate Houses, Institutions and
Professionals with a focus on International
Trade are invited to join this global network*

Registered office

31st Floor, Centre 1 Building, WORLD TRADE CENTRE,
Cuffe Parade, Mumbai - 400005, Maharashtra, India

Website

www.worldtradecentregoa.org

Member of WTCA New York



CREDITS

Kamal M. Morarka
Chairman

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

Y. R. Warkerkar
Executive Director & Head of Editorial Board

EDITORIAL BOARD

Rupa Naik
Director - Projects

Tripti Chakravorty
Assistant Director - Trade Research

Raja Narayanan Iyer
Assistant Manager - Research

Kranti Sagalgile
Assistant Manager - Research

Nilesh Gosai
Creative Designer

WTC Goa Official

Ambika D. K. Dhakhenkar
Assistant Manager - Trade Promotion & Research

WTC Bhubaneswar Official

Nimeshika Natarajan
Manager - Trade Research

Printer

Onlooker Press
16, Sasoon Dock, Colaba, Mumbai - 400 005

Editorial Office

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

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

for private circulation

CONTENTS

July - September 2015
Vol. 2 Issue 1

06 Special Feature

- 5th Global Economic Summit on 19-21 November, 2015 Expo Centre, WTC Mumbai on Agriculture and Food Security Theme: 'Enabling Food for All'
- Concept for Whole Farm Permaculture Design: A Case Study

14 On MSMES

The Rise of Agro-Tech Sector in India

16 Cover Story

Soil Health, the Missing Link in Sustainable Food Systems

18 In Conversation with...

- India's Agrarian Crisis Demands A Holistic Approach
- WTCMM - A Class Apart in World Exhibition Space
- Italy to Strengthen Presence in Indian Agriculture Markets

26 Book Review

The Future of Indian Agriculture

28 Connecting with Global Markets

- Previewing India's Trade Facilitation System
- Poland to Strengthen Food Trade with India

32 China Desk

Demystifying China's Yuan Devaluation

34 In Focus-WTC Goa

Trade Promotional Activities Held This Quarter

38 India Rising

- Climate Resilient Agriculture: BAIF Experience
- Tackling Farmers' Distress: A Priority for Indian Policy Makers
- Exploring Indo-Dutch Partnership on Field
- Easing the Tight Rope to Boost Business Sentiment

60 In Focus-WTC Bhubaneswar

- Trade Promotional Activities Held This Quarter
- Dr. Bijoy Sahoo - A Role Model for Budding Entrepreneurs in Odisha
- Unlocking Agri-export Potential of Odisha

67 Russia Desk

Russian Humic Fertiliser 'EDAGUM ® SM' Finds Application in Indian Soil

68 EU Desk

- Understanding Nuances and Way Forward: Indo-EU Relations

70 Meetings and Events

- Trade Promotional Activities Held This Quarter

80 News from All Over

- International Trade Shows / India Trade Shows

GES 2015

5th Global Economic Summit on 19-21 November, 2015 Expo Centre, WTC Mumbai on Agriculture and Food Security Theme: 'Enabling Food for All'

At a time when global leaders are working towards ensuring zero hunger and committing to share agriculture technologies, World Trade Centre (WTC) Mumbai and All India Association of Industries (AIAI) have embarked on organising their annual flagship event 'Global Economic Summit (GES)' which is now in its 5th edition (GES 2015) with the theme 'Enabling Food for All.'

Senior Officials from Food and Agriculture Organisation (FAO), International Fund for Agricultural Development (IFAD), World Food Programme (WFP), United Nations Procurement Division (UNPD) World Farmers' Organisation (WFO) and the World Trade Centers Association (WTCA), New York and foreign universities like Bocconi (Italy), North Carolina State University in the U.S.A. and University of Manitoba in Canada will explain the success stories and efforts taken towards food security and nutrition.

Agriculture in India is still the dominant occupation, providing livelihood to nearly 60% of the population. It is important to note that in India, 80% of land owners are small and marginal, mostly owning less than 2 hectares. As per the World Bank Report, 60.3% of India's land area is agricultural land. Moreover, the Ministry of Commerce and Industry data highlights that with 157.35 million hectares of the total land cultivated, India holds the second largest agricultural land in the world.

The objective of GES 2015 is to create a forum for exchange of knowledge with experts and decision makers from over 28 countries who will share their experience on best practices in agriculture, help Indian farmers learn about the emerging trends in the food industry across the world and bring them face-to-face with farmers.

Challenges

The contribution of this sector to the GDP of India has been falling at 14% while, post harvest loss is Rs. 92,600 crore, with 52% wastage of cereals, pulses, oilseeds, fruits and vegetables.

The challenges that the Indian farmer faces are at multiple levels, often beyond their control. The food that reaches the consumer is far away from the farms. Much of the food today is imported and exported, the prices controlled by geo-political, weather conditions, traders and world prices.

Facts and Figures

Although, the total number of hungry people around the world has decreased, however, there still exists 795 million under nourished people, that is, one person out of every nine, according to the latest edition of the annual United Nations Hunger Report. India tops the world hunger list at 194 million, in a billion people. It is alarming to note that,

1 in every 5 people are hungry at any given time in India. It is evident, that concerted efforts are needed to ensure that India strives to achieve the 'Zero Hunger' target. As the Director General José Graziano da Silva of FAO said, "We must be the Zero Hunger Generation. That goal should be mainstreamed into all policy interventions and at the heart of the new sustainable development agenda to be established this year."



The GES 2015 aims to bring all the stakeholders together to help achieve this goal of 'Enabling Food for All'. The topics will address the fundamental issues concerning food and nutrition, improving regulations and food safety

standards in emerging economies to bring them on par with international standards.

Topics: The topics that will be covered include agriculture technology, agri-engineering, risk management, using water wisely, waste management, food processing, setting up food processing plants at the farms, food chains, agriculture financing, soil management, renewable energy resources, trade of agricultural commodities and best practices by foreign governments to tackle food crisis. The purpose is to bring all the stakeholders face-to-face, mainly farmers who can directly interact with their counterparts from across the world, especially think of policies to increase women involvement in agriculture and schemes to attract youth to this sector, to eventually achieve rural development.

Partners

At GES 2015, World Farmers' Organisation (WFO), an international organisation 'of Farmers for Farmers', represented in 70 different countries will facilitate national producers and farm cooperative organisations to develop policies which favour and support farmers' causes in developed and developing countries around the world. WFO will also aim to strengthen farmers' positions within value chains, especially small farmers.

Speakers

The leading Indian speakers of various sessions are Professor Ramesh Chand, Director, ICAR-National Institute of Agricultural Economics and Policy Research (NIAP), Shri Arvind Kumar, Managing Director, Maharashtra Agro Industries Development Corporation Ltd (MAIDC), Dr. R. K. Gupta, Director, ICAR-Central Institute of Post-Harvest Engineering and Technology (CIPHET), Dr. R. P. Gupta, Director & Member Secretary of National Horticultural Research and Development Foundation (NHRDF), Mr. Girish Sohani, President, BAIF Development Research Foundation, Professor Ram Rajasekharan, Director, Central Food Technological Research Institute

(CFTRI), Mr. Vinay Oswal, Director, National Agriculture & Food Analysis & Research Institute (NAFARI), Ms. Vaneet Kaur, Research Associate of Centre for Science & Technology of the Non-Aligned and Other Developing Countries (NAM S&T Centre). The foreign speakers are Dr. Evelyn Nguleka, President, World Farmers' Organisation, WFO (Rome, Italy), Mr. Shyam Khadka, Representative in India for Food and Agriculture Organization of the United Nations, Ms. Wendy Noble, Procurement Officer, United Nations Procurement Division, (USA) and Dr. Nancy Creamer, Professor and Director, Center for Environmental Farming Systems.

Delegation: Delegations from countries like Vietnam, Pakistan, Taiwan, Netherlands, Poland, Italy, Bangladesh, Brazil, Taiwan, Canada and others are expected. Indian States such as Maharashtra, Gujarat, Uttarakhand and Odisha have extended their support to the Summit.

Delegates: Delegates will be representatives from Small and Medium Entrepreneurs (SMEs), agronomists, agriculture economists, policy makers, technocrats, bankers and all stakeholders.

Features of GES 2015

GES 2015 will feature Conference, Exhibition, Release of Research Study and Summit Handbook, Business-to-Business meetings and Post-event tours.

Conference: Experts at the Conference will deliberate on innovative approaches to address issues of Food Security, Sustainable Agriculture Development region-wise, technologies adopted on water and soil management, post harvest wastage, latest trends in farming, food supply chain management, role of women in agriculture and policies for attracting and retaining youth in agriculture.

Exhibition: Companies and stakeholders from the sectors can showcase new innovations and technologies in the farm and food sector which can be adapted by economies for

sustainable agriculture at the Expo Centre.

Opportunities: Farms will get a unique opportunity to see the various products and gain first-hand 'Farm to Fork' experience.

Research Study: A study was conducted based on the theme, attempts to look at food security from both supply and demand sides with a focus on the former. The supply side stresses on India's agriculture sector and the ability of the sector to provide food to its citizens both in terms of quantity and quality. While the demand side looks at whether India's citizens have the capacity to avail adequate and good quality food. In the food processing sector, the study has provided how a firm regulatory support coupled with proper integration and coordination could bring about the desired results by strengthening the sector and enabling it to contribute to the mission of food security.

Summit Handbook: The handbook will cover articles, reports and analysis by agri-experts, scientists and business entrepreneurs on topics in line with 'Enabling Food for All.'

Business-to-Business Meetings (B2Bs): Pre-arranged B2Bs will provide an opportunity for business collaborations in the various areas in agriculture.

Post-event Tours: These tours are being organised to provide an opportunity for participants to discover food parks, food clusters, farms and food processing units in key agricultural districts of Maharashtra on November 19-21, 2015. ■

INDIAN SPEAKERS



Shri Arvind Kumar
Managing Director
Maharashtra Agro Industries
Development Corporation
Ltd (MAIDC)



Dr. R.K. Gupta
Director
ICAR-Central Institute of
Post-Harvest Engineering
and Technology (CIPHET)



Dr. Parshuram Samal
Principal Scientist
ICAR-National Rice
Research Institute



Prof. Ramesh Chand
Director
ICAR - National Institute of
Agricultural Economics and
Policy Research (NIAP)



Prof. Ram Rajasekharan
Director
Central Food Technological
Research Institute (CFTRI)



Dr. Gurbachan Singh
Chairman
Agricultural Scientists
Recruitment Board (ASRB)



Mr. Sunil Mishra
Managing Director
Chattisgarh State Industrial
Development Corporation Ltd.



Dr. G. Sugumar
Dean
Fisheries College and
Research Institute



Dr. Ajit Kumar
Vice Chancellor
National Institute of Food
Technology Entrepreneurship
and Management (NIFTEM)



Mr. Venkatesh N. Hubballi
Director & Transparency
Officer The Directorate of
Cashewnut & Cocoa
Development (DCCD)



Dr. Jeet Singh Sandhu
Deputy Director General
- Crop Science Division
Indian Council of Agricultural
Research (ICAR)



Dr. Dinesh
Chief Executive
National Cooperative Union
of India (NCUI)



Prof. Chittaranjan Kole
 Vice-Chancellor-Bidhan Chandra
 Krishi Viswavidyalaya Founder
 Principal Coordinator - International
 Climate Resilient Crop Genomics
 Consortium (ICRCGC) and
 International Consortium of
 Phytomedomics and Nutriomics (ICPN)



Ms. Vaneet Kaur
 Research Associate
 Centre for Science &
 Technology of the
 Non-Aligned and Other
 Developing Countries



Mr. Ravi Byron
 President
 Israel-India & Nepal
 Chamber of Commerce



Mr. Piruz Khambatta
 Chairman and Managing
 Director
 Rasna International Pvt. Ltd.



Mr. Ashwin C Shroff
 Chairman
 Excel Crop Care Limited



Dr. Rama Rao
 Ph.D from IIT
 New Delhi

INTERNATIONAL SPEAKERS



Mr. Shyam Khadka
 Representative in India
 Food and Agriculture
 Organization of the
 United Nations
 India



Dr. Hameed Nuru
 Representative and Country
 Director
 World Food Programme
 India



**Dr. Mark Cyubahiro
 Bagabe**
 Director General of Rwanda
 Standards Board (RSB)



Mr. Bidhu Jha, MLA
 Special Envoy for
 International Trade
 Government of Manitoba
 Canada



Ms. Laura Secher
 Field Supply Team in the
 Peacekeeping Procurement
 Section United Nations
 Procurement Division
 USA



Dr. Nancy Creamer
 Professor and Director of
 Center for Environmental
 Farming Systems North
 Carolina State University
 USA



Dr. Digvir S. Jayas
Vice-President (Research and International) and Distinguished Professor
University of Manitoba
Canada



Ms. Veronica Vecchi
PhD
Università Bocconi
Italy



Mr. Mahbul Alam
President
The Chittagong Chamber of Commerce & Industry
Bangladesh



Mr. Per-Stefan Gersbro
Managing Director
Packbridge
Sweden



Dr. Min-Tze Wu
Director of Plant Technology
Laboratories Agricultural
Technology Research
Institute(ATRI) Taiwan



Dr. Cosmas Milton Obote Ochieng
Executive Director
African Centre for
Technology Studies (ACTS)



Ms. Mariette Mulaire
President and CEO
World Trade Centre
Winnipeg CANADA



Ms. Diane Gray
President and CEO
Centre Port Canada



Dr. David Bergvinson
Director General
International Crops Research
Institute for the Semi-Arid
Tropics (ICRISAT)



Dr. Alwin Keil
Senior Agricultural Economist
International Maize and
Wheat Improvement Center
(CIMMYT)

POST-EVENT TOURS

As part of the itinerary of the 5th Global Economic Summit 2015, on the theme 'Enabling Food For All', the organisers offer its participants a post-event tour which could pave the way for collaborative efforts in Agriculture and Food Processing Industries. The Post-event Tour provides an opportunity for participants to interact directly with farmers on their farms, discover food parks, food clusters, and food processing units in four districts of Maharashtra namely, Nagpur, Aurangabad, Nashik and Pune. The tours are planned on November 21-22, 2015. Delegates and participants can specify their criteria and express their desire to opt for any one of the tours planned on those dates in advance. The tours are

being organised with the support of State Government of Maharashtra through the Maharashtra Agro Industries Development Cooperation (MAIDC).

MAIDC was set up in 1965 with the aim to promote modernisation of the agro sector through mechanisation. The agency helps farmers of the State of Maharashtra to avail of standard quality fertilisers, pesticides, agro-engineering implements and animal feed. One of the mandates of MAIDC is to set up food parks.



GES 2015 | 5th **Global Economic Summit**

THANK THE FARMER FOR THE FOOD WE EAT



on Agriculture & Food Security

19 20 21

November 2015, Expo Center, World Trade Centre Mumbai

THEME: ENABLING FOOD FOR ALL

Active partners: FAO • IFAD • WFP
An opportunity for Indians to be part of the UNPD's Food Supply Chain

World Farmers' Organisation (WFO) participates for the first time to collaborate with Indian farmers

MINISTERS, OFFICIALS and DELEGATES from over 28 countries

CONFERENCE, B2B, EXHIBITION, VISIT TO FARMS FOOD PARKS and FOOD CLUSTERS

Register now: www.ges2015.in (or) 91-22-66387377/78/79, 91-22- 22019265



Contact: MVIRDC World Trade Centre Mumbai, Centre 1 Building, 31st Floor, WTC Complex, Cuffe Parade, Mumbai 400 005, India.
Tel: 91-22-66387377/78/79, Fax: 91-22-2218 8385 E-mail: marketing@wtcmumbai.org

All India Association of Industries, New Excelsior Building, 6th Floor, A K Nayak Marg, Fort, Mumbai 400 001, India
Tel: 91-22- 22019265 Fax: 91-22-2201 9764 E-mail: info@aiaindia.com



Concept for Whole Farm Permaculture Design: A Case Study

Brenda Schoepp, Canadian Farmer, Province of Alberta, Canada

Permaculture can be defined as a system of interconnected elements that are highly productive and complimentary. Often used in urban settings to produce abundant food from a small space, my vision of a whole farm design was first conceptualised in 2014. In Canada, the average farm size is 403 hectares, so a whole farm permaculture is a grand task. An attempt has been made to provide examples of my own farm of 65 hectares, describing what exists relating to why it is important.

The objective of my work in global agriculture as a farmer and international mentor is to 'Empower people to grow food, protect environments, enhance trade and secure financial independence for themselves, their families and their communities'. Most farming initiatives are focused on the development of monocultures which leaves both the farmer and the land at risk. Despite the gains in yield in specific single crops, the long-term economic and societal cost has forced agriculture to look at a more complete system, one in which complimentary activities enhance the land and the prosperity of its people. While advanced agricultural practices have been foundational in supporting food supply and surplus, it is the independent small farmer who predominates worldwide. How does this farmer feed the family first and have a continuous flow of food and income year round, while building the soil and a clean water supply? The answer is to take an approach in design for the whole farm that is achievable through small steps, which is complementary to family life and can be executed by both men and women.

Permanent agriculture (permaculture) has several principles and the first is in understanding the land on which one is working. What is the soil profile, how does the wind blow, what is the source of water, what are the seasonal differences and what has grown here in the past? On my farm, the wind is predominantly from the west, the water runs south, the soil is heavy but supports extensive root systems, the seasons are short and winter is very cold. To start the process, I defined the immediate possibilities. Near the house, I added more edible flowers and herbs and started a food forest in the closest land of trees. These are established places that are protected and understood. Rain water is caught for the plants and underground water is captured for livestock from the weeping tile that keeps the foundation of the house dry. These small changes had great effect in attracting pollinators and a wider variety of wildlife and birds, while increasing the food supply. As some of the plants are repelling (such as citronella) and the colour patterns varied, there was an immediate reduction in destructive infestation.

The wind may be an advantage or a destructive force. For example, on the west coast of Canada, the ocean winds are captured by positioning the cranberry bogs so the cranberries float to the edge. On the prairies where I live the winds must be tamed and redirected to reduce erosion and chill. Multiple trees and high bushes are used for this purpose. The same principles apply in every climate. I have been on farms in tropical countries that deflected hurricane winds by the appropriate placement of trees. Trees, grasslands and other permanent cover sequester carbon which is the foundation of soil fertility, so they are vital to the

longevity of the farm. We use trees extensively, planting 150 every year. In the forested areas, cattle are used to help spread seeds in late summer and in winter the cattle determine the warm spots which protect them.

Functions in permaculture are not stand alone as they are in a monoculture. Functions are stacked and have multiple roles. The birch tree native to North America or the banana tree in warm climates are both ideal in their dual role of filtering gray water from sewage while providing shade, food, and beauty. On my farm, the willow bush is used for this purpose and also serves as nature's pain reliever. Cattle will chew on the tree when they are in discomfort.

Water is the principle in all food production. The raising of fish in catchment ponds serves farmers well on any scale. Our catchment pond (known as a dugout) is fenced so that animals cannot contaminate the water. Water is pumped out to 1,000 litre tanks with solar-powered pumps. The trout are overwintered with a continuous solar aerator that works to 35 degrees below zero, allowing fishing through the winter months (called ice fishing). The restricted access around the pond is a natural filter for runoff in and out, allowing for clean water to be recovered again for plants and animals. The fish feed our family and our pets as well as provide fertiliser from waste.

Livestock and poultry are integral to any size of permaculture project. On small farms or large intensive farms with barns, farmers may recycle nutrients from waste and waste water for forage (fodder) and keep the animals penned to produce milk, meat or eggs. On a larger

Application of Permaculture



Before



After

Before: The picture of the land before application of environmental and permaculture principles.
After: The same piece of land four years after rest and rotation. There is no use of herbicide, pesticide or commercial fertiliser to the land.

scale the animals may roam on pasture. To optimise this, we use the value of the manure and a deep understanding of the plants in pasture management. Cattle rotate through very small paddocks rather quickly. Only one paddock is in use at a time. The others are resting and keeping cool, building root mass and sequestering carbon. Performance and income quadrupled in less than five years with a rest rotation as did the variety of plants. The next step on our farm is to introduce a vast array of plants without cultivation, including grasses, brassicas and nitrogen fixing legumes to optimise production and build the soil. I expect the capacity of the farm to increase by ten with a compliment to the other species that live on site.

The measure of a balanced farm design is in the species and insects that live within it, without threatening the productive capacity. In Canada, wildlife and insects are abundant. On our farm there are nearly 60 species of birds that flock to the natural areas. Deer, moose, elk, bear, coyote, fox, wild cats, rabbit, skunk, porcupine, ducks, geese, cranes, partridge, small rodents and colonies of bees share the same space. This interplay is so complex and complimentary that predators (as they are named) do not feed on our pets, livestock or poultry. All species, including humans, are in a safe rejuvenating environment with plenty to eat and access to clean water.

Moderation in design and flexibility are important. Addressing erosion on a hill may require several solutions such as introducing grass, trees or terracing while using the slope and sunshine for another purpose. Garden areas could include containers, logs, food walls, wasted vessels, bales of feed or bee glasshouses warmed by bio-digesters which are fueled by farm and household waste. Alternatively, the garden may be a large, well-drained area naturally created by the land itself. The answers lie in nature - both in terms of the flow of design and the natural capital available. Incremental and well thought out changes are complimentary to a growth, that matches people to practise, for the ultimate purpose of the creation of a higher level of diversity, longevity, production, compatibility, net income and improved landscapes.

In permaculture, it is believed that all things, including waste, have purpose. Most certainly that is achievable at any scale. On this farm, everything is recycled and reused. All plant and animal waste is composted for gardens and land, while water is saved for future use. The perimeter fence is electric wire that can be attached to trees and powered by the sun. Fallen trees are used for fuel. There is more than enough.

That bounty is harvested through livestock and in crops. There are fruits and vegetables, beef, pork, poultry, eggs,

flowers and feed. Horses clean the rugged areas of weeds (sheep and goats are excellent for this purpose). Wild flowers brighten the landscape and butterflies abound. There are enchanting places to sit and natural trails to walk. As the farm heals, so do the occupants on it. More than a beautiful space – this is a dependable economic generator with complimentary multispecies production that does not compromise future generations. Since, it may support several families and co-exist with conventional systems, permaculture creates a dynamic cultural hub that is part of the solution to rural repopulation.

While considering farmers' woes, a failure in farming is not to fault the farmer; it is a failure in design. Permaculture is an adaptive design that is transferable from the smallest space to a whole farm. It is important to promote and fund education, tools, technology and promulgate mentorship programs for farmers and to encourage creative design on farms while respecting that healthy natural capital is the foundation for prosperity. Only when we empower our resourceful and committed women will we feed our world.

(The author has explored and worked with food systems around the globe exploring conventional and unconventional practices.)

The Rise of Agro-Tech Sector in India

Mark Kahn, Co-founder, Omnivore Partners



India is currently in the midst of an AgTech renaissance, mirroring the global boom, but with a unique focus on technologies for smallholder farmers. It is important to understand how AgTech startups are creating sustainable solutions to address agriculture challenges.

Overview: India's Agricultural Economy

The Agriculture Sector in India is among the largest in the world, representing 18% of the country's GDP. The total food grain production is currently around 260 million MT annually, although this past year has seen a negative impact of poor monsoons and excessive winter rain. India is the world's second largest producer of wheat, rice, sugarcane, cotton, vegetables and tea. It is the largest producer of milk globally (138 million MT annually), representing 17% of world production, as well as the top worldwide producer of pulses, spices, mango, banana, coconut, cashew, papaya, and pomegranate. While Indian agricultural production has risen sharply in recent years, most yield levels are still significantly lower than global standards.

Despite agriculture only being 18% of the economy, more than half of India's population is employed by the agricultural sector, in spite of the number dropping every year due, to urbanisation and industrialisation. The number of farmers in India has fallen in recent years, from 127.3 million (Census 2001)

to 118.7 million (Census 2011). As a result of this shift from farm to non-farm employment, real farm wages have risen massively in the past decade. At the same time, average farm size has continued to shrink, reaching a level of 1.2 hectares per farmer in 2010-11. It should be noted that small farm size is not a deterrent to increasing productivity, which instead requires modern inputs and technology.

Present and Future Challenges

Population growth, rising incomes and dietary transformation are putting immense demand pressure on Indian agriculture. At the same time, Indian agriculture is impacted from the supply side by climate change, urbanisation, a collapsing water table, declining soil fertility, rising rural labor costs and a failing logistics system. When you combine these trends, the immense challenge facing Indian agriculture in the coming decade becomes clear. The high food price inflation of the past ten years is just a symptom of this systemic pressure and while the urban poor have seen more of their family income directed to food costs, Indian farmers have benefited hugely from rising farm profits, fueling additional rural consumption.

Indian agriculture historically struggled to feed the nation, but the 'Green Revolution' and 'Operation Flood' (1960s and 1970s respectively) ushered in a long period where the Malthusian challenge from India's rapid population growth was no longer a major concern. In 2015, while population growth continues (albeit at a slower pace), the major pressure on India's food system comes from a massive dietary shift away from grain, notably rice and wheat, which for the past few years have been produced in surplus. Rising incomes from economic growth have enabled Indian families to improve and diversify their diets. For starters, vegetable consumption has increased dramatically and fruits have gone from being occasional luxuries to items of daily consumption. Likewise,

urban and rural Indians have ramped up their intake of protein in the form of dairy, pulses, eggs, meat and fish. Rising consumption of livestock products (primarily dairy and poultry) has also increased the requirement of feed grains, especially maize and soya. Indians are also eating more processed foods, including sugar, edible oil, biscuits, beverages, dairy products, snacks, confectionaries, chocolates and ready-to-eat (RTE) foods. As India develops, this dietary transformation can be expected to accelerate, similar to the experience in China and Southeast Asia over the past two decades, putting ever more pressure on India's agriculture sector.

While blessed with plentiful arable land and incredible biodiversity, Indian agriculture is bottlenecked in virtually every resource it requires, to deliver supply growth needed to keep up with demand. For starters, India's hectares of arable land are reducing annually as urbanisation converts fields into office parks, shopping malls and industrial zones. At the same time, climate change is stressing Indian crops, resulting in yield growth stagnation that threatens long-term food security. Indian soil quality has been degraded by decades of monoculture and imbalanced fertiliser usage, so much so, that the formerly fertile zones in the States of Punjab and Haryana and the Cauvery Delta are now thoroughly exhausted. A similar situation exists for water, where unchecked borewell drilling and flood irrigation have collapsed the Indian water table in virtually every state, despite various water conservation initiatives, including check dams, watershed management and micro irrigation. Rural labour is another resource that is rapidly vanishing, as urban migration and government initiatives like NREGA reduce the formerly plentiful pool of farm workers. As a result, farm wages for those workers have surged upwards in the past decade, forcing farmers to explore automation as an alternative. Finally, moving beyond

the farm gate, the logistical system for transporting, storing, processing and marketing Indian agricultural production is failing drastically, resulting in massive food wastage.

Each of these bottlenecks (land, soil, climate, water, labour and logistics) inhibits the ability of Indian agriculture to meet the rising domestic consumer demand for food in India. Taken together, the bottlenecks threaten the very future of Indian agriculture and technology solutions to address them, is the need of the hour.

AgTech Adoption

While Indian farming has become more profitable, agricultural technology adoption rates too have accelerated. Indian farmers have begun to rapidly move towards mechanisation (to date mostly tractors, tillers, rotavators and harvesters), hybrid seeds (as well as biotech traits for cotton), high-performance pesticides, specialty fertilisers, micro irrigation, bio-inputs, improved animal genetics (for poultry, dairy and aquaculture) and compound animal feeds. The rise of farmer producer organisations, commodity exchanges, modern warehousing and farmer-linked food processing ventures, all of which have ensured that cultivators realise higher incomes and absorb less risk, facilitating this rural technology boom.

Future adoption of agricultural technology will build on earlier trends, but will also include disruptive innovations capable of revolutionising the sector. The following AgTech investment themes have the greatest upside potential:

- Farm Mechanisation and Automation
- Sustainable Inputs and Biotechnology
- Big Data and Information Services
- Internet of Things (IoT) & Precision Agriculture

- Supply Chain and Logistics Technology
- Innovative Food Products and Services

Agriculture Technology (AgTech) Start-ups

(MITRA – Machines Information Technology Resources Agriculture) is a great example of farm mechanisation and automation startup that is trying to fundamentally improve Indian agriculture. Founded in 2012, MITRA designs and manufactures innovative agricultural machines for labour-intensive functions in high-value crops, where existing automation technologies are unaffordable for most Indian farmers. Over the past twelve months, MITRA has launched four models of automatic



sprayers for orchards and vineyards, which have been rapidly adopted by farmers in Maharashtra. MITRA has even begun exporting machines to West Africa, where horticulture farmers have similar requirements as their Indian counterparts. The founder of MITRA, Mr. Devneet Bajaj, is an INSEAD alumnus who previously worked for Paine & Partners, a global agribusiness Private Equity Fund. He believes that eventually, MITRA products will even be sold to small farmers in the USA and EU, similar to how Mahindra tractors captured those markets over the past decade.

Barrix Agro Sciences is another AgTech startup from India that is in the area of sustainable inputs and biotechnology.

Founded in 2011, Barrix Agro Sciences develops Integrated Pest Management (IPM) technologies that provide farmers with highly effective crop protection while reducing their dependence on chemical insecticides. Farmers across India are rapidly adopting next generation pheromone traps from Barrix, and seeing their agrochemical costs drop while insect control increases. Similar to MITRA, Barrix has also begun to export to African markets over the past year. The founder of Barrix, Mr. Lokesh Makam, previously worked for some of India's leading pharmaceutical companies and his unique knowledge of formulations is key to Barrix's next wave of pheromone innovation.

MITRA and Barrix are just two examples of successful AgTech startups from India, but scores are thriving and venture capital funds are increasingly active in the sector. Most successful AgTech startups in India are focused on the domestic market, but recognise that India has the potential to become an innovation hub, or a 'laboratory', for smallholder agriculture globally. With every major agro-climatic zone represented, Indian startups could develop, pilot, and scale-up products and services with export potential to other regions dominated by smallholder farmers, including South Asia, Southeast Asia, Sub-Saharan Africa and parts of Latin America. These regions share many of India's challenges, but lack India's base of technical and managerial talent, which is so critical to develop new ventures. While domestic considerations will drive AgTech startups from India, the additional increase from exports will complement their overall growth. From small beginnings, one can expect to see Indian AgTech startups making a big impact over the next few years.

Soil Health, the Missing Link in Sustainable Food Systems

Major General the Honourable **Michael Jeffery**, Australia's National Soils Advocate for 2015, 2015 the International Year of Soils

The 'International Year of Soils' provides a focus on soil health and sustainable soil management as the basis for food systems, fuel and fibre production. The resources of soil, water and vegetation, necessary to sustain life are being lost at unsustainable rates.¹ The need is for innovative solutions to effectively deal with these challenges.

In Australia, notwithstanding much good farming practice and some good science, the following is the current scenario:

- An increasingly arid landscape particularly in southern Australia where 60% of the arable land is degraded by salinity, acidity, wind and soil erosion, climate variability, soil carbon loss, over use of pesticides, overgrazing etc.;
- Loss of soil organic carbon and declining soil health;
- Erosion (excision) of one million kilometres of streams and rivers, now flowing below their flood plains and 50% of wetlands (the kidneys of river and stream systems) filled for urban or farming purposes;
- Increasing urban areas acting as 'hotspots' negatively influencing climate and water catchment; and
- Unreliable rainfall, longer droughts and more wildfires.

These complex challenges can largely be reversed with good landscape management. Some of the measures are:

Educating the Young

Educating young people at school about healthy soil and its importance in maintaining sustainable food production is vital.² It reconnects urban dwellers with their rural roots and in so doing increases their understanding about where food comes from, how healthy soil

positively affects the food produced and the science behind sustainable food production.

Healthy Soils

The Australian State of the Environment Report of 2011³ noted that of the 39 soil types found in Australia, only four have adequate carbon levels needed to hold water and support microbiological and fungal action. The carbon content of soil is one of the key indicators of its health.⁴ It helps support a healthy balance of nutrients, minerals, soil microbial and fungal ecologies, improving soil fertility. Through this, healthy soils promote vigorous plant growth and plant and animal resistance to disease and insect infestation. Increased soil carbon level also benefits the balancing of carbon dioxide emissions from fossil fuels and industrial activities.

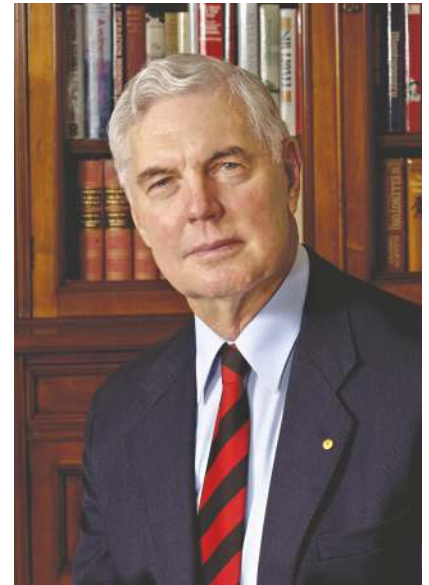
Effective soil carbon levels for quality agriculture should be three to five percent. However, across Australian dry land cropping and grazing sectors, most actively farmed soils have a carbon content around one and a half percent.⁵

Soil acidification affects about half of Australia's agriculturally productive soils caused in part through current use of non-organic fertilisers. Acidification restricts options for land management and limits crops.

These statistics are replicated across the globe, especially in countries heavily reliant on agriculture.

Water

Soil quality and water are inextricably linked in Australia, 50% of the annual rainfall evaporates because it cannot penetrate the soil. This is 25 times the



water in all dams and five times the quantity in all rivers. Securing a safe, reliable water supply is a strategic determinant for communities globally.

Water is collected and stored in dams and reservoirs. However, for every 100 drops of rain falling on the landscape, 12 go into overland flows (only two are stored in dams for agricultural, industrial or domestic use) and two drops that fall on roads and roofs are largely wasted as runoff. Of the remaining 86 drops, some penetrate the soil with 6 going into groundwater and 30 used by vegetation. The remaining 50 drops or 50% are evaporated.

Organic carbon in soil improves its ability to absorb moisture. In every gram of soil carbon can help hold up to 8 grams of water and vice versa.⁶ A well-structured soil, high in organic matter and carbon acts as a sponge retaining rainfall. This moisture is then released slowly for plants and animals, maintaining production over a longer period.

Some farmers capture water in the soil by constructing 'leaky' weirs to slow down water flow and by repairing eroded water courses.

Vegetation

Vegetation adds organic matter essential

for the structure of soil, enhancing water retention and supporting future plant growth. It provides a protective cover controlling evaporation and soil loss through wind and water erosion, while turning sunlight energy into food and fibre.

Diversity of vegetation supports different microbial communities and healthy root ecologies thus improving soil health and facilitating effective nutrient transfer. A mixture of vegetation is vital, utilising perennials rather than annuals to provide longevity of growth, ongoing protective cover, feed for stock and being most resistant to pests and climate variability.

Larger plants including trees can lower the water table, draw down salinity from the soil surface, limit the effects of temperature extremes on surrounding groundcover and play a valuable role in cooling our cities.

Soils for Life Case Studies

The Soils for Life⁷ organisation has documented successful Australian farming practices which outline how in a healthy, functioning natural system, soil, water and vegetation, supported by solar energy, create the regenerative cycle. This organisation aims to enhance Australia's natural environment through information and education with a goal of widespread adoption of regenerative landscape management practices.

National Advocate for Soil Health

As the National Advocate for Soil Health, the role involves raising awareness about soil health and to further develop soil research priorities. A proposal has been placed for a National Strategy for Soil Health which involves a coordinated approach to the integrated management of soil, water and ground-cover assets including:

- The collection of information from 100 test case farming/grazing sites, (already 21 in the Soils for Life program) to highlight successful methods of soil and water management. Farmers will be able to adapt solutions from these cases to

suit their properties.

- Establishing a National Institute of Soil Health as a 'one stop shop' covering all aspects of soil, water and agricultural management to enable national and international experts to collaborate and share innovative ideas.
- Proposing a high level joint parliamentary committee representing all major departments at Federal and State/Territory level involved in soil and water management to produce a coordinated, nationally agreed soil health policy including stream, river, wetland and floodplain management.
- A scientific focus on soil health measurement with a particular emphasis on soil carbon.

Conclusion

Global food and water shortages along with soil degradation will cause considerable social unrest and security problems in the near future. The widespread adoption of proven regenerative landscape management practice requiring a good understanding of the value of soil health is a strategic imperative for the planet's future wellbeing.

The landscape must be restored and maintained so that it is fit for purpose - **'to save the planet we must save the soil'**.

(The author is a former Army Deputy Chief of Staff, State Governor and Governor-General for Australia.)



2015
International
Year of Soils

¹ Food and Agriculture Organization of the United Nations (FAO) <http://www.fao.org/globalsoilpartnership/the-5-pillars-of-action/en/>

² FAO – Health soils are the basis for health food production <http://www.fao.org/documents/card/en/c/645883cd-ba28-4b16-a7b8-34babbb3c505/>

³ <http://www.environment.gov.au/science/soe/2011>

⁴ *Amazing Carbon, Soil carbon means water to me!* <http://managingwholes.com/soil-carbon-means-water.htm>

⁵ *Australian – State of the Environment, Assessment of status and trends in soil organic carbon workshop – summary notes* <http://www.environment.gov.au/system/files/pages/ba3942af-f815-43d9-a0f3-dd26c19d83cd/files/soe2011-supplementary-land-assessments-status-and-trends-soil-organic-carbon-workshop-summary-notes.pdf>

⁶ *Amazing Carbon, Soil carbon means water to me!* <http://managingwholes.com/soil-carbon-means-water.htm>

⁷ *Soils for Life* - <http://www.soilsforlife.org.au/>



India's Agrarian Crisis Demands A Holistic Approach

*The Father of India's Green Revolution, **Professor M. S. Swaminathan, Founder, M S Swaminathan Research Foundation** is well known world over for increasing agricultural yields in India since the 1960s. In an exclusive interview, he speaks on agricultural sustainability, farmers' distress, soil management, food security, women's role in agriculture, among others, which play a critical in improving the current scenario of India's Agriculture.*

Your name has gone down in history as the Father of the Green Revolution in India. Could you elaborate on how your Foundation has been able to use Eco-technology to bring about agricultural sustainability?

Ecotechnology involves blending of traditional wisdom and ecological prudence with frontier science such as biotechnology, information technology, renewable energy technology, space technology etc. At the field level, the 'Biovillage' concept is a tool for converting ideas into action. By mainstreaming ecology with technology development, we can integrate environmental sustainability with economic viability.

In your view, how should farmers' distress be best addressed? Separately, will India's farmers benefit if the country becomes a member of the World Farmers' Organisations?

The latest reports of the National Crimes Record Bureau (NCRB) as well as of several non-government organisations on farmers' suicides contain distressing news. The suicide rates are high in Maharashtra, Telangana, Andhra Pradesh, Karnataka and Madhya Pradesh. Some analysts relate high suicide rates to the cultivation of cotton due to problems arising from high cost of inputs and risks involved in marketing.

The National Commission on Farmers had made several recommendations to alleviate agrarian distress in the suicide prone areas. In my view, we should develop and implement immediately an Agenda for a Farmer Suicide Free India. Such an action plan should include the following:

“In my view, we should develop and implement immediately an Agenda for a Farmer Suicide Free India.”

- Establish an **Agrarian Distress Consultancy Centre** at every Krishi Vigyan Kendra in farmer suicide prone areas. The Centre should have at least one male and a female advisor, well versed in the art and science of advising those who feel hopeless and go to the extreme step.
- Strengthen the coping mechanism of cotton farmers who take to expensive newer technologies by persuading seed companies to give farmers insurance cover, against unforeseen damage caused by unfavourable weather.
- Strengthen the agriculture insurance mechanism and promote insurance literacy.
- Empower women farmers to have access to 'Kisan Credit Cards' even if they do not have title to land.
- Promote farming systems involving pulses, millets and oil seeds which are high value, requiring low water.

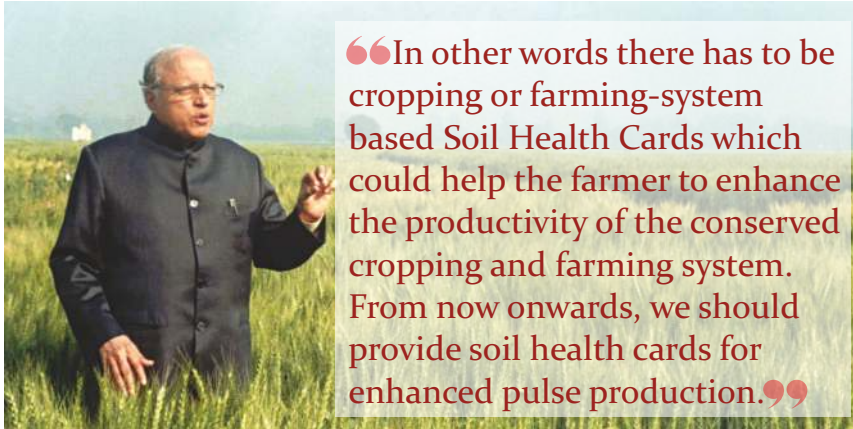
Above all, in the various relief packages announced by governments, high priority should go towards care and education of women and children in households, where the male farmer has taken his life. Agriculture is a life giving profession and we should not be silent onlookers to the shameful situation, where farmers have to take their own lives.

Farmers of this country are not well organised and hence their voice is seldom heard. I tried to make the National Commission on Farmers, the voice of the farmers.

What are some of the practical solutions to address malnutrition in India? How can we ensure growth in production of nutritional crops like pulses, fruits and vegetables?

To eliminate hunger, we should pay concurrent attention to overcoming **undernutrition** caused by inadequate purchasing power, **protein hunger** due to insufficient intake of pulses and other protein rich foods and **hidden hunger** caused by micronutrient deficiencies. In addition, we should pay attention to clean drinking water and sanitation, in order to ensure absorption of food in the body.

For example, we are short of pulses like pigeon pea, chickpea, moong, urad, lentil, etc. and the price of pulses has gone up by over 60% during the last year. As a consequence, protein hunger is



tending to increase. The year 2016 is declared the ‘International Year of Pulses’ by the United Nations. Most of the pulses are native to India. They are grown without irrigation and under low soil fertility conditions. This is why the average yield of most pulse crops are about 500 kg/h. Crops like arhar (pigeon pea) which are grown in Australia from seeds obtained from India, yield over 4 tonnes per hectare. The import of pulses is increasing and now exceeds 3.6 million tonnes.

Pulse crops require more phosphorous in the soil. Therefore, the Soil Health Cards given to those cultivating pulses should be designed to address the specific nutritional needs of these crops. The soil health monitoring and advisory service, which I have been recommending, could be equipped to render specific advice, to pulse crop cultivators on the nutrients needed, based on soil testing. In other words there has to be cropping or farming-system based Soil Health Cards which could help the farmer to enhance the productivity of the conserved cropping and farming system. From now onwards, we should provide soil health cards for enhanced pulse production. We can then accelerate progress in bridging the demand and supply gap in the case of pulses and make the ‘International Pulses Year’ purposeful.

From ‘green revolution’ to ‘evergreen revolution’, what are the best practices to make the gradual transition with special reference to climate change?

The transition from ‘green revolution’ to

‘evergreen revolution’ can be achieved by adopting ecotechnologies like integrated pest management, integrated nutrient supply, scientific water management and improved post-harvest technology. The best practices for such a transition are described in detail in my book ‘From Green to Evergreen Revolution: Indian Agriculture: Performance and Challenges’.

This year is the ‘International Year of Soils’. What are the pressing issues in soil health management in India?

2015 is declared as the ‘International Year of Soil’. We should pay special attention to the following:

- Declare areas characterised by fertile soils capable of sustaining two to three good crops a year as a **Special Agricultural Zone (SAZ)**. SAZ identification and declaration may be made by state governments in consultation with farm men and women. Special facilities may be provided to farmers to maintain SAZ as the custodian of national food security.
- Establish in each of our 130 agro-ecological zones, a Soil Health Monitoring and Amelioration Centre. Such centres should not only help farmers with soil health cards but also extend assistance to rectify soil defects like salinity, alkalinity, water logging etc.
- Pay special attention to soil organic matter since this is essential for improving the hydraulic conductivity (physics), chemistry and microbiology of the soil.

- Popularise local level of soil health assessment systems such as the presence of earthworms and nitrogen fixing and phosphorus solubilising microorganisms.
- Train a cadre of local level Soil Health Managers (both men and women) to help in both soil health monitoring and amelioration.

Agriculture has not been a central focus of India’s Union Budgets. What are your recommendations on the agriculture sector for the next Union Budget?

Agriculture and rural development are in need of much greater investment. There is a mismatch between production technology and post-harvest technology. We should end this mismatch by making greater investment in post-harvest storage, processing and marketing. The next Union Budget should also provide more funds for agricultural research, education and extension. The return from investment in public good research is very high and hence greater allocation will lead to greater benefits for the country.

How will the new Land Acquisition Bill impact farmers in particular and agriculture in general?

There is considerable debate on this topic among Parliament Members and Farmers’ Organisations. We should try to develop regulations which will represent a win-win situation both for farmers, farming and national development goals. For this purpose, three prerequisites are essential. They are, safeguarding our food security system, strengthening the livelihood security of farm families and acquisition for a public purpose and not for private profit.

What according to you is the adverse impact of genetic engineering on the nutritional value of the crop?

As far as I know, there has been no adverse impact of genetic engineering on the nutrition value of the crop. Most of the crops grown in the United States are genetically modified. Some scientists are working on biofortification like

enhanced vitamin A content through Genetically Modified Organisms (GMOs). However, we do not have yet a regulatory mechanism which inspires the confidence of the public, political leaders, professionals and the media. We need a parliament approved Biosafety Regulatory Authority.

What are the impediments to India's food security? How can women contribute to it?

Women are already playing a very important role in agriculture, which by and large remains unrecognised and unrewarded. I therefore introduced Private Members' Bill titled Women Farmers' Entitlements Bill for adoption by Rajya Sabha. Unfortunately, this could not be taken up before the end of my tenure in the Rajya Sabha.

How should the government make agriculture sector an attractive career option for the youth?

Attracting and retaining youth in farming is the major challenge. For this purpose, we should make agriculture both intellectually satisfying and economically rewarding. The economics of farming is conditioned by input – output prices and import-export policies. Therefore, we need synergy between technology and public policy. The

livelihood of rural and tribal families. Our programme follows the principle laid out by Mahatma Gandhi that we should combine brain and brawn or intellect and labour, while developing skill programmes for rural communities. Unfortunately, this principle is often forgotten in government programmes like Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). For example



MGNREGA will confer immense benefits both to the individual and to the nation, if skills are imparted in the areas such as child care, maintenance of crèches, rain water harvesting, water shed management, drip irrigation, greenhouse cultivation, biodiversity conservation and converting biodiversity hotspots into happy spots through

assetless women will grow mushrooms in a small space in their hut which has now become a substantial income generating activity. If one goes to a village and ask men and women what they are doing, the answers will be somewhat under the following lines:

“I am a plant doctor; I am an academican of the National Virtual Academy; I am a climate risk manager; I am a community

hunger fighter; I am a biodiversity conserver; I am a soil health manager etc.”

Thus, the men and women who acquire new skills are very proud of their capability in areas relevant to both rural life and employment. A majority of our people are young and hence imparting skills to economically underprivileged young women and men should receive priority under the ‘Skill India’ Programme. If ‘Skill India’ is properly developed, it will not only enhance income, but also the self-esteem of rural families. We will be able to retain youth in farming only if they find farm occupations intellectually stimulating and economically rewarding. Thus, ‘Skill India’ can confer multiple benefits.

“Attracting and retaining youth in farming is the major challenge. For this purpose, we should make agriculture both intellectually satisfying and economically rewarding.”

National Commission on Farmers has made detailed recommendations on how to attract and retain youth in farming. Involvement of educated youth will help to promote the technological upgradation of agriculture.

Our Prime Minister recently launched the ‘Skill India’ Movement on the occasion of World Youth Skills Day (July 15, 2015). In this connection, I would like to share some experience in imparting new skills which can strengthen the quality of life as well as

conservation, sustainable use and equitable sharing of benefits.

MS Swaminathan Research Foundation (MSSRF) designed the Biovillage model in 1992 of human centred development in the Union Territory of Puducherry. This programme aims to impart new skills to both, those who possess land or livestock, as well as those who are classified as landless labour, especially for women. Special attention was given to women, since they are usually the most hard worked and least paid. Thus,

WTCMM - A Class Apart in World Exhibition Space

Mr. Guillermo D. Luchangco, Chairman, WTC Metro Manila is providing World Trade Centre Metro Manila (WTCMM) the direction it needs, to continue on its path of perfection, while reaching out to international markets. In this interview, he shares the many achievements WTCMM has seen when hosting and participating in world events. Under his leadership, the Centre is gearing up to take on future endeavours.



With experience as varied as yours, how have you been able to combine and use it, while heading the World Trade Centre (WTC) Metro Manila?

I used my varied experience first, as an investment banker, to conceptualise and package the World Trade Centre project and to raise the necessary funding through the formation of a consortium for the purpose. I used my experience in the construction and development of property projects (I am an engineer by education) to oversee the erection of the exhibition halls and facilities and I relied on my experience in managing varying types of businesses to ensure the smooth operation and success of WTCMM.

WTC Metro Manila has specialised in the exhibition venue space and services worldwide? How has it been able to achieve such a feat?

WTCMM is proud to be the first Philippine exhibition venue recognised and listed by the Union Des Foires Internationales since 2005. (UFI is the

global association of the exhibition industry) It is part of the network of over 300 WTCs of the prestigious World Trade Centers Association (WTCA), the leading private sector organisation promoting and facilitating world trade and commerce. This affiliation gives each event held at the WTCMM a sense of distinction. This is why it holds the reputation as the country's most prestigious international venue. WTCMM is also the first and only ISO 9001-Certified Exhibition Venue in the country which assures quality management in terms of customer service.

Which are some of the exhibitions that draw large participation and what is the participation level from India?

WTCMM has been host to countless global and local events and this address has successfully made a mark in

attracting a roster of big clients. The Asia Pacific Economic Conference (APEC) Summit, the National Women's Summit attended by the then US First Lady Hillary Clinton and France Show that built a replica of the 'Louvre' to name a few, were all staged at WTCMM.

“The global trademark of World Trade Center has made our facility internationally known and the mandate of promoting global trade and investment is aligned to the nature of the exhibition business.”

Similarly, WTCMM played host to some of the country's biggest events like the Asia Food Expo, World Food Exposition, Manila International Autoshow, Agrilink and the Philippine World Building and Construction Exposition. More recently, it has hosted the National Priests Convention and



foreign shows such as the Asian Defense Show, Glass Tech Asia and the French Food Show SIAL. India has been significantly represented in some of these shows by exhibiting Indian companies.

How has WTC Metro Manila been able to align its activities to make it a key player in the MICE Industry?

WTCMM is the preferred venue for international prestigious events. Since its inception in 1996, WTCMM has continued to provide world-class service and unparalleled expertise in exhibition, trade shows, expositions and events. Being a pioneer in the exhibition business in the Philippines and the feat of being the preferred venue for foreign and local exhibitions, WTCMM was inevitably put on the map of the global MICE industry. Its active involvement in the MICE industry includes participation in government-initiated MICE projects and participation in MICE-related trade events.

Established in the financial center of Pasay in Metro Manila, how has this helped your Center in planning its trade promotional activities?

WTCMM is strategically located where it offers excellent accessibility to the international airport and seaport, entertainment and cultural facilities, five-star hotels, luxurious restaurants and executive offices in Makati, the country's main business district. More than its central location and accessibility, WTC Metro Manila's role as a key player in the exhibition industry, together with its shared mandate to promote the

Philippines for foreign trade and investments has enabled it to develop strong ties with the Department of Trade and Industry (DTI) and trade partners such as embassies and chambers of commerce. We have successfully placed

“Aligned with the thrust of the Philippine government to prosper foreign trade, the WTCMM features trade shows and exhibitions that contribute to the increase in both household consumption and exports.”

ourselves right at the center of trade activities through the various exhibitions and trade shows that we have hosted. The global trademark of World Trade Center has made our facility internationally known and the mandate of promoting global trade and investment is aligned to the nature of the exhibition business. Also, through the Manila World Trade Center Club (MWTCC), we get first-hand knowledge of upcoming trade missions that offer opportunities for MWTCC members to network and explore business partnerships. We have also been instrumental in helping upgrade the knowledge of our members through its trade education program, markets of the world, which is now in its third year, fourth edition.

The Philippines, as a country, is well-linked to global networking, serving its business community. How is the WTC catalysing the process?

The WTCMM serves as a hub of international and local trade shows held

in its halls, where businessmen converge to explore business partnerships. On the other hand, the Manila WTC Club continuously organizes networking and business-matching activities and actively partners with key government and non-government organizations to ensure that its members and partners are well-linked to global networking.

What role does the WTC Metro Manila play in an emerging economy such as the Philippines which is anchored on agriculture?

It is not necessarily correct to assume that the Philippines is anchored in agriculture. Agriculture only accounts for about 11% of the country's economy.

It is rather driven more by Services (57%) and industry (31%). The two main drivers of the country's GDP based on composition by end-use are household consumption (73%) and exports (29%). In consideration of this, trade shows and exhibitions play a pivotal role in ensuring that the products and services available in the market are ready to serve the growing demand. This is where WTCMM contributes to the Philippine economy. Aligned with the thrust of the Philippine government to prosper foreign trade, the WTCMM features trade shows and exhibitions that contribute to the increase in both household consumption and exports.

Some of the other areas such as manufacturing, mining and services industries too have done their bits in making the country what it is today. How is WTC Metro Manila addressing these areas as well?

We see to it that the trade shows and exhibitions held at the WTC Metro Manila are timely and relevant to manufacturing, mining and services industries. This is why we hold trade fairs and exhibitions like Philippine Die and Mold Exhibition and Convention, Philippine World Building and Construction Exposition, Manila International Auto Show, Philippine Semiconductor and Electronic Convention and Exhibition and World Food Expo, to name a few.

The Philippines has been placed as 'newly industrialising countries' under the 'Next Eleven' economies. What is the contribution of WTC Metro Manila to this with the view to attracting investment and future growth?

Clearly, its role as the premier exhibition hall in the country, contributes to the promotion of not only investment and future growth, but the expansion of trade as well. As we all know, exhibitions and trade shows are a major means of encouraging trade and this is what our venue exists for. Having an internationally recognised trademark like the World Trade Centre further helps by enhancing the credibility to foreigners of events held in our premises.



The region being served by the WTC Metro Manila is rather huge to include the metropolitan area of the City of Manila and the financial, commercial and industrial center of Philippines. What is the strategy being used to handle such a huge territory?

The region served by the WTCMM is not really so huge as to be unmanageable. It is a rather compact area and we are able to service it with our competent and hard working staff. It should also be understood that the size of the Philippine economy is not so large when compared with the leading nations of the world, so the 'busy-ness' of the WTCMM cannot be compared to that of economic centers in cities like New York or Tokyo.

“Trade shows and exhibitions that cater to SMEs are held in the WTCMM halls, some of which are, the Filipino Franchise Expo, Agrilink, Carindera Festival and ‘Go Negosyo Fair for Overseas Filipino Workers.’”

What are the measures being taken to cater to the needs of the SMEs in your country? Do you have plans to bring trade missions to India?

Trade shows and exhibitions that cater to SMEs are held in the WTCMM halls, some of which are, the Filipino Franchise Expo, Agrilink, Carindera Festival and ‘Go Negosyo Fair for Overseas Filipino Workers’. Through the Manila WTC Club, we organise relevant trade

WTCs around the world to create as many trade opportunities as possible. We regularly circulate incoming inquiries to our members as well as other Philippine enterprises and we assist our countrymen in their attempts to reach other parts of the world with their export objectives. We have also led or received trade missions from other countries and having our own facility in which our business development and facilitation offices are located, is a big help because it gives us a base from which to operate. We also regularly send teams out to other Asian countries to explore opportunities for trade and we faithfully attend WTC General Assemblies, which we find to be a good source of leads as well.

What would you like to share with the Indian business community that is keen to invest in the Philippines? Do you have plans to bring trade missions to India?

With the ASEAN-India Free Trade Agreement in place, businessmen from India can very well consider the Philippines for their investments. They can explore foreign direct investments into the Philippines in industries where Indian companies enjoy competitive advantage, such as in industries of automobile, automobile parts and components, pharmaceuticals, information technology and business process management.

We are currently assisting WTC Mumbai in promoting participation of Philippine companies to its 5th Global Economic Summit in November 2015. Hopefully WTCMM can form a delegation for the said event.

seminars and networking activities to help equip SMEs with updated information on ‘Doing Business’ with foreign markets, which will hopefully open doors to explore new markets. For instance, we are currently assisting an Indian business delegation from WTC Mumbai, whose members wish to explore and forge business partnerships with local water companies.

In your opinion, how can WTC Metro Manila assist in increasing trade amongst other Asian countries with special reference to the Indian economy? How is WTC Metro Manila drawing from the resources of other WTCs around the world?

First of all, we are connecting with

Italy to Strengthen Presence in Indian Agriculture Markets

*The need of the hour for India is farm mechanisation suitable for agro-climatic and landholding conditions. Italy leads in farm machinery industry and is able to fill the gap that exists. **Mr. Marco Acerbi, Director, EIMA** was interviewed at the recently held EIMA Show in Pune where he explained the activities of his federation 'FederUnacoma' and how it intends to serve India's requirement.*



Could you share your perspective on how India could step up its agriculture mechanisation in the light of Italy's current status in the area?

Indian and Italian agriculture share many similarities, the most relevant being that they are both based on small- and medium-sized landholdings. India's agriculture can definitely benefit from the expertise and best practices that Italy has developed over the course of years for improving the level of mechanisation, which is nowadays estimated at 35%, in order to increase farm productivity.

What is your share in the Indian agriculture market? Are you planning to join hands with other similar agriculture markets for exchange of information, training and skill development?

Several associates play a relevant role in India's agriculture market, whether it is

about tractors or machinery or components. FederUnacoma already avails of an extensive network, which includes the most relevant public and private players in agriculture and its mechanisation in the world, also through the AgriEvolution Alliance, which gathers the most relevant manufacturers' associations.

What are some of the activities your Federation undertakes in the energy sector?

Within FederUnacoma there is a specific Association, Assobioenergy, which gathers the manufacturers of machinery and equipment for energy generation

from agricultural biomass. This sector is set to register remarkable growth rates within the next few years and the solutions it proposes can help in solving energy problems and achieving the greenhouse gases emission reduction by decreasing the dependency on fossil fuels. Italian companies are able to provide solutions for generating energy for biomass covering enough kW units to cater to the needs of Indian villages, often badly connected to the power grid.

Which are the specific low-capital intensive agriculture equipment that is best suited to India's needs?

There is a whole range of machines and

“Italian agricultural machinery industry ranks first in the world in terms of the range of products and within this range, there are plenty of solutions that can be beneficial to India.”



“FederUnacoma can act as a catalyst for interaction between Indian and Italian players in the agricultural machinery sector, for generating business leads and opportunities.”



equipment, which Indian agriculture needs in order to improve its productivity, ranging from tilling and seeding equipment to irrigation and from crop protection equipment and harvesting machines to transportation equipment. Italian agricultural machinery industry ranks first in the world in terms of the range of products and within this range, there are plenty of solutions that can be beneficial to India. As it happened in Italy, custom hiring centres and contractors can play a pivotal role in creating momentum for the adoption of latest technologies, which cannot be afforded by the single farmer.

Could India benefit from innovative services your Federation offers? If so how?

Many of the services the Federation offers are devoted to the internationalisation of member companies. FederUnacoma can act as a catalyst for interaction between Indian and Italian players in the agricultural machinery sector, for generating business leads and opportunities. In this regard, a pivotal role is played by the

exhibitions the Federation organises both in Italy and India. In Italy the Federation organises Eima International, one of the most important exhibitions on agricultural machinery in the world, renowned for its focus on business-to-business interaction and on internationalisation. In India, the Federation cooperates with the Federation of Indian Chambers of Commerce & Industry (FICCI) to organise Eima Agrimach, which is now well known in the market as an important fair on agricultural machinery, whose next edition will be held in New Delhi from December 3-5, 2015.

FederUnacoma’s associates account for 80% of Italian production, with exports accounting for 60% of this production. How has this been achievable?

The Italian agricultural machinery industry was born in the immediate aftermath of World War II and since then FederUnacoma has been working hard to promote the interests, gaining the trust of a large share of the Italian agriculture machinery Industry. Manufacturers have

always recognised the importance of being part of an association, that can defend their interests both in Italy and abroad, as well as support them at various levels, especially in their technical issues, promotion and internationalisation efforts

Do you have any export financing facilities (Line of Credit) with financial institutions in Italy for incentivising the export of your member company’s products?

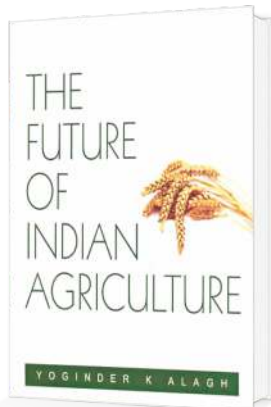
Unlike other European Countries, in Italy there is not much financial support from the government for incentivising exports, especially for SMEs. Companies are therefore bound to base all their strategies and activities on internal resources.

In the context of government’s ‘Make in India’ campaign, are plans afoot to set up manufacturing units by your member companies?

Already in the past years, especially since the 2007 Italian prime minister’s



visit to India, which led to joint activities with FICCI in 2008. Several FederUnacoma members set up manufacturing units in India and it is expected that others will follow by example in the years to come, thanks to the new conducive policies, which are being introduced by the Indian Government. The member companies are fully aware that India can represent an important hub for manufacturing, to cater to both the needs of the local market and of the developing countries.



Indian agriculture is going through crisis as well as transformation. Crisis in terms of supporting the livelihoods of the rural communities and transformation in terms of changes that is different from the experiences of the last half a century, especially after the green revolution (1960s and early 1970s). Declining profitability coupled with increasing cash needs is driving more and more farmers out of agriculture. The desperation is clearly evident and the majority of farmers do not want their children to pursue agriculture as a career option. On the contrary, households or communities that are not traditionally into farming are getting attracted or tied down to farming. As a result, composition of the farmers is changing. Apart from cash needs, farmers are facing new constraints of labour shortages, varying climate, etc., which are not only influencing the crop decisions but also adding to the desperation. The reasons for this situation originate from our inheritance (agrarian structure, policies, etc) though some of them are from the recent past.

The book under review written by Professor Y. K. Alagh, one of the doyens of Indian agriculture (contributed as a researcher as well as policy maker), provides a lucid and comprehensive narration of Indian agriculture since independence. Apart from the introductory chapter, the book is organised in four parts viz., agricultural demand, meeting demands with growth; investment and technology lessons and policies. The introductory chapter sets the background and overview of the book. Professor Alagh narrates the inheritance of agricultural policies since the 'Green Revolution' and explains the deceleration and pickup of agricultural

The Future of Indian Agriculture

V. Ratna Reddy, Director,
Livelihoods and Natural Resource Management Institute

growth over the years. It is argued that Indian agriculture continues to be demand driven and this is expected to accelerate in future.

Chapter two delves into the factors behind the demand for agricultural produce viz., population, changes in demand for food and feed, food security, poverty, income distribution and food subsidies. This chapter provides an exhaustive review of all the important studies dealing with these aspects. Demand for agriculture produce is moving away from cereals and food grains in favour of milk and milk products; edible oils, sugar, etc., though there are variations between different estimates. It is shown that the population dependent on agriculture and the share of rural population is declining faster than the official projections (Chapter 3). It is argued that the present plans exclude 10 percent of the urban population.

Decline in agriculture investments (public as well as private) is at the root of the agricultural slow down during 1990s and the investments have picked up later (chapter 4). Professor Alagh rightly argues for agro-climatic planning and policies, which was his brain child. Seed varieties, land and water management practices need to be designed according to agro-climatic conditions. Unfortunately the agro-climatic planning is totally forgotten in the recent years. While institutional approaches are required for managing water resources, technologies play an important role in seeds and soil management. It is argued that a more holistic approach of combining technology and institutions is the way forward. Space and information technologies could further agricultural development.

In order to maintain an agriculture growth of 3 to 4 percent per annum, the sector needs investment to the tune of 12 percent of the GDP every year. However, the recent experience indicates that even a higher investment (above 15 percent) is not able to sustain the growth (chapter 5). Resource degradation (land and water) could be one reason, as pointed out by

Professor Alagh. Similar investments and policies are required in forestry in order to maintain the resources and enhance its productivity. Therefore, there is a need for a relook at the magnitude and composition of agricultural investments. While the Indian farmer has always responded to policy interventions, it is absolutely necessary to have right policies and a conducive investment environment (chapter 5).

The future of Indian agriculture depends on formulating appropriate policies and institutions to implement them. The policy regime should consider and take into account the changing contours of Indian agriculture. These include:

- Declining viability of agriculture resulting in majority of the farmers (67 percent) inclined to quit agriculture. Increasing labour costs, declining access to water, increasing weather-related vulnerability and market risks are among the prime reasons.
- There is clear evidence that the composition of the farming community and their priorities are changing. Diverse groups are taking up farming either by choice or force. Among these, socially vulnerable sections like Schedule Castes and Schedule Tribes (SC & ST) and women require special support in order to make farming viable and continue with it in the long run. These vulnerable groups are deprived of access to critical resources like groundwater, input and output markets. On the other hand, educated youth need to be supported in terms of access to machinery and tools. Agriculture in general and rainfed agriculture in particular, need information on weather and water resources at the village scale in the context of climate variability.
- Households that are less dependent on hired labour, either through mechanisation or with more of their own labour, tend to continue in agriculture. Labour costs are not only rising but are also becoming a major

constraint. Policy initiatives towards developing and promoting appropriate farm technologies need to be put in place.

- Resource degradation (land and water) and distribution is a major concern. While more and more marginal land is being brought under cultivation due to the population pressure and distribution of land to the landless, access to water remains a major constraint to improve agricultural productivity.
- Current approaches and practices of improving the conditions in agriculture have been ineffective over the years. The policies and programmes are neither scientific nor comprehensive in their design and have failed to integrate various aspects of the socio-ecological system. Major programme interventions in rainfed regions like watershed development could not achieve the desired objectives, as hydrogeology and biophysical aspects are not taken into account while designing and planning the interventions. Similarly, in most places works under MGNREGA are ad hoc and do not result in strengthening the natural resource base in the absence of proper planning and execution. Adopting an integrated approach of science and socio-economic aspects is critical for sustainable resource management and livelihoods. Most important among them is proper understanding of hydrogeology and biophysical aspects to design watershed interventions. Such a design could make watershed interventions effective as well as sustainable.
- Sustainable and equitable groundwater management is critical for protecting rainfed agriculture, especially among the vulnerable groups. Institutional arrangements that promote equitable access to groundwater need to be evolved and promoted. This could be possible through participatory monitoring and social regulation. The approaches formulated in the 12th five year plan needs serious consideration and implementation.
- Wide spread urbanisation is eating into fertile agricultural lands, adding to pressure on croplands and demand for marginal lands. There is need for comprehensive urban planning (centralised vs. decentralised) taking

agricultural sector into consideration.

- Climate change or variability is further adding to farm distress - understanding various aspects like exposure, sensitivity, resilience and adaptation across farm categories (small/marginal/medium/large) across agro-climatic regions. Generating climate information at the village scale by establishing weather stations and adopting participatory learning and monitoring could help promotion of climate smart practices like sowing rules (sowing only after 75 mm rain fall in a week) critical irrigation (timely irrigation to protect the crop in years of drought). This along with groundwater, crop and market information could be provided to the farmers under an institutional set up in an interactive manner.
- Demand for machines are on the rise due to climate variability where the window of critical periods like sowing and harvesting are narrowing and hence the peak period labour demand coupled with low willingness to take up harsh work. Designing appropriate machines (especially for harvesting cotton, chillies, etc) to suit the scale should be taken up on priority.
- Output supply chains need to be assessed thoroughly in order to reduce the influence of the middlemen (trader) and reduce the price gap between farmer and consumer. Farmers need to be encouraged to take up simple processing (rice, wheat flour, etc) of their produce through provision of support for processing and packaging at the local level.
- Business centre concept at the village (local) level, where all the inputs and machinery could be procured or hired needs to be promoted with farmers participation and shareholding. This should provide inputs and machinery as per the local needs and advisories (seeds and other inputs as per the recommendations of the scientists) and climate information centres should be integral to these business centres. Such a model would help ensuring the availability of appropriate and quality inputs in a timely manner. The business centres could be directly linked to the industry so that quality and price are guaranteed.

- Reviving the extension services at the national and state levels in a big way with funds, functionaries and powers is a must. Extension needs to be revamped in terms of providing two-way interaction with farmers and scientific institutions. Density of extension workers need to be increased many fold with proper training and capacities to deal with the local conditions. At least one extension worker per panchayat is required and attached to the business centre.
- Of late experience suggests that agrarian environment is turning out to be more conducive for corporatisation or privatisation of agriculture. While one need not brush aside or shy away from such developments, robust policies are required to protect the interests of the farming community in general and small and marginal farmers in particular.

All this, however, requires well thought out institutional arrangements. These institutional arrangements, though participatory, cannot be sustained on voluntary and cooperative basis. At the same time it should take into account the existing decentralisation structures such as Panchayati Raj Institutions (PRIs) and other formal and informal institutions (Self Help Groups - SHGs, watershed associations, etc). It should be evolved as a business model providing profits to the organisations and benefits to the farmers in terms of quality inputs, timely advice, timely operations, better output prices, etc. Moreover, it should be accessible to all sections of the community rather than creating another power structure. The model can draw lessons from the existing and successful models across the country.

This book provides a solid background for addressing these issues. It discusses both methods and analysis and provides insights into the Indian agricultural development over the decades at the macro level. It is a valuable source of literature and analyses and is a must read for all the students, especially the new generation researchers, policy makers and development practitioners. The book should be included as a reference at the university level.

■

Previewing India's Trade Facilitation System

The share of India's exports in the world total exports, stands at a mere 1.66% compared to 11.74% for China, 2.78% for Russia and 2.97% for South Korea (according to the data for 2013 published by the World Trade Organisation). Among the BRICS economies, the share of India's exports in the world total exports is higher than that of Brazil (1.29%) and South Africa (0.51%).

Export is one of the engines of economic growth as it contributes to employment generation, rise in national income and increase in foreign exchange reserves of a country. Indian exporters must utilise the unique opportunity offered by the slowdown in the Chinese economy, decline in the crude oil prices and a supporting domestic policy environment to increase their competitiveness in the global market.

The central government, on its part, has been promoting exports through various measures including the announcement of the 5-year foreign trade policy, promoting manufacturing through 'Make in India' campaign, entering into preferential trade agreements with other countries etc. A remarkable feature of the Foreign Trade Policy 2015-20 is that it reduced the number of documents required for both exports and imports to 3 from the earlier requirement of 7 for exports and 10 for imports (according to the World Bank 'Doing Business Report 2015'). These three documents are bill of lading or airway bill, commercial invoice-cum-packing list, shipping bill or bill of export.

The Directorate General of Foreign Trade (DGFT) under the Union Ministry of Commerce and Industry enforces the provisions of the Foreign Trade Policy and it also acts as a facilitator of India's international trade. Exporters can approach the Mumbai office of the DGFT to resolve problems, even those relating to other government departments which are directly or indirectly related to imports or exports. The Mumbai office of the DGFT holds monthly meetings of the Grievance or Facilitation Committee which includes representatives from Federation of

Indian Exporters Organisation and other Export Promotion Councils or Commodity Boards or Government Departments. The DGFT provides opportunity to every exporter or importer to make a representation and be personally heard by this committee.

Separately, the central government's India Trade Promotion Organisation (ITPO) is also promoting India's exports by organising trade fairs and exhibitions, managing world-class exhibition complex. It also offers other services like linking Indian suppliers and overseas buyers, assisting Indian companies in product development and adaptation to meet overseas buyers' requirements.

World Trade Centre believes that India's exporters would use these facilities to enhance their footprint in the global market and effectively compete against goods from other countries.

Following are some of the key elements that play an important role in enhancing India's international trade -

Export Promotion Councils or Commodity Boards

There are several export promotion councils for promoting exports across various sectors including engineering goods, pharmaceutical goods, agricultural commodities, textiles, gems and jewelry. Besides these councils, there are also commodity boards for promoting exports of specific commodities like tea, coffee, tobacco, cashew, carpets etc.

These councils or boards promote external trade of India in a cost-effective manner by organising and participating in international trade fairs in India and abroad, organising buyer-seller meets, conducting overseas market surveys,

exchanging and co-ordinating visits of business delegations and undertaking need-based research to facilitate trade in specific sectors or markets.

Labeling, Packaging, Packing and Marking Goods

Exporters must take special care while labeling, packaging, packing and marking of their consignments.



Exporters must label the goods in accordance with the norms prescribed by the importing country (the norms differ from country to country). Packaging must be done in accordance with the instructions issued by the importer. Packing refers to the external containers used for transportation.

The exporter must ensure that all the contents are properly placed in the case before packing and sealing the goods. Further, the exporter must prepare a list of contents so that the buyer, the customs authorities and the insurance authorities can easily check the contents of each and every case.

Lastly, for the sake of identification, the exporter must provide marking on the shipping case and this must include exporters' identity, port of destination, place of destination, order number and date, weight of the product and handling instructions. The marking must strictly be in compliance with the law of the buyer country.

Customs House Agents (CHA)

Importers and exporters need to comply with specified procedures for clearances with the customs authority. While these formalities can be fulfilled by exporters and importers on their own, they typically appoint a Customs House Agent (CHA) to act on their behalf with customs officials as it saves them time and efforts.

Classification of Goods

There are thousands of products exported and imported by any country at a given point in time. In order to identify and describe these goods individually, the customs authority of a country assigns a unique code number for every good. The Indian customs authority has adopted the Indian Trade Clarification based on Harmonized System of Coding (the eight digit ITC-HS Code) to identify goods that enter into foreign trade.

DGFT makes changes or adds new codes in ITC-HS Code from time to time in response to the changing pattern of trade and change in the nature of goods.

Export Inspection Council

A country's export sector cannot grow sustainably if it does not have any agency to monitor and control the quality of goods supplied to other countries. In order to facilitate exporters to maintain the quality of their goods, the central government set up the Export Inspection Council (EIC) in 1963. This Council notifies commodities which will be subject to quality control and/or inspection prior to export. It would establish standards of quality for such notified commodities, specify the type of quality control and/or inspection to be applied to such commodities. EIC also controls the five Export Inspection Agencies (EIAs) located at Chennai, Delhi, Kochi, Kolkata and Mumbai. These agencies implement the measures and policies formulated by the EIC.

There are about 40 sub offices under export inspection council actively involved in pre-shipment inspection, quality control and certification with many laboratories countrywide. They are

engaged in consignment-wise inspection, in-process quality control and self-certification scheme.

Certificate of Origin

Generally, countries enter into free trade agreements with other countries in order to promote export and import among them. Export and import of goods under these agreements are eligible for tariff concessions and other benefits. Exporters, who want to avail these concessions or benefits under a free trade agreement, have to secure the Certificate of Origin from designated bodies like the Export Inspection Agency, Federation of Indian Export Organisations (FIEO) to attest that their goods do not originate from a country which is not a party to the particular agreement. Besides free trade agreement, tariff concessions are also



offered under other arrangements like the Generalised System of Preferences, Global System of Trade Preferences etc. Certificate of Origin obtained for claiming tariff concessions under any of the above arrangements is called Preferential Certificate of Origin.

In case the goods exported are not eligible for any tariff concessions or benefits under any of the above arrangements, the exporter must obtain a Non-Preferential Certificate of Origin to certify that the country of origin of a particular product does not qualify for any preferential treatment.

Agreements

Exporters can take advantage of concessional tariffs and other benefits (like lower non-tariff barriers) by exporting goods to those countries with which India has signed free trade

agreements or regional trade agreements. There are 11 major bilateral and regional trade agreements signed by India with various countries.

EoUs/SEZs

The central government offers two complementary schemes to promote exports from India and these are Export Oriented Units (EoU) Scheme and Special Economic Zone (SEZ) Scheme. Under the EoU Scheme, an entrepreneur can set up his manufacturing facility at any location and export goods from there. These entrepreneurs will get benefits like speedy approval of imported raw materials and technologies, permission for 100% foreign equity participation, tax benefits.

In order to encourage export of goods and services from India, the central government released a policy on Special Economic Zones (SEZs). Business units set up in SEZs enjoy world-class infrastructure facilities, single-window clearance mechanism, tax incentives and other benefits. The key difference between an SEZ and an EoU is that an SEZ can only be set up in the demarcated custom bonded areas notified under Section 76A of the Custom's Act, 1962. EoUs, on the other hand, can be set up in any area based on

considerations like proximity of port facilities, availability of raw materials etc.

Export Credit

EXIM Bank is the premier institution that promotes exports from India by extending line of credit (LoC) and buyer's credit. Line of Credit is extended to foreign governments or their nominated agencies such as central banks, state owned commercial banks, among others. These agencies, in turn, lend credit to overseas buyers for import of equipments, goods and services from India.

Buyer's credit is extended to a foreign project company that intends to award the project execution to an Indian project exporter. In order to boost funding to the export sector, the Reserve Bank of India has accorded priority sector status to

bank credit to exporters. Exporters, who receive confirmed orders from foreign buyers, can avail pre-shipment finance from banks and other financial institutions. Another form of export credit is bills of exchange whereby exporters can encash their account receivables from a commercial bank.

Export Insurance

Entrepreneurs who are selling goods to foreign buyers are exposed to the payment risk owing to economic, commercial and political reasons in the importing country. For example, if a country is in a serious economic crisis, its government may impose restrictions on transfer of payments for goods imported. In another scenario, if the importing company goes bankrupt or if there is a political turmoil in the importing country, the exporter may find it difficult to get payment for the goods shipped.

In order to insure exporters against the payment risks arising out of the above scenarios, the Export Credit Guarantee Corporation (ECGC) offers export credit insurance facilities for exporters and banks in India. Besides offering insurance, the corporation also provides guidance in export-related activities, releases credit rating information on different countries, facilitates credit availability for exporters from banks or financial institutions, assists exporters in recovering bad debts etc.

Dispute Settlement

In the field of international trade, there is scope for dispute between sellers and buyers of goods on grounds of pricing, quality of goods etc. Such disputes can be settled either through the court of law or through arbitration. Arbitration is a preferred method of dispute resolution as it is less time consuming and it does not involve court proceedings with lengthy legal procedures. In India, under the Arbitration and Conciliation Act 1996 awards given by Arbitrators are enforced like court decrees.

Several export promotion councils or commodity boards in India have set up arbitration system in order to facilitate speedy disposal of disputes involving exporters and importers.

Ports

An efficient maritime infrastructure is a pre-requisite for exports of India as 95% of the country’s trade by volume is handled by ports. There are 12 major ports in India which come under the

are custom bonded in-transit facilities and they help decongest ports. Further, the government set up Inland Container Depots (ICD), which are also custom bonded in-transit facilities where shipping formalities for containerised cargo can be completed.

The only difference between ICD and CFS is that the latter is located near the port, while the former is located in the hinter land.



Government Schemes

Government provides tax exemptions for export of specific goods and services to specific countries under the Merchandise Exports from India Scheme (MEIS) and the Service Exports from India Scheme (SEIS). The government also has various schemes under which it waives customs duty on import of raw materials and capital goods for producing goods meant for export.

Under another scheme, the government offers financial assistance to export promotion councils, industry and trade associations to conduct promotional activities in foreign countries. These promotional activities include market studies or surveys, setting up showroom or warehouse, participation in international trade fairs, publicity campaigns, brand promotion etc.

Container Freight Stations/Dry Ports

An enabling policy environment combined with an enterprising business community and sound logistics infrastructure go a long way in enhancing the competitiveness of India’s exporters in the global market. These factors can support growth in India’s exports despite the negative impact of the economic slowdown in the importing countries.

The central government has set up Container Freight Stations (CFS) to facilitate international trade and help small exporters, whose consignments are less than container loads (LCL). CFSs

are custom bonded in-transit facilities and they help decongest ports. Further, the government set up Inland Container Depots (ICD), which are also custom bonded in-transit facilities where shipping formalities for containerised cargo can be completed.





Poland to Strengthen Food Trade with India

Zofia Szalczyk, Under Secretary of State, Ministry of Agriculture and Rural Development, Government of Poland

Polish government aims to step up its trade in the agriculture and allied sectors with India in the coming years. Poland has been present at fairs and exhibition events throughout all regions of the world in order to so. However, it is worth emphasising that the Indian market has been included in a group of 13 priority directions of Polish food promotion programs, according to Poland's agriculture department.

In a move towards this direction, Ms. Zofia Szalczyk, Under Secretary of State, Ministry of Agriculture and Rural Development, Government of Poland led a 12-member delegation to India to promote her country's strength in the agricultural sector and food companies in this September.

The Polish delegation held discussions with senior officials in the Department of Agriculture, Government of India and officials of the Indian food industry. The delegation also participated in the Aahar - The International Food & Hospitality Fair and Annapoorna World of Food India, internationally-known trade fairs of India.

Ms. Szalczyk informed that Poland intends to import agri produces like spices, basmati rice, mango, cashew, raisins and tea from India.

Ms. Szalczyk said that Indian companies must achieve EU standards as there are vast opportunities in Europe. The Minister highlighted that Poland has a lot to offer India, in the areas of dairy products, confectionery, sweets, chocolates, fruits and vegetables.

Agri-foods Sector

Agriculture forms an important part of the Polish economy. One of the reasons for this, is that it has favourable soil and climatic conditions to support a mixed type of farming. Over the years, Polish agriculture has undergone a sea change. The export of Polish agri-food products has significantly increased since joining the European Union in May 2004. It is worth mentioning, that the Polish food industry is a major producer of food in the European Union (sixth place with a share of almost 9%). A number of factors contributed to the significant growth in food production by Polish agri-food sector. Among the most important factors are:

- Implementation, already in the period of pre-accession to the EU and after accession to the EU, a broad range of restructuring activities in the institutional environment of the sector and in the agriculture and agri-food industry,
- Opening for the Polish producers access to the EU market with over 500 million consumers,

- Rational use of available funds from the EU, as well as from the national budget,
- Modernisation of farms and their technical equipment, improvement of agricultural technology and rationalisation of the rules of animal husbandry, crop growth and increase in the productivity of animals,
- Increase in the scale of agricultural production and improvement in the structure of farms,
- Increase in marketability of agriculture production ,
- Horizontal integration of farms (concentration of supply of agricultural products) - the creation of producer groups,
- Considerable scope of modernisation and restructuring processes, especially in agri-food industry,
- Inflow of foreign direct investment, which allowed easier access to modern technology and management methods, which led to concentration of production, allowing for advantage in economies of scale,
- Competitiveness resulting primarily from cost and price advantages.

In 2014, exports of Polish agri-food products rose 4.5% to EUR 21.9 billion from EUR 20.4 billion in the previous year. Currently, during January-June 2015*, the value of exports was EUR 11.2 billion, representing an increase of 6.4% as compared to the first half of 2014 which was EUR 10.5 billion. Of the total agri-food products exports in January-June 2015*, about 80% or nearly EUR 9 billion was supplied to the EU markets. Of this, a significant part was re-exported to third countries.

Export successes of Polish agri-food sector reflecting Poland's high position on international arena can be attributed to the following factors:

- High quality of agri-food products
- Price and cost advantage in exports
- Flexibility of food processing industry in terms of product range
- Wide promotion of Polish food products
- Co-operation of agricultural producers and processors, while conducting Ministry of Agriculture and Rural Development intensive activities, associated with winning new markets.

Dairy Sector

In the dairy products sector in which Poland has excelled, in the period January-June 2015*, the value of exports was to the tune of EUR 931, 8 billion, as compared to EUR 1 122 billion in the previous year. In the same period (January-June 2015*), export of vegetables amounted to EUR 441.3 billion compared to EUR 510.3 million in the previous year. Export of fruits in the first half of 2015* amounted to EUR 488, 1 million compared to EUR 592.3 million in the first half of 2014.

Major export products in 2014

- Meat and meat products
- Dairy products
- Fish and processed fish meat
- Tobacco
- Chocolate
- Confectionery
- Sugar syrups
- Fruits
- Cereals



Demystifying China's Yuan Devaluation

Piya Mahtaney
Economist and Author

A few weeks ago the tremors of China's economic slowdown reverberated in global financial markets even as the People's Bank of China devalued the Yuan twice in the month of August this year. This was China's biggest currency devaluation in over two decades. Consequently, the tailspin that occurred in stock markets of South East Asia, India, the US and the Euro Zone evoked apprehensions for some about whether this is the beginning of another meltdown akin to what the world witnessed in 2008. It is not. Substantiating this fact is precisely one of the objectives of this article.

China needs to shift gear from being an export-driven economy to one where the primary driver of growth is domestic. As per capita incomes and levels of development in a country increase, it is inevitable that growth will decline and this certainly applies to the 9 trillion dollar Chinese economy. Therefore, the ongoing slowdown in China is certainly not a bolt from the blue, the problem arises because it is occurring in a larger global context of falling growth rates, demand slump and prevalent uncertainty about the time that it would take for the world economy to rebound. Furthermore, given the recent manufacturing and consumer spending data about the Chinese economy, it is imminent that growth will be less than 6.5 per cent, some estimates even forecast a growth rate of less than 5 per cent. In order to bolster its economy after the crisis of 2008, the Chinese government provided a stimulus package of US\$ 586 billion. Post 2008, the Chinese government has assigned emphasis to all those measures that will

step up domestic spending. For instance, the rather massive credit expansion by local governments in China, to the property sector, has been one such measure, so much so that over the preceding few years since 2010, resident investment comprised a significant proportion of the country's overall investment.

Besides, as part of the impetus to its economy, China has also pursued a loose monetary policy and this has meant the interest rate cut by the People's Bank of China (PBOC) for the fourth time over the past few months.

Although, the stimulus measures may have enabled the economy to withstand the global headwinds and have even averted a downswing earlier, it certainly does not provide the solution to China's present situation and the implications therein. According to a McKinsey report in 2014, China's debt comprises 282 per cent of its GDP, other estimates cite that the total public or government debt in China stands at about US\$ 25 trillion. Evidently, this is a concern that needs to be addressed, if China is to achieve higher levels of efficiency in its financial system. It must be noted that this feature does not represent a source of grave financial risk for the global economic system because it is funded by the country's domestic savings and its banking system is controlled almost in entirety by the state. Reigning in China's internal public debt is more a matter of strengthening its internal dynamics, clearly an integral aspect of its reform process. This takes us to the fundamental challenges confronting the Chinese economy: the time that its transition and

structural change would take. Some eminent academics in China contend that it could take anything from 5 to 10 years. Furthermore, structural changes require deep-seated reforms, a point that is emphasised by the Chinese leadership in its 12th five year plan that began in 2011.

At this point in time, the Chinese economy finds itself straddled between its reform imperatives on one hand and the concerns that the current phase brings with it on the other. This may delay implementing some of the measures required for further liberalisation of China's economy. For instance capital flight from China despite the rather limited opening of its financial markets over the preceding year, has been significant and therefore further measures, to liberalise its capital markets will in all likelihood be gradual. There is also the larger issue of the political system in China which continues to be authoritarian - China has witnessed a certain degree of political change, over the preceding three decades, however, whether the incremental approach to political adjustment that enabled the country to function as what is described as a socialist market economy would suffice or whether a broad-based systemic change will be required, if intended reform continues, remains to be seen.

Moreover, a faster pace of opportunity requires an expansion of services, small and medium scale enterprises and a quicker momentum of domestic innovation. Reconciling this objective with the predominance of state-owned enterprises is another task that would require quite a balancing act.

Apprehensions about the impact that the prevalent scenario in China would have on India, can sometimes be exaggerated firstly because short-term responses to volatility and uncertainty have to sift out from the larger picture of the resilience of a country to be able to cope with the global headwinds. Secondly, the country's declining inflation, fair levels of foreign exchange reserves and a current account deficit that is within reasonable bounds will enable the rupee to remain stable. Thirdly, India is not an economy that is driven by exports, this is quite unlike its counterparts in South



East Asia and therefore the spillovers of China's slowdown on the Indian economy would be much less. At this point, it would be useful to recall the recent past that is 2013, when the FED began to taper the quantitative easing that it had embarked upon, to provide a

stimulus to the U.S. economy in 2009. The initial response to this, in practically every emerging market was an initial bout of volatility, so also in India, but the 'taper tantrums' that some were apprehensive about hardly played out in India. This fact resonates much louder in the instance of China, which will be a concern until markets factor in, its lower growth. The moot point is that the 'India Story' is intact and how it plays out will largely be a 'Make in India effort'.

Office Spaces / Showrooms Available at WTC Mumbai

A premium address to locate your business

Well-furnished office spaces / showrooms available to meet your requirements

Facilities

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



Call Now! 022 6638 7378 / 79

Trade Promotional Activities Held This Quarter

Goa Gets its Own World Trade Centre

August 29, 2015 was a day of celebration on two accounts. First, was the launch of the World Trade Centre in Goa and second, it was the day of Raksha Bandhan. The Chief Minister Honourable Mr. Laxmikant Parsekar officially launched the World Trade Centre (WTC) Goa for promoting trade and investment in the State at the Economic and Development Corporation building in Panaji.

CM Parsekar emphasised on forging close ties between the Government of Goa and WTC Goa. "On this auspicious day of Raksha Bandhan we are tying a knot with the WTC Goa. The inception of the WTC will benefit entrepreneurs, traders and

exhibition centre, educational institute, well-equipped conference and meeting room facilities. In short, a World Trade Centre is a miniature commercial city," said Mr. Warekar.

Captain Somesh Batra, Vice Chairman was pleased that WTC Goa is now on the global map. "Goa is a member of the World Trade Centers Association New York which is an unparalleled network of 330 WTCs across 100 countries. It offers space, research, education service, seminars, conventions, shopping complex facilities, all efforts that give an impetus to grow trade," said Captain Batra.



From (L to R): Ms. Rupa Naik, Director-Projects, Mr. Y. R. Warekar, Executive Director, Chief Minister Laxmikant Parsekar, Captain Somesh Batra, Vice Chairman, Mr. Sidharth Kunckolienkar, Chairperson, Economic and Development Corporation and Mr. Mangurish Pai Raikar Co-Chairman, National Council of SMEs.

the business community," said CM Mr. Parsekar. He added, "Our aim is to have policies that work for industrial growth through an investor-friendly approach and now with the WTC in Goa, I invite investors to give a boost to the industrial sector."

The CM expressed confidence in the vision of MVIRDC promoted WTC Goa in helping create jobs for youth in the State. "Goa has a large number of students graduating and who till now were forced to move out for better jobs. I am confident that the WTC Goa will be an important tool to help materialise these sectors to give better prospects to our youth," said Mr. Parsekar.

The CM also expressed optimism for the success of micro, small scale and medium scale industries to do well with the help of WTC Goa. Officials from MVIRDC who promote WTC Goa said the following:

Mr. Y. R. Warekar, Executive Director said that WTC Goa invites business associations, members of trade and industry, academia to join and support its activities to make Goa truly a preferred destination for trade and industry. "For a WTC to be effective and enhance the region's prosperity, it has to provide services such as office space, business centre, incubator,

Ms. Rupa Naik, Director-Projects elaborated on the plans of MVIRDC and emphasised that Goa's 'progressive, investor-friendly, high-literacy attributes' helped build the ground for WTC in the State.

"Goa is well-connected through a port and an airport which would be useful for logistics and shipping. The State of Goa is now on the brink of a big change and we would like to usher in this new phase," said Ms. Naik.

"WTC Goa will promote entrepreneurship and exports through advisory services and guide new businesses to link with markets. WTC Goa will encourage exchange of information and knowledge for trade, business and investment opportunities. Through knowledge services it will provide educational and training programmes, skill development, seminars, workshops and marketing platforms to equip businesses with the latest trends adopted world over," said Ms. Naik. She added that WTC Goa will be initiating the UNDP procurement programme to train businessmen in the area of procurement.

Mr. Mangurish Pai Raikar Co-Chairman, National Council of SMEs said that there is a lot of expectation from WTC Goa as the businesses here are looking for a platform to connect.

Mr. Sidharth Kunckolienkar, Chairperson, Economic and Development Corporation was confident that the partnership with EDC will prove to be fruitful for WTC Goa. "The WTC Goa will take Goa globally and with this synergetic relationship I see many more collaborations happening between WTC Goa and the EDC as it will help our businesses grow," said Mr. Pai Raikar. He added that EDC being a government institution, the support of the Government of Goa will help in the long run.

WTC Goa Commences Seminars and Introduces World Trade Day

A press conference was called by Ms. Rupa Naik, Director-Projects, MVIRDC World Trade Centre on September 23, 2015 at Hotel Mandovi in Goa to announce World Trade Centre Goa's start to training programmes and seminars towards building next generation of entrepreneurs in the State. Mr. Arun Sehgal, Expert in International Marketing and Faculty of World Trade Centre Mumbai, was introduced by Ms. Naik as an example of a first generation entrepreneur who currently has a global business. While introducing the first of its events Ms. Naik said, "We are organising a seminar 'Entrepreneurship in a Borderless World' for entrepreneurs here. Sehgal is a faculty in leading institutions like Jamnalal Bajaj Institute of Management Studies and World Trade Institute at WTC Mumbai. He is specialised in cross-cultural selling, global business leadership creation and selling across international cultures. I am sure his critical learning will be a lesson to you all in creating global leadership in any business".

WTC Goa will provide a vital platform to local trade and industry to reach out to global markets and global investors thereby placing Goa on the global map of trade and industry. "Goa with a vast potential needs strong exports promotion, World Trade Centre Goa is the new hub for exploring trade opportunities," said Mr. Mangurish Pai Raikar, Advisor of World Trade Centre Goa promoted by MVIRDC. WTC Goa officials emphasised on the era of a borderless world that can help entrepreneurs to compete with international markets in US, Latin America, Asia and Europe.

Ms. Naik also announced that the WTC Goa will celebrate World Trade Day in 2016 and that Portugal will be a partner

country. "We are happy to announce that we will celebrate WTC Goa's World Trade Day next year. We can make the programme around 'Make in Goa, made for the World.' We shared the ideas with Consul General of Portugal and he has agreed to be a partner to this event," said Ms. Naik. She elaborated that India and Portugal share warm ties but the bilateral trade is currently low and these steps can help boost trade.

Mr. Pai Raikar added, they are looking for one more partner country which will be announced soon. He also added, the Consul General of Portugal would like to promote his country's companies in sectors like pharmaceuticals, olive oil, leather shoes, textiles.

WTC Goa officials also briefed Goa media on the forthcoming 5th Global Economic Summit (GES) with the theme 'Food for All'. "International experts and delegations like World Farmers' Organisation will attend the event," said Ms. Naik. Replying to a question from the media whether the issue of farmers' suicides will be addressed, Ms. Naik said, "International experts from World Farmers' Organisation and other renowned agencies will be talking directly to Indian farmers to address their problems of soil, agriculture and irrigation. They will share success stories that can be replicated."

Ms. Naik also assured the media that on the lines of GES 2015, a similar international summit on 'Information Technology and Media' can be held in Goa. An interest shared by the Goa Chief Minister, Mr. Laxmikant Parsekar.



Entrepreneurship Programme Instills Enthusiasm Among Business Community



Mr. Arun Sehgal, Expert in International Marketing and Faculty of World Trade Centre Mumbai making a presentation on the topic.

World Trade Centre Goa organised its first program in Goa in association with Goa Chamber of Commerce and Industries on 'Entrepreneurship in a Borderless World' on September 30, 2015 at GCCI hall in Goa.

Mr. Manguirish Pai Raikar, Former President, GCCI and Advisor WTC Goa delivered the opening remarks where he encouraged the trade and business community to take advantage of the tremendous opportunity available in India which is in consonance with the new initiatives of the present government in India. The businessmen should make use of these opportunities which in turn could help them in their new businesses. He highlighted the three things which exporters need to take note namely, make provision of products what the globe requires, offer the best quality in those products and provide those products to meet demand-supply in a timely manner. He encouraged the trading community and businessmen to take benefit of the facilities and services provided by World Trade Centre to connect with global markets.

Mr. A. O. Kuruvila, Deputy Director, MVIRDC World Trade Centre highlighted the immense opportunities the State can provide in sectors like pharmaceutical, IT, cashew and marine. He mentioned that WTC Goa will provide a vital platform to the local trade industry to reach out to global markets and investors, thereby placing Goa on the global map of international trade promotion. WTC Goa is now connected to the most powerful global business network of World Trade Centers Association, New York of 343 World Trade Centers in 100 countries, representing over 1 million businesses, across sectors. He urged businessmen and exporters to take advantage of the incentives provided in the Foreign Trade Policy 2015-2020. FTP 2015-20 offers to support 'Make in India' and 'Digital India'. It also encourages entrepreneurs to take maximum benefit from these initiatives.

Mr. Arun Sehgal, Expert in International Marketing and Faculty of World Trade Centre Mumbai conducted a session on the subject, elaborating the various challenges and opportunities the new world order provides to the entrepreneurs. He explained in detail the global expansion process, India and its global

standing, steps for successful globalisation, business leadership at a global level, creating competitive advantage as well as importance of SMEs in the Indian economy.

The presentations were supported by specific case studies, which were very informative to the participants for their understanding and provided for further interaction with the faculty. Over 70 delegates representing entrepreneurs, trade, business and media, participated at the seminar.

A Warm Welcome to Our New Members

Organisation: AZTEK TRADERS

Contact Person: **MR. RAJIV SINGBAL**

Designation: DIRECTOR

Export and Import firm. The organisation exports products like spices, handicrafts, cashew nuts, wooden pallets and herbal products.

Organisation: DEMPO MARKETING CO.PVT. LTD

Contact Person: **MR. SUBHASH V. DEMPO**

Designation: DIRECTOR

Dealers of Eicher trucks and buses. The firm also sells heavy and light duty vehicles.

Organisation: ROSH AGRO & TOURISM EXPORTS

Contact Person: **MR. RAMESH GANESH RANE**

Designation: PROPRIETOR

The company is keen to venture into beach resorts business. The firm has expressed interest to explore the agro-exports business especially in areca nut.

Organisation: TECHNOTRIX

Contact Person: **MR. ALAN SAVIO LOBO**

Designation: TECHNOPRENEUR

Consultancy for large-scale applications, providing for web- and mobile-based services for Small and Medium Enterprises.

Organisation: LIFT CONTROLS PVT LTD.

Contact Person: **MR. MAHENDRA KHANDEPARKAR**

Designation: DIRECTOR

The company manufactures electrical and electronic panels and assemblies, to include in-house sheet metal manufacturing.

HAPPENINGS...

Exhibitions and Events held from July - September 2015

241 Events in the Centre **1** Building

16 Exhibitions at the Expo Centre

At a Glance



- Bandhan
- Ruchika Fest 2015
- Silk Fab 2015
- Dalmia's Raksha Bandhan Mela
- Brides of Mumbai
- Mumbai Bazaar
- Hi Life Exhibition
- South Mumbai Shopping Festival
- SATTE 2015
- Om Mangalam – The Wedding Fiesta
- Thailand Trade Exhibition 2015
- Thai Street Food Fest
- Thailand Shopping Festival
- Indian Designers Haat
- National Silk Expo
- Jain Women's Organisation

- Interactive Meeting - Asia Society [WTC - Outreach Partner]
- Inauguration - Meghnad Desai Academy of Economics
- Inauguration - World Trade Centre Goa
- M.Visvesvaraya Memorial Lecture
- Interactive Meeting - Poland Delegation Ms. Zofia Szalczyk, Under Secretary of States, Ministry of Agriculture and Rural Development
- S. K. Wankhede Birth Centenary Celebration
- Corporate Presentation - Sterling Institute of Management Studies Navi Mumbai

- Delegation - Shandong Federation of Industry & Commerce China
- Corporate Presentation - Thakur Institute of Management Studies
- Delegation - Guangdong Province China
- Interactive Meeting – Shri. Suresh Prabhu, Hon'ble Minister of Railways, Government of India
- Delegation - Guangdong Academy of Social Science Research China
- Bankers Meet
- Yoga Workshop
- British Council Exams
- IELTS Exams



Climate Resilient Agriculture: BAIF Experience

Bharat Kakade, Senior Vice President, BAIF Development Research Foundation

Overview

Climate change is inevitable but the pace has been accelerated by anthropogenic activities. Lack of awareness and access to advanced technological options and solutions, further aggravate the situation and make the communities more vulnerable to climatic threats. Moreover, vulnerability of rural poor communities to impacts of climate change is high as they have limited resources. The frequency of climatic extremes like floods, droughts, hailstorms, cyclones and cloud bursts have increased in the last couple of years.

BAIF Development Research Foundation is one such institution that aims at creating sustainable livelihood options for rural tribal communities, since the last four and half decades. Considering the increasing threat of changing climate and its impact on rural tribal people, BAIF has initiated efforts in this direction, by generating awareness and studying the extent of vulnerability and impact of major climatic hazards and the conventional coping mechanisms of local communities, in various climate sensitive zones of India. Rainfall being the most important weather parameter, has a major influence on livelihood resources, especially on agriculture-based livelihoods. In the same context, Farmers' preferences for various climate efficient technologies in diverse rainfall areas have also been studied by BAIF. The ongoing programmes of BAIF are also contributing indirectly, in reducing greenhouse gas emissions (GHGs) by capturing more carbon through carbon sequestration. Moreover, the programmes focus to enhance the livelihood options and to reduce dependence on a single avenue for income generation. Thus, the efforts are being made to enhance the resilience of local communities to changing climatic conditions by improving their adaptive capacities.

Climate Change, Impact and Issues

There is global consensus that climate is changing mainly due to the anthropogenic emissions of green house gases. Moreover, a widespread concern over changes in long-term climates and climate variability through incidence of extreme weather events such as cyclones, floods, droughts, sea level rise etc., has also been felt. Climate change is a major challenge for agriculture, food security and rural livelihoods for millions of people including the poor especially in India.

Climate change will, in many parts of the world, adversely affect socio-economic sectors, including water resources, agriculture, forestry, fisheries, human settlements and ecological systems with developing countries being the most vulnerable. There has been increase in extreme rainfall events over North West India, during the summer monsoon. More frequent drought, following the occurrence of El Niño Southern Oscillation (ENSO) and 50% of the Indian monsoon failure occurrences, since 1871, during the El Niño years and 22 major drought years, during 1871-2002 has been the

phenomenon. No identifiable variability has been reported in number, frequency or intensity of tropical cyclones, in Northern Indian Ocean Region since over 100 years. The number of storms with greater than 100 mm rainfall in a day is increased by 10% per decade, while the number of rainy days in monsoon will be decreased by more than 15 days and rainfall intensity will rise by 1-4 mm/day. As a result, cyclonic storms are likely to increase in their frequency and intensity and there will be increase in heavy rainfall days in summer monsoons.

Climate change is expected to have adverse impact on the living conditions of farmers, fishermen and forest-dependent people who are already vulnerable and food insecure. Rural communities, particularly those living in already fragile environments, face an immediate and ever-growing risk of increased crop failure, loss of livestock and reduced availability of marine, aquaculture and forest products. They would have adverse effects on food security and livelihoods of small farmers in particular.

The Issues to be Addressed

Overdependence on fossil fuel driven mechanisation and inputs, leads to more GHG emission, global warming and attribute to unexpected variations in climate globally, but the impacts of which are felt at local level. The vulnerability of rural poor communities to impacts of climate change is high as they have limited resources. Lack of awareness and access to advanced technological options and solutions, further aggravate the situation and make communities more vulnerable to climatic threats. Lack of infrastructure for conserving the water, when heavy rains are received and proper constructive (without losing the top fertile layer in the form of surface runoff) drainage, so as to save the standing crops in the farm itself, are other issues related with climatic extremes. On the other hand, in a drought year, scarcity of water and unavailability of fodder along with health disorders, due to hot and humid weather conditions, become critical for large ruminants.



The Himalayan range contains high altitude glaciers that supply water to many rivers in South Asia. These rivers provide water to more than half of the world's population. Many people in South Asia are dependent on glacial melt water during the dry season. The accelerated melting of glaciers in the Himalayan range is a major climate-related issue in South Asia. Due to the spatially different impacts of climate change, there is a need to understand its context in each region with respect to exposure, expected impacts, vulnerability status and the response strategies to mitigate, cope and adapt better with the process of climate change. Rural communities, particularly those living in already fragile environments, face an immediate and ever-growing risk of increased crop failure, loss of livestock and reduced availability of marine, aquaculture and forest products.

Climate Change Impacts on Farmers in Indian Villages: BAIF's Studies

Considering the increasing sensitivity of impacts of climate change, BAIF started first to assess the extent of vulnerability of local communities to climate change and impact of changing climate on livelihood resources of rural farming and non-farming communities in tribal areas, along with the local coping mechanisms (positive/negative) at seven places in six states. The climate change studies, included hazard mapping, hazard prioritisation and Vulnerability Impact Adaptation (VIA) Analysis, in a participatory manner with a heterogeneous group of farmers, non-farmers, women, youngsters, elderly people and members of gram panchayat.

Climate Resilient Practices Promoted by BAIF

The programmes of BAIF focus on sustainable development and ensure development efforts, which lead to protect and enrich the environment. They have sought to conserve natural resource base and create livelihoods through sustainable agricultural practices and integration of tree crops into farming systems. The livestock development programme aims to improve dairy animal productivity, so as to get higher income by maintaining less animals. However, finding these programmes insufficient BAIF identified the need of building resilience among rural communities to climate change impacts. Some of these initiatives are:

- **Climate Smart Water Management**

In drought prone areas, climatic stress is felt in terms of scarcity of water. In the case of paddy cultivation, productivity improvement and enhanced water use efficiency, both targets

have been achieved by adopting modified System of Rice Intensification (SRI) Technique. The water smart practices like aquifer management, water budgeting, micro irrigation and crop water management systems have been promoted by BAIF. The practices introduced by BAIF in the following regions have proved to be climate resilient. Following are some important examples:

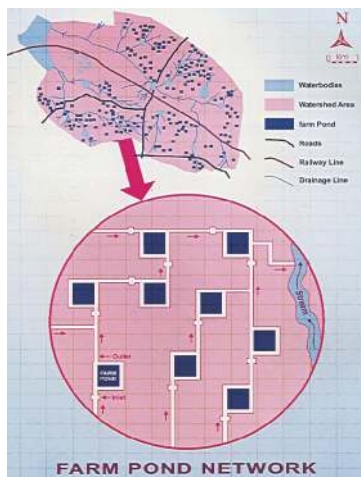
(i) Networked Farm Ponds in Karnataka: Rain water is harvested in the farm ponds dug for every 2 hectares (ha) area to increase the surface and ground water reserves. Farm ponds constructed in different watersheds were 2495 in numbers. The approach has ability to create sustainable impact on water availability and enhanced agricultural production to over 70% farmers in the watershed area.

(ii) Combating Droughts in Rajasthan: The approach was developed in Gokulpura-Gowardhanpura watershed in Bundi District. The degraded pasture land was converted into productive silvipasture which suffices the need of fodder requirements of livestock in the village. The surplus fodder is auctioned out and the revenue generated is used for maintenance of pasture land through local committee under Gram Panchayat. The water conservation in these uplands and through the bandharas, lead to increase in water table by 2 mtrs., conservation of soil by 18 tons/ha/year and increase in Kharif area by 47% and Rabi by 24%. Farmers are able to harvest two good crops every year.

(iii) Group Wells in Ravines, Uttar Pradesh: The conservation, recharge and balance water utilisation approach in ravine areas have wide implications. The villagers of Nayapurva and surrounding area in Kanpur rural district have demonstrated a way of sustainable development in harmony with nature in the ravines. Group irrigation has proved to be most suitable intervention to address the issues of irrigation water supply, equitable distribution of ground water to all land holding classes and multiplication of the agricultural production.

(iii) Integrated Livelihood Approach in Deserts: Rainwater harvesting from roofs and artificial catchments and storing water in tanks is the main activity in Badmer District of Rajasthan. Harvested water is used for drinking and watering Ber (*Ziziphus mauritiana*) plants. Ber plants cultivation help rear Sindhi (goat breed) Goats and help provide source of additional income. Ber leaves are fed to goats. The study conducted in 2013 showed that the overall rise in income through Ber fruits and goats, has been about Rs 40,000 per year.

(iv) Tank Rehabilitation, Andhra Pradesh: The traditional tanks which are constructed and silted have been rejuvenated by renovation of tank bunds, spillways and desilting of tank reservoir. The ponds rejuvenated have helped provide water for irrigation in the command area and have increased the farm production and also to diversify crops. This has been done in West Godavari District of Andhra Pradesh since 2012. For example, one tank named Chintala, rehabilitated in 2013, has now 122 ha land under irrigation compared to just 51 ha before. The result was doubling of income ranging from a rise of Rs. 20,000 to Rs. 40,000 per year per farmer.





(v) **Randullabad, Maharashtra:** During 2009 to 2013, an example of Water Smart Intervention by efficient ground water and crop management for climate change adaptation has been exhibited in an innovative watershed development project, in drought affected Randullabad Village in Satara District, Maharashtra.

The impacts of project activities have shown a way through conservation, management and governance at village watershed level to build resilience to climatic-borne distress. The availability of safe drinking water also becomes critical during climatic uncertainties.

- **Climate Resilient Farming**

The programmes for longer term preparedness against the climatic extremes include tree-based farming, appropriate nutrient management and selection, followed by propagation of drought tolerant land races.

- **Agri-horti-forestry**

The Wadi (orchard-based livelihood) programme along with the primary objective of sustainable livelihood creation and waste land development, provided long-term environmental benefits, mainly carbon sequestration and prevention of soil erosion. Although, the socio-economic benefits of this programme have been comprehensively documented, its contribution to the environment has not yet been assessed. Nevertheless a preliminary study revealed the benefit of carbon accumulation through this agri-horti-forestry system through sequestration by tree species. In BAIF's Wadi Programme, so far, 71023 ha land has been brought under orchards. The extrapolated figures for total quantitative estimated carbon stock in Agroforestry farms come to 1.6 million tons, which is equivalent to 5.9 million tons of carbon dioxide.

- **Nutrient Smart Agriculture**

Soil testing for appropriate doses of fertiliser inputs has been advocated, so as to encourage the nutrient-smart approach in terms of site specific integrated nutrient management. In five distress districts namely, Gadchiroli, Nandurbar, Yavatmal, Ahmednagar and Chandrapur of Maharashtra, 6946 farmers adopted soil test based integrated nutrient management, along with other improved agriculture practices. This was initiated during 2008. The application of only required doses of chemical fertilisers (especially nitrogenous fertilisers) ensures reduction in nitrous oxide emission to environment.

- **Conservation of Drought Tolerant Land Races of Crops**

Another important initiative is the conservation of land races. Community seed banks have been established, involving 1124 farmers (11 villages) in Jawhar (Thane District) and 124 farmers (12 villages) in Dhadgaon Nandurbar of Maharashtra, since 2010, so as to conserve and promote the native land races of paddy, sorghum, finger millet, maize, proso millet and hyacinth bean, which are expected to perform well under climatic distress. Conservation and domestication of wild and underutilised food resources have been another aspect to focus, with a view point of nutrition and food security. This has been introduced at three places (Akole, Junnar and Gadchiroli) in Maharashtra, Dangs in Gujarat and Ghansore in Madhya Pradesh during 2014-15.

In order to bring about year round availability of fodder, environmental protection, promotion of native fodder trees and its development and strengthening of Van Panchayats have been done in Champavat District in the hilly areas of Uttarakhand. Construction of low-cost poly houses for protected cultivation of vegetables and high value crops, floriculture, offer resilience to climatic threats to certain extent. Silvi-pastoral systems were introduced in 78 villages of Bhilwara District in Rajasthan, which have been managed by the Charagah Samitis (pasture committees) of locals. This not only creates a green cover but also provides year round fodder to livestock.

- **Livestock Management**

Existing programmes of BAIF, which were primarily for creation of sustainable livelihood and waste land development, served as a secondary (but equally or more importantly) purpose in providing resilience and enhancing adaptive capacity of local communities. The livestock development programme focuses on breed improvement, leading to more productivity of milch animals. Conceptually, the less number of animals with higher productivity is expected to replace large number of less productive animals, hence reducing the methane emission, without compromising on the income front. 476225 families, across twelve states, adopted the breed improvement and benefitted through BAIF programmes, during 2014-15. Climate smart housing structures including proper shed, low-cost cooling methods etc., to minimise the chances of acquiring diseases, which occurred due to increased temperature, humidity and excessive rainfall and related diseases, have been promoted. The conservation of indigenous cattle breeds (Gir and Tharparkar) is another practice, to recognise the hardiness of these breeds during climatic extremes. Gir Cattle Development Programme has been initiated by BAIF in Saurashtra Region of Gujarat.

- **Renewable Energy Options**

Energy smart and innovative options like innovative biogas have been developed and introduced by BAIF in 2014. In this biogas system, the byproduct biogas slurry is filtered and used to apply in farms to improve the soil quality by developing vermicompost out of dry slurry. The filtered water is supplied

to cash crops for higher production. Thus the integrated unit provides energy as well as provides additional income by increasing the soil quality.

More than 170000 solar lamps have been assembled and distributed to students, in schools in twelve blocks in the States of Maharashtra, Madhya Pradesh and Rajasthan. Solar pumping is another initiative to provide alternate source of energy and enhanced water use efficiency by integrating drip irrigation as a part of the supply system.

- **Knowledge Dissemination**

Besides, other sustainable agricultural practices have also been developed and promoted under various programmes, so as to make the entire ecosystem resilient to climatic variations. BAIF has active involvement in creating and spreading awareness (knowledge smart approach), for the issues concerning environment and climate change in society (rural as well as urban), followed by respective actions like promotion of afforestation, biodiversity enhancement for getting better ecosystem services.

- **Awareness Campaign**

Under National Environment Awareness Campaign (NEAC), BAIF plays a role of Regional Resource Agency for Maharashtra. Through this campaign during 2008-09 and 2009-10, with the theme of 'Climate Change', BAIF generated awareness among 8613 target groups, through different events for awareness generation, including pad yatra, cycle rallies, seminars, workshops, thematic training, banner and poster exhibition, drawing competitions, public meeting and lectures, electronic media and film show and documentation. These events were conducted by involvement of other NGOs, educational institutions and government institutions. As far as the action component is concerned, various activities, such as tree plantation, composting, bio diversity conservation, seed conservation, renewable energy options, water harvesting have been promoted by involvement of other NGOs, educational institutions and government institutions. The campaign continues every year under NEAC. During 2014-15, BAIF could reach out to communities across Maharashtra and Jharkhand through 1507 local organisations.

- **Farmers' Preferences**

BAIF, in partnership with Climate Change, Agriculture and Food Security (CCAFS) - a Program of Consultative Group for International Agricultural Research (CGIAR) had the opportunity to initiate various climate change adaptation initiatives.

In this context, BAIF conducted a study on 'assessment of farmers' preferences and willingness to pay for climate smart technologies in diverse rainfall zones of India'. The study was conducted in seven districts representing seven rainfall zones in the States of Rajasthan and Madhya Pradesh. The study was based on 'Contingent Valuation Method' or 'Stated Preference Technique'. The method is known for its direct approach as the people are asked to disclose their preferences. The farmers' preferences are reflected in two steps of scoring and bidding.

The study revealed that more than 650 (>75%) farmers preferred risk covering instrument 'Crop Insurance' which is the highest preference level. Majority of farmers preferred rain water conservation and storage, accepting the critical need to manage the water received from scanty, irregular and unseasonal rains in their area. Livestock management based intervention - 'Climate Smart Housing' for animals was also preferred, in majority of zones. In Madhya Pradesh, farmers preferred agriculture-based site specific integrated nutrient management, weather-based crop advisory, crop insurance and livestock management-based climate smart housing for animals and concentrate feeding interventions at high and medium preferences.

It was observed that, as the land holding size increases, farmers are more keen to acquire advanced technologies, in order to make optimal use of their resources on the one hand and to reduce their cost of production on the other, so that they could enjoy increased returns per unit input. Large land holders believed in risk aversion as compared to risk cover.

Future Plans

With the consideration of intensity of impacts of changing climate on tribal rural communities, in terms of loss of their livelihood resources and degradation of natural resources, BAIF plans to strengthen the ongoing as well as introduce upcoming programmes with efficient weather forecasting-based advisory system. It will lead to possibilities of linkages with private sector for newer weather-based insurance products, in participatory manner. BAIF aims to work in collaboration with national and international organisations, to provide early warning services for climatic extremes at higher resolution (1 km²).

In view of the studies conducted to understand the impact of climate change on communities, their coping strategies, willingness to pay for the adaptation techniques and the experiences generated through programmes, the following activities have been planned:

- Transfer of high resolution weather prediction advisory services for farmers
- Integrate weather-based advisory services in livelihood programmes
- Introduce climate smart farming practices in vulnerable regions including Himalayan Region, deserts, Vidarbha Region (Maharashtra) and Jharkhand
- Upscale of solar energy programme across the blocks not connected to the energy grid in States of Rajasthan, Madhya Pradesh, Maharashtra, Uttar Pradesh, Bihar and Jharkhand.

■

Tackling Farmers' Distress: A Priority for Indian Policy Makers

Kiran Nanda, Economist

The spectre of farmers' suicides haunts India which has now become a reality today. Try as we might, it just does not seem to be getting tackled. If anything at all, its continuation and occasional resurgence simply suggest that the hitherto various solutions that have been attempted to tackle farmers' distress issue have not been giving results. Some of the popular solutions include getting farmers out of farming; doing away with globalisation; wiping out all money lenders; building more dams in an ad hoc manner, canals and wells to enhance irrigation facilities (most self-defeating of all), writing off the farm loans etc. Also, farmers having small holdings should be dissuaded from pursuing agriculture and those dependent on them should be asked to seek urban employment.

Tackling farmers' distress should become a priority as almost 60% of the population is still dependent on agriculture. On the other hand, agriculture's share of GDP has decreased to just 13% and shows a declining trend. Very simply, it means that farming is only ensuring greater relative poverty.

There seems to be some sort of regional bias with the issue of farmers' suicides. Though the rainfall varies with regions, it is not only the variation in rainfall that fully explains the regional pattern of suicides. There are other reasons too, like agro-climatic, social and policy perspectives that explain the issue. Suicides are mostly prevalent in Maharashtra especially in its Vidarbha Region and to an extent in Andhra Pradesh. Vidarbha, being in the rain shadow region, receives scanty and uneven rainfall. There is need to grow such crops that are most suitable for Vidarbha's agro-climatic Region and soil quality. For the last many years, farmers have been growing mainly cotton in Vidarbha. Some activists have been grumbling about BT Cotton cultivation in Vidarbha as being harmful and not remunerative enough for the farmers and therefore, farmers land in debt and are driven to commit suicides.

It is established that there is no causal connection between occurrence of suicides and BT Cotton cultivation. The BT Cotton has been growing successfully in other States like in Gujarat, Himachal Pradesh and Punjab but no suicides take place in these states. Reasons for committing suicides are



extraneous. Clearly, there is no correlation between suicide rates and incomes and if any at all, it has nothing whatsoever to do with the farm or non-farm sectors; it is more to do with how people respond and succumb to an emerging social or economic problem. It may be in their inherited genes. In some regions of Andhra Pradesh and Vidarbha, where suicides are reported, there also exist millions of other farmers who are in the same or possibly worse situations. Most of them cope with their adversity and suicide is not the chosen

option. The issue to tackle is not suicides of farmers, but the economic plight of farmers who have been affected by crop failure and drought.

The problem needs to be analysed with a more holistic approach and in a larger perspective. The agricultural sector, as a whole, has been facing major structural problems. The falling share of agriculture in the country's GDP (from 35% in 1990 to 13% in 2015), the increasing burden on land along with the 'low productivity, low purchasing power and poor infrastructure' is a matter of serious concern. Considering the fact that agriculture is still the mainstay of the Indian economy, employing around 60% of the total workforce, this does not portend well for the country's economic prospects.

Crop diversification is the answer to root out the problem of farmers' suicides. A crucial question that arises is whether the cotton is the right crop for growing in the Vidarbha Region. Instead of cotton crop, cash crops, like soyabean, which are more remunerative, can be grown. The State of Madhya



Pradesh is considered a bowl of soyabean cultivation and Vidarbha's location is contiguous with Madhya Pradesh. Soyabean yield in Madhya Pradesh is estimated to be higher than even the national average. The policy prescription for the crops cultivation has to be the most appropriate one based on scientific and technical knowledge. The cropping pattern in the State of Maharashtra needs to be completely overhauled. Besides, there is need to strengthen the extension machinery in the Vidarbha Region.



Further, agriculture being a state subject, the responsibility devolves on the state governments to provide the required policy support along with government investments and research support. All three are vital for agricultural growth. State governments, in general, have not been paying the required attention to usher structural reforms in agriculture which can only root out the genesis of the problem. Some states like Rajasthan have started implementing agriculture reforms proactively. The State of Rajasthan has taken a few steps ahead to align with the usage of the proposed National Agricultural Market. Changes have been made to the Agricultural Produce and Marketing Committee (APMC) Rules as the first step to align with the central preconditions to participate in the national market. The State of Rajasthan along with 20 other states has also allowed contract farming for bulk buyers where they can make exclusive arrangements with farmers to procure crops for their own use.

Efficient water management is extremely critical for maximising the crop yields. In the State of Maharashtra and even across the country the irrigation expansion as planned has not been realised throughout the last 20 years. Majority of irrigation projects have remained pending and incomplete year after year ever since the 8th Five Year Plan. This has resulted in the time and cost over-runs of projects mounting persistently. The questions remains: Where is the money today to complete these projects? There is also need to evolve integration of water supply with a view to ease costs. Further, for finding sustainable farm practices vis-à-vis water management, care should be taken to avoid any kind of under pricing of water as this leads to distortions in water management, creeping into multifarious ways. There is also need to promote watershed management and increase the acreage under irrigation – currently only about 35% of total agricultural land which is irrigated. These would reduce farm susceptibility to drought.

Input management especially the input delivery system needs to be streamlined. At present there is excessive use of urea which is degrading the soil quality.

Farmers across the country are disorganised and fragmented. They do not have one voice to make the authorities aware of their problems. Besides, agri-credit has been largely flowing to large farmers rather than the small. There is need to find appropriate solutions to such issues.

Role of subsidies in the entire scenario of upliftment of the farmers' life has become a non-issue today, due to sheer mismanagement in subsidy dispensation. A large proportion of the government's outlay on agriculture goes towards subsidies, which contribute little to growth. They benefit the rich farmers the most, while the marginal ones continue to live on the fringe. These need to be done away with to arrive at a long-term solution.

Structural reforms in agriculture are the need of the times. Food security weighs high on Delhi's agenda especially, with the U.S.A. circulating a proposal seeking dismantling of input subsidies, given by developing countries to farmers just before the December trade talks in Nairobi, the Indian Government too is keen to push for these special measures. The U.S.A. proposal may have to deal with a huge blow from India's efforts to secure a permanent solution to its food security problem and the overall Doha Development Agenda. However, any outcome from these negotiations for Food Security will not bear the desired result, without first tackling the structural problems at home. Non-trade and non-price initiatives are required to be taken first. Instead of subsidies, crop insurance should be made compulsory to be undertaken by every farmer.

To make farming profitable and efficient, two things need to happen. Firstly, fewer people should be involved in it and secondly, farm produce should get higher prices. Only rapid industrialisation will ensure the first and structural reforms the second. Neither is happening appropriately.

The time has come to think out of the box and make use of country's extremely large mass of small and marginal farmers to rejuvenate Indian agriculture and re-tool the skills of these farmers to cope with the changing circumstances. Further, new challenges before the farmers have emerged in recent years for which solutions have to be found. These are challenges of meeting the climate change, water management and land constraint.

Exploring Indo-Dutch Partnership on Field

Jan Lindeman, Managing Director, Indo-Dutch Consultancy BV

The Indian opportunity is there for all to see and one needs no more information to be convinced about this fact. The agricultural sector offers Dutch, other European companies and farmers, immense potential to expand their business through joint ventures and collaborations.

While India is developing into a world economic powerhouse, typical issues arising as a result of it, will continue to rise. One of them being 'cost of labour'. Sustained growth in the economy would increase demand for labour and hence wages.

Subsidies and government aid will reduce and market forces will dominate businesses. In such a scenario, one needs to be forever on the learning curve, constantly improving the methodology, yields and efficiencies in agriculture. I believe, this is, where the Indian farmer is in need of help. The most obvious would be to open European markets to them, but lots of work needs to be done in this regard. EU norms on organic label produce is the best way to maximise returns on investment, however, it will

mean a complete change of attitude and compliance towards meeting those norms.

There is one other great opportunity for Indian farmers, with the help of government funding or even other funding sources, farmers who are unable to optimise on their farms for want of climate changes, or poor rains, or whatever, could perhaps consider new fruits, or vegetables, or grain for foreign markets. Among the many categories I have worked in, olives, apples and wheat come to mind.

Olives have great health benefits and using it for cooking will greatly boost health in the country. The world over olives have now begun to grow with the efforts of pioneers in California, South Africa, Australia and so on and so forth. The question is 'Why not India?' We studied the various states within the same latitudes of the Mediterranean and found the states of Gujarat and Rajasthan as the most ideal to grow the fruit. The Government of Rajasthan has done some very creditable work in this regard.



The beauty of this fruit is that one can convert great amounts of waste land (amply available in both states) and turn them into olive orchards. Having the right partner to help set-up is also important and I remember visiting several countries around the Mediterranean, searching for one such partner. Israel was a good option, but I found one of the world's oldest nurseries in Spain (the largest producer of olives nationally) to be the best.

More importantly, olives, especially table olives have great demand globally and at a very good price. I see great





demand for wheat, that has never been hybridised. In other words, pure wheat unchanged for thousands of years. In the EU, there is one such strain, ‘Spelta Wheat’, which sells at a huge premium. Therefore, we mooted two ideas. The first was to introduce Indian farmers to the European variety and the second was to check out the Indian equivalent: ‘Emmer Wheat’, also known as Khapli and many other local names. Our initial seeding was very successful in Pune and also in the BAIF facilities in the State of Uttarakhand. Multiplication is on and we hope to have good support to help grow this wheat variety into a large and profitable business. Organic labelling is of course the challenge we are facing and the search of certified farms is on.

The Indian equivalent variety, ‘Emmer Wheat’, has also been tested and has been found to be even better than the European variety in terms of nutrition. However, investment is needed to take it through the process and marketing, making it an attractive proposition for the Indian farmers.

possibilities for the state governments to promote farmers in dire straits and help them become olive farmers. They will need support for around five years after which they can repay the government and become self-sufficient.

Our collaboration partners, BAIF, the Pune headquartered NGO, provided us with clues to two new potential areas in one of our brainstorming sessions. The first was to do with the increasing

Apples is an exciting fruit to be associated with. My working relationship with Mr. Han Fleuren of Fleuren Nursery has been most enlightening and when BAIF took an interest in the apple variety, we began to work in earnest. Fleuren pioneered a mini tree concept, apple trees that grow just about 2 meters or so and fruits within a couple of years. The wonderful thing

about this concept is that it can populate small fields and even bungalow compounds. Perhaps, even balconies of apartments, as I have done in my apartment in Rotterdam. We began about 8 months ago with BAIF’s team in a facility in Uttarakhand and also through their associates in the State of Kashmir. I am happy to inform Indian farmers and even those interested, that it has been a most pleasing success. Businessmen with an interest in distributing these trees



could find it to be a most rewarding venture. In the meanwhile, we are working with grass root level experts to take it to widespread planting on step farms at the foot hills of the Himalayas.

(The author specialises in bringing Dutch and Indian companies to work together either through equity participation or collaboration, creating win-win situations.)

■

Easing the Tight Rope to Boost Business Sentiment

The time is ripe for India to become the fastest growing large economy in the world. The slowdown in the Chinese economy, downgrade of the sovereign rating of Brazil, turbulence in the Russian and South African economies are some of the external factors that can make India an outperformer in the BRICS group of countries. On the other hand, steady macroeconomic environment (low current account deficit, rising foreign exchange reserves, falling inflation), progressive government policy are some of the internal factors that may support India's economic growth this year.

While the Indian economy grew at 7.3% in 2014-15, the central government's chief economic advisor Arvind

Subramanian expects it to grow at around 7.5% in the current financial year. In order to sustain this growth, Indian economy requires huge investments. This calls for the 'gut instincts' of businessmen on their future business prospects and risk taking behavior on the part of investors (what is termed as Animal spirits by the legendary British economist John Maynard Keynes).

In order to unleash this animal spirit, the government must provide a sound administrative and regulatory environment for businessmen to start and conduct their business operation. The central government is well aware of the need to improve the ease of doing business in India and it has taken several initiatives on this front in the last one and a half years.

Some of the key steps taken by the central government to improve ease of doing business in the last one and half years

The central government launched the eBiz website which would act as a single window point for obtaining clearances (for setting up new business) from various governments and government agencies.

Directorate General of Foreign Trade (DGFT) has reduced the number of documents required for both export and import to 3 from the earlier requirement of 7 for exports and 10 for imports (according to the World Bank 'Doing Business Report 2015').

Ministry of Corporate Affairs has introduced an integrated process for incorporation of a company, wherein applicants can apply for Director's Identification Number (DIN) and company name availability simultaneous to incorporation application.

The Companies Amendment Act, 2015 has been passed to remove requirements of minimum paid-up capital and common seal for companies. It also simplifies a number of other regulatory requirements.

Ministry of Home Affairs has stipulated that it will grant security clearance on Industrial Licence Applications within 12 weeks. In matters other than Explosives and FIPB cases, security clearances are valid for three years unless there is a change in composition of management or shareholding.

The central government introduced the NIC Code 2008, which is the advanced version of industrial classification. This code will allow Indian businesses to be part of globally recognized and accepted

The central government created an Investor Facilitation Cell in 'Invest India' to guide, assist and handhold investors during the entire life-cycle of the business.

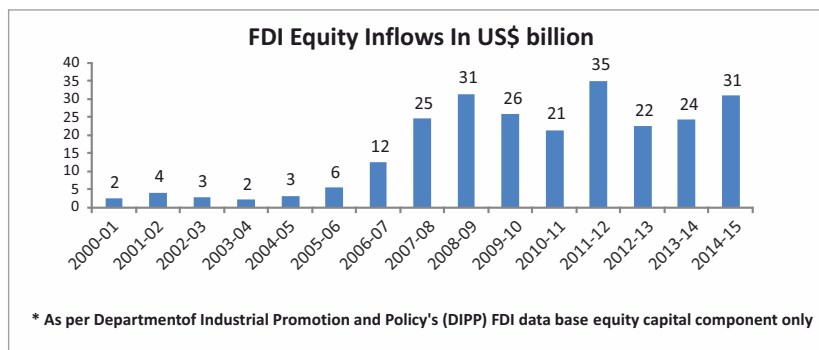
A comparative study of practices followed by the states for grant of clearance and ensuring compliances was conducted through Accenture Services (P) Ltd. and six best practices were identified. These were circulated among all the states for peer evaluation and adoption. The study has also identified important bottlenecks faced by industries and important steps required to improve the business environment in States.

Initial validity period of Industrial License has been increased to three years from two years. This will give enough time to licensees to procure land and obtain the necessary clearances or approvals from authorities.

To facilitate investors and to reply to their queries, Frequently Asked Questions (FAQs) by applicants for grant of industrial license have been developed and uploaded on DIPP website.

A checklist with specific time-lines has been developed for processing all applications filed by foreign investors in cases relating to retail or NRI or EoU foreign investments. This has been placed on the DIPP website.
An Investor Facilitation Cell has been created in 'Invest India' to guide, assist and handhold investors during the entire life-cycle of the business.
Process of applying for Environment and Forests clearances has been made online through Ministry of Environment and Forests' portals.
The issue of time taken in registration with Employees Provident Fund Organization (EPFO) and Employees State Insurance Corporation (ESIC) was taken up with the Ministry of Labour and Employment, Director General, ESIC and Central Provident Fund Commissioner. Both the processes have been automated and ESIC registration number is being provided on a real-time basis.
An order facilitating revival and rehabilitation of MSMEs through banker's committee has been issued by Ministry of MSME.
MHA has stipulated that it will grant security clearance on Industrial Licence Applications within 12 weeks. In matters other than Explosives and FIPB cases, security clearances are valid for three years unless there is a change in composition of management or shareholding.
A unified portal for registration of Units for LIN, reporting of inspection, submission of returns and grievance redressal has been launched by Ministry of Labour and Employment.

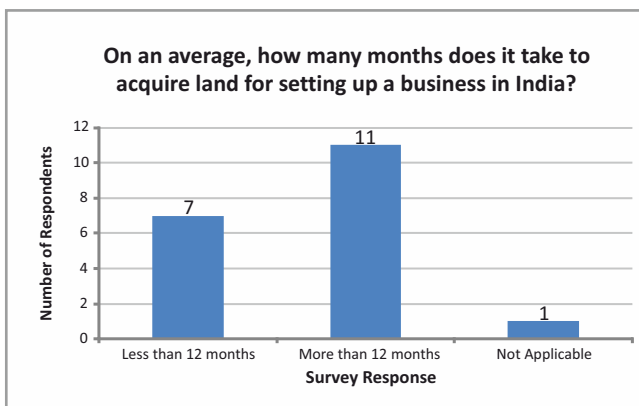
The central government claims that these steps have improved business confidence so much that the foreign direct investment into India rose to \$31 billion in 2014-15 from \$24 billion in the previous year (see the chart on the right side).

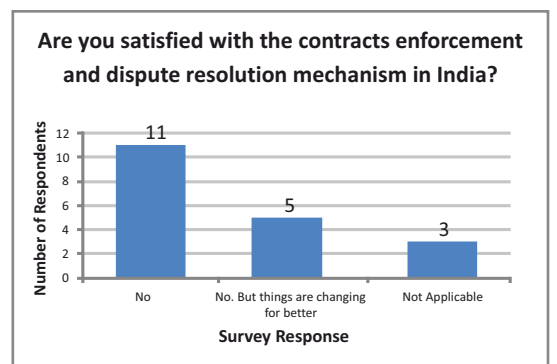
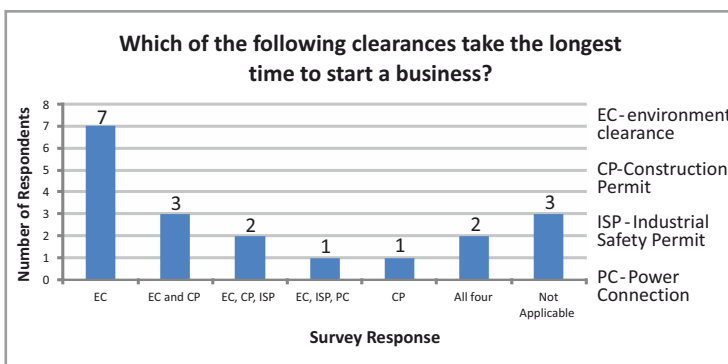
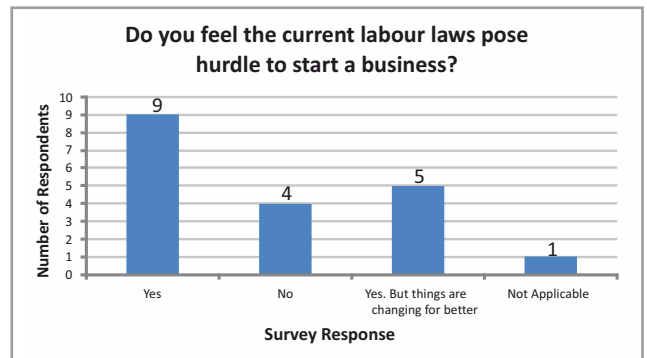
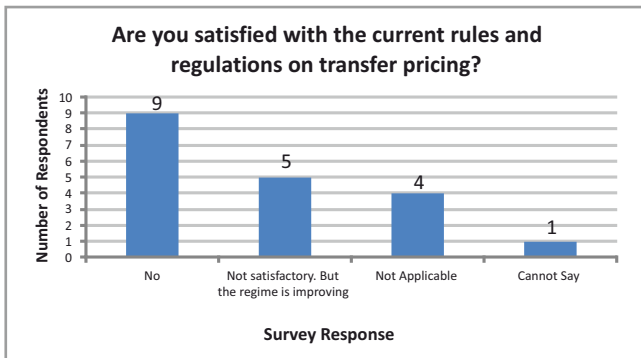
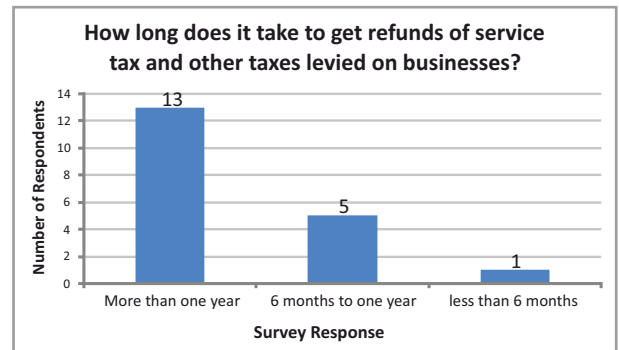
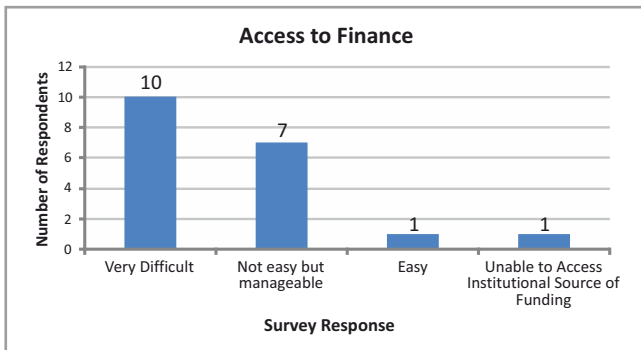
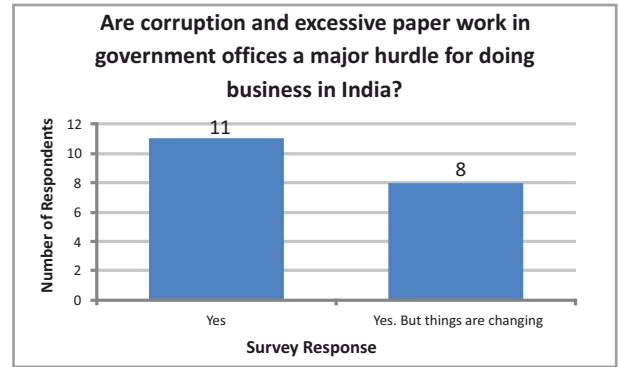
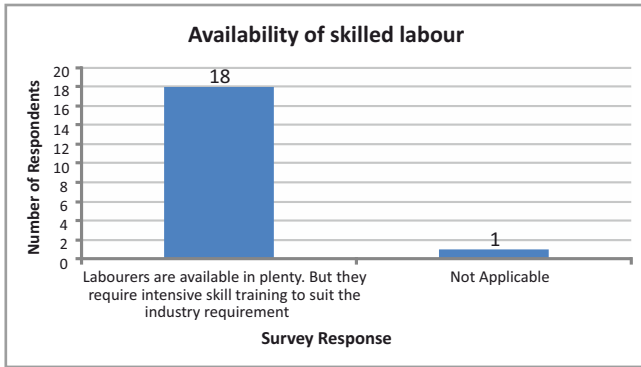


However, despite these measures, the business community in India still complains about the various complex bureaucratic and administrative procedures that come in the way of smooth launching and conduct of business operations.

In a survey conducted by the World Trade Centre Mumbai with 19 participants who are exporters, manufacturers, consultants and technology service providers, a majority of the respondents expressed the opinion that it was very difficult to conduct business in India (see box 1 for the results of the survey). The survey sought the response of participants about the ease of different procedures or factors affecting the launch of a business or smooth operation of a business. These procedures or factors include land acquisition, availability of skilled labour, access to finance, red tapism and corruption, taxation, transfer pricing regime, statutory permits, labour laws and contract enforcement.

BOX 1 (Results of the Ease of Doing Business Survey by World Trade Centre)





Of the 19 respondents, 11 felt that it takes more than 12 months to acquire a land for setting up a business in India, while seven said it takes less than 12 months for this. According to information revealed by the Union Finance Ministry in response to an RTI query raised by Delhi-based activist Venkatesh Nayak, 8.2 percent or 66 of the total 804 projects across India have been halted due to problems in acquiring land as of February 2015. Of these, 29 are government projects and 37 are private. These 66 projects stalled due to land acquisition problems are worth over Rs 110,000 crore.

In order to provide a legislative framework for the land acquisition process, the central government has been struggling to pass The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Second Amendment) Bill, 2015 in Parliament. However, lack of political consensus is holding the passage of this bill and now the bill is being scrutinised by a joint parliamentary committee (JPC) which is expected to submit its report on it by November 2015.

On the availability of labour, 18 of the 19 respondents remarked that labourers are available in plenty but they require intensive skill training to suit the industry requirement. Industry observers feel that while on the one hand there is shortage of candidates for jobs requiring high level of skill, on the other hand there is no dearth of people available for low-skilled jobs. In order to address the gap in the demand and supply of skilled labourers, the central government launched the Skill India programme in July 2015. India's National Skill Development Council (NSDC) is working to impart skills among youth and about seven large companies are contributing to this endeavour.

On being asked about the ease of accessing capital, 10 out of the 19 respondents said it is very difficult to secure working capital and long-term finance from banks and other institutional sources. Seven respondents opined that it is not easy but manageable to access capital. Small and medium enterprises are finding it difficult to secure capital because of high risk perception associated with them and reluctance of banks to offer credit without collateral. In order to enhance flow of institutional credit to the small entrepreneurs, the central government has introduced Pradhan Mantri MUDRA Yojana (Micro Units Development and Refinance Agency). This scheme intends to refinance all Micro-Finance Institutions (MFIs) that provide credit to micro or small business entities engaged in manufacturing, trading and service activities.

Responding to a query on corruption and red tapism, 11 of the 19 respondents said corruption and excessive paper work in government offices pose major hurdles for doing business in India. The remaining eight respondents also agreed to it but they feel that things are improving on this front. The central government has been taking a series of steps to reduce paper work in bureaucracy and limit the time taken for clearing files by government officials. As a step in this direction, the central government introduced an online portal for manufacturers to register factories and submit documents electronically. In yet

another step, the central government streamlined labour inspection by randomly assigning inspections and setting time limits for filing reports by labour inspectors.

For another query on India's taxation system, 13 of the 19 respondents said it takes more than a year to get refunds of service tax and other taxes levied on businesses. Five respondents said it takes six months to one year to get such refunds. The central government is taking steps to overhaul its taxation system and as part of this effort, it is planning to implement the much awaited goods and services tax (GST) from April 2016. Introduction of GST would reduce the number of indirect taxes prevailing in the system and provide a single unified market for goods and services in the country, thereby avoiding delay in the movement of goods between state borders. Further, the GST would eliminate the cascading effect of the current tax system (the practice of imposing tax on tax) and would also simplify the process of invoicing.

In yet another sign of poor business climate in India, 14 out of 19 respondents expressed dissatisfaction over the current transfer pricing regime in India. However, five of them expressed hope that the regime is improving. The transfer pricing regulation of India applies to all transactions between multinational companies and their Indian counterparts.

Transfer pricing regulation is a major nightmare for multinational companies investing in India and many high profile tax disputes between the Indian government and the multinational companies are related to this issue. For example, the Indian government has made a Rs 20,495 crore tax claim on Cairn India for failing to withhold tax when Cairn UK Holdings made capital gains by transferring its India assets in 2006.

However, in recent times, the central government has been taking steps to align domestic transfer pricing laws with the international best practices and to meet this end, the government brought in flexibility in the regulation by introducing the use of 'range concept' and multiple year data.

Responding to a query on the statutory approvals for starting a business, 13 of the 19 respondents felt securing environment clearance takes the longest time while setting up a project. Especially, crucial infrastructure projects like road, power, steel, airports get stuck owing to delay in environmental clearance. Since May 2014, the central government has taken various steps to fast-track environment clearance for projects. These include introduction of an online system for environment and forest clearances, granting powers to state governments, guiding states to create land banks for compensatory forestation etc.

On being asked whether the current labour regulations pose hurdle to starting a business in India, 14 out of 19 respondents said yes. However, five out of this 14 respondents expressed hope that things are changing for better. The central government plans to replace over 44 labour laws with only four – viz. law on 1) wages, 2) social security, 3) industrial safety and welfare and 4) industrial relations.

Further, the central government may allow factories employing less than 300 workers to lay off workers without government permission. Currently, factories employing less than 100 workers can hire and fire without government approval.

To another query, 16 out of 19 respondents opined that they were not satisfied with the contracts enforcement and dispute resolution mechanism in India. Both foreign and domestic investors are concerned about the inefficient judicial system in India which takes an unreasonably long time and huge cost to resolve commercial disputes. In order to ensure time-bound resolution of commercial disputes, the central government proposes to set up exclusive commercial divisions in various courts in India based on the recommendations in the 253rd Report of the Law Commission. It may be recalled that the Law Commission, in its Report recommended establishment of Commercial Courts, and Commercial Divisions and

Commercial Appellate Divisions in the High Courts. Following this, the central government introduced the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Bill, 2015 in the Rajya Sabha on April 29, 2015.

Considering the huge time and cost involved in litigation, arbitration is emerging as an alternative dispute resolution mechanism in India. Arbitration is a method of resolving disputes outside the courts. The parties to a dispute refer the case to one or more arbitrators or an arbitral tribunal and agree to be bound by the arbitration decision. According to Mr. Sahil Kanuga, Senior Member, International Dispute Resolution Practice, Nishith Desai Associates, the proposed amendment to the Arbitration & Conciliation Act, 1996 would lead to efficient and speedy resolution of disputes. *(See box 2).*

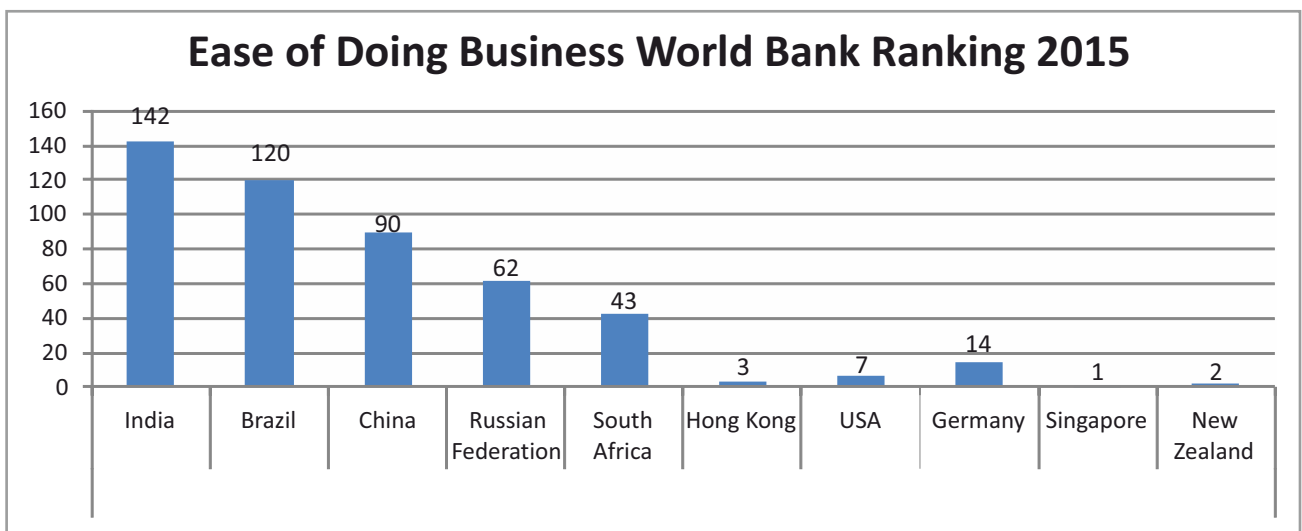
Box 2

“The Law Commission of India has suggested amendments to the Arbitration & Conciliation Act, 1996 as well as setting up of commercial courts. These suggestions are a welcome step and are possible game-changers towards addressing key issues plaguing dispute resolution in India, some of which are delays, excessive judicial intervention in arbitration and frivolous litigation without consequential costs. Significantly, the proposed amendments to the Arbitration & Conciliation Act, 1996, appear designed to make a party’s conduct during arbitral proceedings reasonable and aimed at an overall effective, expeditious and efficient resolution of disputes.”

Mr. Sahil Kanuga, Senior Member, International Dispute Resolution Practice, Nishith Desai Associates

Ease of Doing Business (World Bank Report)

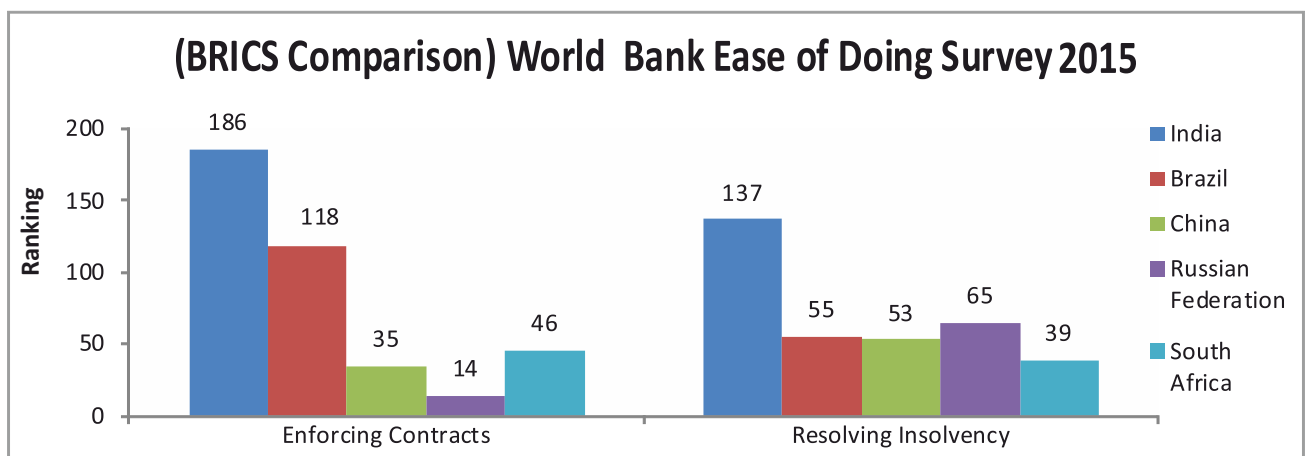
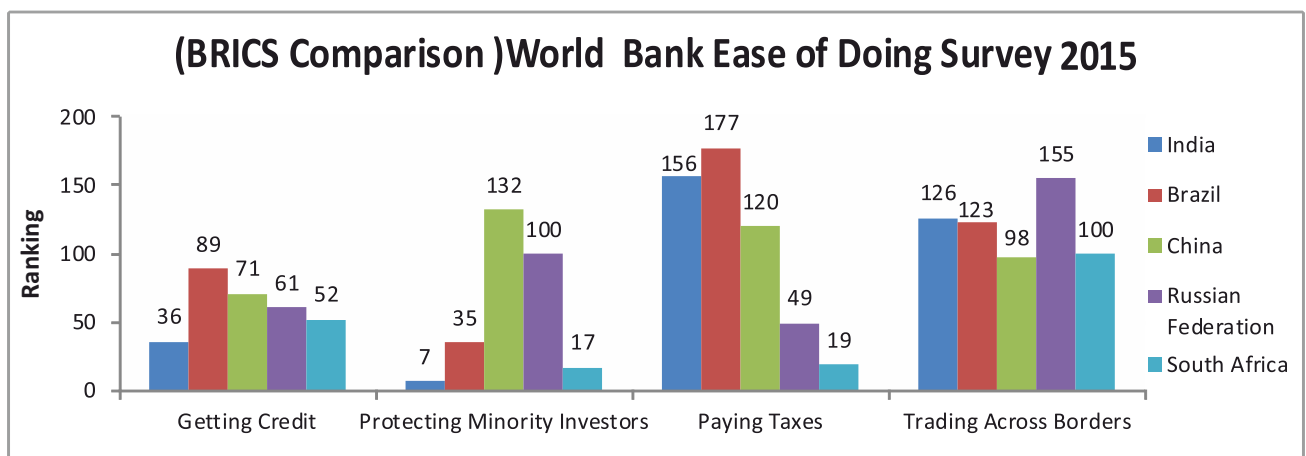
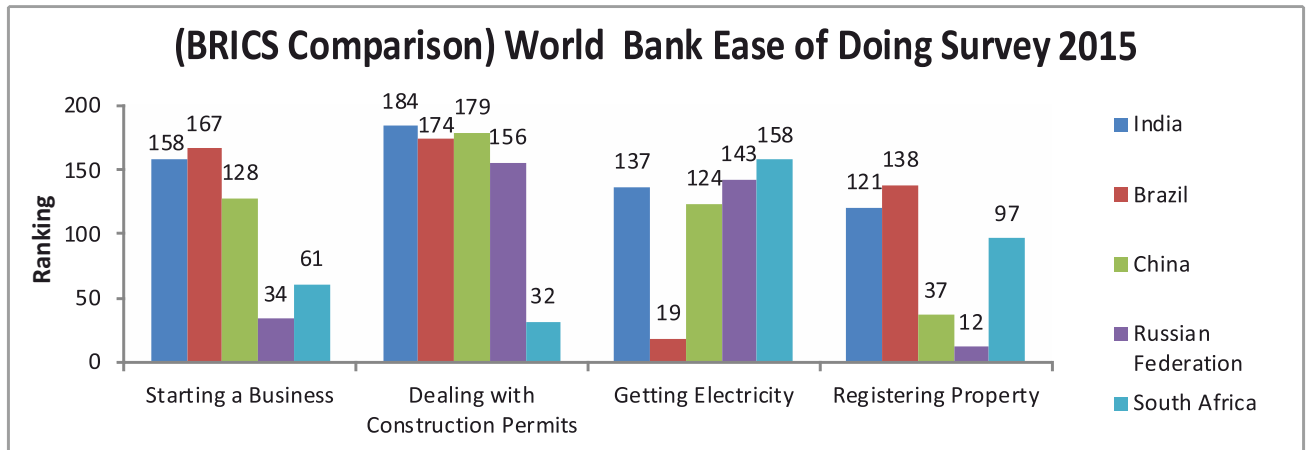
The result of the annual survey on ease of doing business conducted by the World Bank also shows India in a poor light. According to the survey conducted in 2015, India is ranked at 142 out of the 189 countries surveyed by the World Bank on ease of doing business. All the other economies in the BRICS group rank better than India. For example, Brazil ranks 120th, while China, Russia and South Africa rank 90th, 62nd and 43rd respectively.



The World Bank's survey ranks countries on 10 parameters of ease of doing business. These include starting a business, dealing with construction permit, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, and resolving insolvency. India ranks better than its BRICS peers on two parameters viz – getting credit and protecting minority investors. On the other hand, India ranks very poor compared to other BRICS countries when it comes to contract enforcement and resolving insolvency. According to the World Bank survey, it takes 1420 days to enforce

contracts in India, whereas the comparable time taken in Brazil is 731 days, South Africa 600 days, China 453 days and Russia 267 days. Similarly, it takes 4.3 years to resolve insolvency in India, while in Brazil it takes 4 years, in Russia and South Africa it takes 2 years, in China it takes 1.7 years.

Another area in which India ranks very poor is in dealing with construction permits. According to the World Bank survey, it involves 25 procedures to secure construction permit in India, compared to 22 in China, 20 in Russia, 19 in Brazil and South Africa.



Singapore is ranked the best country on ease of doing business survey of the World Bank, while New Zealand is ranked the second best. Responding to an email query from the World Trade Centre, Dr. Steve H. Hanke, Professor of Applied Economics, The Johns Hopkins University, USA explained how India can improve its ranking in the ease of doing business survey by emulating the Singapore model. According to him, the policy makers in India must ensure price stability, minimal government regulation, minimal taxation, law and order,

corruption-free governance (*see box 3*). While India may not be able to emulate Singapore by setting up a currency board (as recommended by him), Reserve Bank of India is already moving towards an inflation-targeting regime by setting time-bound target for consumer price inflation (CPI). This move is expected to create stable value for the Indian currency.

Box 3

The way for India to emulate Singapore, for example, is to follow Lee Kuan Yew's "Singapore Strategy." This strategy contained the following elements:

Number one was stable money. Singapore started with board system — a simple, transparent, rule-driven monetary regime. Currency boards operate on autopilot, with automatic adjustments keeping the system in balance. Accordingly, currency boards deliver discipline to the spheres of money, banking, and fiscal affairs. For Singapore, a currency board provided stable prices and free convertibility at a fixed exchange rate, which attracted foreign investment.

The second point was that Lee Kuan Yew ruled out passing the begging bowl. Singapore refused to accept foreign aid of any kind. This is a far cry from many developing countries, where, when you pick up the paper, all you see are politicians and bureaucrats trying to secure foreign aid from someone, be it an NGO, a foreign government, or an international financial institution like the World Bank. By contrast, "no foreign aid" signs hung, and still hang, figuratively outside every government office in Singapore.

The third point was that Singapore strived to have first-world, competitive private enterprises. This was accomplished via light taxation and light regulation, coupled with completely open and free trade — in short, policies that enabled Singapore's private businesses to become Asian tigers. The fourth point in the Singapore strategy was an emphasis on personal security, public order, and the protection of private property. These were the four goals of Lee Kuan Yew's Singapore Strategy: stable money, no foreign aid, first-world competition, and law and order. Now, to accomplish these goals, the key to the strategy was a "small," transparent government — a minimalist government that avoided complexity and "red tape" — hence top ranking in the Doing Business report.

To implement this principle, Singapore appoints only first-class civil servants and pays them only first-class wages. Today, for example, the Singaporean Finance Minister's annual salary is over million dollars per year. In exchange for these high salaries, the Singapore Strategy demands that the government run a tight ship, with no waste or corruption. By embracing Lee Kuan Yew's Singapore Strategy of stable money, no foreign aid, first-world competition, and law and order; and by demanding a government that is absolutely free of waste and corruption, Singapore has transformed itself from a poor, barren speck to a global financial center. Indeed, a recent survey ranking the world's top five financial centers put Singapore as number one — ahead of Switzerland, Hong Kong, London and New York.

In Singapore, the market is the guiding principle of the economy, just as Lee Kuan Yew's 1965 manifesto provides the guiding principles for Singapore's government. Indeed, the key to understanding the Singapore Strategy is to realize that it is a strategy in which the Singaporean government is mandated to produce market-augmenting policies that encourage economic growth.

It should thus come as no surprise that Singapore today is one of the freest, most flexible, and prosperous economies in the world, as reflected by its number one Doing Business ranking. And, lo and behold, Singapore ranks in the top ten with regard to health outcomes — well ahead of large developed countries like the United States.

Dr. Steve H. Hanke, Professor of Applied Economics, The Johns Hopkins University, USA

Competitive Federalism

The survey conducted by the World Bank captures ease of doing business only in Delhi and Mumbai. Therefore, in order to understand the ease of doing business in other parts of the country, one must refer the ‘Assessment of State Implementation of Business Reforms’ jointly published by the World Bank and the Department of Industrial Policy and Promotion (DIPP), Government of India. The emerging trend is that several state governments in India are competing to woo foreign and domestic investors and hence they are showing keen interest to improve the ease of doing business in their respective states.

In December, 2014, the central government invited senior officials of all the state governments and union territories for the ‘Make In India’ workshop. At this event, all state governments and union territories agreed to a 98-point action plan for business reforms.

Following this, the World Bank, with the support of the DIPP conducted an evaluation to take stock of reforms implemented by states in the period January 1-June 30, 2015. Based on this evaluation, the World Bank released the report titled ‘Assessment of State Implementation of Business Reforms’. The report notes that on average, only 32% of the proposed reforms have been implemented across the country. The implementation of reforms regarding inspection and enforcement of contracts, which necessitate medium term actions, stands at less than 20%, the report notes.

In the foreword to this report, Onno Ruhl, Country Director of World Bank in India comments that “...India remains a difficult place to do business. A disproportionately high regulatory burden is borne by businesses in India today”.

Ruhl further opines that a majority of the regulatory burden imposed on business is due to the plethora of laws, rules,

regulations and procedures enforced by the state governments. This gives rise to a wide number of registrations, licenses and NOCs that businesses must obtain...he remarks.

The report ranks Gujarat first in implementation of business reforms with a score of 71.14%. This is followed by Andhra Pradesh (70.12%), Jharkhand (63.09%), Chhattisgarh (62.45%) etc. Maharashtra, with a score of 49.43%, is ranked 8th in this assessment.

The DIPP is supporting the state governments in their initiative to improve ease of doing business in their states. Once the states complete the 98-point action plan for business reforms, the DIPP would suggest next set of reforms to improve business climate.

Road Ahead

While the state governments and the union government are working in unison to reform business regulation and administration, World Trade Centre Mumbai sought the suggestion of experts on the next set of reforms in the following key areas.

Single Window Clearance

While the central government has introduced eBiz portal to enable single window application for new industrial licenses, some experts feel that foreign investors are still not comfortable with this arrangement. According to Mr. Vaishakh Kapadia, Partner, ALMT Legal, Advocates & Solicitors, while receiving application for new industrial license, the government must seek only data and documents most relevant for this purpose (*see box 4*).

Box 4

The government has taken a positive step by integrating 14 services on the eBiz portal. However, the number of registrations and licenses that a company needs to do business in India are far more than those required in Singapore, New Zealand and Hong Kong. Further, the pre-requisites for making the application for an Industrial License are time-consuming. This is not necessarily the case in Singapore, New Zealand, Hong Kong. Some of the services featured on the eBiz portal require additional information and supporting documents which can be difficult to procure without having a local person involved in the application process.

The Indian government should ensure that the pre-requisites and procedural delays be dispensed with. Further only data and documents most relevant for the industrial license should be sought.

Mr. Vaishakh Kapadia, Partner, ALMT Legal, Advocates & Solicitors

Facilitating Exports

The central government is taking steps to align the procedure for exports and imports with the best global practices. However, industry experts feel that this is not enough. Responding to an email query from the World Trade Centre Mumbai, Mr. Arun Sehgal, Chairman, Chempro Pharma Pvt Ltd remarked “Documents is only one part of business. Facilitating movement of goods in time, better infrastructure to ensure timely shipments, preventing thefts of export cargoes from docks and custom notified areas must be addressed”.

He also suggested that the government must simplify rules for re-importing of goods that get rejected sometimes due to uncontrollable factors. Further, he feels the government must either reduce or abolish service tax on commissions paid to overseas agents.

Exporters are also not satisfied with the current level of functional integration among DGFT, the Customs and the Central Excise departments. Lack of co-ordination system among them causes huge delay when a document has to pass through all these departments. According to a report released by the industry body Assocham in 2014, the government must introduce fully automated system of digital integration among these three departments for processing all export and import-related documents.

Box 5

“The proposed land acquisition bill seeks to exempt land acquired for projects pertaining to defence, infrastructure, industrial corridors, affordable housing etc., from the requirement of ‘consent’ and ‘social impact assessment’. Further the acquisition of irrigated multi-cropped land for the aforementioned purposes has also been sought to be permitted. In past, the delayed time-lines associated with acquisition of land have proven to be discouraging for the industry.

Consent requirement and social impact assessment have been seen as significant contributors in delaying the entire land acquisition process. Therefore the proposed bill, which seeks to exempt the identified sectors from consent and social impact assessment requirements, will go a long way in reducing the said time-lines and, thereby provide a major impetus to industry.

Taking the case of defence sector, since the government has permitted FDI of upto 49% in the defence sector, therefore the necessary reforms as proposed in the land acquisition bill would prove to be step in the right direction thereby providing necessary impetus to defense related manufacturing.

The bill in the current form which provides for the exemptions to the identified sectors, if enacted, will prove to be a step in the right direction and boost implementation of various projects. However, in the event these provisions do not see light of the day or if the proposed bill undergoes further amendments (as suggested by the parliamentary joint committee and the opposition parties), it will end up adversely affecting the entire process of land acquisition. This will consequently be a step-back in government’s ambition of ease of doing business in India.”

Sidharth Shankar, Partner, J. Sagar Associates I advocates & solicitors

Land Acquisition

The central government is trying hard to enact the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2015. This proposed Act would replace the archaic Land Acquisition Act of 1894 and would provide an efficient legal framework for industry to acquire land.

In December 2014, the central government made some amendments in the mandatory consent clause included in the 2013 Land Acquisition Act. This Act introduced by the erstwhile UPA government, mandated consent of 70 percent of land owners for public-private partnership projects and 80 percent consent for private projects.

In December 2014, the newly formed government at the centre waived this consent clause for affordable housing, defence, rural infrastructure, industrial corridors and infrastructure projects. The social impact assessment clause was also done away with in these sectors.

According to Siddharth Shankar, Partner, J. Sagar Associates, advocates & solicitors, the government must pass this act without further amendment (*see Box 5*)

Some experts like Mr. Anshuman Magazine of the CB Richard Ellis (CBRE) South Asia Pvt. Ltd blame the largely unorganised nature of the real estate sector in India for the time taken to register property and secure construction permit (*see box 6*). He stresses on the need for a single window for all

clearances related to the construction and real estate industry. Further, he calls for doing away with numerous approvals with individual documentation processes to reduce the time taken for acquiring land.

Box 6

Why it involves so much cost and time to register property in India and secure construction permits?

The largely unorganized nature of the real estate sector in India is the primary reason for this scenario. The lack of a single window for all clearances related to the construction and real estate industry, along with the requirement for numerous approvals with individual documentation processes makes the entire exercise opaque and time consuming. The acquisition and registration of land parcels is often a cumbersome process in India that involves time and cost overruns for retail investors. The major reasons for delays in registering property in India are highlighted below:

- Lack of central database of records for private land ownership leads to prolonged legal and due diligence processes
- Majority of land parcels are not surveyed, which leads to disputes on boundaries.
- Land records are manually maintained by date of registration, which results in difficulty in tracing chain of ownership (only new registrations are computerized in most districts).
- Most State Governments do not have single window clearances and automated approval procedures, causing delays in putting together all required approval documents.
- Lack of inter-departmental co-ordination on providing consensus to a particular project

What should the central, state and local governments do to overcome this malaise?

Above all else, the Central Government should consider providing a clear policy framework for acquiring large land parcels. Once this policy direction falls into place, State Governments should follow suit, with the creation of an automated and simple procedure for obtaining all documentation required for providing approvals. This requirement may not be stressed enough, since land is a State subject. Thereafter, plan approvals should be scrutinized automatically through specifically designed software platforms, and timelines should be fixed for providing approvals.

What should India learn from best practices in other countries in this area?

According to an ease of doing business survey conducted in 2015, Georgia was ranked No. 1 on the parameter of registering a property. This was achieved by drastically bringing down the number of days involved in the entire registration process. A property may be registered, and a certificate of registration and title change may now be obtained in Georgia on same day. This was made possible by digitizing all previous data on private land parcels and automating the entire process.

The time it takes for registering a property in India involves validating old records and providing a new title. In most states, old records before 1980 are yet to be digitized, involving a huge amount of manual work required while registering a property. The records of most properties that are submitted for registration are also undervalued, which leads to revenue loss for the government. A uniform taxation system should also be put in place, along with a reduction in the time required for obtaining a clear property registration certificate.

Mr. Anshuman Magazine, Chairman and Managing Director, CB Richard Ellis(CBRE) South Asia Pvt. Ltd

One of the main problems with land acquisition in India is lack of digital land records and time taken to register property. However, many state governments are streamlining the property registration process and are also creating digital

database of land holdings. Mr. Anuj Puri, Chairman and Country Head, Jones Lang Lasalle, India expressed satisfaction at the pace of reform on this front (*see box 7*).

Box 7

While time taken to secure construction permits is indeed long, time taken for registering property purchase is quite short. Simplification and fast-tracking of property registration process is one of the major achievements of the government. Today, almost all states have digitized the property registration system and in many states on-line registration is available. By and large, the procedure is highly simplified now and is seamless. It is quite close to the passport application system- fast, simple and transparent.

Most states have embarked on the programme of digitization of land records and revenue or taxation records and this is a mammoth work in progress right now. It will be short term pains until this programme is concluded, but surely long term gains!

There is little to complain about property registration system, the only point that could be relooked into is the rate of stamp duty, which is a different realm and not related to process as such. In most states of India, stamp duty is 5% of the property value and some states have introduced discounts for properties registered in names of women.

Time taken for securing construction permits is still quite long. Often it is as long as 6-9 months depending on the scale and location of projects. It can certainly be brought down. We have witnessed that the current (Modi) government is a lot more engaging with the industry and is working on it. We have seen certain reforms and know that more reforms will happen in next few months. The process is getting simplified and faster but is still expensive (premium FSI, development charges etc.). The government is working on reforms like automatic permissions for standardized building plans, empowering architects and engineers with plan sanctioning authority etc. There is definitely a scope of reducing time and cost of the construction permits process and to achieve that a creation of nodal agency responsible for construction permits will help thus reducing if not eliminating role of more than 50 different local agencies and departments involved in the process of construction permits.

Implementing the Real Estate (Regulation and Development) Bill, 2013 will improve India's rank not only on ease of doing business index but on real estate transparency index also. It will bring in clarity, standardization, information symmetry, financial discipline, fair business terms for both developers and buyers. This bill needs to address the issue of requirement of faster construction approvals by setting time frame for sanctioning agencies to be a lot more effective than its current form, which, without doubt is a big positive step towards ease of doing business and improving transparency in the sector.

Mr. Anuj Puri, Chairman & Country Head, Jones Lang Lasalle, India.

Meanwhile, one of the best practices in land acquisition is demonstrated by Gujarat Industrial Development Corporation (GIDC). GIDC launched an online portal for acquiring land in 2010 in order to fast track application for land acquisition.

Under the GIDC model, land is acquired by this corporation with due consent of the concerned farmers by fairly compensating them at prevailing market rates. The corporation takes the guidance of the Centre for Environmental Planning and Technology (CEPT) University for determining the market price of each piece of land.

In case the land is acquired by Industrial Associations, GIDC develops sector specific estate with all the required infrastructure on public-private partnership (PPP) model. Once the land is developed, farmers receive 10% of the amount obtained from industries operating on their respective plots.

Taxation

A stable and non-adversarial tax regime is a pre-requisite for creating a conducive business environment in the country. Uncertainty about tax liability, arbitrary tax policies, retrospective amendment to tax laws vitiate business

confidence and thereby discourage investment.

Responding to an email query from the World Trade Centre Mumbai, Mr. Krishan Gopal Singhania, Proprietor, Singhania & Co, Advocates and Solicitors emphasised the need for consultation between the government and industry to curtail uncertainty on both direct and indirect taxation. Also the proposed tax legislation should be available, so that there is a healthy discussion and comments by the industry to remove ambiguity which will go a long way for effective administration of tax collection and will create ease of doing business in India, Mr. Singhania remarked.

Further, he opined that in each High Court there has to be more benches relating to tax matters and a time limit prescribed for disposal of such cases so that there is certainty of doing business in India as far as tax matters are concerned.

On the issue of transfer pricing, legal experts feel that the administrative regime in India has matured since the introduction of transfer pricing legislation in 2001. However, in case of MNCs having international transactions, the revenue authorities in India are becoming increasingly aggressive in the course of conducting transfer pricing audits. Most of the transfer pricing adjustments are repetitive in nature and are related to old issues not yet resolved by the higher appellate authorities, said Mr. Kapadia of ALMT Legal.

One of the key developments in the transfer pricing matters was the introduction of advance pricing agreements (APAs) in 2012, he added. An APA is an agreement between the tax

authority and the taxpayer to determine in advance, the arm's length price in relation to an international transaction. Recently, the government ratified three more APAs with MNCs taking the total to 14. This is a positive step by the Indian Government to encourage investment in India and reduce potential transfer pricing disputes. The Indian revenue department recently resolved 35 transfer pricing disputes between India and the United States of America in different segments of information technology sector. Further, another 100 cases are likely to be settled in the next few months, Mr. Kapadia opined.

Meanwhile, on the issue of digitising tax system at the state government level, experts point to the best practice adopted by the state government of Karnataka in this regard. The Government of Karnataka replaced its lengthy and inefficient manual tax processes with a fully automated system that enables electronic delivery of services anytime and anywhere across the lifecycle of the taxpayer. Karnataka was one of the first state governments to adopt this initiative and experts feel that other state governments must follow suit.

Resolving Commercial Disputes

Legal experts agree that companies must rely more on arbitration mechanism for resolving their commercial disputes rather than depending on the judicial system, which is already overloaded with too many cases. Mr. Singhania has shared some of the best practices for making the arbitration system in India more efficient. (*see box 8*).

Box 8

If Dispute Resolution mechanism in India has to improve then the first requirement is that the courts have to recognize more Arbitral Institutions as an alternate forum for Dispute resolution other than courts. For example, if ABC as a body is recognized as an Arbitral Institution then the parties who have trade disputes, whether Indian or foreign, can refer the matter to ABC and ABC can appoint Arbitrators from their Panel of Arbitrators. For particular Arbitration proceedings, the Arbitral panel must have business people who are experts in that particular business together with a practicing Advocate who will have the legal expertise.

ABC must also frame rules for the Arbitration proceedings.

- Time frame – from the appointment of the Arbitrator to the conclusion of the proceedings a time limit should be given.
- Realistic cost should be awarded to the winning party.
- Rules should be laid down with regard to cost of arbitration proceedings including Arbitrators' fees.

Some of the above points will help to streamline the Arbitration proceedings and also cut cost of the parties involved. In adhoc Arbitration which is currently carried out there is heavy cost and lengthy proceedings which discourage the parties to opt for arbitration. The Government of India has already prepared a Commercial Court Bill which is pending for quite some time. This should be immediately released so that in each High Court there is a specific bench to deal with commercial disputes which will speed up the process of dispute resolution in the courts. Here also, the Court should give realistic cost to the parties. If a party files a frivolous litigation to delay proceedings that party should be penalised with heavy cost.

The courts should also recognize the value of time of the litigant and should fix a time table for Court hearings. Not more than 50 cases should be kept before each Judge with a monthly time table where pleadings are completed. This will go a long way in bringing certainty of the cases to be heard and disposed of. The Court should take policy decision that once a 30 day time is given then after that no adjournments should be given. If this type of system comes in place then definitely India's ease of doing business ranking will go up and business people will have more faith in enforcement of contract.

Mr. Krrishan Gopal Singhaniania, Proprietor, Singhaniania & Co, Advocates and Solicitors along with Mr. Karan Dogra, Associate, Singhaniania & Co, Advocates and Solicitors

Meanwhile, the DIPP published the Business Reform Action Plan 2016 for states and Union Territories some months ago. The plan includes establishment of specialised division or bench under the High Court to hear commercial cases, establishment of specialised courts at the district court level to resolve commercial disputes, ensuring at least 90% of the vacancies in district courts or commercial courts are filled up.

Further, the action plan has suggested district courts and commercial courts to adopt an information technology-enabled system to allow for e-filing of commercial disputes.

Companies Act 2013

The central government has scored brownie point by improving the ease of doing business through key amendments in the Companies Act 2013. Following concerns raised by some corporate houses and professionals, the central government passed the Companies Amendment Act, 2015 (CA 2015), which came into effect on May 29, 2015, for changing some of the provisions in the Companies Act 2013.

According to Mr. Kapadia, CA 2015 has removed the need for passing a special resolution in a general meeting for related party transactions and has instead prescribed an ordinary resolution (i.e. requiring approval of simple majority of the shareholders) for such transactions.

Further, this requirement of passing a resolution will not be applicable for transactions between a holding company and its wholly-owned subsidiary whose accounts are consolidated with the holding company and placed before the shareholders at the general meeting for approval.

CA 2015 also provides that the audit committee may now provide omnibus approval for related party transactions, subject to such terms and conditions. These amendments simplify doing business without compromising on efficient governance and transparency, Mr. Kapadia noted.

However, Mr. Singhaniania feels that the CA 2015 could have done more to relax the compliance requirement of private companies. According to him, the CA 2015 should have waived closely held companies or family-owned companies

from preparing Directors Report and placing it at Annual General Meeting year by year. Mr. Singhaniania argues that this exercise does not make any significance especially in the case of a closely held company or a family company, where the Directors or their relatives are the members of the company.

Mr. Singhaniania also complains that the Companies Act, 2013 has increased the number of disclosures in Annual Return, making it a cumbersome task for small private companies which do not have in-house corporate advisors like company secretary to fill up such Annual Return for them. The whole idea of Annual Return is to give a snapshot of general information about your company including details of directors, the registered office, share capital and shareholdings, he remarks.

Healthy Mix

After assuming office in May 2014, Prime Minister Narendra Modi has travelled to various foreign countries to build a strong brand image of India and thereby attract foreign investors. However, the real bait for foreign investors is a sound business environment backed by a supportive bureaucracy. It is clear that various state governments are competing to attract their fair share of the pie in foreign investments to India by creating a sound policy and regulatory framework with the help of the central government. In the days ahead, the state government must also take the feedback and suggestions of the private sector in its efforts towards this goal. The central government, state government and the private sector form a healthy team to reform the business climate in India. The private sector plays an important role in providing feedback to the government about the impact and usefulness of various reform measures. In case a certain measure has not yielded its intended benefit, the private sector must inform the same to the government concerned and seek remedial action.

It is the co-ordinated efforts of all these three players to improve the business climate in India that would form the bedrock of the central government's key missions of 'Make in India', 'Digital India', 'Skill India' and 'Smart Cities'.

■

WORLD TRADE CENTRE **MUMBAI**

OFFERS A WIDE RANGE OF VENUES

for **CONFERENCES | BANQUETS | EXHIBITIONS**

EXPO CENTER



60,000 sq. ft. area for exhibitions

SOUTH LOUNGE



CENTRUM



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

- Centrally air-conditioned venues
- Accommodates up to 300 people
- Strategically located in South Mumbai
- 360° panoramic view of the Arabian Sea
- 24 x 7 security services
- Ample car parking space

BOARD ROOM



JASMINE



COMMITTEE ROOM



Trade Promotional Activities Held This Quarter

Seminar on International Trade Facilitation

A seminar on 'International Trade Facilitation' was jointly organised by World Trade Centre (WTC) Bhubaneswar in association with the Export Import Bank of India at Bhubaneswar on July 24, 2015. The keynote address was delivered by Mr. N. Shankar, Executive Director, EXIM Bank of India wherein he emphasised on the importance of exports to the Indian economy. He outlined the role played by EXIM Bank in the promotion of exports and how it can be achieved through various initiatives of the Government of India such as 'Make in India'. Giving a background of the establishment of EXIM Bank and its purpose, he spoke about the importance of product quality and the time schedule for performance in international business. Speaking on the latest trends of export and import of various products, he highlighted India's exporting countries. He stressed on setting up Special Purpose Vehicles (SPVs) for clusters to enhance and promote exports.

Ms. Daya Chandradas, General Manager, EXIM Bank made a presentation on financial and non-financial benefits being extended through various schemes of the Bank. She explained in detail, how an entrepreneur could take advantage of the available schemes for exports to various countries which would enable them to reduce their export risk and enable them to execute long-term projects. She spoke about the Merchandise Exports from India Scheme (MEIS) of the Ministry of Commerce and Industry, Government of India which is administered by Export Credit Guarantee Corporation of India (ECGC). She also provided an overview of the Bank and the Bank's role in encouraging MSMEs through cluster financing.



Mr. Panchanan Dash, Secretary, Department of MSME, Government of Odisha addressing the participants. Seated from (L-R) Mr. A. O. Kuruville, Dy. Dir., MVIRDC WTC, Mr. N. Vaidyanathan, ITS, Asst. DGFT, Ms. Daya Chandradas, General Manager, EXIM Bank of India, Mr. N. Shankar, Exe. Dir., EXIM Bank of India, Mr. B. K. Das, Dir., Directorate of Export Promotion, Government of Odisha, Mr. Laxminarayan Sahu of ECGC and Mr. Anirudha Behera of IDBI Bank.

Mr. Panchanan Dash, Secretary, Department of Micro Small and Medium Enterprises, Government of Odisha, while delivering the inaugural address on the occasion said that the State is taking efforts to boost exports from Odisha to ensure the development of its economy. He said that the State endeavours to double the current export figures. Referring to the 'Make in India' Campaign, he said that Odisha aims to be one of the high-performing manufacturing hubs of the country by creating a business-friendly environment. He highlighted the importance of the single window clearance mechanism which is now being offered through the District Information Centres (DICs) as well as Industrial Promotion & Investment Corporation of Orissa Limited (IPICOL) for the manufacturing sector. Going forward, such a single-window mechanism would also be made available to the exporters of the State. He asserted that it is international trade and marketing which is going to help the industry in general and MSMEs in particular. According to the revised norms, MSMEs will account for around 95% of the State manufacturing sector.

Mr. S. K. Mishra, IRS, Assistant Commissioner of Customs further elaborated on the role of customs in facilitation of international trade and explained how the customs may be viewed as a facilitator for international trade.

Mr. N. Vaidyanathan, ITS, Assistant, Directorate General of Foreign Trade (DGFT) deliberated on the new foreign trade policy and the various schemes that can be availed by the exporters.

Mr. B. K. Das, Director, Directorate of Export Promotion, Government of Odisha, explained the role played by the Directorate for Export Promotion and Marketing (DEPM) for promoting exports of the MSME sector.

Mr. Anirudha Behera of IDBI Bank and Mr. Laxminarayan Sahu of Export Credit Guarantee Corporation (ECGC) also made deliberations on the roles played by their respective organisations in export facilitation.

Mr. A. O. Kuruville, Deputy Director, MVIRDC World Trade Centre shared facts about the present export scenario of the country and highlighted the importance of international trade facilitation. He asserted that WTC Bhubaneswar is committed to take up all initiatives in order to facilitate and promote exports from the State and assist the entrepreneurs to perform international trade.

The seminar was attended by over 100 delegates representing trade and industry.

■

Two-day Entrepreneurship Development Program

A two-day entrepreneurship development program with a focus on export-import business was organised by World Trade Centre Bhubaneswar in association with Entrepreneurship Development Institute of India and Symbiosis Institute of International Business, Pune at Bhubaneswar on August 6-7, 2015. The program brought with it an excellent opportunity for prospective as well as performing entrepreneurs aspiring to venture into global markets and trade internationally. The programme provided an orientation on the subject by expert faculty from renowned institutions.

The program covered in detail various aspects of entrepreneurship as well as export business. Motivating a batch of thirty-five delegates, Mr. A. K. Sharda one of the leading entrepreneurs of the State, shared his experience of building an enterprise boosting the confidence of the delegates in his inaugural address. The delegates gained insight on important aspects of entrepreneurship, preparation of business plan, international business, identification of business opportunities, managing finance etc.

The faculty included Ms. Asmita Chitnis, Director of Symbiosis Institute of International Business, Mr. L. K. Vaswani, Director, KIIT School of Rural Management, Mr. C. R. Pattanayak, Chief Faculty, EDII Bhubaneswar, Mr. S. S. Acharya, DGM, SIDBI Institute of Training and Mr. Gopal Roy, Expert on Cluster Development and faculty of EDII Bhubaneswar. Mr. A. O. Kuruvila, Deputy Director, MVIRDC World Trade Centre conducted extremely interactive and activity-based sessions, thereby educating and motivating delegates on entrepreneurship and international business. Further, the advantages of associating with the World Trade Centre's global network as well as Trade Points were elaborated, encouraging the participants to make use of these facilities.

The program concluded with the distribution of certificates to all the participants. On the occasion, a Memorandum of Understanding was



(L-R): Mr. A. O. Kuruvila, Deputy Director, MVIRDC World Trade Centre and Mr. C. R. Pattanayak, Chief Faculty, EDII Bhubaneswar, exchange signed MoUs. Looking on is Mr. A. K. Sharda, leading entrepreneur in Odisha.

signed between WTC Bhubaneswar and Entrepreneurship Development Institute of India, Bhubaneswar enabling both the establishments to exchange information and assist each other in the organisation of/or participation in fairs, exhibitions and trade promotion events to be held in their respective cities. This would also assist and encourage their members to participate in similar events wherever possible and appropriate.

Workshop on 'Entrepreneurship & Export Business'

A workshop on 'Entrepreneurship & Export Business' was organised by World Trade Centre Bhubaneswar in association with the Balasore Chamber of Industries & Commerce (BCIC) and

Entrepreneurship Development of Institute of India at Balasore on September 22, 2015. It was the first program organised by WTC Bhubaneswar in Balasore known as the plastic and rice cluster of Odisha. BCIC

invited their members to interact with the experts from Entrepreneurship Development Institute of India, WTC and IDBI Bank on entrepreneurship, export business and export finance.

Mr. Himanshu Das, President, BCIC in his welcome address encouraged the

members of the chamber to take full advantage of this workshop.

Mr. Bishnu Prasad Panda, Assistant Faculty, EDII spoke on the importance and charms of becoming an entrepreneur and the process and steps involved in starting a small enterprise.

Mr. Ashish Khandelwal, Location Head, Transaction Banking Group, IDBI Bank Bhubaneswar deliberated on the subject of export finance and explained the various schemes of the Bank available to exporters, so that they could take advantage.

Mr. A. O. Kuruvila, Deputy Director, MVIRDC World Trade Centre, highlighted the current global export scenario and India's position in the world



An active session at EDP

market. He highlighted the export import trend of products and markets where India has a competitive advantage. He also explained in detail the various steps and agencies involved in starting an export-import business. He shared the trends in exports of rice as well as plastics and explained the global market available for these products. He encouraged the businessmen to enter global business with the help of the World Trade Centre.

The Chamber also invited WTC Bhubaneswar to participate in the Balasore Trade Fair and organise a workshop to sensitise the importance of entrepreneurs in Balasore.



From (L-R): Mr. Ashish Khandelwal, Location Head, Transaction Banking Group, IDBI Bank Bhubaneswar, Mr. Himanshu Das, President, BCIC and Mr. A. O. Kuruvila, Deputy Director, MVIRDC World Trade Centre.

Seminar on Export Finance

A seminar on Export Finance was organised by World Trade Centre Bhubaneswar in association with Directorate of Export Promotion and Marketing and Department of MSMEs, Government of Odisha. Mr. Panchanan Dash, Secretary, Department of MSMEs, Government of Odisha while delivering the presidential address, referred to entrepreneurship as the key factor influencing the economy of any nation. It is the vibrant entrepreneurs with their strong will power and thought process who succeed in exploring the scope available in the international markets according to Mr. Dash. While emphasising on the importance of marketing of product or services he said that the international trade fairs should be utilised as the platform for developing the marketing strategy and networking to explore international opportunities rather than as an avenue to sell the products at exhibitions. He shared some of the case studies from his experiences in international trade fairs.

Mr. A. O. Kuruvila, Deputy Director, World Trade Centre Mumbai in his inaugural address briefed the participants on the benefits of getting associated with the World Trade Centre and

emphasised on the important role played by the World Trade Centre Association, New York in connecting the local entrepreneurs with the global network of 330 WTCs in 100 countries. Outlining the export scenario of India he also stressed on the importance of the seminar organised on export finance.

Mr. B. K. Das, Director, Directorate of Export Promotion and Marketing and Mr. Laxminarayan Sahu, Manager, Export Credit Guarantee Corporation

(ECGC) of India both of whom individually highlighted the role played by their respective organisations in promoting international trade.

Mr. Eknath Birari, an expert in Credit, International Trade Finance, International Marketing, International Business Management and Risk Management, conducted the seminar deliberating on various aspects of export finance. Mr. Birari, an ex-banker by profession educated the participating entrepreneurs and exporters by increasing their awareness of various guidelines mandated by the Reserve Bank of India which are available for export finance. He made a presentation with specific case studies on the subject.

Over 120 delegates representing the trade and business community across various sectors of Odisha actively participated in the seminar. The question hour gave additional value to the seminar by highlighting the various aspects on export related subjects.



From (L-R): Mr. Panchanan Dash, Secretary, Department of MSME, Government of Odisha, addressing the audience. Others on the dais from (L-R): Mr. Laxminarayan Sahu of ECGC, Mr. B. K. Das, Dir., Directorate of Export Promotion and Marketing, Laxminarayan Sahu, Manager, ECGC, Mr. Eknath Birari, an expert in Credit, International Trade Finance, International Marketing, International Business Management and Risk Management, and Mr. A. O. Kuruvila, Dy, Dir., MVIRDC WTC.



Dr. Bijoy Sahoo - A Role Model for Budding Entrepreneurs in Odisha

Dr. Bijoy K. Sahoo, Founder, SAI International School and Founder Chairman, JSS Group is an entrepreneur-cum-educationist with a difference, bringing school education while also creating IT revolution in the State of Odisha. The interview features his views on the importance of school education, instilling entrepreneurial spirit and the unexplored opportunities of the State of Odisha.

From a chartered accountant to an educationist, tell us what led to the transformation in your business interest?

After practicing for 25 years as a CA, I realised that I was just pursuing a profession and not my passion. My passion has always been in the field of 'Education' and I firmly believe that education plays a significant role in nurturing children into fine individuals and turning them in to global citizens. Glancing back has always made me realise that the core strength which helped me attain my current status, was undoubtedly my school education with the help of my teachers. This made me understand the importance of school education in the life of an individual. Creation of a new generation of leaders for the future would mean enriching society substantiating my existence. It would satiate my inner compelling urge to give back to society what I have borrowed, thereby transforming my dreams to reality. My passion for education, love for children and the desire to be with them, culminated in the making of SAI International School.

Odisha has always been highlighted as a State which lacks entrepreneurial spirit. Having succeeded as an entrepreneur from the State what message would you like to pass on to the promising entrepreneurs?

'Passion' and 'hard work' are the two

fundamental elements in entrepreneurship. What an entrepreneur requires is perseverance and a fighting spirit to face all odds in life. In Odisha, hardships are more, leading to unsuccessful and disheartened people who are normally considered as lacking entrepreneurial spirit. However, on the other hand there are successful entrepreneurs from Odisha, who are successful entrepreneurs in India and abroad. I am sure one can follow the same trend in the future to make Odisha a State of high entrepreneurial spirit.

“My passion has always been in the field of 'Education' and I firmly believe that education plays a significant role in nurturing children into fine individuals and turning them in to global citizens.”

How do you view the opportunities and unexplored potential the State possesses? What measures would you suggest in order to optimally develop them?

I personally feel Odisha has immense unexplored opportunities in the services sectors like information technology, tourism, transport, skill development, education etc. It also has opportunities in food processing, fishery, dairy, cold storage and supply chain apart from mines and mineral-based industries

along with downstream industries.

Application of innovation, development and maintenance of public utilities, empowerment by way of capacity building, awareness generation and provision of professional expertise and technical assistance are some of the measures which can bring to the fore unexplored potential in Odisha.

The State has consistently witnessed a steady growth in the IT sector both in domestic as well as international markets. As chairman of one of the leading IT services-based companies, what in your view are the prospects of this sector in the State?

The IT sector has shown a significant growth in the last decade, particularly in the last 5 years. Growth was witnessed in the large sectors like Infosys, TCS, Tech Mahindra, Wipro and Mind Tree. It is noteworthy to mention, that the SME sector has shown substantial growth with a Compound Annual Growth Rate (CAGR) of 25 percent. I believe that the SMEs of Odisha are all set for a quantum jump.

Do you find the policy and institutional support system available in the State good enough to encourage international trade and business? What are your suggestions?

Improvement is needed in the quality and

the institutional support system, particularly in the field of banking, export promotion, marketing intervention, technical and bandwidth support. Social infrastructure such as schools, malls, multiplexes, clubs and parks need to be attractive in order to bring in the required talent for international trade and business.

In order to encourage international trade and business, infrastructure support from the Software Technology Parks (STPs), Hardware Technology Parks (HTPs) and Electronic System Design and Manufacturing (ESDMs) both in government and private sectors is required. Special emphasis needs to be given to Business Process Outsourcing (BPOs) and Knowledge Process Outsourcing (KPOs) with encouragement to sectors like rural BPOs and Agri BPOs.

“Therefore, Odisha needs finishing schools, vocational training institutes and skill development centres. I strongly feel that the State of Odisha should have special finishing schools for girls and training centres for SHG/Micro-enterprise.”

The national government on a developmental mode is working on various schemes and campaigns like ‘Make in India’, ‘Digital India’, ‘Skill India’ etc. How are these being reflected upon in the State?

National schemes like ‘Make in India’, Digital India and Skill India are in the policy stage and their implementation has just been initiated. The outcomes will take some time to get reflected in the State’s economy and GDP.

As a highly successful entrepreneur where and why would you place the State on a scale of 1 to 5 (From

“‘Passion’ and ‘hard work’ are the two fundamental elements in entrepreneurship. What an entrepreneur requires is perseverance and a fighting spirit to face all odds in life.”



Excellent to Poor) as far as the ease of doing business is concerned?

I would rate the State at 3, because the Industrial Policy Resolution - 2015, has raised the hopes for entrepreneurship and business growth. This policy has been conceptualised with the aim of making Odisha, a destination of choice for investors worldwide. The objective is to transform Odisha into a vibrant industrialised State and promote sustainable and inclusive economic growth by attracting investments in a systematic manner. The main sectors for promotion in the priority category are IT/ITes, ESDM, biotechnology, food processing, tourism, textiles and automotive industries and to encourage direct employment in intensive sectors like handicrafts, handlooms etc. It also aims to maximise employment generation and enhance employability through skill development, support linkage between MSME and large industries and to make focused efforts for development of ancillary and downstream industries. Moreover, the rating will definitely improve after the successful implementation of the Act.

As chairman of an educational institution, what are your views on the skillset available in the State? How would you project them when it comes to looking at the future of Odisha?

Odisha is a State where education is given utmost priority by the parents. A substantial portion of every household income is spent on education of children. However, I feel there is a gap in the skillset and there are necessary changes required in the system of education both at the school and higher education levels. We find more than 60% of the technically qualified students still not employable because of lack of skills required by industry. Therefore, Odisha needs finishing schools, vocational training institutes and skill development centres. I strongly feel that the State of Odisha should have special finishing schools for girls and training centres for SHG/Micro-enterprise.

Unlocking Agri-export Potential of Odisha

Sukumar Das, Secretary, Grambhoomi Vikas Parishad

Odisha has long been recognised as the state blessed with abundant minerals and varied agro-climatic conditions suitable for the production of diverse agri-horticulture products. This varied agro-climatic condition of Odisha is aptly suitable for the cultivation of cereals like rice, fruits, spices, flowers and medicinal herbs. Over the years exports from the State have been steadily increasing. From a meagre Rs. 1893 crore in 1998-99 to Rs. 17661.39 crore in 2013-14, the exports have shown an upward rise. A close look at this export figure would reveal that much of these exports have been from minerals (Rs. 6224 crore) and seafood (Rs. 903 crore). As per the recent export policy of the Government of Odisha, the State aims to achieve Rs. 29,693 crore of exports over next ten years with a target of at least 10% growth, year-on-year basis. The identifiable exportable areas are – agriculture and forest products, handloom and handicrafts, marine products, engineering and allied products and services. In this context, a fresh look at the potential of agri-exports assumes significance.

As a result of Odisha's favourable agro-climatic conditions for large-scale production of paddy, the State has been producing around 8 million ton (MT) paddy every year. Due to the use of improved hybrid variety (HYV) of seeds, increased mechanisation in the absence of farm labour, use of micro-nutrients, extension support and more importantly implementation of the second 'Green Revolution' by The Government of India, has resulted in dramatic improvement in yield capacities. In fact, the coming years could witness further rise in paddy production and productivity. In this scenario, a conducive export policy can be conceived. Currently, rice is distributed to neighbouring states for exports in turn, to various destinations. In the absence of both a sizable number of integrated rice mills and new technology upgradation of existing mills, only 60% of paddy production can be processed at local domestic rice mills. In fact, it is interesting to note that Bangladesh is the closest to Odisha which imports majority of its rice from China. Though other issues like tariff play a big role, concerted efforts are on for collaboration with the Government of India which can pay rich dividends to the State. Similarly, exporters from Odisha face major problems due to lack of container facilities in local ports like Paradip and Dhamra.

India has been traditionally recognised as a land of spices. India is the largest producer of spices in the world contributing around 46% to the global spice production by volume and 36% by value. As per statistics, Andhra Pradesh leads the production of spices among the Indian States followed by Gujarat, Rajasthan, Tamilnadu and Kerala. Odisha is also one



of the major production States in chilli, ginger and turmeric. The USA, Canada, Germany, Japan, Saudi Arabia, Kuwait, Bahrain and Israel are the main markets for Indian spices. Organic turmeric from Kandhamala District of Odisha has already created a place in the above-mentioned world markets. The organic turmeric grown is by default as the poor tribal farmers could not afford to buy inorganic chemical fertilisers for production. In this specific context, every year 10000 MT of dry turmeric is being produced by the State. The curcumin content in this turmeric is the highest in the country which has been certified by international quality certification organisations. Various stakeholders including Government of Odisha are trying very hard to increase the global presence of this variety of Turmeric. Similarly, Odisha is one of the major Chilli producing States. Chilli is the largest spice export from the country and accounts for 23.2% of exports in value terms, while USA and Europe chilli production together account for 15.6% exports in terms of value.

There has been a growing consciousness in the export market, especially that of Europe on the procurement of pesticide residue free (PR Free). The regulatory bodies have been banning the import of food products containing pesticides. In a recent development by the United States Food and Drug Administration, it has also started to administer stricter controls including traceability of pesticides use in all food products imported to the US. Therefore, exporters have to sensitise themselves with the current global standards of the importing country. This opens up another avenue of opportunity for Odisha.

Across the world, there is a renewed emphasis on pest and inorganic free agricultural products offering a premium in international markets. According to Government of India sources, Odisha has 69,035 hectares under organic farming which is the maximum area. The global market for organic products is roughly around US\$60 billion and India's contribution to it, is around 0.2%. India has kept a target of achieving 2.5% of world organic exports. To achieve this, Odisha can play a major role. Cotton, turmeric, ginger, honey, garlic, chilli, paddy, medicinal plants and maize can be covered under organic farming as 80% of the farmers are small and marginal farmers who use very less or no fertilisers.

According to an ASSOCHAM study, adoption of organic farming in Odisha can lead to wealth accumulation of about Rs. 23,000 crore and generate exports worth around Rs. 600 crore.

Odisha's agro-climatic condition is conducive to cultivation of mangoes. Mangoes are grown extensively in various districts like undivided Koraput, Dhenkanal, Mayurbhanj and Keonjhar. According to the State's sources, Odisha produces more than 6.42 lakh tonnes per year. Out of which, 40% are high quality varieties such as Amrapalli, Mallika, Keshari and Langada which have found wide acceptance outside the State. However, due to lack of innovative technologies and post-harvest management tools, resulting in large scale wastage, mango production has been low. In the absence of food processing equipment, for manufacturing mango pulp and juices, has led to missed opportunities for the export market.

Odisha is the third largest state in the country in cashew cultivation, production and processing. However, due to lack of focus and infrastructure facilities, Odisha is losing out to

rival states like Kerala and Karnataka. According to official estimates, Odisha has the potential to export Rs. 500 crore of cashew, provided an enabling environment is given to processor-exporters.

With the falling commodity prices world-over and over dependence on minerals, the time has come to bring about flexibility in implementation of export strategies. Agricultural produce can be a good addition to the export basket of the State. The ambitious export target set by the Government of Odisha can become a reality, if efforts are concerted towards promoting agricultural exports from the State. A coordinated strategy involving stakeholders like policy makers, farmers, financial institutions, entrepreneurs, government and certification agencies can deliver the desirables for the State. ■

A Warm Welcome to Our New Members

Organisation: TEAMWORK MANAGEMENT SERVICES PVT. LTD.

Contact Person: **MR. BIBHAS KUMAR PARIDA**

Designation: CHAIRMAN

Services offered are tourism, team taxi services, air ticketing exports handicrafts and agri products.

Organisation: GAJANAN TANDI

Contact Person: **MR. GAJANAN TANDI**

Designation: PROPRIETOR

Manufacturer of milk products.

Organisation: KALPAVRIKSH

Contact Person: **MR. JEEVAN SANGRAM DASH**

Designation: PROPRIETOR

A non-profit organisation working on environmental and social issues at the local, national and global levels.

Organisation: SABAT EXPORTS PVT. LTD.

Contact Person: **MS. AMRITA SABAT**

Designation: MANAGING DIRECTOR

Exporters of handicrafts, silver filigree jewellery, textiles & handloom and ready-made garments. Importers of electronic goods.

Organisation: ARKITECHNO CONSULTANTS PVT. LTD.

Contact Person: **MR. RAJESH ROY CHOUDHURY**

Designation: MANAGING DIRECTOR

A leader in roads & expressways & water & irrigation, environment & buildings & townships throughout India and some strategic parts of the globe.

Organisation: RELIABLE INDUSTRIES

Contact Person: **MR. NIRAJ BAJORIA**

Designation: GENERAL MANAGER

Importers and suppliers of castrol lubricants.

Organisation: PRAGYAN BHARATI

Contact Person: **MS. PRAGYAN BHARATI**

Designation: DEVELOPMENT PROFESSIONAL

Consultation done for issues related to water, sanitation and sustainable development.

Organisation: INNOVIZE THERMAL SOLUTIONS PVT. LTD.

Contact Person: **MR. SUNDARAM ROUT**

Designation: DIRECTOR OPERATION

The organisation undertakes design, development and manufacture of high-performance thermal solutions.

Russian Humic Fertiliser 'EDAGUM ® SM'

Finds Application in Indian Soil

The Indian government is taking efforts to popularise 'EDAGUM ® SM' which is a 'humic product fertiliser widely used in Russia.

All the valuable properties of 'EDAGUM ® SM' can be successfully used by Indian farmers as well. The Indian Government supported the project of its application in local soil under the Protocol of the 20th Indian-Russian Working Group meeting on trade and economic cooperation on October 28, 2014. The field tests will be assisted by Indian Institute of Farming Systems Research in Modipuram, Uttar Pradesh.

Spetsosnastka M Group is the Russian manufacturer of specialised engineering equipment and humic products for farming, ecological activities and oil industry.

Modern intensive agricultural techniques involves on the one hand – production of stable high crop yields, improving yield properties and decreasing costs; while on the other – saving and preserving soil fertility and its properties.

One of the modern ways of low-cost and highly effective techniques is based on the new generation of the fertilisers 'humic products'. The use of these substances allows to minimise operation costs, mainly due to the small dose of the fertiliser, that is required for stable positive effect on the plants and its low working concentration (from 0,005 to 0,01%). The rate of humic treatments has tremendous growth in the last 10-15 years. Humic treatment became common agricultural technology, similar to mineral fertilisers and agrochemicals in developed countries.

Humic fertiliser 'EDAGUM ® SM' is a natural regulator of plant growth and development. Scientifically intensive production technology allows for extraction and preservation of a whole complex biologically active substance, created by nature containing humic and fulvic acids, macro and micro elements in bio organic forms and also a complex of useful microorganisms. Due to the high concentration of these components, the product has unique biological activity and wide range of actions, that allow to decrease the rate of application in composition as compared to other humic preparation thereby minimising logistic costs.

EDAGUM ® SM is manufactured in Russia from environmentally friendly raw materials, lowland peat which can be used in organic farming. It has been successfully used in Russia, CIS countries, Central Asia and India. The efficiency of the fertiliser has been certified by surveys conducted by 34 scientific institutions in Russia and other countries which has been applied to wheat, rice, soya, corn, cotton plant, rape, potato, tomato, apple tree, grapes, kiwi, cucurbits and other crops.

In addition, EDAGUM ® SM lacks the disadvantages of

manure containing no seeds of weeds, helminth eggs, pathogenic flora and is easier in application.

EDAGUM ® SM in Crop Production

- Increases yield of various crops by 10 to 50 per cent and more
- Helps reduce the amounts of applied mineral fertilisers and pesticides by 15-50 per cent
- Increases plant resistance against bacterial and fungus diseases: root rots, bacterioses, smuts, fusariosis, wilt, mildew, etc
- Increases resistance of plants to draught, excessive moisturising, frost
- Increase the quality and helps produce green products
- Cleans the soil from residual pesticides, heavy metals and other toxicants

Plant Treatment during Vegetation

EDAGUM ® SM is used as working solution. The consumption rate during vegetation is 40 ml EDAGUM ® SM + 300 litres of water per 1 ha. The preparation can be used independently in the same tank mixture jointly with pesticides or mineral fertilisers. When used jointly, the pesticides consumption can be reduced by 15-20 per cent.

Resource-saving Technologies

In soil treatment, EDAGUM ® SM acts as a biological preparation activating soil microflora and helping to reduce application of phosphate and nitrogen fertilisers by 20-50 per cent. For that purpose, additionally to treatment during vegetation, soil is treated after harvesting or 2-3 weeks before sowing at the rate 1.5-2 litres of EDAGUM ® SM + 1000 litres of water per 1 ha.

Cost Efficiency

Yield increases by 10-75 per cent plus saving mineral fertilisers and pesticides by 15-50 per cent equivalent to US\$ 1 of costs for EDAGUM ® SM returns US\$ 30-50 of profit and more.

The 'EDAGUM ® SM' can be used in every type of soil, including saline, alkaline and low fertile sandy soil, poor in organic matter. This fertiliser can be used on all plant growth stages right from seed treatment to post-harvest soil operations. Besides, the fertiliser application in 'organic farming' is also an option.





Understanding Nuances and Way Forward: Indo-EU Relations

Neena Gill, First Vice-President of the Delegation for Relations with India in the European Parliament

As the founder of the European Parliament's Delegation for Relations with India and its current First Vice-President, strengthening EU relations with India is on top of my agenda, and I find it very encouraging that WTC Mumbai is putting this on the radar. I share its frustration that the much-hyped strategic partnership launched in 2004 is yet to produce substantive results a decade later. This in spite of the fact that each side holds clear strategic value for the other, especially with regard to the major issues of the day, like trade and investment, climate change, energy and renewables and urbanisation.

This mutual strategic value is perhaps most perceptible in the field of trade and investment. India is now growing at 7.46%, taking over from China as the fastest growing major economy. The U.S. Department of Agriculture estimates that in real terms, the Indian economy would become the world's third largest by 2030. Meanwhile, the EU is the largest trading block and single market in the world and ranks first in both inbound and outbound international investments.

One would think that if we put the pieces of the puzzle together, the picture that would emerge would be one of flourishing trade and investment

between both sides. Yet negotiations on the EU-India bilateral trade and investment agreement (BTIA) launched in 2007 have been on ice for the past four years.

The result is trade and investment rates that remain far below potential: current two-way trade is estimated at around €72.5 billion in 2014, while the EU's investment stock in India was €34.7 billion in 2013 - a modest performance, given the weight of both sides.



For businesses – and therefore society - on both sides, this means red tape and missed opportunities. It is not just Indian companies that are negatively affected, but also Indian-owned subsidiaries in the European market. Take Jaguar Land Rover (JLR), which has its head office and production plants in my West Midlands constituency in the UK. Despite being owned by the Indian company Tata Motors, JLR encounters massive obstacles in dealings with India, because they are operating from EU territory.

No BTIA also means a brake on EU companies' and investors' willingness and ability to get involved in Modi's flagship projects like 'Digital India', 'Smart Cities', 'Make in India', and 'Clean Ganges' – this in spite of the clear overlap with key goals pursued by Juncker Commission on 'Digital Agenda', with the shared goals in fields like e-governance and digitalisation of industry and the need to transition towards renewables and sustainable development.

Meanwhile, it is estimated that in the short term, a BTIA would significantly add to both sides' GDP performance, more specifically by 5 billion euro in India and 4 billion euro in the EU - in terms of trades in goods and services alone. That is without counting the billions which would be saved through streamlining our standards and regulations.

Clearly, this is a prospect worth going the extra mile for. Therefore, it is difficult to grasp why BTIA negotiations have been left to drag on over the past years, while an agreement could have given badly needed boost to jobs (and growth), both in India and the EU.

Therefore, it is encouraging that there are some positive signs on the horizon, with

EU Trade Commissioner Cecilia Malmström and Indian Commerce Minister Nirmala Sitharaman having agreed during a meeting on the margins of the June OECD meeting in Paris, to restart the BTIA talks as soon as possible. The swearing in of new Indian Commerce Secretary Designate Rita Teatota over summer will hopefully provide extra impetus for sealing the deal.

It's what businesses in the EU have been pushing for relentlessly over the past years. However, the impression is that their Indian counterparts have been less visible in calling for the BTIA to move forward. Yet, given the global context of major blocks moving towards 'mega trade deals' like Transatlantic Trade and



Investment Partnership (TTIP) and Trans-Pacific Partnership (TPP), which are likely to result in foreign standards being imposed on Indian companies and the increasing interest of the EU and US in ASEAN means, Indian businesses are ignoring BTIA negotiations at their own peril. The more so, given the lack of cohesion in SAARC that makes it difficult for India to get in on this trend of multilateralism.

Some in India have been advocating for a so-called 'early harvest' on the BTIA, focusing on areas where an agreement could be easily found. Yet this is difficult when differences concern basic issues like tariff rates. It would moreover mean simply kicking difficult, but equally important issues, into the long grass.



Apart from the right legal framework, we also need to step up investment in platforms that join the dots between opportunities that exist on both sides and increase their visibility. Together with China and the US, Europe and India are part of the 'Big Four' that will be crucial in turning around global warming – a goal we will be striving for together at the Paris UN Conference on Climate Change in December. The EU and India might have different views on what a global deal should look like, but it's clear there are ample opportunities for businesses from both sides to already start joining forces on curbing global warming. While India has been rated by Ernst & Young as the 4th most attractive country for renewable energy investment, the EU has two times more renewable jobs per capita than the global average and holds about 40% of the world's renewable energy patents which can eventually be brought to market - one would say it is a match made in heaven.

The same goes for another challenge that both sides have in common: urbanisation. Compared to member states like Germany, France and the UK and major global actors like China, Japan, or the US, the EU remains relatively invisible when it comes to urbanisation. Yet, Indian companies stand to benefit from looking beyond traditional bilateral relations with some European countries. Spain's construction industry is the fastest-growing in Europe, followed by Slovenia, Hungary and Poland. Technology that has helped Sweden to reduce waste to landfill sites from 62% to 4% could be put to good use in urban India, where 180,000 tonnes of urban garbage is produced on a daily basis. Belgian buildings designed to generate their own energy could go a long way in helping to tackle India's energy problems. The EU can facilitate cooperation with India on urbanisation by pooling the strengths of all its member

states together. An illustration is the European Commission's World Cities Projects, which will see projects on smart cities jointly undertaken by Mumbai and Stuttgart in Germany, Navi Mumbai and Lazio in Italy and Chandigarh with the Copenhagen Region in Denmark. Project evaluation, identifying partners and funding and the start of pilot actions are kicking off just now and will be taking place until October.

It is clear there is no dearth of opportunities to kick-start EU-India cooperation in crucial fields like trade and investment, climate change, energy and urbanisation. Rather, there seems to be a dearth of awareness about their existence and appetite for action. However, if we want the billions of Euros and thousands of jobs that will be created by increased trade and investment, businesses from both sides will need to make a strong call for political leadership, since, that is what it will take to break the deadlock. That is why it is deeply disappointing that a high-level summit hasn't taken place since 2012, while this year will only see a meeting between leaders on the side lines of the November G20 Summit in Antalya. We need to organise a summit as soon as possible and make sure it is underpinned by a substantive and result-oriented agenda, a creative mind-set and the necessary budgetary and political commitments to ensure a robust follow-up.

If both sides share an ambition that enhances their strategic interests, not in the least those of their business communities, 'business as usual' in EU-India relations simply isn't good enough. ■

Trade Promotional Activities Held This Quarter

Province of Guangdong Seeks Indian Collaboration

A delegation from the Province of Guangdong on the eastern side of China headed by Mr. Guo Yuanqiang, Director General of Department of Commerce of Guangdong Province along with a delegation visited the World Trade Centre Mumbai (WTC Mumbai). The main purpose was to introduce the Province and the representatives from various sectors of the industry and facilitate meaningful dialogues which could lead to building fruitful connections.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and President, All India Association of Industries spoke of the close relations that Prime Minister Modi has established with China. He said that the total trade is approximately US\$ 70 billion, while exports is around US\$12 billion. The main items of trade with China are textiles, cotton yarn, raw cotton etc. He said that there is great opportunity for Chinese companies to establish themselves in India with the Government of India creating the 'Ease of Doing Business' and 'Make in India'. In turn China could help set up manufacturing facilities and invest in infrastructure. With the announcement of 'Digital India', US\$ 4.5 trillion could be generated in the next 20 years and China could be part of this growth story, in this area as well.

Mr. Yuanqiang shared his experience about meeting different business associations and government agencies in India including the Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce and Industry, Government of India, FICCI, CII.

Later, Mr. Yuanqiang shared the economic and social environment of the Province of Guangdong. He said the gross domestic product (a measure of the size of the economy) of the Province is around USD 1 trillion and its GDP per capita is USD 10,300. The Province contributes over 25% of the total foreign trade of China. He remarked that the Province is ranked number one in China on retail sales and consumption for the last 26 years consecutively. He said the economic and social development in the Province received a boost following the economic reforms unleashed in the entire country in 1979.

He further mentioned that the Province attracted foreign direct investment (FDI) worth USD 330 billion in the past 35 years which is a quarter of the total FDI in whole of China. The Province has witnessed 170,000 investment projects so far, Mr. Yuanqiang noted. He later pointed out that India is a significant market for companies in the Province of Guangdong.

He highlighted that the Province would open up its economy further in the coming years and strengthen its relationship especially with those countries that are part of the One Road One Belt' initiative. He requested the Indian business community to participate and be a part of the economic development in the Province. Further, the Province encourages local companies to explore business opportunities in other



From (L-R): Mr. Xie Guoxiang, Commercial Counselor, Consulate General of The People's Republic of China in Mumbai, Mr. Guo Yuanqiang, Director General of Department of Commerce of Guangdong Province, Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and Mr. Zheng Xiyuan, Consul General, Consulate General of the People's Republic of China in Mumbai.

countries. In the past 5 years, the economic co-operation between India and the Province has been showing promising development. Between 2010 and 2014, foreign trade between India and Guangdong has risen from USD 9 billion to USD 12.5 billion.

Mr. Yuanqiang proudly mentioned that despite the global financial crisis and economic slowdown since 2008, foreign trade between India and the Province has been rising 6.8% on an annual basis. The trade between India and the Province constitutes 17.8% of total Sino-Indian foreign trade, he mentioned.

He concluded that Guangdong administration attaches great importance to the relationship between India and the Province. Recalling the various visits of business delegations from the Province to India in recent years, Mr. Yuanqiang informed that the Governor of the Province would visit India and its financial capital Mumbai in September 2015. Mr. Yuanqiang expects further commercial ties with India since the Province is the number one in financial trade.

He remarked that although the trade between India and Guangdong stands at USD 12.5 billion, it represents hardly 1% of the total foreign trade of China. Therefore, Mr. Yuanqiang opined that there is tremendous scope to increase the bilateral trade between India and the Chinese Province. Specifically, he informed that the business community in Guangdong would look to import more goods and services from India. He welcomed Indian companies in the areas of strategic emerging industries, pharmaceuticals, software services, outsourcing, financial services etc. to explore ties with the Province.

He informed that during his interaction with the business and

government officials in India, he received several suggestions and concerns which he would share with the business community in his Province upon return to his home country.

He concluded his address by extending an invitation to the Indian business community to pay a visit to the Province of Guangdong to get first hand experience of the economic and social developments.

Mr. Zheng Xiyuan, Consul General, Consulate General of the People's Republic of China in Mumbai mentioned that Guangdong Province is one of the richest in China and there is huge scope to expand economic co-operation with India. Highlighting the similarities between the State of Maharashtra and the Province of Guangdong in terms of population, economic growth, foreign trade and investment, Mr. Xiyuan noted that there is scope for strengthening commercial co-

operation between both the places. He mentioned that just as Mumbai is the gateway of India, Guangdong is the gateway of China.

Mr. Surendra K. Wadhvani, Chairman & Managing Director of Shye International Ltd. said he has been living in Guangdong for the last 18 years and the Province has grown tremendously since then. He mentioned that there is huge scope for co-operation between India and China. He particularly mentioned that India can benefit from the latest technologies in the sectors of power and infrastructure from China.

Interactive meeting was held at the World Trade Centre Mumbai on July 2, 2015.

■

Inauguration of Meghnad Desai Academy of Economics

Mr. Raghuram Rajan, Governor, Reserve Bank of India (RBI) inaugurated the Meghnad Desai Academy of Economics (MDAE) and welcomed the incoming batch of 2016.

The event started with the Governor lighting the lamp along with Lord Meghnad Desai, Chairman, Meghnad Desai Academy of Economics, Ms. Indu Shahani, Vice Chairperson, MDAE and Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre.

Governor Mr. Rajan commended the incoming students for taking an entrepreneurial risk in joining the Academy, as it would form the basis of their careers.

He said that, "The first batches are the start of great ventures and we at the RBI will do all we can in our power to support MDAE. I wish this institution goes to greater glory in the years to come. I can think of nothing more noble than setting up a school, not in honour of a politician or business personality but in honour of a great academic institution. In this country there is a tremendous need for capable economists. I see that every

day in my work. There is a need in Delhi, Mumbai and all over the country".

"We have lost a generation of economists. Over time, the number of people going for higher degrees in economics has dwindled as other opportunities in the economy opened up. The kind of economics we need is based on a good understanding of the fundamentals of economics, such as price theory and general equilibrium, which is the hardest concept to understand. A lot of policy-making is done without an understanding of general equilibrium which is often the key contribution that an economist can make to the dialog. The kind of economics we need is based on rigorous fundamentals – blood, sweat, tears and toil. In economics, like elsewhere, the questions rarely change", he said.

"The answers keep changing. What is important is that a school continuously updates itself on the answers. It means taking from theory or empirical work and applying it to day to day life, which also means using data to understand the answers we need. Some element of the course should focus on research. The role of research is to foster curiosity. It is that curiosity that transmits to students", said Governor Rajan.

Lord Desai in his speech highlighted that he had lent his name to this institute which would serve as a reminder to all those studying that the course is rigorous with no concessions as Economics is a tough subject. He also hoped that at the end of it, students would accomplish a sense of the power of economics. Ms. Shahani delivered the final note saying "Today is a great day for us as we are witnessing a culmination of industry partnership and academia". She also highlighted that the employability rate in Mumbai University was as low as 14.6% and how the MDAE program was an example of education being reformed and making industry ready".

The inauguration was held on July 27, 2015 at the World Trade Centre Mumbai.

■



From (L-R): Mr. Raghuram Rajan, Governor, Reserve Bank of India, Ms. Indu Shahani, Vice Chairperson, MDAE, Lord Meghnad Desai, Chairman, MDAE, Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre.

7th Information Technology Forum in Russia

A team from WTC-AIAI visited Khanty-Mansiysk Autonomous Okrug (Ugra) Region at the invitation of Ms. Alfiya Pavkina, President, Chairperson of Chamber of Commerce and Industry of the Region, to Ms. Rupa Naik, Director-Projects, MVIRDC World Trade Centre (WTC) Mumbai, to be a panelist at the 7th Edition of Information Technology Forum addressing the topic on 'Smart Regions' and the importance of IT on them. She was accompanied by Ms. Queenie Nair, Director, AIAI and Ms. Neeta Kolhatkar, Joint Director-Corporate Communication, MVIRDC WTC. The Forum was held concurrently with the UNESCO Seminar on Language Diversity in Internet Times and the BRICS Conference in Ufa. The objective of the Forum was to address issues of IT impact on 'Smart Cities' and 'Smart Regions' which contributes to economic development.

The 7th Edition of the Information Technology Forum was inaugurated with a spectacular performance by the indigenous people of Khanty-Mansiysk Autonomous Okrug-Ugra, a federal Region of western Siberia, who put together colourful dances. The indigenous people of this Region were from Khanty and Mansi, from where the Region got its name. The main industries for collaboration of the Region are aviation, oil, gas, printing, fishing, fish-processing, wood and agriculture.

The introductory session was presented by Mr. Adam Samassekou from UNESCO (African region) and President of Maaya – World Network for Linguistic Diversity. Samassekou highlighted the salient point of ICT from the UNESCO Science and Technology Centre Report, which states that ICT should be people centric for peoples' societies. He cautioned about the socio-cultural issues of the Internet in the context of security.

Ms. Naik addressed the first panel discussion on 'Smart Regions'. She spoke of the use of modern technology in creating smart cities to ease urban living. She emphasised on Information Communication Technology (ICT) which is the key driver to development of any Smart City, helping connect urban with social planning of a region.



Ms. Rupa Naik, Dir.-Projects, MVIRDC WTC addressing the Forum on 'Smart Regions'.

In the question answer session, two questions were posed to Ms. Naik. First, on the development of rural areas in India and the disparity that exists between urban and rural areas. The second was on the use of IT in India's health sector. While addressing the first question, Ms. Naik assured that the industry corridors such as the Delhi-Mumbai Industrial Corridor and other such upcoming corridors in India would enable rural areas along the routes and adjacent areas to automatically develop, adding to the growth of these regions. On the issue of IT in healthcare, Ms. Naik said that telecom had penetrated practically every village in India, enabling every family to have a cell phone. People living in the villages are gaining from accessing various health apps in times of emergency, which is in keeping with the Indian Prime Minister Narendra Modi's recently announced 'Digital India' initiative.

Various issues of ICT were discussed in the context of smart cities. Concerns regarding monopolisation of Internet and website domains by few companies or countries were voiced. Speakers expressed the need for IT to benefit masses especially in rural development, tele-medicine etc. References were made to the World Bank Report which has rated India and Brazil low in availability of IT to its masses. The Report further states that India has lost the advantage in BRICS. It has also been mentioned in the Report that ICT can contribute to poverty reduction, if it can be customised to meet the needs of the poor.

Mr. Pedro Lara de Arruda, a Research Associate from the International Policy Centre for Inclusive Growth (IPC-IG) spoke of making IT a creative capital thereby providing opportunity for bargaining ownership of assets. Mr. Arruda spoke of the participation of BRICS nations on global IT markets as compared to US and other advanced nations. BRICS participation is at most 15% of global markets. He highlighted how IT fosters better administration, education and health services thereby improving taxation, revenue systems and overall governance. Citing the International Telecommunication Union (ITU) and the World Economic Forum's Networked Readiness Index, Mr. Arruda cautioned that the stringent policies in Brazil and India are challenging ICT.

Ms. Natalia Komarova, Governor, Ugra Region emphasised on ICT benefits in education, health and the social sector. Ms. Komarova explained how tele-medicine has ensured treatment to all citizens reducing the wait period.

Mr. Evgeny Kozlov, Deputy Head of Staff to the Mayor and Moscow Government explained the details of citizens' opinions and votes received online which is a newly introduced project on experiment basis. Mr. Kozlov added that not all of it is vote-based, for eg. government seeking feedback on usage of land earmarked for parking. On receiving negative feedback, the project was stalled. The advantage of an interactive facility is to have more citizen participation towards government policies and requests and that they prefer the government to use it. This would go a long way in increasing community involvement in government exercises.



From (L-R): Ms. Queenie Nair, Dir., AIAI, Ms. Rupa Naik, Dir.-Projects, MVIRDC WTC Mumbai, Ms. Natalia Komarova, Governor, Ugra Region and Ms. Neeta Kolhatkar, Jt. Dir.-Corporate Communication, MVIRDC, WTC

Meetings at IT Forum

While at the Forum, several meetings were organised. The first of them was with Mr. Mikhail S. Maksimov, ICT Minister, Chamber of Commerce and Industry of the Russian Federation who suggested that India consider investing and forge co-operation with Khanty-Mansiysk Region. The delegation was briefed of the forthcoming Economic Summit in April 2016 and was requested to arrange a delegation to showcase the innovative SMEs in the fields of engineering, electronics, textiles, jewellery and bio-tech sectors.

Thereafter, the WTC-AIAI team visited the IT exhibition comprising companies in the ICT arena in the fields of music, culture, medical, textile, food, telecommunications, etc. Ms. Naik was interviewed on her views on smart cities and investments in IT by Indian companies, by a local Ugra channel.

A meeting was organised with the members of Chamber of Commerce and Industry of the Khanty-Mansiysk Autonomous Okrug - Ugra. They discussed aspects of business collaborations and investments in the Region for Indian SMEs in IT Parks, pharmaceuticals and oil & gas.

An MoU was signed between WTC Mumbai and Chamber of Commerce and Industry of Khanty-Mansiysk Autonomous Okrug - Ugra.

Meetings at Moscow, Russia

The delegation also visited Moscow, Russia and had several meetings with different chambers of commerce, ministers of the Russian Federation and WTC Moscow. A meeting was also held with Mr. Kaiser Dimitri Programme, Director Agro, Export Ltd. with the help of a government official. Among the business opportunities discussed, he spoke of the potential of exporting

chickpeas, barley, corn and ready-to-eat dumplings from Russia. He evinced keen interest in exports-imports of Indian spices, cosmetic industry and titanium for aviation, aeronautics and engineering. A business-breakfast meeting was organised with Mr. Sergey E. Cheremin, Minister of Moscow Government, Chairman of the Executive Board of Business Council for Cooperation with India, along with representatives of different businesses, WTC Moscow and chambers of commerce of Krasnodar Region.

WTC-AIAI team briefed Mr. Cheremin about GES 2015 and requested him to support the Summit.

Mr. Vladimir Yu. Salamatov, Director General of WTC Moscow, appreciated the efforts of the delegation to enhance business relations between the countries. Mr. Salamatov listed out areas for cooperation such as engineering, automotive and steel which are important and could bring about fruitful connections for both India and Russia. Currently, India requires steel imports due to increased construction as a result of infrastructure demands. He said that Russia could fill the gap for steel requirements.

Mr. Yuriy N. Tkachenko Chairman, Chamber of Commerce and Industry of Krasnodar Region and General Director of WTC Krasnodar provided detail information on the investment opportunities in Krasnodar Region and asked WTC Mumbai and AIAI to participate in the Sochi Forum scheduled from Oct 1-4, 2015.

He said that Krasnodar Region’s strengths lie in the fields of agriculture, wine making and oil. Although, the Region produces high quality rice, it still imports 1 million tonnes of rice from India. The Region also has a huge port as they have to ship oil and gas. It is also a tourism-friendly Region.



From (L-R): Mr. Yuriy N. Tkachenko Chairman, Chamber of Commerce and Industry of Krasnodar Region and General Director of WTC Krasnodar, Mr. Sergey E. Cheremin, Minister of Moscow Government, Chairman of the Executive Board of Business Council for Cooperation with India, Mr. Vladimir Yu. Salamatov, Director General of WTC Moscow at the business-breakfast meeting.

Both the Russian government and Chamber of Commerce and Industry are keen on Indian investments in Russia. They were of the opinion that Indian SMEs are the powerhouse of the country, especially in the areas of IT and pharmaceuticals. The Russians are keen on Indian SME investments in various regions particularly in techno parks, which have world-class infrastructure providing excellent amenities. Ms. Naik informed members of the Russia-India Trade House headquartered at the WTC Mumbai and its efforts to forge Indo-Russian trade ties. She enlightened the success story of clusters and the role WTC Mumbai in supporting MSMEs. These clusters are mainly in the areas of pharmaceuticals, chemicals, dyes, furniture, textile, IT, paper, electronics and automotive.

Mr. Yuri P. Mishin, Vice President, Chairman of the Management Committee, Russian Steel, said that 90% of steel produced in Russia is exported, mainly to India. The Indian iron and steel plants were set up with the Indo-Russian cooperation in the erstwhile USSR. He assured of the continuation of cooperation which has resulted in increased Indian imports of Russian steel.

Mr. Roman M. Gubenko, Director, Department of International Cooperation and Trade Facilitation, WTC Moscow informed us of the Eurasia investment seminars for which, the economics of organising them were being worked out. Some officials spoke on the potential of food processing exports from Russia to India pertaining to certain food products and spices in particular.

Mr. Tatyana V. Legchilina, Deputy Director, Department of Foreign Economic Cooperation and Trading-Industrial Chamber of the Russian Federation offered to provide a list of Russian companies requesting information on Indian

companies keen to invest in Russia.

Mr. Alexander Sidyakin, Member of the State Duma of the Russian Federation from the Tatarstan Region provided a detailed presentation on Kazan and Tatarstan Regions. They explained the various investment opportunities for Indians companies.

Mr. Artem Tsinamdzgvrishvili, Deputy Director, Department of International Cooperation, Ministry of Agriculture of the Russian Federation said that he was acquainted with the information on GES 2015 and found it interesting and has also recommended participation for the event, to his government.

He said that he was hopeful of more exchanges in the future between the countries, especially in the fields of technology, expertise on food and agriculture. He was apprised of IMPREPA and PEMANDU- Performance Management Delivery Unit that can be set up by the Russian Government or companies under the agriculture department on lines of the Malaysian venture for water management set up by the Water Works Department, Government of Maharashtra.

Mr. Maksim A. Chereshev, Chairman, Russian Trade and Economy Development Council (RTEDC) and Konstantin Gusel'nikov, of Indian Russian Business Centre. Mr. Chereshev said that it is a good time for Indian business people to invest in Russia as the political environment is conducive for both countries to forge further ties. He assured that the Council would help the Indian industries keen to invest in Russia to deal with the procedures.

Forum and Meetings were held in Russia from July 4-11, 2015.

SARCO Team Visits WTC Mumbai

A team from the SAARC Arbitration Council (SARCO) visited the World Trade Centre with the objective to promote investments and trade in the SAARC countries. The team comprised Mr. Thusantha Wijemanna, Director General, SARCO and Mr. Faazaan Mirza, Legal Research officer, SARCO. They met Ms. Rupa Naik, Director-Projects, Ms. Yadnya Pitale, Joint Director-Research & Knowledge and Ms. Khyati Naravane, Assistant Director-Trade Promotion all of whom are from MVIRDC World Trade Centre. The SAARCO members explained various regional awareness programmes initiated to highlight the importance of settling disputes through arbitration in a positive way. They informed that since the Council was set up in 2010, it has not got a single arbitration matter, as most parties opt for Singapore, London and Hague as their seat of centre for dispute settlement. Mr. Mirza gave a detailed account of the constitution of the board and functioning of SARCO.

Meeting held at World Trade Centre Mumbai on August 21, 2015.



From (L-R): Ms. Yadnya Pitale, Jt. Dir.-Research & Knowledge, MVIRDC WTC, Ms. Rupa Naik, Dir.-Projects, MVIRDC WTC, Mr. Thusantha Wijemanna, Director General, SARCO, Mr. Faazaan Mirza, Legal Research officer, SARCO and Ms. Khyati Naravane, Asst. Dir.-Trade Promotion, MVIRDC WTC.

Poland to Bolster Ties with Indian Food Industry

A Polish Ministerial delegation headed by H. E. Ms. Zofia Szalczyk, Under Secretary of State, Ministry of Agriculture and Urban Development visited World Trade Centre Mumbai along with a ministerial delegation. The main aim of the interactive meeting was to introduce the Polish delegation members to the members of WTC Mumbai and invitees and thereafter assist in building fruitful connections at business-to-business meetings in the areas of agriculture, allied sector and food processing industries. H. E. Mr. Tomasz Łukaszuk, Ambassador of Poland and Mr. Leszek Brenda, Consul General of the Republic of Poland in Mumbai helped facilitate the event.



From (L-R): H. E. Ms. Zofia Szalczyk, Under Secretary of State, Ministry of Agriculture and Urban Development presenting a memento to Mr. Vijay Kalantri, Vice Chairman, MVIRDC WTC. Looking on from (L-R) Mr. Y. R. Warerkar, Exe. Dir., MVIRDC WTC, H. E. Mr. Tomasz Łukaszuk, Ambassador of Poland and Mr. Leszek Brenda, Consul General of the Republic of Poland in Mumbai.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre & President, All India Association of Industries in his welcome address said that the Polish government had for the second time participated in 'Annapurna World of Food India 2015' as a Technology partner. Mr. Kalantri was looking forward to Polish participation at the 5th edition of the Global Economic Summit (GES 2015) with theme 'Enabling Food for All' and patronise food imports from Poland. Speaking on the current trade between the countries, he opined that it was around US\$ 1.69 billion which is expected to cross US\$ 5 billion by 2018. He added that at the start of bilateral relations, the trade was between US\$0.7-1 billion. While concluding Mr. Kalantri said such exhibitions and seminars would only lead to better bilateral trade relations.

Ambassador H. E. Mr. Łukaszuk in his presentation said that 'Annapurna World of Food India 2015' was a special exhibition for Indian businessmen in the food sector in Mumbai. Citing the presence of Polish food in the Indian markets, he said that Godrej Nature's Basket is one such example. The Ambassador spoke of a Polish Food festival

similar to Annapurna which was coming up in a week's time, which will feature India's Basmati rice and spices from India. There are Polish exporters selling various food products in India while India exports rice and mangoes. Poland's food exports comprise apples and berries. He was optimistic to send a Polish delegation to GES 2015 at the World Trade Centre Mumbai from November 19-21, 2015.

H. E. Ms. Szalczyk in her special address started by introducing Poland's achievements so far. Minister Szalczyk said Poland gained independence including economic development 25 years back. It was 11 years back that Poland became a part of the European Union. Prior to 2003, Poland was a net importer of food. In 2014, the situation reversed making Poland a net exporter of food products. Since this year, Poland has been a global exporter to the tune of US\$ 22 billion Euros of which 1/3 is agricultural production which is exported worldwide. She said that in the last 11 years, Poland has seen a transformation in the agriculture sector. She explained the reasons for the transformation, saying that the Government of Poland had made huge investments in its farmers and food processing sector. Forty billion Euros have been invested in new technologies. The sector has progressed as a result of compliance to the quality standards set by the EU. Emphasis on the environment, natural resources, clean soil, water and air were carried out. Meat and livestock are well planned and the best raw material and resources are allocated.

Currently, Poland exports to Germany, Italy, France and the UK she highlighted. She further added that Poland exports more to global markets outside of the EU. However, Poland is not self sustainable, neither self sufficient resulting in large imports of raw material borne by the Polish foods sector. Minister Szalczyk emphasised that her country offered high quality foods at relatively good prices. She assured that her presence here just goes to reaffirm Polish foods in the Indian markets. The Minister further confirmed that there is a high demand for Indian rice, tea, spices among Polish consumers.

Minister Szalczyk added that after 60 years of Diplomatic relations, this relationship should translate into increasing trade. Some of the Polish products which find consumption among Indian consumers are in the areas of dairy, poultry, mushrooms, apples, vegetables, confectionary, cheese and chocolates. She further said that more than a dozen Polish companies are present at Annapurna. She personally expressed her keenness to see Polish companies presence at GES 2015.

Thereafter, the various companies in the delegation introduced their companies and products, to forge tie-ups.

Interactive meeting was held at the World Trade Centre Mumbai on September 15, 2015.

Food Processing, Agribusiness and Dairy - 7th International Summit

A WTC delegation comprised of Ms. Khyati Naravane, Assistant Director-Trade Promotion and Ms. Neeta Kolhatkar, Joint Director-Corporate Communication both of whom are from MVIRDC World Trade Centre attended the Food Processing, Agribusiness and Dairy 7th International Summit, organised by ASSOCHAM at Gujarat University Exhibition Centre in Ahmedabad.



Food Processing Industry in India.

They also met Mr. Job Glas (MBA) Ing, Head of Mission (NBSO) of Netherlands Enterprise Agency who highlighted that the

Dutch are the most successful in Agro and Food Processing sectors in the world. While providing details on GES 2015, she offered to disseminate the information to companies from these sectors to seek their participation for GES 2015.

The delegation met Ms. Sadhvi Niranjani Jyoti, Minister of State for Food Processing, who was extended an invitation to the 5th Global Economic Summit 2015 (GES 2015). During the interaction, she gave specific insights and tips to improve the

The Event was held at Ahmedabad in Gujarat on August 4, 2015.

Guangdong Academy of Social Sciences Visits WTC Mumbai

World Trade Centre Mumbai received a delegation from the Guangdong Academy of Social Sciences led by Mr. Wang Jun, Professor of Economics, Zhongshan University. The delegation held an interactive meeting with the heads of various departments of the World Trade Centre Mumbai.

Explaining the purpose of his visit to India, Mr. Jun said his academy wanted to set up a relationship community team by forging strong contacts with the Government of India and various state governments of the country.

He also expressed interest to align efforts with other think tanks, scholars and experts in India on their opinion of the Chinese government's ambitious 'One Belt One Road' project and how to take it forward.

Ms. Neeta Kolhatkar, Joint Director-Corporate Communication, MVIRDC World Trade Centre introduced the genesis and the activities of the Centre to the delegation.

She also explained to the visiting delegation about the 5th Global Economic Summit.

Later, Ms. Yadnya Pitale, Joint Director, Research & Knowledge elaborated the activities of the World Trade Centre Institute and the various courses conducted by the Institute to the visiting delegations.

Speaking about the Guangdong Academy of Social Sciences, Mr. Wang informed that the institute is a think tank of global repute. Mr. Jun explained that the academy offers various post graduate and doctorate programmes. The academy proposes to offer D. Lit Programme, he added.

The delegation also wanted to take the views of experts in India about the Chinese government's ambitious Maritime 'Silk Road Project'. Maritime Silk Road is an ancient sea channel that connects China with 63 countries around the world, thereby facilitating cultural and economic exchanges among these nations.

Mr. Wang also informed that various Chinese entrepreneurs from Guangdong Province are exploring business opportunities outside China and India is one of the preferred destinations for them.



Ms. Neeta Kolhatkar, Jt. Dir.-Corporate Communication, MVIRDC WTC presents a memento to Mr. Wang Jun, Professor of Economics, Zhongshan University.

Ms. Tripti Chakravorty, Assistant Director - Trade Research and International Trade Promotion, MVIRDC, World Trade Centre enquired about the economic leadership of Guangdong Province. Mr. Jun informed that Guangdong is a manufacturing base in China and it is a leading Province in the manufacture of electronics and consumer goods. The per capita income of this Province is US\$ 10,000 and it is expected to rise further owing to the progressive policy and attractive business environment, Mr. Jun added. Centre of trading zone between different countries, lot of Indians prefer Guangdong since the Province is a

leading trading zone in China.

Mr. Jun informed that his academy would start a training programme for entrepreneurship and his delegation would inform the Institute about the activities of the World Trade Centre, Mumbai.

The interactive meeting was held on September 25, 2015 at the World Trade Centre Mumbai.

Celebrating Dr. Visvesvaraya 155th Birth Anniversary through its Memorial Lecture Series

World Trade Centre (WTC) Mumbai promoted by M Visvesvaraya Industrial Research and Development Centre (MVIRDC) organised its lecture series, commemorating the 155th Birth Anniversary of Bharat Ratna Sir M. Visvesvaraya. The Day is also celebrated as 'Engineers Day'. This year the memorial lecture was delivered by Mr. Girish G. Sohani, President and Managing Trustee, BAIF Development Research Foundation Pune. The event was marked by garlanding the Statue of Sir M. Visvesvaraya and showing a film depicting his life and works.

The other dignitaries present on this occasion were Mr. Thailesh Kumar Chamane, Consul General, Consulate General of Mauritius, Mr. Sharad Upasani, Vice Chairman, MVIRDC World Trade Centre, Mr. Pule I. Malefane, Consul General, Consulate General of South Africa and Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and Board Director, World Trade Centers Association New York.

The opening address was made by Mr. Kalantri, where he provided an overview of the life and works of Dr. Visvesvaraya and the vision behind the World Trade Centre Mumbai, which symbolizes 'Prosperity through Trade'.



From (L-R): Mr. Thailesh Kumar Chamane, Consul General, Consulate General of Mauritius, Mr. Sharad Upasani, Vice Chairman, MVIRDC WTC, Mr. Girish G. Sohani, President and Managing Trustee, BAIF Development Research Foundation Pune, Mr. Pule I. Malefane, Consul General, Consulate General of South Africa and Mr. Vijay Kalantri, Vice Chairman, MVIRDC WTC.

While delivering the lecture, Chief Guest Mr. Sohani spoke of the various revolutions that the world has undergone and the results of each was being seen. The first revolution came in when economies were backed by agriculture, which got transformed to the second revolution typically industrial in nature involving mass and large-scale production of goods and services. This led to urbanisation as a result of those efforts. Energy was used which led to the creation of waste products. This brought about global warming. To tackle this, we need to learn from nature which has in-principle followed the process of decentralisation.

Mr. Sohani said that currently we are in the midst of the third revolution brought about by the rampant use of

information communication technology (ICT). He ended by saying that sustainability was the only way to prosperity and therefore Gross Domestic Product of an economy also depended on sustainability practices that are being followed. In order to achieve this, there has to be a shift to renewable energy and technologies which can bring about a safe transformation.

The lecture was held on September 15, 2015 at the World Trade Centre Mumbai.

World Trade Centre Celebrates 101st Birth Anniversary of Shri S. K. Wankhede

World Trade Centre (WTC) Mumbai promoted by M Visvesvaraya Industrial Research and Development Centre (MVIRDC) celebrated the 101st Birth Anniversary of Shri S. K. Wankhede.

It is noteworthy to mention that Wankhede was the Founder President, MVIRDC World Trade Centre. He played a significant role by bringing together Public-Private Partnership that culminated in the establishment of WTC Mumbai. He had declared that WTC Mumbai would bring the world to India which has now become a reality.

The celebration was held on September 24, 2015 at the World Trade Centre Mumbai.



From (L-R) Mr. Vijay Kalantri, Vice Chairman, MVIRDC WTC, garlanded statue of Shri S. K. Wankhede, Mr. Sharad Upasani, Vice Chairman, MVIRDC WTC and Mr. Y. R. Warerkar, Executive Director, MVIRDC WTC.

Shandong Federation of Industry and Commerce Visits WTC Mumbai

A trade delegation from Shandong Federation of Industry and Commerce headed by Mr. Zhao Yantong, Vice Chairman visited World Trade Centre.

In his opening address, Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre and Board Director, World Trade Centers Association New York informed the audience about the Memorandum of Understanding (MoU) signed between the World Trade Centre Mumbai and the Shandong Federation of Industry and Commerce for business co-operation. He expressed hope that India and China bilateral trade may rise to \$100 billion in the next two years from the current \$70 billion.

Speaking on the occasion, Mr. Yantong expressed pleasure to be in India at the time of Ganesh Chaturti. He also remarked that he was glad to visit India after attending the 13th Chinese Entrepreneur's Convention in Bali on September 27, 2015. This meeting is the biggest Chinese entrepreneur convention attracting interests of both political establishment and business entities in China.



Mr. Zhao Yantong, Vice Chairman, Shandong Federation of Industry and Commerce presenting a memento to Mr. Vijay Kalantri, Vice Chairman, MVIRDC WTC Mumbai

Mr. Yantong informed that his delegation intended to meet the Indian Prime Minister in order to establish strong relationship for mutual benefit. He said his delegation would take this opportunity for further co-operation with the World Trade Centre Mumbai.

World Trade Centre Mumbai is well placed in India and Shandong Federation, with 200,000 member companies, is also the biggest non-governmental chamber and industry in Shandong Province, Mr. Yantong remarked.

Mr. Yantong informed that his Federation is trying to follow the new economic policy of the Chinese President Xin Jing and also use this opportunity to further co-operation with Indian businessmen and government.

Shandong is the second largest province in China with huge population and plenty of investment opportunity, he informed. Later, he introduced the visiting Chinese delegates from infrastructure, medical equipment, healthcare, green energy etc.

He opined that his Federation wants to sign a written document on co-operative relation with the World Trade Centre Mumbai as a starting point of our co-operation.

He extended invitation to the World Trade Centre Mumbai to visit China and explore opportunities in research and development and other sectors. Mr. Kalantri accepted the proposal of the Federation to sign a concrete document of co-operation with World Trade Centre Mumbai.

The interactive meeting was held on September 28, 2015 at the World Trade Centre Mumbai.

Indian Railway Ministry Addresses 'Make in India' Event

World Trade Centre Mumbai hosted Shri Suresh P. Prabhu, Railway Minister of India for an interactive session based on the thought 'Arise, Awake Do Not Stop Till the Goal of Your Human Life is Achieved' a Sloka of Katha Upanishad often referred by Swami Vivekanand in his speeches.

During the meeting Minister Prabhu stressed on Swami Vivekanand's ideology, values and their relevance in modern society.

Mr. Prabhu highlighted the work of Swami Vivekananda for the emancipation of human kind by making man realise the purpose of his life, identify the true happiness in life, recognising the difference between destiny and action and so on.



Shri Suresh P. Prabhu, Railway Minister of India addressing the audience. Others looking on from (L-R) Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre, Mr. Vishwas Valvi, Rashtriya Yuvak Parishad and Mr. Amit Sarda, Young Entrepreneurs Society.

The interactive meeting was held on September 29, 2015 at WTC Mumbai.

WORLD TRADE CENTRE MUMBAI

Nurturing Tomorrow's Trade Leaders

LEARN
INTERNATIONAL TRADE

at

**WORLD
TRADE
CENTRE
MUMBAI**



Post Graduate Diploma in Logistics & Shipping

(Tue - Wed - Thur : 6.30 pm to 8.30 pm)

The three-month course will provide an insight into the various concepts of logistics and shipping, empowering participants to take correct decisions in achieving efficiency and economy in international business operation.

Excellence in supply chain is a critical and compelling factor for competing in international markets.



Post Graduate Diploma in Foreign Trade

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

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

Certification Course in Export-Import Business

(Saturday: 10.30 am to 5.30 pm)

Three-month course suitable for entrepreneurs and owners of family businesses.

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



ADMISSION OPEN

To enrol contact:

WORLD TRADE INSTITUTE

WORLD TRADE MUMBAI

Tel.: 022-66387391-92-97

E: wti@wtcmumbai.org

Web: www.wtcmumbai.org

INDIA TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
Paporex 2015	Pragati Maidan New Delhi	November 1-4, 2015	• Pulp and Paper Technology	 http://india.paporex-expo.com
Intersolar India 2015	Goregaon Mumbai	November 18-20, 2015	• Solar Power	 www.intersolar.in
5th Jat Expo 2015	Jalandhar Punjab	November 21-22, 2015	• Agriculture • Horticulture • Dairy Farming • Organic Farming	 www.jatexpo.com
India Engineering Sourcing Show (IESS) 2015	Goregaon Mumbai	November 24-26, 2015	• Engineering Sourcing Show	 www.iesshow.com
Excon 2015	Bengaluru Karnataka	November 25-29, 2015	• Construction Equipment Show	 www.excon.in
Krishithon 2015	Nashik Maharashtra	November 26-30, 2015	• Agriculture	 www.krishithon.com
Indplas 2015	Kolkata West Bengal	November 27-30, 2015	• Plastics Industry	 www.indplas.in
Envirotech Asia 2015	Gandhinagar Gujarat	December 1-3, 2015	• Renewable Energy	 www.envirotechasia.com

INDIA TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
Plast Show India 2015	Vapi Gujarat	December 4-7, 2015	• Plastics Industry	 www.plastindia.org
SIAL Middle East 2015	Abu Dhabi United Arab Emirates	December 7-9, 2015	• Food and Beverage Sector	 www.sialme.com
Win India 2015	Pragati Maidan New Delhi	December 9-11, 2015	• Industrial Automation	 www.win-india.com
IFSEC INDIA 2015	Pragati Maidan New Delhi	December 10-12, 2015	• Security Event	 www.ifsecindia.com
Zak Doors & Windows Expo 2015	Bandra Mumbai	December 10-13, 2015	• Doors and Windows • Facade and Auxiliary Products • Accessories and Hardware	 www.zakdoorsandwindows.com
Beauty Forum India 2015	Chennai Tamil Nadu	December 14-15, 2015	• Salon and Spa Industry	 www.beautyforumchennai.com
Rubber World Expo 2015	Goregaon Mumbai	December 16-18, 2015	• Global Rubber Industry	 www.rubberworldexpo.com
Acetech 2015	Pragati Maidan New Delhi	December 17-20, 2015	• Architecture	 www.etacetech.com

INTERNATIONAL TRADE SHOWS

TITLE	LOCATION	DATE	SECTORS	WEBSITE
MENOPE - Middle East Natural and Organic Product Expo 2015	Dubai United Arab Emirates	November 2-4, 2015	<ul style="list-style-type: none"> • Organic Products • Natural Products 	 www.naturalproductme.com
COSMEX 2015	Bangkok Thailand	November 3-10, 2015	<ul style="list-style-type: none"> • Cosmetics Industry 	 www.cosmexshow.com
The 7th China International Beverage Industry Exhibition on Science & Technology 2015	Shanghai China	November 4-6, 2015	<ul style="list-style-type: none"> • China Beverage Industry 	 www.chinabeverage.org
FOODBEXT West Africa	Lagos Nigeria	November 4-6, 2015	<ul style="list-style-type: none"> • Beverages • Food and Hospitality 	 www.foodbextwa.com
International Sourcing Expo Australia 2015	Melbourne Australia	November 16-18, 2015	<ul style="list-style-type: none"> • Textiles, Accessories and Footwear 	 www.internationalsourcingexpo.com
Taiwan Jewellery & Gem Fair 2015	Taipei Taiwan	November 20-23, 2015	<ul style="list-style-type: none"> • Jewellery 	 www.taiwanjewelleryfair.com
Global Expo Botswana 2015	Botswana Africa	November 25-28, 2015	<ul style="list-style-type: none"> • Multisectoral 	 Expowww.globalexpo.co.bw
FBIE Shanghai 2015	Shanghai China	December 4-6, 2015	<ul style="list-style-type: none"> • Food and Beverage Industry 	 www.importfoodfair.com
International Autumn Trade Fair 2015	Dubai United Arab Emirates	December 16-18, 2015	<ul style="list-style-type: none"> • Textile • Travel • Accessories • Goods and Equipment 	 www.dubaiatumnfair.com



MVIRDC

M. Visvesvaraya Industrial Research and Development Centre

WORLD TRADE CENTRE MUMBAI

KNOWLEDGE
EDUCATION

CONFERENCE &
MEETING ROOMS

EXHIBITION &
OFFICE SPACES

TRADE PROMOTION
PROGRAMMES

RESEARCH &
PUBLICATIONS

www.wtcmumbai.org





Connects Odisha

With the World's Largest Global Business Network

WTC Bhubaneswar promoted by 
MVIRDC
M. Visvesvaraya Industrial Research and Development Centre

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



Promoted by MVIRDC
Member of WTCA New York

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

Website
www.wtcbhubaneswar.org

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