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M. Visvesvaraya Industrial Research and Development Centre

July - September 2017 | VOL. 4 ISSUE 1

# ON TRADE

THE INTERNATIONAL TRADE RESEARCH JOURNAL OF MVIRDC WTC MUMBAI

# Integrating Sustainable Tourism in Trade Agenda

## Bharat Ratna Sir M. Visvesvaraya

**(15 September, 1860 - 14 April, 1962)**

MVIRDC World Trade Centre Mumbai is the realization of the vision of Sir M. Visvesvaraya. MVIRDC is the promoter of World Trade Centre Mumbai. MVIRDC WTC programmes are conducted to guide MSMEs with reliable information for business planning. Various research-based seminars, workshops and training programmes are conducted to sensitize MSME entrepreneurs on various aspects of trade and business and sharpen their skills. Thus, the objective of MVIRDC research is to enhance MSME competitiveness and promote their integration into the global markets.

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MVIRDC, having spearheaded the movement of World Trade Centres in India with the establishment of WTCs at Bhubaneswar, Goa and Jaipur, is assisting MSMEs in these regions through Trade Research and Knowledge Programmes.

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# From the Editor's Desk

Dear Readers,

Tourism, a key driver of economic growth, deserves paramount importance as it generates economic gains and promotes cultural exchange across the world. International tourism is the third largest export earner as indicated in the findings of United Nations World Tourism Organization (UNWTO). As a major export sector, tourism plays a key role in helping countries position themselves in international markets and catalyse development in an inclusive and sustainable way. Considering the importance of tourism in global trade, the United Nations has designated 2017 as the International Year of Sustainable Tourism for Development. This provides the opportunity to consider contributions of tourism in trade as a means to achieve the 2030 Agenda for Sustainable Development.

Acknowledging this important development, the cover story in this issue of On Trade is devoted to this subject, with an article by Mr. Taleb Rifai, Secretary-General, World Tourism Organization (UNWTO). Mr. Rifai provided a lucid insight into the various dimensions of tourism in the trade agenda. Tourism has the potential to stimulate growth, promote development, create jobs, reduce poverty and improve international reputation, especially so, in the case of Least Developed Countries (LDCs).

We hope the article would leave you with valuable insights into the tourism industry, as also provide a practical roadmap to businesses and tourism stakeholders to strategise.

This edition also carries an interesting mix of interviews, articles, analysis and features on topics of interest to the most discerning reader. These are: Airbus Strategy for India; Future of EU-India FTA; Digitizing Manufacturing – the next phase for industry; Driving Semiconductor Industry Growth; and Diversity and Inclusion for Healthy Corporate Growth, to name a few.

World Trade Centre Mumbai had the privilege to participate in the WTO Public Forum 2017 and organised a working session on 'Mitigating the Challenges of Sustainable Development through the Adaptation of Clean Technologies'. The expert panel discussed various issues highlighting the imperatives of promoting sustainable development by creating an ecosystem supported by clean technologies and balancing human livelihood.

Our Centre is gearing up for the forthcoming 7th edition of the Global Economic Summit on Global Value Chains: Accelerating MSME Growth, Development and Sustainability scheduled in February 22-24, 2018. The Summit will discuss the significance of Global Value Chains (GVCs) and the importance of integrating MSMEs in GVCs. A preliminary report on the event is covered in this issue.

We cordially invite you to participate in this high-profile Summit and gain from the broad spectrum of deliberations.

Y. R. Warerkar

**Y. R. Warerkar**

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# Make in India is at the Heart of Our Business Strategy and Our Engagement with India Goes Beyond Sales: Airbus

**Mr. Pierre de Bausset, President and Managing Director, Airbus India** in an interview with World Trade Centre Mumbai says that his company is all set to work with India in creating the much-required defence manufacturing. In so doing, the MSME sector has lot to gain by partnering in the process of making India a manufacturing hub for defence products.

**In May 2017, Government of India added Chapter 7 to the Defence Procurement Procedure (DPP) 2016. This Chapter envisages Strategic Partnership model for defence procurement with a major role for foreign companies. What are the business opportunities this Chapter offers to Airbus India?**

The release of the long-awaited 'Strategic Partners' (SP) model is a positive step which could unlock the growth potential of domestic Indian companies and foreign OEMs. We are competing for the Naval Utility Helicopter (NUH) with the AS565 MBe 'Panther' and the Naval Multi-Role Helicopter (NMRH) programme, where we have offered the EC725, now marketed as the H225M. Our proposal to manufacture the Panther and the H225M in India through a partnership with Mahindra for the Indian Navy now falls under the ambit of the SP model. Our value proposition for these programmes is that we will help India create an indigenous defence industrial eco-system. We intend to set-up final assembly lines in India for these products. The Indian industry and the economy will gain; new and skilled employment opportunities will be generated for the local population. Engineering and R&D activity in aerospace and defence will receive a boost.

**Your organisation has proposed to set up a maintenance, repair and overhaul (MRO) facility in Goa for the helicopters used by Indian Coast Guards. Can you share the details of the project in terms of timeline, capacity, potential employment creation etc.?**

The EC725 (now marketed globally as the H225M) is on offer for the Indian Coast Guard (ICG) requirement for 14 Twin Engine Heavy Helicopters (TEHHs). An MRO facility for these choppers is proposed in Goa as part of our offer to the ICG. The MRO will enable a comprehensive Performance Based Logistic (PBL) package to ensure maximum fleet availability of its EC725 from initial deliveries.

> "Our proposal to manufacture the Panther and the H225M in India through a partnership with Mahindra for the Indian Navy now falls under the ambit of the SP model."

The greenfield facility would pave the way for an inflow of new military helicopter maintenance technologies and skill sets in addition to the creation of expert jobs in India. This would happen via transfer of engineering work, technical knowhow, training and setting-up of a logistics support and warehousing system by Airbus Helicopters in India.

**What is your future investment plan in India across commercial aircraft, helicopters, defence and space segments.**

India is a key focus of Airbus, both as a fast growing market as well as a strategic resource hub. Today, every Airbus commercial aircraft produced is partly 'Made in India'. Our annual procurement from India surpasses the US$500 million mark from more than 45 Indian suppliers. We are celebrating the 10th anniversary of the Airbus India Engineering in Bengaluru this year that employs over 400 engineers focusing in core engineering activities.

We are also setting up a greenfield training facility in New Delhi, to support India's growing need for Airbus aircraft pilots and maintenance engineers. The investment is a key strategic Airbus initiative in line with the country's 'Skill India' programme. The centre aims to be operational by end 2018 with an initial capacity to train over 800 pilots and 200 maintenance engineers annually.

If the defence 'Make in India' programme that we are pursuing with local partners – C295W military transport aircraft and helicopter manufacturing – materialise, we will set up system integration and final assembly lines for them in India. It would lead to substantial investments and the development of a robust aviation and defence ecosystem in the country.

Airbus Helicopters is also playing an important role in developing new market segments in India such as power transmission lines stringing, heli-tourism search and rescue and homeland security. Recently, India's first Helicopter Emergency Medical Services (HEMS) was launched with three Airbus H130 helicopters.

**Global aerospace companies such as Embraer, SAAB Group and Boeing have shown interest in India's 'Make in India' programme. What are the recommendations you offer to improve policy and regulatory environment in India to facilitate the country to become hub for the global aerospace industry?**

'Make in India' is at the heart of our business strategy and our engagement with India goes beyond sales. We are encouraged by the steps being taken by the government – the recently unveiled SP model provides guidelines on the engagement between OEMs and their local Indian partners. Our recommendation would be, so long as the government of India insists on the Indian SP having a majority stake from the start, that it designs and accepts ways whereby management control necessary to the foreign OEMs to deliver on cost, quality and schedule be insured in the early phases of the JV; this would also need to be accompanied by protection that help ease the technology transfer readiness.

"We are celebrating the 10th anniversary of the Airbus India Engineering in Bengaluru this year that employs over 400 engineers focusing in core engineering activities."

**Your organisation procures various products and services from around 45 Indian suppliers. Can you share your thoughts on how India's MSMEs can be further integrated into the global value chain of the aerospace industry? How are India's MSMEs positioned vis-à-vis their global competitors in terms of technology, skilled manpower, timely delivery, management practices etc.?**

Embedding Indian companies firmly in our global supply chain is one of the pillars of our business strategy in India and we have done really well. Airbus has been very supportive of the SMEs and the MSMEs when it comes to embedding them in their supply chain. We believe that SMEs and the MSMEs are strong vectors for innovation, job creation and will basically serve as the foundation of a robust Indian aerospace and defence industry. On our part, we work with our tier-1 suppliers to develop the 2nd tier of suppliers. For example, for the A320 forward passenger doors work package to Hindustan Aeronautics Limited (HAL), we have been supporting them by developing tier 2s which are SMEs.

India has a supplier base which has the skill set, and a readiness to develop. They have passion and ambition to be in the global league and that's exactly what we want. We are helping our suppliers get to the level that is required in this particular industry. It's a win-win situation.

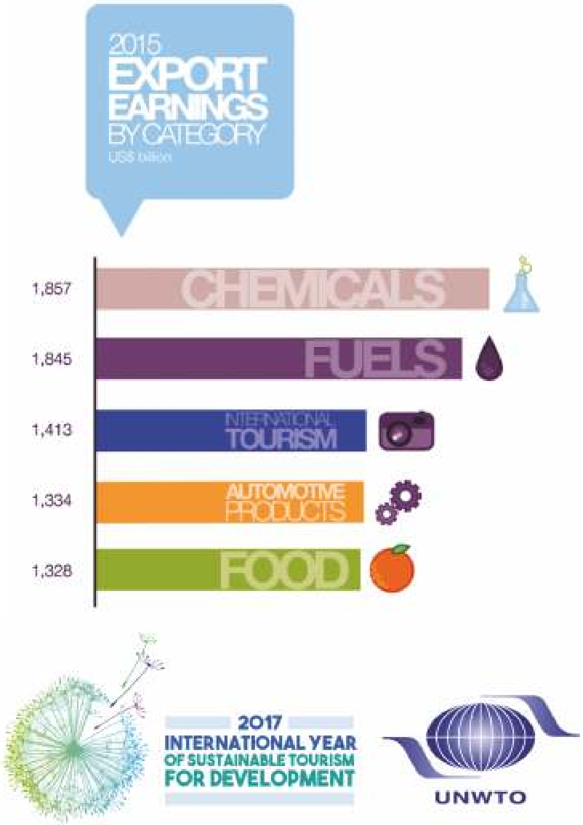
■

# Tourism Key to Foster Trade

**Taleb Rifai**
Secretary-General
World Tourism Organization (UNWTO)

### Tourism – third export category in the world

International tourism represents 7% of global trade and 30% of the world's trade in services and is of increasing relevance to the trade community. As a major exporter sector, tourism enhances the positioning of countries in international markets and can be a powerful catalyst for fostering development. This is particularly true for the Least Developed Countries (LDCs), where it represents 7% of total exports of goods and services, a figure that stands at 10% for non-oil LDC exporters.




**Source:** © Highlights 2017 - World Tourism Organization (UNWTO), July 2017

Research on 'Tourism for Sustainable Development in Least Developed Countries' launched this year on the occasion of the Aid for Trade Review by UNWTO, the International Trade Centre (ITC) and the Enhanced Integrated Framework (EIF) shows that tourism has been recognized as a key sector for trade-related technical assistance in LDCs.

Based on the evaluations of 48 Diagnostic Trade Integration Studies (DTIS), the following conclusions emerged:

❶ LDCs recognize tourism as a sector with significant potential for stimulating growth, promoting development, job creation, poverty reduction and improving their international reputation: 45 out of 48 analyzed DTIS have tourism chapters or tourism references: 32 in Africa, six in Asia, one in the Americas, and six in the Pacific.

❷ The tourism-related references made in the DTIS tend to focus on the economic facets of tourism. Among the five key pillars for sustainable tourism used for the report, the second pillar economic performance, investment and competitiveness is by far the most frequently referenced in all DTIS. The first pillar 'Tourism policy and governance' follows at a distance.

❸ The DTIS is hardly or not at all used for communication with donors on tourism-related technical assistance, neither on the trade side nor on the tourism side. This is the case even though the trade community considers the DTIS a useful vehicle for better understanding tourism related issues and national tourism stakeholders express that the DTIS is successful in triggering new and fresh thinking about tourism.

Indeed, despite tourism's value in the trade agenda, it is often difficult to direct trade-related technical assistance towards the sector because tourism and trade tend to fall under different line ministries. To access Aid for Trade, developing countries must clearly prioritize their needs and mainstream trade in their national development strategies. In return, their development partners need to provide trade-related assistance and capacity building to meet the demand with a supply of resources.

## Placing tourism in the trade agenda

Prioritizing tourism is the first step to enhance the share of tourism in total exports. This can be done through the formulation of tourism export strategies and long-term development frameworks for tourism with emphasis on policy and strategy, planning, product development and diversification, marketing and promotion, among other concepts. In this regard, any successful intervention requires strong collaboration across government agencies as well as across different actors at the regional or local level.

Commitment and investment in coordinating and raising tourism's prominence in trade-related technical assistance will ensure the sector delivers on its powerful capacity to create jobs and income where its most needed and for those who are most vulnerable – including youth and women. Well-designed projects can also contribute to protect the environment and safeguard cultural diversity and heritage. In all these, it is critical to optimize tourism's links with other sectors - agriculture, textile, technology, handicrafts, transport, etc - throughout the whole value chain.

As active partners of the EIF, UNWTO and ITC are working to contribute to this process of increased coordination and collaboration by joining forces in the design and implementation of tailored tourism technical assistance and tourism export strategies, and leveraging resources.

As we celebrate the UN designated International Year of Sustainable Tourism for Development 2017, we have a unique opportunity to advance the contribution of tourism in trade as part of the path to achieve the universal 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals (SDGs). Goal 17 sets as one of the targets a "significant increase of exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020", to which tourism as service export can contribute in a decisive manner.

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# Industry 4.0: Technologies, Processes and Skills Imperatives

**Dr. Ganesh Natarajan**
Founder and Chairman, 5F World

These are fast changing times for industry worldwide and India is no exception. The extensive automation of manufacturing and business processes that created Industry 3.0 has now yielded to Industry 4.0 with what PWC calls the sweep of digital transformation creating a focus on the end-to-end digitisation of all physical assets and integration into digital ecosystems with value chain partners. McKinsey & Co has defined Industry 4.0 as 'the next phase of digitisation of the manufacturing sector' and calls out four disruptions which enable 4.0 – data volumes; computational power and connectivity; emerging analytics and business intelligence capabilities; human-machine interaction advances such as touch interfaces and augmented reality systems; and the improvements in transferring digital instructions to the physical world, such as advanced robotics and 3-D Printing.

The good news is that the speed of digital change now makes it possible for firms to acquire technologies for digital transformation at a rapid pace. The core SMAC technologies namely, Social Networking, Mobile Apps, Analytics and Cloud have already become the focus of IT managers in industry and the initial bed-rock of data management and analytics has been put in place by progressive organisations. In the coming years, investments will have to include User Experience and Interface Technologies, Internet of Things (IoT), Artificial Intelligence and Cyber Security and in a tech savvy nation this may prove to be the least of the hurdles in India Inc.'s transition to Industry 4.0.

Combine the pull of the marketplace imperative and the digital transformation push and a potent new set of disciplines emerge. Product and service offerings are substantially enhanced by the addition of new intelligent data provision to the customer, and completely new end-to-end digitised products and services with transformed commercial models is the order of the day, with the time to market for new product introduction which has shrunk to all time low levels. In the arena of Operational Excellence, vertical integration of all order fulfilment processes and extension beyond company walls to all value chain partners through digital interfaces has made supply and demand matching, operations and process planning, production inventory and quality control and asset and labour utilisation to be optimised. Customer satisfaction is being maximised by design thinking and charting new customer journeys on an ongoing basis, substantially improving sales service and after-sales customer management. What will be imperative is the organisation's ability to evaluate each business process for digital readiness and also understand that true digital transformation will need a combination of left brain technology and process skills and right brain artistry and behavioral skills to succeed.

As a detailed study by PWC points out, products, systems and services will be increasingly redesigned and customised to customer needs and firms will become participants in large industrial platforms. As with all paradigm shifts, first movers will tend to corner large parts of the new opportunity share and with millennial customers beginning to dominate the demand conversations in many industries, every process and every person engaged in the entire manufacturing demand and supply chain will have to be totally customer driven for the firm to succeed and stay relevant in the digital era. Companies like Siemens and GE are already putting up platforms to offer comprehensive digital offerings, with cloud-based systems for connecting machines and IoT sensors and devices and partnering and co-creating ideas with customers, collecting and analysing data at every touch point in the value chain and reengineering operations and logistics processes to serve stated and latent customer needs better. The emerging industrial digital ecosystems will call for new mindsets, new capabilities and new skills across the board.

What are the families of skills that engineers of tomorrow will have to be armed with and manufacturing practitioners reskilled to face up to the challenges of the future? The first and foremost is the ability to think beyond sets of machines or even blocks of data and move toward true 'systems thinking' for customer-product journeys and customer-led value chains. The California Manufacturing Technology Consulting Group defines a term called Smart Manufacturing as the unity of data, technology, environment perspectives and economic growth focus and people-led manufacturing enterprises will have to understand the nuances of making this happen in real time.

Digital will be the cutting edge for all factories of the future and from a deep understanding of digital platforms that customer can participate in or employees use for continuous learning, comfort with using such platforms enabled by artificial intelligence and machine learning will be essential for every manager and engineer in the organisation. New digital production line skills will be needed in operations planning and control, production and maintenance processes, materials planning and warehousing, with the use of 3D Printing and robotics co-existing with manual operators. Virtual reality will enable higher productivity in tasks like picking parts in a warehouse and augmented reality will make the training of shop floor engineers and fault diagnostics much simpler.

Even at the workman level, capabilities to deal with extensive automation and work with robotic processes, automated manufacturing execution systems and self-healing machinery will be skills that become essential. Learning and development focus in busy factories will have to move from traditional Total Productive Maintenance (TPM), Sort, Set in order, Shine, Standardise and Sustain (5S) and Six Sigma to embrace newer and newer digital capabilities that will emerge every month, calling for quick assimilation and integration.

What is needed is for general and plant managers to absorb the impact of these changes on products, customers and factory operations and for the whole organisation to get a grasp of the potential and opportunities that enabling digital technologies can offer. The deployment of smart sensors, wearables and mobile devices, augmented and virtual reality and location detection technologies substantially enhance the customer and employee experience with the products, IoT and 3D printing and human-robot collaboration enable connectedness and virtual-physical interfaces to provide living examples of digital connectedness. Operations of new manufacturing facilities are greatly enabled through cloud computing and analytics, providing dynamic access to data in real time with advanced process control, real-time supply chain optimisation, digital performance management and predictive maintenance, real time throughput management and smart energy management taking the unexpected and unanticipated out of the operations. Finally, customer satisfaction is maximised through location detection and virtual reality technologies with sophisticated customer relationship management tools making every customer's needs predicted and serviced individually by the organisation.

In this plethora of concepts and technologies, where does the India advantage lie? One needs to see the 4.0 imperative as a confluence of three capabilities. The first is the understanding of the new and emerging needs of the manufacturing customer and the role of analytics to deliver systems of insight leading to new models of engagement. The second is a good understanding of each new technology and the most appropriate deployment to serve product, shop floor and customer needs. Finally, there is the ongoing need for manufacturing industry personnel to be continually re-skilled to be better professionals with high degrees of flexibility to cope with new technology pushes on one hand and new stakeholder pulls on the other. In the last two areas, India with its vast pool of communicative and trained manpower and the market leadership it has already built in IT services, can clearly take the lead.

To summarise, Industry 4.0 is the biggest opportunity yet, for a country with large pools of technically capable manpower and established global prowess in digital and information technologies to become the new age manufacturing destination of the world. We can and should make this one of the key pillars of export-led growth and remove all obstacles that could come in the way of industry leaders as they take Indian manufacturing proudly towards its tryst with a global destiny.

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# Diversity and Inclusion Prerequisites to Healthy Corporate Practice

Building an open and collaborative environment in a workplace is quite a challenge. The best places that have been able to achieve this are the ones that have the most diverse sets of people who are motivated to solve and to invent. **Ms. Chryslynn D'Costa, Head of Research and Design, Serein Inc.** through an interview with the World Trade Centre Mumbai has attempted to bring out the importance of diversity and inclusion in a safe workforce, women's participation in workforce and the right strategies for recruitment.

**Could you explain the concept of diversity and inclusion and its relevance in the workplace? Is the concept limited to gender inclusion or it extends to the inclusion of marginalised sections of society, minority races, people of different sexual orientation etc.?**

To understand the value of diversity in the workplace I would like to refer to Ms. Patricia A. Kreitz's analogy of agricultural biodiversity. In agriculture, biodiversity is preserved by management practices that value the maintenance of diverse components in the ecosystem. Practices like mono-cropping is the cultivation of a single crop year-after-year on the same land. It seems economically efficient as it allows for specialisation in equipment and crop production, however, it depletes the soil nutrients and is vulnerable to insects and pest attacks. The superiority of polyculture is evident in the resilience and adaptability it brings to the ecosystem.

Similarly, research on organisational cultures indicates that a diverse workforce enhances creativity, innovation, performance and revenue. It provides the organisation with a better lens to evaluate risks and opportunities for growth.

Serein's diversity initiatives are designed to help companies put in place the right strategies to recruit a highly skilled and diverse workforce. If an organisation is looking to widen the talent pipeline it is important to recognise that diversity strategies are not only women-friendly policies which extend to other social dimensions such as caste, class, language, region, religion, age, sexual orientation, job role and educational qualifications. These are aspects that directly influence personality, performance and career opportunities.

> “India Inc. is slowly recognising the importance of diversity and inclusion in the workplace.”

Inclusion is a company's focus on the right internal policies to retain the diverse candidates, make them feel safe and support their efforts to excel within the organisation.

**How can data and science address barriers to diversity and inclusion in an organisation?**

At the end of the day, people policies are behaviour experiments that are based on the hypothesis that doing this will get you that. Unless a hypothesis is challenged and measured it cannot become a policy. Quantifying diversity and inclusion outcomes in an organisation has many advantages. For example, when stakeholders are aware of what is being measured it allows for a focused planning on an individual level to achieve the outcomes. This holds all team members responsible for the success of the policy.

Similarly, regular monitoring gauges the reception of the policy, perceptions of the stakeholder and challenges on the ground. It sustains the momentum of the implementation. A good diversity policy may build a pipeline but continuous measurement promotes an inclusive culture and retention.

Finally, evaluating the outcomes is the best justification for the significance of the policy. It helps the

> Diversity and inclusion policies do not suggest lowering the performance bar but instead, changing the recruitment design to focus on talent and performance instead of culture fit.

company decide if the initiative requires an increased investment or if it should be discarded. Most of all it helps gain more champions who see value in the cause.

**It is observed that participation of women in entrepreneurial roles (especially in start-up companies) and in technology industry is not on par with men. How can policymakers, corporate organisations, industry chambers, education institutions promote women in these segments?**

The biggest hindrance to women's participation in the workforce is the unconscious bias they face during recruitment and appraisals in the organisation. A common misconception is that diversity hiring implies lowering the performance bar. Diversity and inclusion policies do not suggest lowering the performance bar but instead, changing the recruitment design to focus on talent and performance instead of culture fit.

For example, we often assume that the lack of women in technology companies is due to lack of skills. The research of Gap Jumper, a technology platform for employers to conduct blind interviews, suggests otherwise. According to their findings, women hold the position of almost 60% of top performers in blind tech-auditions. In recruitment, tools like blind auditions, blind CVs evaluate actual performance rather than keywords on a resume. This involves HR blinding out information like gender, name, age, institution etc. so that the interviewer has access only to the skill set and experience of the candidate. At Serein, we customise such tools to increase gender representation in an organisation.

**Diversity and Inclusion is a major issue in western countries, so much so that companies in Silicon Valley have introduced policies to improve the share of women employees. How do you compare corporate environment in India and in western countries with respect to the 'diversity and inclusion' agenda?**

India Inc. is slowly recognising the importance of diversity and inclusion in the workplace. However, the focus has largely been on achieving gender diversity. There are also companies talking about Lesbian, Gay, Bisexual, Transgender, Transsexual, Queer (LGBTQ) inclusion and inclusion of differently-abled employees. However, in our experience we have noticed that broadening focus to include all forms of diversity like class, language, religion, age, region etc. helps garner more support to the organisation's commitment to diversity and inclusion since more individuals are able to relate to the cause.

> A good diversity policy may build a pipeline but continuous measurement promotes an inclusive culture and retention.

**What are the steps you recommend to organisations to prevent sexual harassment in workplaces?**

Building safe workplaces is one of the first steps toward retaining a diverse workforce. The Sexual Harassment of Women in the Workplace (Prevention, Prohibition and Redressal) Act, 2013 has a very well defined set of procedures for all companies with more than 10 employees.

Organisations that are looking to put this law in place and ensure the safety of employees should start with writing a company policy against sexual harassment in the workplace. It is important to communicate this policy to all employees to ensure that they understand the companies zero tolerance for sexual harassment.

The second is to set up an Internal Committee (IC) with an external member as prescribed by the law. This well-trained committee is useful to ensure that all incidents of sexual harassment are dealt with internally and without bias. This committee is also approachable and accessible for employees to seek help immediately and effectively.

The third immediate step is to conduct a well-designed awareness training for all employees. The training helps employees understand the forms of sexual harassment in the workplace, the two forms of redressal available within the organisation and appropriate and respectful conduct within the organisation.

Starting with these, communicates two messages to employees. One, that any careless action has consequences and two, the company is investing in the employee's safety and well-being.

**(Ms. Ishani Roy, Founder, Serein Inc. has provided inputs to this interview)**

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# WTC Accra Spearheads WTC Movement in the African Continent

**Mr. Togbe Afede XIV, Executive Chairman, World Trade Centre Accra** is a firm believer that behind every successful business is a positive attitude. In his journey from an investment banker to a businessman, Mr. Afede has never strayed from projecting Ghana to be an ideal place for trade and commerce. In an interview to World Trade Centre Mumbai he provides a lucid account of Ghana's progress in core sectors. He speaks of the areas of synergy between Ghana and India and how World Trade Centers can further enhance such collaborative efforts.

**With an illustrious 20-year background of stock brokerage, asset management and corporate finance advisory services, what motivates you to strive toward success and achievement?**

I have always been driven by social responsibility, with sensitivity toward economic, social, cultural and environmental issues.

As an investment banker, investor and private businessperson, I have always maintained a strong commitment to successful and enduring relationships and ethical dealings with clients, investors and business partners, and to the long-term success and welfare of employees.

Ghana's human development indicators, like those of many other sub-Saharan African countries, although improving, are stark compared to those of the developed world. As a traditional ruler and leader for close to 15 years, and now as the President of the National House of Chiefs of Ghana, I feel an even greater responsibility to my constituents across the nation in continuing to contribute, through industry, national development and economic growth, the narrowing of the development gap and societal progress, in general.

**How has your experience come of use while serving the Government of Ghana? What in your opinion are the sectors ready for growth? How can international partners such as India play a role in bringing about a win-win situation?**

I have served the Government of Ghana in many capacities over the years. I was on the Bank of Ghana (the central bank) board from 2003 to 2013 and was a member of the President's Economic Advisory Council from 2009 to 2012. I was also a member of the Government Transition Team and the head of the Committee on the Economy from January to March 2009. As the Chairman of a three-man interim management team at the Ministry of Finance, I led the ministerial team that prepared the draft budget for 2009.

In all these assignments, my private sector background and experience helped me advance many successful policy proposals in a wide range of areas including mobilisation, management and use of government resources, international trade and financing, energy, financial services, and the infrastructure sector, among others.

The services sector of Ghana's economy has demonstrated the fastest rate of growth at 8% over the past decade (and is the largest contributor to GDP), followed by industry which grew at 6% over the same period.

- Information and communication services in GDP grew at average 21% annually between 2007 and 2016. ICT and software services have been inadequate to meet the needs of many fast-growing private sector businesses from SMEs to oil & gas. Opportunities exist for the establishment of Business Process Outsourcing (BPO) services, as well as centres of excellence for the manufacture and assembly of computer equipment; and the production of electrical and electronic products. In telecommunications, opportunities exist especially in infrastructure and data services.

- In financial services, banking and insurance, capital investment and balance sheets have grown significantly to meet increasing finance needs from the energy, mining, oil & gas, and telecommunications sectors, as well as for consumer financing and mortgage. The central bank has just mandated a new minimum capital requirement for universal banks in the country.

The potential of Ghana's industrial sector is unimaginable but this potential for import substitution (and export) has been hampered by limited access to investment capital, technology and management knowhow. There are many SME opportunities in manufacturing, food processing, pharmaceuticals, ICT, among others.

- Ghana currently imports 70% of the pharmaceutical products that the country uses annually.
- Opportunities exist for the establishment of manufacturing industries to add value to agricultural and fishery products, with significant scope for regional and international markets.
- The new government's 'One District, One Factory' economic policy throws up investment opportunities in mineral refining and jewellery manufacturing, ceramic, furniture and wood processing, cotton and textile, among others, to take advantage of local raw materials.
- There is investment opportunity in the manufacture of hand tools, e.g. agricultural implements, construction and industrial tools, etc. There is strong demand for steel and related products in Ghana and the sub-region but there are few major producers in West Africa despite the availability of iron ore reserves in some parts of Ghana.

> "Clearly, there are opportunities for Ghanaian and Indian businesses to collaborate and take advantage of government policy in the renewables space, particularly in the areas of investment collaboration and joint ventures and project financing, engineering, procurement and construction (EPC) for projects, and operations and management."

India has successfully developed its SME sector over many decades, and today, SMEs not only play a crucial role in providing large employment opportunities but also help in industrialisation and are complementary to large industries, contributing enormously to the socio-economic development of the country.

Within this context, there are numerous opportunities for international business partners from India to collaborate with Ghanaian businessmen successfully, including investment in identified businesses and projects, joint ventures and technology transfers, contract manufacturing tie-ups, market development, export and trade promotion, management training and experience learning.

**Renewable energy is gaining prominence across the world and all countries have to adopt it sooner or later. How has Ghana embraced it? Is there scope for India-Ghana ties in this area?**

The national energy policy goals of the Government of Ghana mandates 10% contribution from renewable energy (excluding hydro with capacity of 100MW or larger) in the electricity generation mix by the new target year of 2030. Specific targets have been set for landfill-to-power, municipal waste, agricultural and industrial organic waste (biogas), institutional biogas, domestic biogas, biofuels, medium and small hydro, and tidal wave energy.

Clearly, there are opportunities for Ghanaian and Indian businesses to collaborate and take advantage of government policy in the renewables space, particularly in the areas of investment collaboration and joint ventures and project financing, engineering, procurement and construction (EPC) for projects, and operations and management.

**As a WTCA Director, what has been your contribution to the Association?**

I appreciate the confidence World Trade Centers Association (WTCA) members repose in me to represent the Middle East and Africa at the board. The number of WTCs in Africa is small, I have initiated a project to promote the WTC concept and increase the number of licenses on the continent by working closely with their Embassies in Ghana. WTC Accra will be hosting an annual Africa Trade Expo as a platform to promote the WTC concept and services.

As a member of the Audit & Risk Committee, I have contributed to minimising the risk WTCA faces in its operations that may impact its liabilities and assets. I have also contributed to WTCA's policy making, planning and investment decision-making activities.

**You have scaled the heights from being an entrepreneur to being in the business of creating businesses. What would be your advice to budding entrepreneurs especially in India?**

Achieving professional success as an entrepreneur is not easy, especially with limited initial capital. If I were to start again, I would work with the following precepts - develop a plan from the beginning to force me to put the necessary amount of thought and detail into my strategy, network widely and very aggressively, and finally, maintain discipline and focus in the execution of my plan.

**What is your strategy for assisting MSMES in Ghana? What are some of the newer approaches to serving them?**

In Ghana, MSMEs account for the majority of firms and a large share of employment. They include a wide variety of sectors, sophistication and skills, and operate in different markets and social environments. Access to credit and markets is a fundamental need; our approach is to help remove the barriers to access. We have been successful in attracting the China Africa Development Fund to set up its West and Central Africa head office in Ghana to participate and provide financial support to Ghanaian and Chinese joint ventures. WTC Accra also assists SMEs to access international markets by organising trade missions to markets of interest.

**What are some of the collaborative activities that you foresee between World Trade Centre Mumbai and World Trade Centre Accra toward a common goal of promoting international trade?**

We belong to a great WTCA family with a common goal to grow trade and investment among our two countries. We recently organised an India Business Day at WTC Accra and our Projects Division has been tasked to develop proposals for joint ventures and partnerships that would enable Ghanaian and Indian entrepreneurs to explore the opportunities presented by our government's one district one factory policy and how to access the Indian Exim. The obvious partner for WTC Accra for such a venture is WTC Mumbai.

> "We recently organized an India Business Day at WTC Accra and our Projects Division has been tasked to develop proposals for joint ventures and partnerships that would enable Ghanaian and Indian entrepreneurs to explore the opportunities presented by our government's one district one factory policy and how to access the Indian Exim."

**How is World Trade Centre Accra advancing the cause of women's empowerment?**

Women's empowerment is central in the development of our strategic plan, policies and services. We give special attention to women entrepreneurs and will be launching an annual Women's Expo in December.

**How does World Trade Centre Accra intend to benefit from India's ambitious initiatives of Smart City Mission, Make in India, Skill India and Digital India?**

Ghana does not need to reinvent the wheel but replicate within our context these well thought out initiatives, which have a lot in common with our government's one district one factory policy. WTC Accra will work with WTC Mumbai to create the platform for both countries to share knowledge in these areas to create wealth and jobs.

**What is your message to Indian businessmen looking to invest in Ghana?**

Ghana ranks very competitively across many of the important indices in the annual 'World Bank's Doing Business Survey' versus its sub-Saharan African and developing country peers.

Ghana offers foreign investors a relatively more welcoming investment climate, especially compared to other countries in the sub-region, and a business environment that boasts, among others:

- One of the most stable democracies and political environments on the continent
- No discrimination against foreign-owned businesses
- A floating exchange rate regime and guarantees that investors can repatriate profits out of Ghana
- Investment laws that protect investors against expropriation and nationalisation.

The country offers a strong market and potential for international expansion and growth for Indian companies, businessmen and women.

There are many excellent opportunities for foreign investors to earn great returns in Ghana, especially if these investors can work with influential local partners, who know the business terrain.

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# Facilitating India-China Partnership

**Mr. Amit Li Jian, Chairman, Draphant** is excited about India's progress in the startup sector. However, he advocates that India should focus on enhancing its manufacturing power, while companies need to stress on improving their competitiveness. Excerpts of an interview:

**Your organization facilitates partnership between the business community in India and China. How can India and China strengthen their commercial partnership in the coming years? What are the sectors that hold potential for this partnership?**

The commercial partnership between two countries will be built through the real investment, it can either be equity investment that directly fills into the Indian companies or the local manufacturing ones which would involve more local employment and operation. Once India and China have some real engagement, the partnership will definitely be strengthened. I would say every sector is open for partnership, whether to choose a Joint Venture (JV) or Wholly Owned Subsidiary (WOS) is not really important.

> "What India should focus on is to enhance its manufacturing power and gain trade surplus with other countries."

What people need to know is that Chinese companies with Chinese experiences suit India more than American and Japanese solutions. The power grid that runs in China has encountered all the issues Indian power grid would ever face. So has the telecom network and the high-speed train.

> "I would say, 50% American business model plus 30% Chinese experience and 20% Indian 'Jugaad' (quick fix) would be the right recipe for success."

China has already contributed in bringing down the cost of electricity and telecom tariff, in the coming years, the Chinese manufacturers in India will also contribute in reducing the cost of many things.

**In recent years, companies from China have shown interest in India's start-up sector. What are the opportunities India's start-up sector holds for Chinese companies?**

India's start-up sector is already number three in the world. We as Chinese, who have witnessed the same period in China in the past 10 years, are now very excited about what's going to happen in India in the next 10 years.

We see a lot of opportunities. However, the Indian start-up sector is not in a good health, many capitals and many entrepreneurs have chosen the easy and wrong way for what they want to build. Again, Chinese experience would play a unique role in the industry. I


"What people need to know is that Chinese companies with Chinese experiences suit India more than American and Japanese solutions."

would say, 50% American business model plus 30% Chinese experience and 20% Indian 'Jugaad' (quick fix) would be the right recipe for success.

"Eventually what decides a company to survive or die is not the external environment but the competitiveness."

**India is having a trade deficit of more than USD 50 billion with China. How can we reduce this deficit in the coming years?**

It is not logical to aim at reducing the deficit with China. It is a global world, you source from everywhere and you sell to everywhere. You cannot only calculate how many iPhones we are exporting to one country but ignore how many components we are importing to make the iPhone.

What India should focus on is to enhance its manufacturing power and gain trade surplus with other countries. Another way is to open few sectors to China, like to waive the heavy duty on iron mine exporting to China.

**How do you see Government of India's Make in India programme? How can we increase the participation of Chinese companies in this ambitious program?**

It is a great programme and we see many efforts the Modi Government has made in the last few years. He has made the impossible possible. As a result, the total number of Chinese companies in India has crossed 800 numbers.

If we can suggest, we would expect the government to remove China from the so-called security concerned countries list. It is harming Chinese companies' operations in India in a big way. This has resulted in the delay of visa extensions to Chinese nationals. Further, it involves more documents and time to register a company. It is totally unfair and unnecessary to Chinese companies in such a matured market.

**How do you rate the ease of doing business in India (in comparison to China)? What are the steps Government of India must take to improve the ease of doing business in this country?**

It is no doubt more challenging in doing business in India than in China; however, challenges mean opportunities. Even if a country is ranked No.1 on the ease of doing business list, I do not think any company can easily make money from it. Eventually what decides a company to survive or die is not the external environment but the competitiveness.

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7th GES GLOBAL ECONOMIC SUMMIT

# Global Value Chains:

## Accelerating MSME Growth, Development and Sustainability

### 22-24 February, 2018 at World Trade Centre Mumbai

The 7th Global Economic Summit 2018 on Accelerating MSME Growth, Development and Sustainability will provide a platform for MSMEs to explore the opportunities in Global Value Chains (GVCs). Policymakers, research institutions, trade promotion organisations, non-government and multilateral organisations will congregate to discuss policies and initiatives conducive to MSMEs to actively participate and benefit from GVCs.

The Summit could pursue three broad objectives. First, identifying specific constraints that prevent GVC lead firms from linking with Indian firms; second, learning lessons from countries which have been successful in integrating into global value chains; and third, suggesting a detailed road map for internal reforms that would facilitate Indian firms getting integrated into global value chains and capturing higher share of the value.

Participating MSMEs and businesses will have networking opportunities with experts, policymakers and business delegates from across the world. They would gain valuable insights from influential speakers and other dignitaries on GVCs. MSMEs would also get on-ground information about the functioning of GVCs through field tours.

Over three days, the power-packed six-sessions will focus on:

- Opportunities and challenges for MSMEs to enhance their participation in GVCs
- The relevance of GVCs for overall economic growth and sustainable development
- Impact of Regional Trade Agreements on GVCs
- Analyse the driving force that integrate global supply chains with global value chains
- Role of government policy in GVCs
- Impact of emerging technologies on GVCs

The Highlight of the Summit are Conference, Exhibition, Release of Handbook, Business-to-Business Meetings and field visits.

The Summit will also feature an Award Ceremony to felicitate MSMES and corporate houses who have done exemplary work in furthering and strengthening the GVC Linkage.

**(For more details: www.ges2018.com)**

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**Key Speakers till date :**

- **Dr. Robert Koopman**, Chief Economist and Director - Economic Research and Statistics Division, WTO
- **Mr. Sebastian Saez**, Lead Economist - Trade & Competitiveness, World Bank Group
- **Mr. Christian Ewert**, Director General, Foreign Trade Association
- **Mr. Hugo Beteta**, Subregional Director, ECLAC-Mexico, The Economic Commission for Latin America
- **Mr. Nadim Ahmad**, Head - Trade and Competitiveness Statistics Division, Statistics Directorate, OECD
- **Prof. Sachin Chaturvedi**, Director General, Research and Information System for Developing Countries (RIS)
- **Dr. Abhijit Das**, Professor & Head - Centre for WTO Studies, Indian Institute of Foreign Trade
- **Dr. Rupa Chanda**, RBI Chair Professor in Economics, Indian Institute of Management Bangalore
- **Mr. Andrew Crosby**, Managing Director, International Centre for Trade and Sustainable Development
- **Dr. Pritam Banerjee**, Senior Director-South Asia, Corporate Public Policy, Deutsche Post DHL Group
- **Mr. Pankaj Mahajan**, Director - Corporate Affairs, Cargill International SA (To be confirmed)

# WTC Mumbai Supports Maharashtra Tree Plantation Drive

World Trade Centre Mumbai supports Maharashtra Government's 2 crore Tree Plantation Project. The Centre undertook to plant trees in the World Trade Centre (WTC) Mumbai Complex.

The state government's initiative should be complied with, by all to fight deforestation said Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai. It is important to note that WTC Mumbai has support this initiative since the last 3 years.

**The tree plantation drive was held at the World Trade Center Mumbai on July 1, 2017.**

Mr. Vijay Kalantri, Vice Chairman, MVIRDC WTC Mumbai watering a plant sapling in the garden of the World Trade Centre Mumbai premise.

# Timely and Adequate Finance - Key to MSME Growth

World Trade Centre (WTC) Mumbai participated in the Delhi Dialogue IX (July 4-5, 2017) which was organised by the Ministry of External Affairs, Government of India and All India Association of Industries. Mr. George Barcelon, President, Philippine Chamber of Commerce (Philippines) was part of a panel discussion on 'India-ASEAN Partnership: Building Regional Network to promote SMEs and Women's Empowerment' which was organised by WTC Mumbai. Mr. Barcelon said, "Micro, small and medium size enterprises play a significant role in the economic growth and development of countries. Within ASEAN, MSMEs account for more than 96% of all enterprises, between 52% and 97% of domestic employment and 23% to 58% of the GDP, as well as 10% to 30% of exports. Sustainable economic growth and job creation will therefore rely on competitive and robust SMEs. While regional partnerships present opportunities, these also present potential threats as they increase competition for MSMEs which must have the ability to adapt to rapidly changing market demand, technological change and capacity constraints relating to knowledge, innovation and creativity".

The event was inaugurated by Hon'ble Ms. Sushma Swaraj, Minister of External Affairs of India who also commemorated the 25th anniversary of India – ASEAN relationship at New Delhi.

Mr. Barcelon further added that catalysing women's entrepreneurial talent can have a significant impact on advancing women's economic empowerment which will help mitigate poverty and will also contribute to socio-economic growth of the region.

Mr. Johny Chotrani, Chairman, Philippines India Business Council said, "In Philippines, the MSME sector is seen as a critical driver of the country's economic growth. There are 900,914 business enterprises operating in Philippines, of which the total number of MSMEs which is 806,609 (89.9%) is micro enterprises.

The MSME sector serves as a supplier and subcontractor to large enterprises and forms a strategic component of the export value chain. Making SME manufacturers internationally competitive is a major challenge that Philippines and India face, especially in the light of rising globalisation and increasing economic integration not only in ASEAN but also in the East Asian region. With the new era of digitisation, new avenues are finally being created for SMEs to tap into resources that were previously unavailable. Of these, innovation in the financial technology sector has a large potential if properly tapped. The peer-to-peer lending has seen an intense growth over the last two years as it has the ability to make a real difference in the financial inclusion space, that will change the game for SMEs and its constrains with financial backing and support, added Mr. Chotrani.

Speaking on enhancing the participation of women entrepreneurs (in ASEAN and India) in the Global Value Chain, Mr. Benny Y. P. Siahaan, Director, Directorate for ASEAN External Cooperation, MOFA (Indonesia) said, besides the government's effort in providing easy access to funding, resources, technology and training, women entrepreneurs themselves can play a key role by forming a support network which will facilitate exchange of knowledge and experience, develop and

From (L-R): Mr. Benny Y. P. Siahaan, Director, Directorate for ASEAN External Cooperation, MOFA, (Indonesia); Mr. Hemant Mishr, Chief Executive Officer, Asia Cap Investment Advisors Private Ltd. (India); Mr. George Barcelon, President, Philippine Chamber of Commerce, (Philippines); Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai; Ms. Roslina Chai, Chief Learning Officer, Gnowbe (Singapore) and Mr. Johny Chotrani, Chairman, Philippine-India Business Council (Philippines).

propose initiatives to promote economic and trade activities in order to enhance gender equality. It will also empower and strengthen entrepreneurship skills with capacity building which will help in creating a favorable environment for women-led enterprises and support women entrepreneurship in the region opined, Mr. Benny.

Ms. Roslina Chai, Chief Learning officer, Gnowbe (Singapore) said, "Ability to communicate and articulate well is very important to connect and for capacity building. At the individual level of every single entrepreneur, especially in India and ASEAN countries, improved English language proficiency is the key to build strong connectivity and confidence for enhancing the participation of SMEs in the global value chain. She further said that, Gnowbe offers e-learning solutions to enterprises across the globe for training their human resources. Further, it has the capacity to transform the meaning of productivity with its real-time sharing functions by unleashing the power of tacit knowledge inherent in each individual. Setting bilateral industrial channels, sectoral and industrial-based strategies along with formation of incubators which have specific focus will help to raise performance of women entrepreneurs and SMEs in the global scenario.

Highlighting the need for SMEs to become economically and financially viable, Mr. Hemant Mishr, Chief Executive Officer, Asia Cap Investment Advisors Private Ltd., emphasised that SMEs should focus on setting up businesses either in incubators, business parks or Special Economic Zones (SEZs) while borrowing at competitive rates. They must explore the available export opportunities in various countries and initiate partnerships with various companies including PSUs for supplying their products which will benefit SMEs in the long run. Expand less on fixed cost and use new age technologies i.e. instead of buying server, use cloud space offered by various companies like Amazon, Microsoft opined Mr. Mishr.

He also stressed that for enhancing the competitiveness of SMEs the capacity of financial institutions must be increased to construct profitability lending programmes, while prioritising the development of innovative solutions to collateral issues such as the acceptance of more flexible forms, few fixed assets, use of group guarantees and loan guarantee scheme for them. He further added that, "more emphasis on cash flow than balance sheets in assessment of borrowing capacity, easy and effective loan application assessment methodologies need to be implemented. Business support system must be strengthened through an intermediary role, by building capacities in business services, both public and private. Developing an SME-FDI linkage offer based on the 'fit-to-supply' principle for improving the flow of information and to display supplying opportunities of the potential local suppliers to MNC purchasers will help in the growth of SMEs in India".

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai, the moderator of the panel discussion said, "SMEs in India contribute 45% to GDP and are an integral part of the ASEAN and India economies. SMEs have contributed significantly in terms of employment, exports, entrepreneurial activity and economic empowerment and have played an essential role in the economic success of ASEAN countries and India. Increasing SME cross border activities across the region will help in boosting the economic growth and development and will further increase their competitiveness. Women entrepreneurs who form an important part of the SME sector face economic, social and cultural obstacles such as finance, legal issues and societal pressures which need to be addressed timely by the government and policy making agencies, asserting that the current government is actively undertaking a number of initiatives to boost SMEs and women entrepreneurs".

On this occasion, World Trade Centre Mumbai signed a Memorandum of Understanding (MOUs) with the Philippine Chamber of Commerce to further strengthen the economic and trade relations between both countries.

**The panel discussion was held in New Delhi on July 5, 2017.**

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# City of Florence to Lead Business Delegation to India

Ms. Viktoria Lopatina, Founder & Managing Director, Kat.El International Trade Consulting Srls, Italy visited the World Trade Centre Mumbai with a view to plan prospective programmes toward promoting bilateral trade between India and Italy. During an interactive meeting with senior officials of the World Trade Centre Mumbai, Ms. Lopatina said, "Florence, which is the capital of the Tuscany region in Italy, is popular for Renaissance art and architecture. The Municipality of Florence is keen to partner with India in the real estate and heritage development sectors. Many government and private institutions in Tuscany have also shown interest in exploring business opportunity with Indian companies. The Embassy of India in Italy is willing to facilitate networking between Indian companies and their counterparts in Italy. Therefore, Italy's leading industry body Confindustria Firenze and the Municipality of Florence are jointly planning to lead a business delegation to India to explore business partnership in November 2017".

Ms. Lopatina said that Ms. Lopatina is closely associated with Confindustria Firenze, which is one of the oldest industry chambers representing manufacturing and service sector companies in Tuscany. Confindustria Firenze is planning to launch an 'India Desk' at its chamber in order to provide information support to Italian companies willing to enter the Indian market. Confindustria Firenze has been taking various measures to promote bilateral economic co-operation between India and Italy after it signed a memorandum of understanding (MoU) with the World Trade Centre Mumbai on June 1, 2017.

The proposed visit of this delegation will enable India's architects, interior designers, real estate developers, ceramics and building material manufacturers to explore mutually beneficial partnership with Italian companies.

Apart from real estate, the Italian delegation will also include representatives from furniture, food processing, wine, fashion and lifestyle industries. World Trade Centre Mumbai agreed to host a two-day networking event to facilitate Indian companies and government agencies to explore business opportunities with the members of this delegation in November 2017. The event will offer a platform for members of the Italian delegation to identify suitable business partners in India. The event will also feature sharing of success stories by Italian companies in India.

Ms. Tripti Chakravorty, Assistant Director-Trade Research & International Trade Promotion, MVIRDC World Trade Centre Mumbai; Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre Mumbai; Ms. Viktoria Lopatina, Founder & Managing Director, Kat. El International Trade Consulting Srls, Italy; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Ms. Dolly Awati, Joint Director-Corporate Communication & Trade Promotion, MVIRDC World Trade Centre Mumbai and Mr. Raja Narayanan, Assistant Manager-Research and Trade Promotion, MVIRDC World Trade Centre Mumbai.

Speaking on this occasion, Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre Mumbai said," World Trade Centre Mumbai will offer all possible support to promote partnership between the business community of India and Italy. Mumbai, which is the financial capital of India, is the preferred destination for foreign companies exploring business opportunities in India. We invite Italian companies across various sectors to participate in the next edition of the Global Economic Summit, which is our annual flagship event, in 2018."

**The visit was held at the World Trade Centre Mumbai on July 8, 2017.**

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# WTC Mumbai Assures Support to Nepal's Trade Promotion Organisation

Mr. Kewal Bista, Deputy Director, Trade & Export Promotion Centre, Ministry of Commerce, Government of Nepal along with his colleagues visited the World Trade Centre with a view to explore opportunities of increasing bilateral trade between India and Nepal. An interactive meeting was organised on this occasion with senior officials of the Centre. Mr. Bista said, "India is a huge market of 1.3 billion people. We would like to explore market opportunities for products from Nepal in agriculture and forestry, handloom, textiles and other sectors. There are 75 districts in Nepal and 92 Chambers of Commerce representing various sectors. We would like to strengthen bilateral trade and investment co-operation between Nepal and India by connecting these Chambers of Commerce with World Trade Centre Mumbai. We are also studying how the newly introduced Goods and Services Tax (GST) regime in India will affect the tax incidence on goods imported from Nepal".

Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai (left) felicitating Mr. Kewal Bista, Deputy Director, Trade & Export Promotion Centre, Ministry of Commerce, Government of Nepal (right).

During the interactive meeting, World Trade Centre Mumbai assured all support to the Trade & Export Promotion Centre, Ministry of Commerce, Government of Nepal for strengthening bilateral partnership between both countries.

Speaking on this occasion, Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai said, "India's annual bilateral trade with Nepal currently stands around USD 5.84 billion. There is tremendous scope to enhance this trade volume through co-operation between traders and business communities of both countries. The first step toward this is to understand the sectoral strengths of one another and initiate trade facilitation measures. The business community in Nepal must also familiarise itself with the recently introduced Goods and Services Tax regime in India. WTC Mumbai is willing to promote bilateral trade by facilitating exhibition of products from Nepal in India, connecting small and medium enterprises from Nepal with their business partners in India, exchanging business delegations and other trade promotion initiatives. We invite business delegations from Nepal to participate in our flagship event Global Economic Summit, the next edition of which is planned for February 2018. The Summit will provide networking opportunities with businessmen and diplomats from nearly 25-30 countries."

**The visit was held at the World Trade Centre Mumbai on July 14, 2017**

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# GST to Bring a Major Change to Indian Economy

An interactive workshop on 'GST – One Nation, One Taxation – Learn Implementation' was organised by World Trade Centre Mumbai. Mr. Jayant T. Falke, a leading chartered accountant in Mumbai conducted the workshop. Mr. Falke said, "All firms with an annual turnover of more than INR 20 lakh must comply with the provisions of the Goods and Services Tax (GST) regime, which came into force from July 1, 2017. Companies will not prefer to engage dealers, contractors or goods suppliers who evade GST or who have not registered themselves with the GST Network. This is because, companies will not be able to claim input tax credit if they deal with such unregistered dealers, contractors or goods suppliers. Therefore, tax evaders will lose business and cannot survive under the GST regime," said Mr. Jayant T. Falke, a leading chartered accountant

Mr. Arun Sehgal, Chief Executive Officer, Chempro Group (right) felicitating Mr. Jayant Falke, Chartered Accountant (left).

in Mumbai at an interactive workshop on 'GST – One Nation, One Taxation – Learn Implementation'.

Mr. Falke suggested entrepreneurs and companies to register all their existing branches, registered offices and factory locations at the GST Network. Companies were also advised to register the location of their warehouse agency, job work contractors, and other dealers in the supply chain as additional place of business at the GST Network. For companies that have not registered the above locations at the GST Network, Government of India has offered a chance to do so after July 17.

Mr. Falke also informed that suppliers of goods and services must raise invoice at each point of the supply chain and upload the same in the GST Network. This will enable agents at the subsequent point of supply chain to claim input tax credit. Transporters will not be ready to carry goods of manufacturers or distributors without the GST registration number. He cautioned that the tax department has the right to confiscate transporting vehicles and goods in case the transporter is not able to produce an invoice.

"Companies will not attract any scrutiny or investigation from tax department if they adhere to norms of registration and uploading of invoices in the GST Network. Companies must also maintain all necessary internal documentations to support the information provided in the invoice. Under law, the tax department can attach the personal assets of the directors (whether executive directors, nominee directors, independent directors) of a company in case the company is caught evading GST."

So far, 80 lakh traders, manufacturers and service providers across India have registered with the GST Network and Mr. Falke expects this to grow to 3.5 crore in the course of time.

Speaking on the hassles faced by the industry, Mr. Falke mentioned," There are several ambiguities with regard to classification of goods and services under HSN code, determining the value of certain goods, procedures to be followed by exporters and importers, determination of place of supply, time of supply for certain transactions etc. However, these issues will be resolved gradually."

During the event, merchant exporters raised several issues related to compliance with the GST regime. Exporters complained that the payment of integrated GST will increase their working capital requirement till the tax department makes refund of the same. The tax department may take anytime between 7 to 60 days to refund the integrated GST paid by merchant exporters, depending on their status. For star exporters, refund is generally made in 7 days. For others, it takes 60 days to get refund.

Therefore, exporters want government to exempt them from payment of integrated GST. Exporters also complained about the levy of 12% GST on sale of scrips under Merchandise Export Incentives scheme (MEIS). Under the Scheme, exporters can encash their unutilised duty credit scrips by selling them in the market. Before the implementation of GST, the sale of these scrips attracted around 7% tax (including value-added tax and other taxes). However, under the GST regime, sale of these scrips attracts 12% GST.

Responding to these issues raised by exporters, Mr. Prakash S. Kamble, Assistant Director General, Directorate General of Foreign Trade Mumbai said, "These issues are being considered at the highest level in the Ministry of Commerce and Industry, Government of India. The mid-term review of the Foreign Trade Policy (2015-20), which is scheduled in September 2017, may address these issues."

**The workshop was held at the World Trade Centre Mumbai on July 15, 2017.**

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# Mauritius - A Gateway for Indian Firms to Africa

An interactive meeting was held in honour of Mr. Seewraj Nundlall, Consellor (Investment & Trade), Mauritius High Commission in India. Mr. Nundlall said, "Government of Mauritius wants to form a triangular partnership with India and the African continent. Indian companies can consider Mauritius as a gateway to their entry into the African markets. Products manufactured in Mauritius have duty-free access to the African markets as our country is a member of trading blocs such as the Common Market for Eastern and Southern Africa (COMESA) and Southern African Customs Union (SACU). Goods originating from Mauritius also enjoy preferential access to the European Union and USA. Therefore, Indian companies must take advantage of this by setting up manufacturing units in Mauritius. Companies from India can also explore investment opportunities in the special economic zones (SEZs) being established in Senegal, Madagascar, Ghana and Côte d'Ivoire. Governments of these four countries have formed partnership with Mauritius to develop their economies through SEZs".

From (L-R): Mr. A. O. Kuruvila, Advisor-Trade & Education, MVIRDC World Trade Centre Mumbai; Mr. Y. R. Warerkar, Executive Director MVIRDC World Trade Centre Mumbai; Mr. Seewraj Nundlall, Consellor (Investment & Trade), Mauritius High Commission in India; Mrs. Koshita Napaul, Consul General, Consulate General of the Republic of Mauritius; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Ms. Dolly Awati, Joint Director-Corporate Communication & Trade Promotion, MVIRDC World Trade Centre Mumbai and Ms. Debjani Chowdhury, Advisor, MVIRDC World Trade Centre Mumbai.

Mr. Nundlall informed that Government of India and Government of Mauritius are negotiating a comprehensive economic co-operation and partnership agreement to enhance bilateral trade and investment. He said India and Mauritius can collaborate in sectors such as food processing, seafood, aquaculture, tourism, healthcare, life sciences etc.

"We invite India's pharmaceutical companies to set up plants in the upcoming pharmaceutical village in Mauritius. India's film industry can produce movies in Mauritius by availing 30-40% refund of cost, which is provided by the Government of Mauritius," Mr. Nundlall added.

Inviting India's infrastructure companies to participate in the infrastructure projects in Mauritius, Mr. Nundlall said, "So far, many companies from China have developed roads, airports and other infrastructure projects in Mauritius. Now, we seek the expertise of Indian companies in this sector."

Speaking on this occasion, Mrs. Koshita Napaul, Consul General, Consulate General of the Republic of Mauritius said, "We can promote bilateral trade and investment between both the countries through road shows, exchange of delegations, organising business-to-business meetings and other trade promotion events. India-Mauritius relationship is based on shared values and strong ethnic linkages. Next year, Mauritius is celebrating its 50th Anniversary of Independence. Ahead of this occasion, Mauritius wants to rebuild its economic partnership with India, which is the largest democracy in the world."

Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai said, "Presently, India's bilateral trade with Mauritius stands around USD 900 million and it has the potential to grow manifold in future. World Trade Centre Mumbai is willing to provide all possible steps to promote bilateral economic partnership between both the countries."

**The interactive meeting was held at the World Trade Centre Mumbai on July 20, 2017**

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# GST and Demonetization - Landmark Initiatives for Indian Economy

World Trade Centre Mumbai organised the Convocation Ceremony of Meghnad Desai Academy of Economics (MDAE) at its premises. Mr. Shaktikanta Das, retired Economic Affairs Secretary, Government of India, having served the government for 37 years in various capacities, addressed the gathering on the occasion. Mr. Das said, "The Indian economy is witnessing transformational change like never before. Introduction of Goods and Services Tax (GST) and Demonetisation are the most disruptive policy measures that will bring transformative changes in the economy. These two measures will bring the parallel economy (economic activities that are not under the official tax net) to the mainstream or real economy. This will provide a major boost to India's GDP growth. I expect the Indian economy to grow 7.5% in 2017-18 and 8-9% in the following years".

Mr. Das informed that the time taken for transporting goods across states in India has fallen 30% after the implementation of GST. Before the introduction of GST, cargo trucks used to spend 48 hours at the checkposts of state borders. Now, with the implementation of GST, around 24 states have eliminated border checkposts and this will ensure timely transportation of perishable goods across borders, Mr. Das pointed out.

From (L-R): Lord Meghnad Desai, Chairman of Meghnad Desai Academy Of Economics (MDAE), Mr. Shaktikanta Das, retired Economic Affairs Secretary, Government of India and Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre Mumbai.

After the historic measure of demonetisation in November 2016, the number of income tax payers has risen by several lakhs in India. The increase in the number of tax payers will boost the revenue collection of the government and thereby lead to growth in government spending on education, health, infrastructure and other development projects, Mr. Das remarked.

Speaking about the recent policy measures taken by Government of India, the former Economic Secretary highlighted steps to promote transparency in governance, reforms in foreign direct investment, improving ease of doing business, integration of railway budget and general budget, among others.

Specifically, Mr. Das mentioned that today it is possible to register a company in 48 hours in India and the income tax department has reduced the time taken to settle refund claims of personal income tax. "Today, the entire procedure for refund of personal income tax has been made online and tax assesses get refund in their bank accounts within 2-3 months," Mr. Das observed.

He also informed that Government of India has opened around 26 crore bank accounts for unbanked people under the ambitious Jan Dhan Yojna in the last 2.5 years.

Speaking on this occasion, Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre Mumbai remarked, "I am delighted and honoured to be part of this event. I am also happy to note that the percentage of girl students passing this year is far higher (65%) than that of boy students. Economics has considerable significance in real life and academic institutions must ensure that more students choose this discipline in their higher studies. World Trade Centre Mumbai is committed to provide all possible support to the Meghnad Desai Academy of Economics in its endeavour toward excellence in education."

Lord Meghnad Desai, Chairman of MDAE explained the relevance of economics in today's world and how economists form predictions on various business and macroeconomic phenomena.

**The convocation ceremony was held at the World Trade Centre Mumbai on July 26, 2017.**

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# Art & Culture to Furthers Enhance India-Portugal Relations

World Trade Centre Mumbai witnessed the inauguration of a painting exhibition 'My Journey to Portugal'. With a view to strengthen the bilateral relationship between India and Portugal, the Consulate General of Portugal in Goa, in association with World Trade Centre Mumbai organised the exhibition to showcase the paintings of Mr. Deviprasad C. Rao, noted 'Artist of the Intuitive World'. The Exhibition was inaugurated together by Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai, Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai, Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai, Mr. Rui Carvalho Baceira, The Consul General of Portugal in Goa and Mr. Deviprasad C. Rao. This exhibition was part of the bilateral cultural agenda of India and Portugal, presented by Portuguese Diplomatic Missions in New Delhi and Goa.

Mr. Baceira said, "India-Portugal bilateral relationship is at a great moment today with the recent visit of Indian Prime Minister Narendra Modi to Portugal and Portuguese Prime Minister António Costa's visit to India in January 2017. I take this opportunity to announce the appointment of Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre Mumbai as the Honorary Consul of Portugal in Mumbai".

Captain Somesh Batra said, "I feel deeply honoured that the Portuguese Republic has reposed faith in me through this significant honorary diplomatic assignment. I pledge my continuing commitment to enhance bilateral relationship between India and Portugal to the mutual benefit of both nations. This painting exhibition inspires me to recall the well known Indian architect Mr. Charles Correa who designed a beautiful diagnostic centre in Lisbon.

Portugal is a country with exuberant natural landscape where the mountain and natural parks are dotted with palaces and farms bursting with history and culture. I am sure this exhibition will provide glimpses of Portuguese culture and heritage and thereby promote bilateral relationship."

Mr. Deviprasad C. Rao said, "The paintings displayed in this exhibition depict the historical heritage of Portugal with the present day state of each city and town. The paintings showcase most of the central and northern cities of Portugal such as Lisbon, Sintra, Obidos, Porto, Braga and a few others. I thank World Trade Centre Mumbai for giving me the opportunity to display my paintings."

Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre Mumbai (left) felicitating Mr. Rui Carvalho Baceira, The Consul General of Portugal in Goa (centre). Also seen (L-R): Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai (second left); Mr. Deviprasad C. Rao, Artist (second right) and Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai (right).

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai said, "I thank the Consul General of Portugal in Goa for giving us an opportunity to exhibit the paintings on Portugal. This exhibition is a great opportunity to promote the culture and tourism potential of Portugal. The paintings of Mr. Rao depict various historical and cultural sites in Portugal. In the past, World Trade Centre Mumbai has organised similar exhibitions to promote tourism and culture of various other countries. India's annual bilateral trade with Portugal has grown considerably from USD 157 million in 2000-01 to USD 812 million today. I expect the bilateral trade to grow further in the coming years."

Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai and Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai were also present at the inaugural ceremony.

**The painting exhibition was held at the World Trade Centre Mumbai on August 4, 2017.**

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# Women Entrepreneurs Must Reap Benefits of Trade

A workshop on 'Women Entrepreneurs in Global Trade' was organised by MVIRDC World Trade Centre Mumbai to understand the important role that women entrepreneurs can bring to global trade. The workshop was conducted by Professor Khedkar, a senior faculty at the World Trade Centre Institute, Mumbai. Professor Khedkar said, "The global survey conducted by the UN asked for an opinion on 'the solution to food shortage in the rest of the world'. Seeking the opinion failed because different countries responded differently".


Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai addressing the audience. Seated (L-R): Mr. A. O. Kuruvila, Advisor, Trade and Education, MVIRDC World Trade Centre Mumbai and Professor Khedkar, a Senior Faculty at the World Trade Centre Institute, Mumbai.

Global Trade is vast having scope for opportunity, and requires passion to succeed, said Professor Khedkar. Elaborating on the above, he said that prior to 1991, Indian exports were very rare since awareness of world markets was meager. However, since then India has come a long way, as a result of governance, its industrialists and customers.

The workshop consisted of four sessions, namely 'How to prepare for exports', 'Tools for exports', 'Foreign Trade Policy' and 'Logistics'. Professor Khedkar highlighted the 14 'Ps' (essentials for marketing) for exports, the major ones being 'Product' – not just features, but also performance and benefits; 'Price' – should be optimum, affordable and fair; 'Place' – should be convenient to the purchaser; 'Promotion' – effective communication; 'Packaging' – should be easy to use, difficult to tamper and convenient to dispose; and 'Performance' – having tangible results.

Mr. A. O. Kuruvila, Advisor, Trade and Education, MVIRDC World Trade Centre Mumbai introduced the World Trade Centre concept and elaborated the various services and facilities on offer. He also emphasised the unique training programmes organised at the Centre for skilling entrepreneurs to enter the global markets.

Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai in her presentation reminisced the 6th Global Economic Summit, a flagship event of the World Trade Centre Mumbai, on 'Women's Empowerment: Entrepreneurship, Innovation and Capacity Building' which was held in March 2017. The stellar event had drawn participation from women entrepreneurs from all spheres of the industry both in India and overseas. They were introduced and invited to be a part of the SheTrades App, which is an initiative by the International Trade Centre (ITC), Geneva to connect one million women entrepreneurs to markets by 2020. World Trade Centre Mumbai has been recognised as a verifier of the application and is open to verifying companies in India to be a part of the network of SheTrades. Ms. Naik urged participants to download the SheTrades App and get access to the worldwide platform of buyers. She also encouraged women to start businesses at their own locations, wherever they are.

**The workshop was held at the World Trade Centre Mumbai on August 10, 2017.**

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# Saamne Aa – An Initiative of Beti Bachao Beti Padhao

The music album 'Saamne Aa', an initiative by Ms. Reeta D. Gupta and her team was launched at a formal gathering at the World Trade Centre Mumbai. The launch was also supported by Beti Bachao Beti Padhao, Ministry of Women & Child Development, Government of India, Family Welfare and Mother Child Health (FWMCH) Department of MCGM and Laadli - A Population First Initiative.

Ms. Gupta said, "India's steeply dwindling child sex ratio among children under 6 years of age which reached an all-time low of 918 girls for every 1000 boys


From (L-R): Mr. Raghav Podar, Chairman, Podar World School; Mr. Rahul More (IAS), Deputy Commissioner, Ministry of Women and Child Development; Dr. A. L. Sharada, Laadli; Mr. Siddharth Sharma, Composer, Saamne Aa; Ms. Chandra Iyengar, (Retd. IAS); Ms. Gauri Yadwadkar, Head A and R, Times Music; Ms. Sona Mohapatra, Singer, Saamne Aa; Ms. Reeta Gupta, Director, Saamne Aa; Ms. P. S. Keskar, Executive Health Officer; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai and Mr. Dheeraj Gupta, Managing Director, Jumboking.

in 2011 from 976 in 1961 Registrar General of India (RGI) data - a 6% decline in 40 years – is a cause for concern".

Ms. Gupta further explained that it was important to be clear about the issue of gender and there should be specific action points, such as:

- Celebrating the birth of the girl child in the family
- Raising sons and daughters as equals
- Encouraging varied professions for girls
- Educating those who are indulging in son preference; that a daughter is every bit as capable
- Refraining from use of words such as 'paraya dhan' and 'bojh' while referring to girls
- Reporting any incidence of sex determination test
- Encouraging boys to help in household chores and serve guests
- Keeping weddings simple and sharing wedding expenses equally between the girls' and boys' families
- Providing safe environments, around us where sexist behaviour is discouraged
- Write your will, divide your property equally between your son and your daughter

'Saamne Aa', is a song that speaks against son preference, and encourages us to raise our boys and girls as equals. The song is sung by Ms. Sona Mohapatra and is composed by Mr. Siddharth Sharma and has special performances by Mr. Paresh Rawal and Ms. Swaroop Sampat. It had crossed more than 6 lakh views.

Ms. Sona Mohapatra, an Indian singer said, "Saamne Aa has a simple tune. I have kept my rendition of it simple, so that the essence and meaning of the song emerge. I agreed to be part of this project because I am in line with its vision - to have a society where gender equality is the norm, not the exception".

Speaking about Saamne Aa, Mr. Paresh Rawal said, "This government is trying to bring about a transformational shift in the way our society looks at the girl child. Prime Minister Modi's 'Beti Bachao Beti Padhao' is one of the finest initiatives toward that".

Mr. K. Moses Chalai, Joint Secretary, Ministry of Women and Child added, "We are happy to support Ms. Reeta Gupta's 'Saamne Aa' initiative, as it addresses the problems of both conscious and unconscious social bias against girl child". Mr. Rahul More, Deputy Commissioner, Women and Child Development (WCD) a partner to Saamne Aa presented the song to the audience.

Mr. Kamal M. Morarka, Chairman, MVIRDC World Trade Centre Mumbai, said, "Women Empowerment is paramount to achieving economic and social progress of our country. Girls of today are the women of tomorrow. She builds the foundation of a strong society. A girl child is a blessing, she makes this world a brighter place to live but she herself struggles to see the light. She is not an economic burden but a major force in driving the nation's economy. Education has the power to transform lives. If we educate a boy, we educate one person. If we educate a girl, we educate a family – and a whole nation. I have always believed that investing in a girl's education is investing in a nation's growth and development". MVIRDC World Trade Centre Mumbai supports the Save the Girl Child campaign 'Beti ko Apnao, Apni Soch ko Jagao aur Desh Mein Unnati Lao'.

Mr. P. S. Keskar, Executive Health Officer, MCGM added, "Our message is simple. Beta Beti Ek Saman, toh khushhaal hoga Hindustan. We are going to show Saamne Aa across many theatres in Mumbai".

'Saamne Aa' is also supported by Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai, Mr. Raghav Podar of Podar World School, Dr. A. L. Sharada of Laadli, a population First NGO. Also present on the occasion were Ms. Chandra Iyengar, veteran IAS officer, Ms. Karon Shaiva, Founder, IDOBRO Impact Solutions and Ms. Dheeraj Gupta, Managing Director, Jumboking.

**The song was launched at the World Trade Centre Mumbai on August 11, 2017.**

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# Exporters Voice Issues at WTC Mumbai Meeting

An Open House Meet with the Directorate General of Foreign Trade Mumbai was organised by World Trade Centre Mumbai in association with All India Association of Industries. Dr. Sonia Sethi, IAS, Additional Director General of Foreign Trade, Directorate General of Foreign Trade, Mumbai presided over the Meet. Dr. Sethi said, "Enhancing India's share in world exports is the top priority of Directorate General of Foreign Trade (DGFT). In the next two weeks, DGFT will hold a series of interactions with exporters to understand their concerns and grievances in adopting the Goods and Services Tax (GST). This Open House Meeting is a timely opportunity for DGFT to invite actionable suggestions from exporters to address the key issues on GST. I assure that your suggestions will be considered by the Ministry of Commerce before releasing the mid-term review of Foreign Trade Policy (2015-20) in September 2017".

Allaying the fears of exporters, Dr. Sethi remarked, "GST will make our exports competitive in the long run. There may be some teething troubles in the short term. All the ministries of Government of India are working overtime to address these operational issues."

Dr. Sethi also mentioned the recent initiatives taken by DGFT to address issues faced by exporters. "In the last one year, DGFT has maintained 'zero pendency' of work by clearing all the files of importers and exporters within reasonable timeframe. In the immediate future, all the functions of the DGFT will be digitised to improve performance efficiency and reduce human interface. DGFT is holding Open House Meeting every Wednesday to address the concerns of traders. Our Grievance Redressal Committee at the Mumbai zonal office is functioning efficiently in this matter."

Dr. Sethi also remarked that in future, DGFT Mumbai plans to work with the Government of Maharashtra to enhance exports from the state.

Mr. Firoze B. Andhyarujina, Senior Advocate, High


Seated (L-R): Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Dr. Sonia Sethi, IAS, Additional Director General of Foreign Trade, Directorate General of Foreign Trade, Mumbai and Mr. Firoze B. Andhyarujina, Senior Advocate, High Court Mumbai.

Court Mumbai who was present on the occasion said, "GST is a visionary reform in India's indirect taxation system. GST has converged 22 indirect taxes into three taxes and thereby simplified the indirect tax system. However, there are several unresolved issues in the GST system. These issues include the issue of double taxation of re-exports, adjustment of input tax credit, compliance with procedures, tax implication on construction contracts involving joint venture of foreign and Indian companies etc."

Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai remarked, "GST is a welcome reform in India's indirect tax system as it would reduce the time and cost incurred on logistics. After the implementation of GST, most state governments have abolished check posts in state borders, thereby improving the ease of movement of goods across borders."

On this occasion, senior officials from DGFT explained relevant changes in the procedures and implementation of various export promotion schemes of the Government of India under the GST regime.

During the event, exporters from gems and jewellery, textiles, food products and other sectors raised their concerns regarding GST and offered suitable suggestions to DGFT. WTC Mumbai will prepare a detailed representation on issues faced by exporters pertaining to GST and will submit it to DGFT for active consideration.

The event was attended by representatives from micro, small and medium enterprises, large corporate houses, merchant exporters, consul generals of foreign countries, foreign trade consultants, financial institutions, industry bodies and other stakeholders.

**The open house meet was held at the World Trade Centre Mumbai on August 18, 2017.**

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## Vast Scope to Enhance India-Uzbekistan Trade Ties

An Uzbekistan Joint Business Forum was organised by World Trade Centre Mumbai in association with All India Association of Industries. Mr. Abdulaziz Kh. KAMILOV, Hon'ble Minister of Foreign Affairs, Republic of Uzbekistan said, "Uzbekistan is earnestly working to liberalise systems and norms and removing hurdles faced by Indian businessmen. We are giving high importance to transport and logistics infrastructure to strengthen bilateral ties. This is a long felt demand of Indian Industry. Both sides are also working in the areas of goods, services, health and education sectors".


From (L-R): Mr. Vijay Kalantri, Honorary Consul General, Consulate of the Republic of Uzbekistan in Mumbai and Vice Chairman, MVIRDC World Trade Centre Mumbai; Mr. Elyor M. Ganiev, Minister of Foreign Trade of the Republic of Uzbekistan; Mr. Abdulaziz Kh. Kamilov, Minister of Foreign Affairs Republic of Uzbekistan; H.E. Mr. Farhad Arziev, Ambassador, Embassy of Uzbekistan in India and H.E. Mr. Vinod Kumar, Ambassador, Embassy of India in Uzbekistan.

Mr. Kamilov further added that, measures are being taken to liberalise visa regime for business and tourism purposes and is considering to commence direct flights from Mumbai to Uzbekistan.

Mr. Elyor GANIEV, Minister of Foreign Trade of Republic of Uzbekistan said that the bilateral trade between the countries stood at USD 155.76 million in 2016-17 and is projected to rise manifold in the next few years. He further added that the deepening of trade and economic ties between the two countries are on a positive track and the setting up of a trading house will further strengthen the growing trade relations between India and Uzbekistan.

Mr. Vijay Kalantri, Honorary Consul General of Uzbekistan in Mumbai and Vice Chairman, MVIRDC World Trade Centre

Mumbai said that there is need to accord Most Favoured Nation (MFN) status to Indian businesses as also strive for reduction of import duty on leather, textile and other commodities as well as rationalise and simplify procedures for registration and certification of business.

Mr. Kalantri, further added that the foreign exchange control and various custom procedures are hampering trade between India and Uzbekistan. As both countries are aiming to enhance trade to USD 1 billion in the next couple of years, it is imperative to resolve issues that are impeding trade and industry on fast track. Also, there is dire need to improve transport, logistics infrastructure and visa simplification as well as starting of direct flights from Mumbai which is economic and commercial capital of India, to Uzbekistan.

H. E. Mr. Vinod Kumar, Ambassador of India to the Republic of Uzbekistan and H.E. Mr. Farhad Arziev, Ambassador of Uzbekistan to India also graced the occasion. Besides Uzbek delegation members, ministers, senior government officials and diplomats from other countries were also present on this occasion.

**The Joint Business Forum was held in New Delhi on August 23, 2017.**

# State of Maharashtra to have Integrated Water Plan

An interactive meeting on 'Addressing Water Issues at all levels (Households, Agriculture, Industry and Government) was organised by World Trade Centre Mumbai in association with All India Association of Industries. Mr. K. P. Bakshi, I.A.S. (Retd.), Chairman, Maharashtra Water Resources Regulatory Authority (MWRRA) in his introductory remarks said, "There are six basins in Maharashtra, namely Godavari, Krishna, Tapi, Narmada, Mahanadi and Konkan. While some basins face high water stress, others face low water stress. For instance, Godavari basin faces water stress, especially in the central and eastern parts of the basin. In order to address this imbalance in water stress across basins, Maharashtra Water Resources Regulatory Authority (MWRRA) is preparing an Integrated State Water Plan. We have recently submitted the Integrated State Water Plan for Godavari Basin to the Government of Maharashtra and we plan to submit similar plans for the other five basins by December 2017. Maharashtra is the first state to have such an integrated water plan".

Mr. K. P. Bakshi, I.A.S. (Retd.), Chairman, Maharashtra Water Resources Regulatory Authority (MWRRA) (fourth left) honouring Ms. Meena Sankaran, Founder & CEO of Ketos Inc (USA) (second right). Also seen (L-R): Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai and Dr. Malini V. Shankar, IAS, Director General of Shipping, Government of India.

Mr. Bakshi said that the interactive meeting was very timely looking at today's water logging/flooding and he mooted the idea of setting up an incubation center in Maharashtra for supporting start-up companies and other business organisations involved in developing water technologies. He said MWRRA will be in a position to establish an incubation center if Government of India assures funding support for it.

Mr. Bakshi also said that MWRRA was willing to help other state governments adopt policy, institutional and administrative reforms in the water sector. Some of the reforms suggested by Mr. Bakshi to other state governments is to adopt State Water Policy, establishing Water Regulatory Authority, forming Water Users' Associations (WUAs) and introducing water audit.

During the event, World Trade Centre Mumbai honoured Ms. Meena Sankaran, Founder & CEO of Ketos Inc (USA) for developing digital solutions to address water conservation, water safety and food safety. Under

Ms. Sankaran's leadership, Ketos revolutionised water intelligence through real-time, automated, smart-connected (internet of things) monitoring and predictive correlation of water metrics. The technology developed by Ketos offers proactive insights and actionable metrics for enhancing healthcare, addressing water conservation, water safety and food safety. The technology developed by Ketos is also capable of providing early warning signals for flooding, of the kind witnessed in Mumbai as a result of the heavy downpour on August 29, 2017 and in 2005.

Accepting the Honour, Ms. Sankaran remarked, "Water is life. The need and demand for a crucial resource like water is so high that it is the responsibility of every individual, corporate (private), public sector and critical policy stakeholders to work cohesively for a broader impact with the best of minds."

Ms. Sankaran informed that around 37.7 million Indians are affected by water borne diseases every year. This results in an economic burden of USD 600 million per annum.

Dr. Suresh Kulkarni, Secretary, MWRRA presented an overview on the demand and supply scenario in the water sector in Maharashtra. He remarked, "We must understand the value of water and be ready to pay for it." He informed that the demand for water in Maharashtra may grow to 100 billion cubic metres by 2030 from around 40 billion cubic metres in 2014. Dr. Kulkarni further informed that while agriculture sector uses 85% of the total available water, it contributes only 19% to the revenue of the state water department. Industry, on the other hand, contributes 59% to the revenue of the state water department, even as it consumes only 2% of the available water, Dr. Kulkarni added.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai said, "Everybody must be conscious of the value of water. We must conserve water through water harvesting, reuse and recycling technologies. Today, India has enough water availability. However, the capacity for storing the water is not adequate. Proper management and distribution of water is the need of the hour in this country. By creating a new water storage infrastructure, we can prevent incidence of flood and its economic damage. The Government of Maharashtra is doing a commendable job to increase the storage capacity of water under its ambitious 'Jalyukt Shivar Abhiyaan'. Under this project, the government has dug farm ponds, enhanced the depth of streams and other water bodies."

Dr. Malini V. Shankar, IAS, Director General of Shipping, Government of India was felicitated during the event for taking progressive policy measures in her earlier stint as Principal Secretary, Water Resources Department, Government of Maharashtra.

**The interactive meeting was held at the World Trade Centre Mumbai on August 29, 2017.**

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# Research Study on Engineering of the BRICS Engagement

MVIRDC World Trade Centre Mumbai released its publication which was an in-house research study conducted titled 'Engineering of the BRICS Engagement' at a panel discussion. The event assumed significance as it was organised ahead of the 9th BRICS Summit to be held in Xiamen, China from September 3-5, 2017. Ms. Rosimar da Silva Suzano, Consul General of Brazil, a panelist said, "During 2002-2012, trade among the BRICS countries (Brazil, Russia, India, China and South Africa) has grown 900% during this decade. This is a great achievement of the BRICS countries, besides this, the relationship of Brazil with India has attained greater heights after the formation of the BRICS bloc than before. Similarly, this is the case of other BRICS countries".

From (L-R): Mr. Mohit Jain, Vice-President, SMERA Knowledge Center & Large Corporate Business, SMERA Ratings; Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai; Ms. Rosimar da Silva Suzano, Consul General, Consulate General of Brazil in Mumbai; Mr. Andrei NikolaevichZhiltsov, Consul General, Consulate General of the Russian Federation in Mumbai and Dr. Ravni Thakur, Professor, Department of East Asian Studies, Delhi University.

Ms. Suzano further pointed out that BRICS countries have formed partnership across 30 sectors and have set up BRICS Scientists Forum, BRICS Network University, among others. These are all enabling factors in promoting bilateral trade relations.

Dr. Ravni Thakur, Professor, Department of East Asian Studies, Delhi University said, "Micro, Small and Medium Enterprises (MSMEs) are the pillars of most countries in the world and it is especially so in the BRICS countries. In future, the BRICS countries must develop strong partnership in the MSME sector. We need to have more and more business-to-business meetings, interaction among industry chambers of the BRICS countries. BRICS countries must harmonise the definition of MSMEs. Further, BRICS countries must establish a broader forum to include MSMEs in research and policy making. BRICS countries must also work together to strengthen women-owned enterprises."

During the session, Mr. Andrei Nikolaevich Zhiltsov, Consul General, Consulate General of the Russian Federation in Mumbai said that today the presence of Russia is felt stronger across all countries except in India. For example, Russia has only two journalists in India. On the other hand, India has only one journalist in Moscow. There is a need to enhance exchange of information to improve trade and commerce between India and Russia. India must strengthen its cultural ties with Russia by collaborating in science, technology, media, entertainment and other sectors. India and Russia can grow their bilateral trade five-fold by exchange of information.

Mr. Mohit Jain, Vice-President, SMERA Knowledge Center & Large Corporate Business, SMERA Ratings said, "MSMEs in BRICS countries face challenges such as inadequate access to finance, technology and skilled labour. Rating agencies in these BRICS countries must collaborate to exchange information about credit worthiness of MSME borrowers. We must set up a robust mechanism for rating MSMEs in BRICS countries and sharing their information through a common portal. This will improve access to institutional credit for MSMEs".

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai said, "BRICS countries must strengthen their co-operation in the MSME sector by setting up Joint Business Councils. India has set up Joint Business Councils with many countries and this mechanism should be replicated with BRICS countries as well. BRICS countries must involve representatives from industry and trade while forming broad policy framework for co-operation. For the last many years, BRICS countries have introduced many reforms to improve the competitiveness of their economies. By strengthening co-operation among MSMEs, we can enhance intra-BRICS trade to more than USD 500 billion from the present level of USD 295 billion".

It is important to note that MVIRDC World Trade Centre Mumbai conducted the research study on 'Engineering of the BRICS Engagement' to examine various dimensions of partnership among the five countries. The study is an attempt to understand possible future collaboration among these economies based on their individual strength, weakness, opportunity and threat.

**The panel discussion was held at the World Trade Centre Mumbai on September 1, 2017.**

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# Inclusive Cluster Development - Key to MSME Growth

A programme on 'Accelerating MSME Competitiveness through Innovation, Technology, Finance and Cluster Development was organised by World Trade Centre (WTC) Mumbai in association with All India Association of Industries (AIAI).

Ms. Leena Bansod, Joint Managing Director, Maharashtra Small Scale Industries Development Corporation who was the key speaker at the event said, "Micro small and medium enterprises (MSMEs) face lot of challenges today. The effective strategy to address these challenges is cluster development. Small entrepreneurs and micro units must come together to build and nurture institutions by forming clusters at the grassroot level. Developing clusters creates inclusive economic growth. Clusters also create win-win situations for MSMEs, financial institutions and all the stakeholders in the value chain. Maharashtra Small Scale Industries Development Corporation will facilitate the formation of clusters across various parts of the state and be an effective bridge between the government and MSMEs".

The programme featured a thought-provoking panel discussion on cluster development, improving access to finance and the importance of digital marketing, innovation and technology for MSMEs. The speakers highlighted how clusters of micro and small units can

Ms. Leena Bansod, Joint Managing Director, Maharashtra Small Scale Industries Development Corporation addressing the participants. Seated (L-R): Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai; Mr. R. Vasudevan, Senior Director-SME, CRISIL and Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai.

develop collective solutions on human resource management, taxation, marketing strategies and other business-related challenges.

Mr. R. Vasudevan, Senior Director–SME, CRISIL remarked, " Access to timely credit is a major challenge for MSMEs. Around 53 million MSMEs who contribute 33% to the GDP are deprived of institutional credit today".

Ms. Rachana Bhusari, Head-SME, National Stock Exchange (NSE) gave an overview of the SME Listing Platform 'Emerge', which is dedicated to enable equity fund raising for MSMEs. Since its launch in 2012, around 76 MSMEs have raised more than 1,000 crore from it, Ms. Bhusari informed.

Mr. Tushar Buch, Managing Director & Chief Executive Officer, SBI Global Factors explained how MSMEs can use factoring services to meet their supply chain financing. He pointed out saying, "Factoring is a globally preferred method of financing trade receivables. For the economy at large, it is a preferable method for MSME requirements since it transfers the risk (of transaction settlement) from the comparatively weaker MSME seller to a stronger large corporate or public sector undertaking buyer".

Mr. Promod Kumar Bakshi, Deputy General Manager, Small Industries Development Bank of India (SIDBI) explained the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and how MSMEs have benefitted under this scheme. Mr. Bakshi further informed that SIDBI Ventures, which is an associate organisation has funded around 15,000 MSMEs so far.

Mr. Nitin Nahar, Associate Vice President, HDFC Mutual Fund highlighted key trends in the mutual fund industry and how MSMEs can benefit from mutual funds. He said, "Today, majority of the institutional investors in mutual fund schemes are large corporates. We need to encourage MSMEs to invest in mutual fund schemes. Mutual fund offers professional investment strategies and it assures attractive returns because of diversification".

Speaking at the panel discussion on digital marketing and innovation, Mr. Prasad Ajgaonkar, Chief Executive Officer, Interactive Reality remarked, "MSMEs must use technologies to enhance their operational efficiency and develop new capabilities". Dr. Paranjape also explained how MSMEs can save cost by adopting cloud technologies to manage their finance, human resource, marketing and other functions.

Ms. Meenakshi Sapru, Deputy General Manager, Reliance Digital informed about the vendor evaluation criteria for MSME suppliers.

Ms. Harini Calamur, Lecturer, SP JAIN Institute of Management and Research and Mr. Mandar Marathe, Co-founder, BriefKase explained the importance of choosing the right digital marketing strategy for MSMEs.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai said, "MSMEs are the backbone of the Indian economy as they produce 9,000 different products, contribute 45% to exports and 40% to manufacturing Gross Domestic Product (GDP). The long pending issue of timely and adequate credit to the MSME sector still remains unresolved. Bank credit to the MSME sector has contracted 0.1%, according to the latest RBI data. We need to address this issue if India has to succeed in its ambitious programmes of Digital India, Make in India and Start-up India. Credit Rating agencies play an important role in enhancing access to institutional credit. We need to evolve different ratings methodology for assessing the credit worthiness of MSMEs. Government must also address the problem of lack of availability of skilled labour in this sector."

**The programme was held at the World Trade Centre Mumbai on September 8, 2017.**

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# Poland Offers Business Opportunities for India

From (L-R): Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai; Mr. Brenda Leszek, Consul General, Consulate General of Poland in Mumbai; Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai; Ms. Katarzyna Kwiecień; Deputy Director, Export Support Bureau, Agriculture Market Agency, Poland; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Mr. Robert Dziedzic, Acting Ambassador, Embassy of the Republic of Poland in New Delhi and Captain Somesh Batra, Vice Chairman, MVIRDC World Trade Centre Mumbai.

A high-level business delegation from Poland representing dairy, agro & agro processing, food technology industry participated in an interactive meeting was organised by World Trade Centre Mumbai in association with All India Association of Industries and Embassy of the Republic of Poland in New Delhi. Mr. Brenda Leszek, Consul General of Poland in Mumbai who accompanied the delegation said, "Poland is a growing economy and is expected to be the next powerhouse in view of its trade surplus, booming exports, financial discipline and institutional reforms which have provided the impetus for its economy. The country offers great opportunity for the Indian business community".

Elaborating on the Poland's trade and economic achievements, Mr. Leszek said that his country was the next to join the club as an under-the-radar economic star. Since its transition from communism to democracy in 1991, its economy has been growing at an average annual rate of 4 percent. Poland's average income has risen to near $13,000, from $2,300, and it is now on pace to pass the $15,000 mark by the turn of this decade. Poland is working itself up to be a manufacturing power and is pitched to be a part of the select group of countries which include South Korea, the Czech Republic and now Poland. Poland is more than competitive with the Asian manufacturing powers. Exports from manufacturing account for 33 percent of GDP in Poland, well above the average for emerging nations of 22 percent.

Ms. Katarzyna Kwiecien, Deputy Director, Export Support Bureau, Agriculture Market Agency who along with Mr. Brenda led the delegation. Ms. Kwiecien provided an overview of the sectors that were being represented at the meeting. Ms. Kwiecien said, "Polish food sector is known world over. Exports go to 70 countries and is still growing. Our products are popular, price competitive and of a high quality. Besides, apples, our exports are mainly in the poultry, meat and meat products, flour and dairy products. We are participating for the second time at the 'Annapoorna Food Show'. Our main aim is to help and assist Polish producers and guide them in entering international markets".

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre said, "Currently trade between India and Poland is US$ 1.88 billion which can double in the next three years by focusing on important sectors of cooperation like defense, agro and food processing, mining, culture and tourism as part of the Make in India initiative of the Government of India. The Indian and Polish companies can collaborate with each other in these important sectors".

Mr. Kalantri further added that India has opened up for overseas participation in focus sectors and has requested long-term multiple entry visas which could facilitate opportunities in tourism and cultural promotion.

Mr. Robert Dziedzic, Acting Ambassador, Embassy of the Republic of Poland in New Delhi presided over the meeting.

The event concluded with 100 pre-arranged business-to-business meeting with the trade and industry representatives.

**The interactive meeting was held at the World Trade Centre Mumbai on September 13, 2017.**

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# EB-5 Visas, An Option for Indian Green Card Seekers

An interactive meeting and a presentation on 'EB-5 Investment Opportunity' was organised by MVIRDC World Trade Centre Mumbai. Mr. Matt Trusch, Director, Texas Regional Center, LLC made the presentation on the EB-5 programme. He said, "The EB-5 programme, an employment-based category 5 programme is the best option for H1B visa aspirants from India, who fail to get the latter as a result of the changes made in the employment category of US visas".

Advocating the EB-5 programme, Mr. Trusch provided an overview of the programme where the investor makes USD 1,000,000 minimum capital investment in a new commercial enterprise that should mandatorily create 10 new jobs. The investment is made in an escrow account for a period of five years during which time the investor receives a 0.5 per cent interest on the amount for a period of five years. After the lapse of five years, the capital amount is reimbursed to the investor. The minimum investment may be reduced to $500,000 if it is made in targeted employment areas (TEAs) which could be either rural areas or areas of high unemployment.


Mr. Matt Trusch, Director, Texas Regional Center, LLC (center) was felicitated by Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai (right). Also present is Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai (left).

Acquiring a visa under the EB-5 programme entails a two-process approach. Firstly, an I-526 Petition has to be filed by the applicant which provides a provisional green card for a period of two years. This process assesses the project's credibility. Secondly, the I-829 Petition enables the investor to make the provisional green card into a permanent one, by assessing sources of funds and ensuring proper documentation of maintaining green card status. While the former process is accomplished in a span of 12-24 months, the later is done 21 months later.

Mr. Trusch spoke of his Center's role in executing the One Market Square that has been accorded the I-924 Exemplar Approved project status in March 2017, which has been pre-approved by United States Citizenship and Immigration Services (USCIS).

The project is being executed in two phases. Aspiring investors of EB-5 programme can consider this project for their minimum capital investment. In order to invest in the project, the investor while filing I-526 Petition, must make a payment of a non-refundable administrative fee of USD 50,000.

Mr. Y. R. Warerkar, Executive Director, MVIRDC World Trade Centre Mumbai introduced the services and facilities of the World Trade Centre Mumbai. Speaking about bilateral relationship, Mr. Warerkar said, "Currently the trade between our countries is US$ 64.52 billion which has the capacity to double in the next five years through a focused approach. As a result of the progressive dialogues between India and the US, I expect the relationship between both countries to strengthen not only in trade but also in culture, tourism, entrepreneurship development etc.

I hope the EB-5 programme will promote exchange of entrepreneurs between both countries. Similarly World Trade Centre Mumbai also invites American entrepreneurs to invest in Maharashtra by taking advantage of Make in India, Digital India, and other ambitious programmes of the Government of India".

**The interactive meeting was held at the World Trade Centre Mumbai on September 14, 2017.**

# RISE Summit 2017

MVIRDC World Trade Centre Mumbai partnered with Idobro Impact Solutions in hosting the RISE Summit 2017 which highlighted the importance of the United Nations Sustainable Development Goals. On the occasion, World Trade Centre Mumbai organised a Round Table on 'Global Supply Chains' (Responsible Procurement) on September 19, 2017.

Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai opened the session with her remarks by asking the audience what they thought about Global Supply Chains. While introducing the forthcoming Global Economic Summit (GES) 2018 which is themed on 'Accelerating MSME Growth, Development and Sustainability' to be held at the World Trade Centre Mumbai from February 22-24, 2018, Ms. Naik said, "GES 2018 has huge potential to integrate in Global Value Chains (GVCs). So far textiles, auto components, electronic goods, semiconductors are part of GVCs especially with the presence of Foxconn Technology Group and iphone manufacturing in India".

Ms. Karon Shaiva, Chief Impact Officer & Managing Director, idobro ascertained that value chain is part of the supply chain. Unless one applies value to the supply chain, the later can be replaced by another supply chain. In the supply chain, it is not just important to stay competitive by reducing the price but increasing competitiveness are important factors. In order to achieve this, the quality of the product should be consistent, delivery schedule should be maintained, product specifications must be set, however, the most important is the packaging of the product which should take into account life-cycle management issues.

Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai addressing the roundtable at the RISE Summit 2017.

A view of the participants at the roundtable.

Speaking on the challenges faced by women entering the supply chain, Ms. Naik said that acquiring finance without collateral; women's preference to do the business within their location; and lack of awareness of the benefits of joining the GSCs are crucial for MSMEs to integrate into GVCs.

Ms. Shaiva said that in order for women to be a part of the GVCs, there is a huge requirement for capacity building, they should be given market access, empowered with the tools to promote business through the use of technology.

As part of the event several youth startups were invited for experience sharing of their innovative ventures which have been well received by society.

**The round table was held at the World Trade Centre Mumbai on September 19, 2017.**

# Suriname Offers Huge Opportunities for Indian Companies


Mr. Gillmore Hoefdraad, Minister of Finance, Republic of Suriname (second left) shaking hands with Mr. Andrei Nikolaevich Zhiltsov, Consul General, Russian Federation in Mumbai (third left). Also present are Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai (left) and Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai (right).

Surinam Business Forum was organised by World Trade Centre Mumbai in association with All India Association of Industries to in honour of Mr. Gillmore Hoefdraad, Hon'ble Minister of Finance, Republic of Suriname. Mr. Hoefdraad said, "Suriname is very keen on strengthening relations with India and the vision of our Hon'ble President is to further strengthen South-South Co-operation and with the BRICS trading bloc. There are tremendous opportunities for Indian companies in sectors such as Oil&Gas, Mining, Gold, Solar Energy to explore and I am here to further facilitate and initiate dialogue to work closely with India and Indian counterparts".

Although, the population of Suriname is half a million it has tremendous natural resources in the areas of mining, gold, bauxite, oil&gas and copper. This offers Indian entrepreneurs tremendous opportunity to set up industry and supply CARICOM and Latin American Countries (LAC) countries in the light of the Free Trade Agreement (FTA) with them and further, to explore the preferential markets in Europe and African Caribbean and Pacific Group of States (ACP), stressed Mr. Hoefdraad.

Agriculture is another area which offers tremendous opportunities and not only Suriname, but also the markets in and around the country are huge and which India can explore as it is quite ahead in agro and technology, offering itself as a partner in progress. The economy of Suriname is well recovered from the downturn where the inflation was over 50% and has fallen now to 20%.The Government of Surinam is further working on stabilising the economy. This has become possible due to our efforts in diversifying the economy away from mining and agri sector and creating more opportunities in manufacturing and natural resources added Mr. Hoefdraad.

"I was keen to come to India and I have come after my visit to China and Russia. As I see tremendous potential between our two countries", Mr. Hoefdraad opined.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai said, "India's bilateral trade with Suriname stands at USD 56 million today. I expect this trade volume to double in the next three years through greater co-operation between both countries. WTC will promote bilateral trade by partnering with trade promotion organisations and industry bodies in Suriname".

The event was attended by consul generals, representatives of MSMEs, delegates from corporate houses, financial institutions and others.

During the interactive meeting, entrepreneurs from sectors such as jewellery, agriculture, mining, shipping and logistics had interactions with Mr. Hoefdraad to explore on business opportunity in Suriname in these sectors.

**The Suriname Business Forum was held at the World Trade Centre Mumbai on September 20, 2017.**

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# Meetings Held in Switzerland and Poland

World Trade Centre Mumbai organised several meetings with key officials and experts on various trade-related issues at Geneva in Switzerland.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai (centre) seen with (from left) Mr. Navneet Agarwal, Assistant Director-Trade Promotion, World Trade Centre Jaipur; Mr. J. S. Deepak, Ambassador and Permanent Representative of India to WTO, Permanent Mission of India; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai and Ms. Debjani Chowdhury, Advisor, MVIRDC World Trade Centre Mumbai.

From (L-R): Ms. Debjani Chowdhury, Advisor, MVIRDC World Trade Centre Mumbai; Dr. Shishir Priyadarshi, Head-Development Division, World Trade Organization; Mr. Yonov Frederick Agah, Deputy Director General, World Trade Organization; Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai and Mr. Navneet Agarwal, Assistant Director-Trade Promotion, World Trade Centre Jaipur.

From (L-R): Ms. Debjani Chowdhury, Advisor, MVIRDC World Trade Centre Mumbai; Mr. Navneet Agarwal, Assistant Director-Trade Promotion, World Trade Centre Jaipur; Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai; Mr. Rajiv K. Chander, Ambassador and Permanent Representative of India to the Office of the United Nations at Geneva and Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai.

Mr. Vijay Kalantri, Vice Chairman, World Trade Centre Mumbai; (extreme right) seen with (from left) Mr. James Rossi, Library and Publications Distribution Section, World Intellectual Property Organization; Ms. Debjani Chowdhury, Advisor, MVIRDC World Trade Centre Mumbai; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai and Ms. Lise McLeod, Head-Library and Publication Distribution Section, World Intellectual Property Organization.

From (L-R): Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Dr. Mukhisa Kituyi, Secretary General, United Nations Conference on Trade and Development (UNCTAD); Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai; Mr. Frank Van Rompaey, Representative to the UN and other International Organizations in Geneva, UNIDO Geneva Office and Mr. Rajesh Aggarwal, Director of the Division of Business & Institutional Support and Chief, Business & Trade Facilitation Section, International Trade Centre (ITC), Geneva at a dinner reception hosted by WTC Mumbai.

Dr. Mukhisa Kituyi, Secretary General, United Nations Conference on Trade and Development (UNCTAD) (extreme right) seen with Mr. Navneet Agarwal, Assistant Director-Trade Promotion, World Trade Centre Jaipur; Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai and Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai.

Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai (right) interacts with Ms. Dorothy Tembo, Deputy Executive Director, International Trade Centre (ITC), Geneva.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai (right) seen with Mr. Alejandro Roca Campana, Senior Director, Access to Information and Knowledge Division, Global Infrastructure Sector, World Intellectual Property Organization (WIPO) (centre) and Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai (left).

Ms. Magdalena Piasecka, Deputy Mayor of Wroclaw, Poland (Centre) seen with (L-R): Mr. Navneet Agarwal, Assistant Director-Trade Promotion, World Trade Centre Jaipur; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Ms. Debjani Chowdhury, Advisor, MVIRDC World Trade Centre Mumbai and Mr. Kartikey Johri, Businessman.

From (L-R): Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Dr. Zbigniew Sebastian, President, Lower Silesian Chamber of Commerce, Wroclaw, Poland; Mr. Navneet Agarwal, Assistant Director-Trade Promotion, World Trade Centre Jaipur; Ms. Debjani Chowdhury, Advisor, MVIRDC World Trade Centre Mumbai and Mr. Kartikey Johri, Businessman.

# New Cargo Terminal Facility to Boost Exports

A senior official of Paradip International Cargo Terminal (PICT), Mr. Anand A., Deputy General Manager, PICT visited and discussed with World Trade Centre (WTC) Bhubaneswar the upcoming facilities to be offered by PICT. The Terminal is to be operational by November 2017. While introducing the Terminal, Mr. Anand A. said, "Paradip International Cargo Terminal (PICT) is a project of J. M. Baxi Group (one of India's largest and most experienced group in the shipping and logistics industry). In order to cater to the container traffic and clean cargo, Paradip Port Trust has decided to undertake the development of a multi-purpose berth through a Public Private Participation (PPP) route on Build, Operate and Transfer (BOT) basis through a bidding process. International Cargo Terminals & Infrastructure Pvt. Ltd. (ICT&IPL) which is a part of the J. M. Baxi Group has been selected as a the operator for the Terminal after a competitive bidding process".


From (L-R): Mr. M. Panda, Senior Manager, Paradip International Cargo Terminal; Mr. Anand A., Deputy General Manager, Paradip International Cargo Terminal; Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar.

"The terminal has a total berth capacity of five million tons per annum with a quay length - 450 million, quay width - 27.50 million vessel, 1,25,000 deadweight tonnage (DWT) capacity and dredged depth alongside the berth (-) 17.1 metres spread over an area of 26.37 hectares" he added.

He further highlighted various facilities such as fertiliser bagging unit, conveyor system, mobile harbour crane (MHC) container handling, fertiliser warehouse, rail connectivity in port and mechanised bulk handling at the port with conveyor system which would be made available to the exporters of the State.

WTC Bhubaneswar was represented by Ms. Nimeshika Natarajan, Manager-Trade Research and Mr. Budhadev Bhanjo, Manager-Trade Promotion welcomed the development of the much-needed infrastructure facility. They were of the opinion that the initiative would provide a major boost to exports of the state. Challenges faced by exporters in shipping their consignments to neighbouring states, potential sectors that could benefit from the upcoming facility also surfaced in the discussions. Creating awareness and technical and procedural issues are key to increasing direct exports from the State, they explained.

It was decided to mutually co-operate and support activities in enhancing the competitiveness of Odisha exporters in order that they performance well in international trade.

**The visit was held at the World Trade Centre Bhubaneswar on July 18, 2017.**

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# GST - A Step Toward Economic Unification of India

A workshop on Goods & Services Tax (GST) was organized by World Trade Centre Bhubaneswar in association with Gemini Consulting & Services Pvt. Ltd. Mr. Sanjeev Dewalwar, IRS Commissioner, Central Excise, Customs & Service Tax, Bhubaneswar, Government of India, the Chief Guest of the workshop delivered the inaugural address. Mr. Dewalwar said, "GST is an important milestone in the economic reform of the nation". It is a step toward the economic unification of India. The policy of one nation one tax and one market will not only make goods cheaper in the long run but would also highly facilitate the ease of doing business and attract huge foreign investments". While showcasing India as one of the prime markets of global trade, he insisted that GST is a welcome step which will help the nation become a super power. He further added that the reformed tax regime would reduce the tax burden by huge margins because of rationalisation


Seated (L-R): Mr. Venkat Rao Yenkipati, Consultant, Ernst & Young for SAP GST implementation; Mr. S. S. Satyanarayana, GST Tax Practitioner; Mr. Sanjeev Dewalwar, IRS Commissioner, Central Excise, Customs & Service Tax, Bhubaneswar, Government of India; Mr. Sricharan, Deputy Commissioner, Central Excise, Customs & Service Tax, Government of India and Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar.

of the market prices and conversion of the vertical taxation system into a broad-based one.

Mr. B. K. Nayak, Assistant Commissioner, Central Excise, Customs & Service Tax discussed the modifications and impact of GST on export and import transactions. He also outlined the refund and invoicing mechanisms pertaining to various modalities of international trade. Mr. Sricharan, Deputy Commissioner, Central Excise, Customs & Service Tax highlighted the simplified processes of valuation of goods and refund systems. Mr. S. S. Satyanarayana, an eminent GST tax practitioner further provided insights on transitional provisions, migration of existing tax payers, transfer of input tax credit (ITC), miscellaneous provisions, vouchers, debit notes etc. Mr. Venkat Rao Yenkipati, Consultant, Ernst & Young for SAP GST implementation, explained SAP implementation procedures and systems to the participants.

Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre (WTC) Bhubaneswar explained WTC Bhubaneswar objective which is to assist MSMEs in the State of Odisha, understand this biggest tax reform. Further, she explained the objective of the workshop which is to provide ample opportunities to seek clarifications on GST and it also served as a platform to learn about the impact and implementation of tax on various enterprises.

**The workshop was held at the World Trade Centre Bhubaneswar on July 28, 2017.**

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# Panel Discussion on Enhancing Awareness on Intellectual Property Rights

A panel discussion on 'Enhancing awareness on Intellectual Property Rights' was organised by World Trade Centre Bhubaneswar in association with Business Standard Smart Business. Mr. Sujeet Kumar, Officer on Special Duty-cum-Special Secretary, Odisha State Planning Board in his address said, "Intellectual Property Rights (IPR) is critical, primarily because of the advancement of technology. It is one of the major components of the Startup India Mission".

While addressing the delegates, he further deliberated that it is highly essential for startups and MSMEs to be aware of protection and monetisation of intangible assets. He also highlighted the Start-ups Intellectual Property Protection Scheme (SIPP) of Government of India and the role of intellectual property facilitators.

Ms. Avasi Mohanty, IPR Legal Associate, Lex Protector International Law Office through a presentation discussed the types of trademarks and patents and also explained their registration, filing and renewal models. She advocated that entrepreneurs should understand


From (L-R): Ms. Avasi Mohanty, IPR Legal Associate, Lex Protector International Law Office; Mr. Sujeet Kumar, Officer on Special Duty-cum-Special Secretary, Odisha State Planning Board; Dr. S. K. Sahoo, Director-in-charge, MSME DI; Mr. Dillip Satapathy, Resident Editor, Business Standard and Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar.

IP and take into consideration its value which could be gained by either assigning, licensing or selling of IP.

Dr. S. K. Sahoo, Director–in-charge, MSME DI in his presentation emphasised on the issues of copyrights and geographical indications. He also discussed trade secrets and various facilitation and assistance schemes of Government of India in order to promote the usage of IPR tools.

While moderating the session, Mr. Dillip Satapathy, Resident Editor, Business Standard said that there was an urgent need to enhance awareness of IPR in Tier 2 and Tier 3 cities as well as the rural areas of the country. He emphasised that the focus on the use of IPR tools would not only serve entrepreneurs commercially but also increase their competitiveness in global markets. "Protection of an idea is as equally important as its development." he added.

Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar highlighted that the Indian government approved its first Intellectual Property Rights Policy in May 2016 in compliance with WTO's agreement on TRIPS which aims at boosting Prime Minister Narendra Modi's 'Make in India' initiative. "The session aims to provide a platform for enhancing the awareness about the Intellectual Property Rights (IPR) thereby enabling the MSMEs to make it more competitive in the present environment and make effective utilisation of IPR tools", Ms. Natarajan added.

**The panel discussion was held at the World Trade Centre Bhubaneswar on August 29, 2019.**

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# Exhibition of Odisha Handloom and Handicrafts

A unique exhibition with the best of handlooms and handicraft products by women entrepreneurs of the State of Odisha was hosted by World Trade Centre (WTC) Bhubaneswar. The exhibition showcased a variety of MSME products ranging from handicrafts, handloom, spices, processed food, home decor etc. The event was organised keeping in mind the upcoming Indian festival of Diwali which presented an opportunity for entrepreneurs to showcase and sell their products.

A View of the Exhibition

The event attracted visitors who are members of WTC Bhubaneswar,

government officials, general public and entrepreneurs. The exhibitors were enthused and lauded for their initiatives and succeeded in generating business leads for their products and services. The exhibition provided the much-needed platform for boosting and encouraging women entrepreneurs in their skill and crafts.

The initiative was received by all with great appreciation.

**The exhibition was held at World Trade Centre Bhubaneswar on September 16, 2017.**

# Forging Ties with MSME Development Institute

A roundtable discussion with senior officials of MSME Development Institute (MSME-DI), Government of India was held by World Trade Centre Bhubaneswar. Dr. S. K. Sahoo, Director, MSME-DI, the Chair of the roundtable, emphasised the importance of creating awareness on various aspects of doing business for MSMEs of the State of Odisha. He insisted on a platform for orientation of the basic rights of an enterprise such as registration of Udyog Aadhar, which protects their ideas through the utilisation of IPR tools. "Updated information and outreach on various government schemes from time to time is also highly critical and needs to be taken care off", said Dr. Sahoo.

From (L-R): Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar; Mr. S. Patro, Senior Officer, MSME-DI; Mr. S. K. Rath, Assistant Director, MSME-DI; Mr. Budhadev Bhanjo, Manager-Trade Promotion, WTC Bhubaneswar and Dr. S. K. Sahoo, Director, MSME-DI, Cuttack.

Mr. S. K. Rath, Assistant Director, MSME–DI, explained the agenda of the institute with respect to various regions of the State and expressed the need for a strong collaboration with important trade promotion organizations such as World Trade Centre Bhubaneswar in achieving MSME development in the state. He provided details of some of the government programs which enable organisations to work together. He also advocated that collaborative initiatives should not only focus on the trade promotion aspect but also on the technical aspects of enterprise development such as design creation, enhancement and protection. He insisted on the need for growth of more manufacturing units in the State for which necessary guidance and consultancy assistance should be made available for the youth and startups of the State.

Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre (WTC) Bhubaneswar spoke of the role played by WTC Bhubaneswar in international trade promotion and over all development of MSMEs. Ms. Natarajan highlighted that the Centre has organised various workshops, panel discussions, seminars etc. in association with government bodies and local industry associations across sectors of the economy in order to orient entrepreneurs about carrying out a globally competitive and sustainable business. "WTC Bhubaneswar aims to facilitate trade and investment promotion in the state, assist local business to foray in global markets and help enhance SME competitiveness of Odisha" she added.

**The roundtable discussion was held at the World Trade Centre Bhubaneswar on September 20, 2017.**

**Events Held in June**

# Session on Infrastructure Readiness for Growing Cargo at Smart Logistics Summit 2017

World Trade Centre (WTC) Bhubaneswar was a supporting partner at the Smart Logistics Summit 2017 organised by Maritime Gateway. WTC Bhubaneswar participated in the session on 'Infrastructure Readiness for Growing Cargo'. Captain S. B. Mazumder, Executive director, Seahorse Ship Agencies Pvt. Ltd. was nominated by the Centre to deliver the keynote address.

In Photo: Captain S. B. Mazumder, Executive Director, Seahorse Ship Agencies Pvt. Ltd. addressing the delegates at the Summit.

Captain S. B. Mazumder, Executive Director, Seahorse Ship Agencies Pvt. Ltd. was invited to speak on behalf of WTC Bhubaneswar. Captain Mazumder was the key speaker at the session on 'Infrastructure Readiness for Growing Cargo'. While analysing the growth of the logistics sector in India, Captain Mazumder shared his views on the major developments that have been achieved in the last five years as compared to a decade ago. He also deliberated on inland waterways gaining the necessary attention in the present context. "Healthy growth led by competition is creating the opportunities for this sector", he added. He also advocated for the need to increase the number of ports in India and recommended for geographical balance in development of ports across the borders of the country across all four regions, with a view to meet the needs of the industry efficiently and effectively. He enlightened on the global network of World Trade Centres that contributes to the economic development of the region in terms of international trade facilitation. Further, WTC Bhubaneswar would help local industry connect to global markets, he added.

The panel comprised representatives from relevant organisations such as Kolkata Port Trust, CONCOR, Samsara Group, Visakha Container Terminal Pvt. Ltd., Dhamra Port Company Ltd. to discuss the demands and challenges faced by the sector and various measures needed to increase its competitiveness and efficiency.

**The session was held at the World Trade Centre Bhubaneswar on June 9, 2017.**

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# Panel Discussion on Smart Waste Management

A panel discussion on Smart Waste Management was organised by World Trade Centre (WTC) Bhubaneswar in association with Business Standard, a leading business daily of India. Moderator Mr. Dillip Satapathy, Resident Editor, Business Standard led the discussions along with Mr. Ashok Behera, Vice President, Indian Metals & Ferro Alloys Ltd., Dr. P.K. Prusty, Senior Environmental Scientist, Odisha Pollution Control Board and Mr. Subrata Panigrahi, Director, Institute of Quality Environment and Management Services Pvt. Ltd. who represented industry, government and academia respectively.

Mr. Satapathy initiated the discussions. He shared his views on the importance of waste management which is a major cause of concern. He further elaborated how the changing lifestyles and industrialisation compel society to think on the subject impacting global climate and wellbeing of people.

Mr. Panigrahi advocated the need for increasing sensitisation in the sector. "It is only through creation of awareness that the people could be made to realise that waste has immense potentials for recycling", said Mr. Panigrahi. He emphasised that more educational programs which highlight waste management techniques to manage different types of waste. He cited an example of how metal and plastic recovery from e-waste could be brought for reuse. He also highlighted that the sector could become more organised if waste handlers could have a better coordination with the rag pickers and kabadiwalas (junk dealers).

Mr. Ashok Behera shared his experience on industrial waste and various technical as well as marketability aspects of industrial waste products such as fly ash bricks. He also highlighted the bottlenecks faced in meeting the construction standards with respect to fly ash bricks.


From (L-R): Mr. Subrata Panigrahi, Director, Institute of Quality Environment and Management Services Pvt. Ltd.; Mr. Ashok Behera, Vice President, Indian Metals & Ferro Alloys Ltd.; Dr. P.K. Prusty, Senior Environmental Scientist, Odisha Pollution Control Board; Mr. Dillip Satapathy, Resident Editor, Business Standard and Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar.

Dr. Prusty made a detailed presentation, explaining the various types of waste and different regulatory norms to be followed in handling them. He also put forth the suggestions for overcoming the economic, technical and regulatory barriers to make the waste management process a viable and income generating proposition.

Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar said that there is a growing realisation of the negative impact waste has on the local environment (air, water, land, human health etc.). "Although, the challenges and barriers are significant, there are huge opportunities. Enterprises can profit from their waste reducing, recycling, upcycling and generating energy, while contributing to the Swachh Bharat mission", added Ms. Natarajan.

**The panel discussion was held at the World Trade Centre Bhubaneswar on June 23, 2017.**

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## Interaction Meeting with Members of IT Association of Odisha

An interactive session with members of Information Technology Association of Orissa (ITAO) was organised by World Trade Centre (WTC) Bhubaneswar. The session provided a platform for various MSMEs from the IT sector to interact and discuss the prospects of the sector in the state of Odisha.

Mr. Soubhagya Routray, President, Information Technology Association of Odisha (ITAO), in his address briefed participants on the emerging opportunities in the sector. He urged the members to not only look at trading of IT products but also plan to further diversify and explore the scope of manufacturing opportunities available in the sector. He also apprised the delegates on various initiatives taken by the association toward business facilitation and other hand-holding support. He advocated that the members should work in closer collaboration and take up group initiatives whereby the visibility of the sector could be substantially enhanced to cope up with the increasing competition.

Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar informed about the strong global network of World Trade Centres across the globe and explained how the World Trade Centre Bhubaneswar could assist the business fraternity in building their enterprise and open up a gamut of opportunities for business development. She further requested the governing committee of the association to form a dedicated group of individual entrepreneurs who could work closely with WTC Bhubaneswar in areas both in the interest of the sector and its growth. She also called for proposals with specified agendas to bring about collaborations.

Seated (L-R): Ms. Nimeshika Natarajan, Manager-Trade Research, World Trade Centre Bhubaneswar and Mr. Soubhagya Routray, President, Information Technology Association of Odisha (ITAO).

The panellists discussed valuable suggestions from delegates, central and state level government policies, market trends, the penetration of Electronic System Design and Manufacturing (ESDM) sector in the state and various challenges faced by aspiring as well as practicing entrepreneurs from the information technology sector.

**The interactive session was held at the World Trade Centre Bhubaneswar on June 17, 2017.**

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# State Level Vendor Development Programme with Focus on PPP & GST

A programme on 'State Level Vendor Development Programme with Focus on PPP & GST' was organised by World Trade Centre Goa in association with MSME Development Institute, Margao; Goa Shipyard Limited; Ministry of Finance, Government of India and World Trade Centre, Mumbai. The first part of the programme had a session on Public Procurement Policy and the second session was on Goods and Services Tax (GST).


Mr. Shashi Kumar M., Assistant Director, MSME-Development Institute addressing the participants. Seated (L-R): Ms. Kavyalata Gharbham, Deputy Manager-Commercial, Goa Shipyard Limited and Mr. Cyril Desouza, Assistant Director-Trade Promotion, World Trade Centre Goa.

In the first session on Public Procurement Policies, Mr. Shashi Kumar M., Assistant Director, MSME–Development Institute spoke on the Public Procurement Policy (PPP) for Micro and Small Enterprises (MSEs) Order, 2012 which directs central government ministries, departments and public sector undertakings to procure minimum of 20 per cent of their annual value of goods or services from MSEs. He further explained that PPP rests upon core principles of competitiveness, adhering to sound procurement practices and execution of orders for supply of goods and services in accordance with a system which is fair, equitable, transparent, competitive and cost effective. He also spoke on various topics covered under the Policy which include mandatory procurement from MSEs, special provisions for MSEs owned by scheduled caste or schedule tribe entrepreneurs, the process of price quotation in tenders, developing MSE vendors etc.

Mr. Kumar also shed light on the topic of Udyog Aaadhar Scheme.

Ms. Kavyalata Gharbham, Deputy Manager-Commercial, Goa Shipyard Limited presented an overview of the development of Goa Shipyard over the years and explained the procurement policy as well as the vendor development programme of the shipyard. She informed the delegates that the shipyard annually procures goods and services to the tune of about INR 600 crore from local state level vendors of which 20 percent is reserved for MSMEs of the state. She highlighted the provisions made toward scheduled caste and scheduled tribe entrepreneurs for procurement and explained the vendor registration process, list of goods and services reserved for local MSMEs, vendor development policy and quality training programmes initiated by the shipyard and encouraged the state level MSMEs to come forward and be suppliers to Goa Shipyard Limited.

The session on GST conducted by Mr. Gaurav Kumar Jain, IRS, Assistant Commissioner GST, Ministry of Finance, Government of India and Dr. Raghavendra P., IRS, Assistant Commissioner, GST, Ministry of Finance, Government of India addressed the various aspects of GST that included registration, input tax credit, invoicing, filing of returns, composition scheme for MSMEs, job work procedure which is mostly carried out by MSMEs, export procedure and refund of IGST on export products.

Mr. Cyril Desouza, Assistant Director-Trade Promotion, World Trade Centre Goa highlighted the role of World Trade Centre Goa in promoting international trade.

**The programme was organised at the World Trade Centre Goa on July 20, 2017.**

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# State Level Vendor Development Programme and Open House on GST

A 'State Level Vendor Development Programme & Open House on GST' was organised by World Trade Centre Goa in association with MSME Development Institute, Konkan Railway Corporation Limited and Goa Ship Yard Limited.

Mr. P. P. Kulkarni, Assistant Director, MSME Development Institute, highlighted that the MSME sector is the backbone of the Indian economy and prime driver of employment. Although the sector has progressed in the last couple of years, he said the sector is still facing many challenges. He emphasised that the use of Information and Communication Technology (ICT) is one of the important measures, which can greatly help MSMEs in almost every facet of their business. Digital platforms related to 'Cloud Concept' which will be implemented in future would also go a long way in facilitating their businesses. He recommended MSMEs to take advantage of the new policy changes and encouraged them to take an active part in the process of vendor development of public sector undertakings.

Seated (L-R): Mr. Cyril Desouza, Assistant Director-Trade Promotion, World Trade Centre Goa; Mr. Gaurav Kumar Jain, IRS, Assistant Commissioner, GST, Ministry of Finance; Mr. P. P. Kulkarni, Assistant Director, MSME Development Institute and Mr. S. M. Nurani, Senior Materials Manager, Konkan Railway Corporation Limited.

Mr. S. M. Nurani, Senior Materials Manager, Konkan Railway Corporation Limited, deliberated on the process of vendor registration and the procedure for supply of materials, with the clear intent of selecting the right vendor for supply of each type of good. He further explained that Small Scale Industries (SSI) with adequate quality control measures registered with the National Small Industries Corporation Ltd. (NSIC) will automatically register with the Konkan Railway Corporation (KRC). Such registration with KRC will be for the same items as with NSIC.

Mr. Nurani mentioned that the Konkan Railway Corporation Limited, offers opportunities for vendor development in areas related to track fittings, tools required for track maintenance, diesel locomotives, coaching items, signaling and telecommunication items, electric fittings, train lighting etc. He was of the opinion that this State Level Vendor Development Programme would help to identify quality vendors from the state.

Ms. Kavyalatha Garbham, Deputy Manager-Commercial, Goa Ship Yard, presented the history of Goa Ship Yard Limited and its Vendor Development Programme that is being implemented for the benefit of MSMEs in Goa. She further explained the vendor registration process in details and also shared a list of items that the shipyard would like to source from the local MSMEs in Goa. Ms. Garbham informed that Goa Shipyard Limited promulgated the policy of Vendor Development on October 14, 2015 with a view to enhance indigenization and participation of local vendors. She informed that Goa Shipyard Limited has set a target of INR 100 crore for procurement from local vendors and emphasised that they are making continual efforts to promote skilled manpower development in the MSME sector which is vital for the success of defence production.

Mr. Gaurav Kumar Jain, Assistant Commissioner, GST, during the Open House on GST, addressed specific questions raised with reference to the recently introduced Goods and Services Tax (GST). Mr. Jain deliberated on the input tax credit mechanism, its registration process and the various forms that have to be submitted and the deadlines that have to be met for the submission of each one of them.

Mr. Cyril Desouza, Assistant Director-Trade Promotion, WTC Goa, highlighted the role of World Trade Centre Goa, in promoting the MSME Sector in the State. Mr. Desouza lauded the MSME Development Institute, Konkan Railway Corporation Limited and Goa Shipyard Limited for opening up wonderful business opportunities for the MSMEs in the State of Goa.

**The programme was held at the World Trade Centre Goa on August 11, 2017.**

# Niryat Bandhu Scheme & Open House on GST

A meeting on 'Niryat Bandhu Scheme & Open House on GST' was organised by World Trade Centre Goa. During the meeting, Dr. Sonia Sethi, IAS, Additional Director, Directorate General of Foreign Trade, Government of India who was the Guest of Honour, announced the weekly Open House meetings on Monday afternoons at the DGFT office in Goa, which will be presided by Mr. K. M. Harilal, Deputy Director, Directorate General of Foreign Trade, Goa, to facilitate exports from the State. The interactions will definitely resolve several issues, pertaining to exports and will also encourage SMEs she added. Dr. Sethi emphasised the role of Directorate General of Foreign Trade and the various policy measures and initiatives taken by the Directorate to streamline exports, and to relax the regulatory measures.

Dr. Sethi stressed, on the trade notices and schemes, on DGFT website, so also the online interface, which has been initiated to encourage MSMEs obtain information online which is now easily available. This would facilitate export competitiveness. Dr. Seth further informed the participants that Outreach Programmes with the state government and industry bodies would be conducted on a regular basis to assist exporters and also encourage SMEs foray into exports. She also assured that GST-related problems for exporters were being addressed, although the transitional period would have its own teething problems. Over 400 queries on GST were handled by the DGFT. She informed that Importer Exporter Code (IEC) would now screen the identity through Permanent Account Number (PAN) Cards. IEC and Merchandise Exports from India Scheme (MEIS) are online and trade notices can be easily accessed through the DGFT website.

Mr. K. M. Harilal, ITS, Deputy Director, DGFT Goa, presented on the implications of GST on exports. His presentation took the form of a detailed study of the three important aspects, namely GST on Foreign Trade Policy (FTP) schemes, refunds and drawback and export procedures, and documentation which are important aspects in the seamless implementation of the new GST regime in international trade. Mr. Harilal also informed the delegates about his availability in office in second half of Mondays to address challenges that MSMEs and the business fraternity in Goa face at the micro level, in order to facilitate international trade in the State of Goa.


Seated from (L-R): Mr. Mr. K. M. Harilal, ITS, Deputy Director, DGFT Goa; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai; Dr. Sonia Sethi, IAS, Additional Director, Directorate General of Foreign Trade, Government of India; Mr. Manguirish Pai Raiker, Chairman, National Council for MSMEs, ASSOCHAM and Mr. Satheesh Kumar, IRS, Assistant Commissioner, GST, Ministry of Finance, Government of India.

Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai, emphasised the role of WTC Goa and its initiative in facilitating exports through events such as open house discussions and training programmes. Ms. Naik explained the importance of Goa's export growth and SMEs direct involvement in foreign trade. The World Trade Centre Goa has organised similar trade promotion programmes with officials from central and state governments to initiate a dialogue, between policymakers and the business community.

Mr. Manguirish Pai Raiker, Chairman, MSME Council said that over 65% of exports were from MSMEs and issues related to exports should be resolved, to encourage as well as make exports competitive. The State of Goa has tremendous opportunity to increase its exports particularly in fishing, mining, agro, food processing, IT and Pharma.

Mr. Satheesh Kumar, IRS, Assistant Commissioner, GST, Ministry of Finance, Government of India, along with Mr. K. M. Harilal, addressed the Open House Meet on GST and addressed all questions, pertaining to Harmonized System of Nomenclature (HSN) codes, reverse charge, composition scheme and basic procedures to file returns, under the new GST Regime.

Mr. Cyril Desouza, Assistant Director-Trade Promotion, World Trade Centre, Goa, elaborated on the collaborative efforts taken by the DGFT and World Trade Centres in Mumbai and Goa with a view to promote the MSME sector and international trade from the State of Goa.

**The event was organised at the World Trade Centre Goa on August 14, 2017.**

# Vendor Development Programme-cum-Open House on GST and Digital Payments

A State Level 'Vendor Development Programme along with an Open House on GST and Digital Payments' was organised by World Trade Centre Goa in association with MSME Development Institute, Margao, State Bank of India, Goa, Goa Shipyard Limited, Ministry of Finance, Government of India and World Trade Centre Mumbai.

Mrs. Anjali Sehrawat, IAS, Collector, South Goa, who was the Guest of Honour at the event, delivered the keynote address where she spoke of her close association with digital payments. Mrs. Sehrawat pointed out the importance of online payments and the move toward a cashless economy which can be brought about by change in mindset.

She reiterated that switching over to digital modes of payment and understanding the GST mechanism will have immense benefits. It will bring transparency, root out black economy, ensure good tax collection and ultimately the benefits of GST will reach the people. To wipe out the parallel black economy would have to be a joint effort of the government and people.


Mr. Shashi Kumar M., Assistant Director, MSME Development Institute, Goa addressing the audience. Seated from (L-R): Ms. Shivani Nayak, LDM-South Goa, State Bank of India; Mr. Suyash Asthana, Deputy General Manager (B&O), State Bank of India; Mr. Gaurav Kumar Jain, IRS, Assistant Commissioner, GST, Ministry of Finance; Mrs. Anjali Sehrawat, IAS, Collector (South) Government of Goa; Mr. G. R. Akadas, Director, MSME Development Institute, Goa; Ms. Kavyalatha Garbham, Deputy General Manager, Goa Shipyard Limited and Mr. Cyril Desouza, Assistant Director-Trade Promotion, World Trade Centre Goa.

Mrs. Sehrawat pledged her support to various bodies, such as MSMEs, World Trade Centre Goa and other public sector undertakings. She reaffirmed her position to facilitate and coordinate all efforts and support as Head of the Civil Administration. She offered to advice, be advised and attend to grievances of government departments and ensure that entrepreneurs are benefitted in the best possible way.

Mr. Shashi Kumar M., Assistant Director, MSME Development Institute elaborated that the Public Procurement Policy for Micro and Small Enterprise, 2012 directs the central government ministries, departments and public sector undertakings to procure a minimum of 20 per cent of their annual value of goods or services from micro and small enterprises. He explained that the Public Procurement Policy rests upon core principles - competitiveness, sound procurement practices and execution of orders for supply of goods and services in accordance with a system which is fair, equitable, transparent, competitive and cost effective. He also spoke of the topics covered under the Policy which deal with mandatory provisions and procurement from micro and small enterprises, owned by scheduled caste and schedule tribe; the process of price quotation in tenders and the need to develop micro and small enterprise vendors.

Ms. Kavyalata Gharbham, Deputy Manager-Commercial, Goa Shipyard Limited, shared the company's vision which is to make Goa Shipyard a world-class ship-building yard. She also provided an overview of the development of the Shipyard over the years and explained the procurement policy as well as the vendor development programme. She explained the various stages and processes of online vendor registration - documentation, items required from MSMEs, benefits to MSMEs and entrepreneurs, waiver of Earnest Money Deposit (EMD) and tender fee, and easy payment to MSMEs and start-ups. She encouraged the state level MSMEs to come forward and be proud suppliers to Goa Shipyard Limited. She envisaged the expectation for procurement from Goa businesses for the year 2017 to be around INR 100 crore.

Mr. Suyash Asthana, Deputy General Manager (B&O), State Bank of India pointed out that SBI has approximately 104 branches in North and South Goa. He enumerated the opportunities available to MSMEs in Goa. He also expressed his desire to collaborate with World Trade Centre Goa in promoting digital payments. In addition, he elaborated on the finance products available by banks.

**The programme was held at the World Trade Centre Goa on August 30, 2017**

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# Seminar on Exports Potential of Marine Products

Marine exports in India are growing exponentially. With seafood exports touching an all time high of USD 5.78 billion in 2016-2017, this blue revolution project has endless opportunities. The growth potential of the sector was discussed at a Seminar on 'Export Potential of Marine Products' organised by World Trade Centre Goa for the benefit of the Goan entrepreneurs.

The event coincided with Engineers Day, $157^{th}$ Birth Anniversary of Bharat Ratna Sir Mokshagundam Visvesvaraya, Founder of M. Visvesvarya Industrial Research Development Centre promoter of World Trade Centre (WTC) Mumbai. He initiated the entry of WTC movement in India, enabling the international business to prosper through WTCA's unparallel network of 319 WTCs in 88 countries connecting one million businesses across the world.


Dr. Shamila Monteiro, Director and Ex-Officio and Joint Secretary Fisheries, Directorate of Fisheries, Government of Goa addressing the participants. Seated from (L-R): Mr. A. O. Kuruvila, Advisor-Trade Promotion & Education, MVIRDC World Trade Centre Mumbai; Mr. K. M. Harilal, Deputy Director General, Directorate General of Foreign Trade, Goa and Ms. Dipty A. Shiriskar, Assistant Director, Exports Inspection Agency-Mumbai, Sub Office, Goa.


From (L-R): Ms. Sangeeta Naik Raul, Manager, Indotech; Ms. Shivani Nayak, LDM-South Goa, State Bank of India; Ms. Shama Pai, Chief Manager, State Bank of India; Mr. A. O. Kuruvila, Advisor-Trade Promotion & Education, World Trade Centre, Mumbai; Mr. K. M. Harilal, Deputy Director, Directorate General of Foreign Trade, Goa; Dr. (Ms.) Shamila Montiero, Director and Ex-Officio Joint Secretary Fisheries, Directorate of Fisheries, Government of Goa; Ms. Dipty A. Shiriskar, Assistant Director, Exports Inspection Agency - Mumbai, Sub Office, Goa; Mr. Surendra Nayak, Assistant General Manager, (RBO II), State Bank of India, South Goa; Mr. Cyril Desouza, Assistant Director-Trade Promotion, World Trade Centre Goa; and Mr. Cedric Gomes, Chief Executive Officer, Brackish Fish Farmers Development Agency, Government of Goa.

Mr. A. O. Kuruvila, Advisor–Trade Promotion and Education, WTC Mumbai, provided an overview of the current sector scenario. Some of the eye opening facts mentioned were - 106 countries have tasted Indian seafood with USA, EU, Japan and China' among the major consumers, in the South East Asian region; Vietnam was identified as the largest importer of marine products followed by Thailand.

Dr. Shamila Monteiro, Director and Ex. Officio Joint Secretary Fisheries, Directorate of Fisheries informed the audience that India was moving toward a blue revolution. The Department, she stated is promoting 'resource specific fishing like tuna' and have identified 'open sea cage culture' as an ideal avenue in aquaculture. She urged the community to take optimum benefit of the schemes available. For instance, financial assistance is available for cold storages, ice plants and a beneficiary can get up to INR 50 lakh to purchase an ice plant of 40 tonnes.

There are more than 10 EU-certified plants in Goa she said and advised the entrepreneurs to heed to the opportunity as states like Haryana and Punjab were already ahead in aquaculture farming. The Central Government has envisioned a target of an estimated 5 million tonne increase in fish production by 2020.

The importance of meeting the demands of international exports with the approved certifications was elaborated by Ms. Dipty Shiriskar Assistant Director, Export Inspection Council of India, Goa Branch. She went into the nitty-gritty of what one must keep in mind when setting up a business in terms of the right infrastructure requirement.

Mr. K. M. Harilal, Deputy Director, Directorate General of Foreign Trade, Goa, highlighted the various changes in consumption patterns from calorie content to protein-rich diets, which served a great opportunity for the marine industry. He stressed on the need for corporatisation of the sector as most of it were owned by traditional fishermen. He also spoke of the specific schemes available for the marine sector like the Merchandise Exports from India Scheme (MEIS).

Mr. Cedric Gomes, Chief Executive Officer, Brackish Water Fish Farmers Development Agency, spoke of the issues that farmers face such as availability of land, diseased seed imported and demarcation of the high tide line. He offered an insight into the current trends in this area such as Biofloc technology, Aquaponics and Recirculatory aquaculture. Of these, Aquaponics is easy, non-demanding on resources and set up for home production on a smaller scale. The event was supported by State Bank of India and Indo Tech Ice & Cold Storage. State Bank of India highlighted the various financial schemes offered to exporters.

**The seminar was held at the World Trade Centre Goa on September 15, 2017.**

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# Session on Post GST Meet on Export Compliance

A training session on GST was organised for the benefit of exporters on 'Post GST Meet on Export Compliance'. The session focused on addressing exporter-importer queries on the recently implemented Goods and Service Tax (GST).

CA Mr. Pulkit Khandelwal, Director, S K Prolific Solutions Private Limited who conducted the session said, "GST is a single unified indirect tax system which aims at uniting India's complex taxation structure to a 'one nation one tax' regime. It will be levied on all supplies with a seamless flow of credit (for both goods & services) till it reaches the end consumer. Only value addition will be taxed and burden of the tax is to be borne by the final consumer".


From (L-R): CA Mr. Abhinav Kapoor, Partner, Kapoor Patni & Associates; CA Mr. Aneesh Patni, Partner Kapoor Patni & Associates; Mr. Navneet Agarwal, Assistant Director-Trade Promotion, WTC Jaipur and CA Mr. Pulkit Khandelwal, Director, S K Prolific Solutions Private Limited.

The mechanism of exports under the GST regime has changed to a great extent as compared to the system that prevailed earlier under excise or VAT laws, he added.

He said that the supplies of goods and services for exports have been categorised as 'zero rated supply' implying that goods could be exported under bond or a letter of undertaking without payment of integrated tax followed by claim of refund of unutilised input tax credit or on payment of integrated tax with provision for refund of the tax paid.

Discussing the procedure of export, Mr. Pulkit said that an exporter making zero rated supply should be eligible to claim refund under either of the following options, namely, one, he may supply goods or services or both under bond or letter of undertaking, subject to such conditions, safeguards and procedure as may be prescribed, without payment of integrated tax and claim refund of unutilised input tax credit; second, he may supply goods or services or both, subject to such conditions, safeguards and procedures as may be prescribed, on payment of integrated tax and claim refund of such tax paid on goods or services or both supplied, in accordance with the provisions of section 54 (Refunds) of the Central Goods and Services Tax Act; third, the rules mentioned in the Central Goods and Service Tax Rules, 2017.

**The event was held at the World Trade Centre Jaipur on July 25, 2017.**

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# Sessions on Foreign Trade Policy and Impact of Goods and Services Tax

interactive sessions on 'Foreign Trade Policy' and on 'Impact of Goods and Services Tax on Foreign Trade' were organised by World Trade Centre (WTC) Jaipur.

Mr. Sanjay Singh, Regional Director, The Gem and Jewellery Export Promotion Council, said that the WTC Jaipur has a major role to play in providing support to the major export sectors of Rajasthan and that such events like this one, only further reinforces the support in understanding exports and its workings.

Chief Guest, Mr. Virendra Singh, Joint Director, Directorate General of Foreign Trade, Jaipur, speaker of the first session said that direct interaction with the exporter community should be organised at regular intervals. Speaking of the regulatory and administrative role, he said, Directorate General of Foreign Trade (DGFT) formulates the export-import policies and ensures effective implementation; administers various export promotion measures and export incentive schemes; monitors export obligations, tariff rate quota allocations, import licensing and regulation thereof; export licensing and regulation thereof; export quota allocations, administration of Generalised System of Preferences (GSP), certificate of origin-related matters and monitoring of import of sensitive items among others. He also said one important function in addition to these is, adjudication and redressal. If any question or doubt arises in respect of any provision in Foreign Trade Policy, or with issuance of licence/ certificate/permission or regarding the classification of any item in the Indian Trade Clarification based on Harmonized System of Coding (ITC-HS) or Duty Entitlement Pass Book (DEPB), it will be referred to DGFT whose decision is final and binding.

CA Mr. Pulkit Khandelwal, speaker at the second session said, Integrated Goods and Services Tax (IGST) implies the tax levied on the supply of any goods and /or services in the course of inter-state trade or commerce. Hence, the provisions of IGST Act will be applicable to supply of goods and services in the course of imports and exports. Important issues dealing with Special Economic Zones (SEZs) were also taken up.

Mr. Virendra Singh, Joint Director, Directorate General of Foreign Trade, Jaipur, addressing the participants. Seated (L-R): Mr. Satish Raina, Joint Director, Directorate General of Foreign Trade; Mr. Vijay Kedia, Chairman, Kedia Gems; Mr. Navneet Agarwal, Assistant Director-Trade Promotions, World Trade Centre Jaipur and Mr. Ram Babu Gupta, Chairman, Silver Mountain.

The participants who attended the event were exporters from handicrafts, gems and jewellery, electric equipment manufacturers and budding entrepreneurs.

**The Sessions were held at the World Trade Centre Jaipur on August 24, 2017.**

# Roundtable with Representatives from Hotel and Restaurant Industry

A round table meeting with Mr. Virendra Singh, Joint Director, Directorate General of Foreign Trade, Jaipur was hosted by World Trade Centre Jaipur in association with Hotels and Restaurant Association of Rajasthan (HRAR). The purpose behind the event was to address key issues on Service Export from India Scheme (SEIS) faced by hotels and restaurant owners.

Mr. Singh said that SEIS was introduced as per provisions made in the Foreign Trade Policy of India 2015-2020 to encourage export of notified services from India. Service providers of notified services, located in India are eligible for SEIS. To be eligible, a service provider (company / LLP / partnership firm) should have a minimum net free foreign exchange earnings of USD15,000 in the preceding financial year in order to avail of duty credit scrips. For proprietorships or individual service providers, a minimum net foreign exchange earnings of USD10,000 in the preceding financial year is required to be eligible for the Scheme. Also, in order to claim reward under the SEIS, the service provider should have an active Import Export Code (IE Code) at the time of rendering such services for which rewards are offered.

Mr. Virendra Singh, Joint Director, Directorate General of Foreign Trade, Jaipur addressing the participants.

Mr. Singh further added that the rate of SEIS under Foreign Trade Policy 2015-20 is based on net foreign exchange earned on services. The reward issued as duty credit scrip, would no longer be with actual users and restricted to usage for specified types of goods but will be freely transferable and usable for all types of goods and services tax specified in sub-rule (3) debits on procurement of services goods. Debits would be eligible for Central Value Added Tax (CENVAT) credit or drawback. Mr. Singh also suggested to the participants that a larger forum could be utilised to share the benefits of this Scheme to others in services and hospitality businesses as well.

**The roundtable was held at the World Trade Centre Jaipur on August 28, 2017.**

## Session on Foreign Trade Policy & Procedures

A session on Foreign Trade Policy & Procedures was organised by WTC Jaipur in association with Joint Directorate General of Foreign Trade, Jaipur and Mewar Chambers of Commerce & Industry, Bhilwara.

Mr. Virendra Singh, Joint Director, Directorate General of Foreign Trade, Jaipur in Jaipur said "The existing policy on Foreign Trade makes wide provision to ensure sustainable employment generation and incremental exports. To ensure successful implementation of Make in India, the initiative launched by Government of India, national and multinational companies must be encouraged to manufacture their products in India and to do so two major schemes, namely, Merchandise Exporters from India Scheme (MEIS) and Services Export from India Scheme (SEIS) have been brought into force. Under these Schemes, duty credit scrips are issued against exports which can be utilised to make permissible imports. Further, the scrips allow transferability as well."


From (L-R): Mr. Rahul Dev Singh, General Manager- District Industries Center, Bhilwara; Mr. Satish Raina, Coordinator, Joint Director, Directorate General of Foreign Trade, Jaipur; Mr. Virendra Singh, Joint Director, Directorate General of Foreign Trade, Jaipur; Mr. Dinesh Nolkha, President, Mewar Chamber of Commerce & Industry; Mr. Navneet Agarwal, Assistant Director-Trade Promotion, World Trade Centre Jaipur.

Mr. Singh added, "Under merchandise exports from India to different countries, there are three categories and export promotion incentives have been kept at 2 to 5 percent. Similarly, services export promotion incentive is kept at 3 to 5 percent. He said 100 percent export-oriented units are further assisted by fast-track clearance, warehousing at ports and other basic facilities. As an initiative to boost exports from medium and small industries, 108 MSME clusters are now covered under Niryat Bandhu Scheme. He further urged manufacturers from textiles to enter into new areas such as technical textiles and readymade garments.

Mr. Dinesh Nolkha, President, Mewar Chambers of Commerce & Industry said Bhilwara has been able to command a brand equity for itself by exporting more than INR 9000 crore worth of cotton thread, PV yarn, PV blended fabric, zinc, lead concentrate, sand stone, insulated bricks etc. In addition, the city has excelled in exports of knitted fabrics, aluminum and spices.

The others present at the programme were Rahul Dev Singh, General Manager - District Industries Center, Bhilwara and Mr. Satish Raina, Coordinator, Joint Director, Directorate General of Foreign Trade, Jaipur. Over 75 manufacturers, exports, textile agents and traders participated in the session.

**The session was held at the World Trade Centre Jaipur on September 15, 2017.**

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# Future of EU-India Free Trade Agreement

**Jayshree Sengupta**
Senior Fellow, Observer Research Foundation, New Delhi

While Prime Minister Modi has toured five member countries of the EU this summer and signed numerous agreements, the long standing EU-India FTA remains in limbo. In May 2017, when Modi met Angela Merkel, they talked about finalising the EU-India FTA again because such an agreement would be beneficial to both parties.

Initiated in 2007, the EU-India FTA was renamed Broad-based Trade and Investment Agreement (BTIA) and has stagnated for 10 years. The last set of negotiations was carried out in Brussels in 2013 after which further negotiations stalled. Recent data show that the EU economy is picking up in 2017 in terms of GDP and employment growth. It is the right time to restart the negotiations and sign the long pending BTIA.

However, as Merkel pointed out there is a big lacuna -- the lack of bilateral investment protection agreement between India and EU members. This is because India decided to cancel most bilateral investment agreements with EU member states in 2016 on grounds that they were outdated.

EU now wants to negotiate the Bilateral Investment Treaty before it starts negotiating the EU-India BTIA. This however poses an impasse because India will not accept one of the clauses of the earlier Bilateral Investment Protection and Promotion Agreement (BIPPA) which allowed EU investors to challenge the government in front of an international tribunal. The then Commerce Minister Nirmala Sitharaman had clearly said that India will not allow investors to drag the government to a multilateral investment court.

India's Model Bilateral Investment Treaty excludes matters relating to taxation, controversial clauses that deal with bringing down tariff rates below Most Favoured Nation (MFN) rates and the scope of 'national treatment of foreign investors and their equitable treatment' clause has been considerably narrowed down. Countries can seek the option of international arbitration when all domestic legal routes have been exhausted.

The EU is the biggest trade and investment partner of India and the two-way commerce in goods was at $98.5 billion in 2014-15 and the FDI from EU was at $24.91 billion in the same year. However, many sticking points remain especially in trade in services. Importantly, India wants data secure status from the EU.

India wants liberalisation of services in Mode1 (cross-border trade) and Mode 4 (presence and movement of natural persons). There are four Modes or types of services trade stipulated under the 1995 GATS (Agreement on Trade in Services) under the WTO. Mode 1 refers to cross-border trade for which data secure status is important. EU laws demand that member nations outsource business to those countries which qualify as data secure ones. Otherwise, onerous contractual obligations raise operating costs and affect Indian business competitiveness. Mode 1 covers BPOs and knowledge process outsourcing.

India has made changes in its IT Act to align it with EU

legislative requirements. India has also shown willingness to work with EU counterparts in developing a compliant data secure regime. EU has to relent now.

India is also pushing for changes in Mode 4 which covers the movement of skilled professionals like software engineers and allows them to temporarily reside and work in EU countries. It would require significant changes in visa requirements and work permits as well as directives that would recognise professional qualifications of Indian personnel and ensure wage parity. If India succeeds, it will enable Indian IT workers to have preferential access to EU labour markets.

Other sticking points are the presence of non-tariff barriers that EU imposes on Indian agricultural products in the form of Sanitary and Phytosanitary (SPS) measures which are too stringent and enable the EU to bar many Indian agricultural products from entering its markets and duty reduction on automobiles and wines and spirits.

Regarding automobiles, India wants to protect its own automobile and auto parts industry. Similarly further tax reduction on wines and spirits is also not acceptable as these are regarded as 'sin goods' and the states which derive huge revenue from liquor sales, would be reluctant to cut taxes.

Another sticking point is that EU wants India to liberalise accountancy and legal services. This has met with controversy as Indians do not want foreign lawyers and accountants to practice in India. EU also wants more favourable rules governing the commercial presence (under Mode 3) for retailing, banking and insurance services. India now allows 49 per cent FDI in insurance and 100 per cent in wholesale single brand trade. India may soon open up multibrand retail trade also and it has already opened up food retail to foreign investors.

The clause regarding government procurement also remains controversial. India gives preferential treatment to small scale industries, Khadi and village enterprises, women's groups and minority groups in government procurement. Hence it cannot allow competitive bidding.

Fortunately, the big controversy regarding data exclusivity in BTIA which would have delayed the availability of generic medicines in India and other developing countries, has ended. EU has agreed that the BTIA will not require India to introduce any kind of data exclusivity provisions which would have forced pharmaceutical companies to invest in extensive clinical trials before producing cheap copies of generic drugs.

Regarding strengthening India's Intellectual Property Rights Law, EU initially insisted that India's 20-year patent term for medicines introduced under the TRIPS agreement of the WTO, should have an extension of this patent term. It has now agreed that BTIA will not require any changes in Indian IPR regulations regarding pharmaceuticals.

EU had confiscated Indian produced medicines in transit in the past and this has created much uproar. Nearly 20 shipments including antibiotics and anti retrovirals were detained while in transit from India between 2008 and 2009. Recently the European Commission has stated that BTIA will not deal with generic medicines in transit. EU now fully acknowledges India's right and capacity to manufacture and export lifesaving drugs to other developing countries facing health problems.

Thus the main hurdle remains, regarding negotiating a new Bilateral Investment Treaty with EU which will assure foreign investors security and dispute settlement regarding their investments. Also India's insistence on the liberalisation of services (Modes 1 and 4) by EU can pose problems because it would require visa regime changes. With an influx of refugees, EU could find itself in a difficult spot granting liberal visas to Indian techies.

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# Indian Airports to Get a New Lease of Life

Making an airport turnaround plan more profitable in terms of comfort and efficiency; and making its facilities world class by adopting green initiatives and undergoing infrastructure upgradation is the need of the hour for India. Here is what **Dr. Guruprasad Mohapatra, Chairman, Airport Authority of India** had to say to World Trade Centre Mumbai regarding his ambitious initiatives defining airport services and quality. Excerpts of the interview:

**In 2016-17, the annual profits of Airport Authority of India has risen 23% and has also recorded an all-time high total income. What are the factors that have driven the company's profitability last year and how will you sustain them in the coming years?**

Airport Authority of India (AAI) has been a profit earning Public Sector Undertaking (PSU) from the very beginning having Mini Ratna status for past several years. Profits have been always there but yes, we witnessed an an all-time high profitability last year with increase in Profit Before Tax (PBT) by 23% in FY 2016-17. The factors contributing to the profitability are increase in revenue, both the aeronautical and non-aeronautical services.

> India is currently the focus of the entire world and we have to grab this opportunity and work toward becoming the leaders in aviation.

There has been huge growth in air traffic, which directly impacts the growth in revenue. There has been increase in aircraft movements by 16%, passenger movements by 22% & freight by 12%, which directly have contributed to overall revenue increase of AAI by 16%. The increase in revenue attributable to Air Navigation Services (ANS) is 15%, Airport Services 21% and Cargo Revenue 30%. Airport Lease Revenue has increased by 14%. This increase in revenue has been partially off-set by an increase in operating expenditure.

To sustain the profitability, we plan to make airports self-sustaining commercial enterprises by focusing to enhance Non-Aero Revenue.

AAI has initiated more focused and structured steps, capturing revenue from passenger growth opportunities by adopting revenue share mechanism and licence fee escalation proportionate to passenger growth. Revised terms and conditions of food & beverage, retail, advertisement and other concessions have incorporated the best in the class measures matching with industry demand. AAI plans to shape up non-aero revenue growth by 32% in 2017-18 over the current year which is in line with National Civil Aviation Policy (NCAP) 2016 objective.

Marketing efforts are also on to unbundle the potential of non–operational airports and under-served markets through proper route and air services development to these airports, exploring the marketing partnerships with local government and tourism authorities, trade shows, and stakeholders engagement etc.

AAI is also giving special attention to cargo for augmenting the profitability and for this AAI has formed AAI Cargo Logistics & Allied Services Company Ltd (AAICLAS), a 100% owned subsidiary of AAI. The subsidiary will henceforth undertake all cargo and ground handling related activities at AAI managed airports. The Company will focus on air cargo handling and allied services, warehousing, contract logistics, air cargo road feeder and air freight stations.

**Of the 125 airports managed by AAI, five airports (Delhi, Mumbai, Bengaluru, Hyderabad and Cochin) are managed through Public Private Partnership (PPP) model. What has been the experience of AAI in adopting PPP model to upgrade airport infrastructure? In future, do you have plans to extend PPP model to other airports as well?**

The unprecedented traffic growth

witnessed in Indian Aviation Sector in the middle of the last decade necessitated fast tracking of expansion and modernisation of airports in India. Two major challenges faced at that time were - availability of funds and capacity to build infrastructure. Keeping in view the need for having internationally benchmarked airports, Government of India approved the restructuring of Delhi and Mumbai Airports aimed at developing, upgrading and modernising the airports to provide world-class facilities through PPP model.

The PPP model adopted at Delhi and Mumbai Airports ensured that AAI is able to concentrate on developing and operating airports in tier II and tier III cities having less revenue potential but nevertheless are needed for providing regional and remote area connectivity.

Going by the figures, the profitability from these two major airports has gone many fold from 2005-06 to 2015-16, almost six times in case of Delhi International Airport Limited (DIAL) and three times in case of Mumbai International Airport Limited (MIAL). This is all without any major capital investment from AAI side except for equity of INR 637 crore for DIAL and INR 312 crore for MIAL in comparison to the mammoth investment of INR 26,000 crore in these two airports. This is a win-win situation for both entities.

In so far as the extension of PPP Model for modernisation of other airports of AAI, conscious decision was taken by Government of India that AAI can ensure high standards of service by entering into Operations and Maintenance (O&M) contracts. Accordingly, the process of O&M contract for select area of Ahmedabad and Jaipur Airports through open competitive bidding process has been initiated. Based on the experience, we may plan O&M for other airports.

**AAI has bagged USD 8.6 million contract for SkyRev 360 in Laos PDR. Can you share details of this project?**

AAI has recently bagged a contract from Lao PDR for implementation of SkyRev360 revenue management system for USD 8.68 million.

The SkyRev360 system is a unique end-to-end solution for revenue management of airport operators and air navigation service providers. The SkyRev360 is a specialised and customised package, which has been developed in consultation with IATA, primarily as a comprehensive e-invoicing solution for air navigation billing toward overflying and arrival-departure charges and to provide information through report generation, at various levels, for the processes, within and across airports, for an efficient and effective air traffic operations management.

> "The growth of India's civil aviation industry is on an upward trajectory. India is expected to become the third largest aviation market by year 2020 and the largest in the world by the year 2030."

SkyRev360 is a fully automated and comprehensive data gathering, invoicing and collection service, which eliminates inaccuracies, errors and delays, for better revenue management, with less manual processing.

**AAI plans to invest INR 17,500 crore for upgrading infrastructure at various regional airports as part of the Government of India's ambitious Regional Connectivity Scheme. Can you share more details about these projects and timelines for completing them?**

AAI has embarked upon an expansion plan of airports throughout the country with a CAPEX of INR 17,500 crore to meet the capacity requirements in the next five years. This includes the upgradation and expansion of existing airports, revival of non-operational airports, upgradation of ANS and telecommunication infrastructure.

Presently, available capacity at Indian airports is 282 Million Passengers Per Annum (MPPA), whereas the demand for 2016-17 is 264.96 MPPA. Demand forecasted for 2020-21 is 396 MPPA.

There are plans for creating additional capacity of 154 MPPA in the next 4 to 5 years, in which 56 MPPA additional capacity will be created in AAI airports like Chennai, Srinagar, Pune, Dehradun, Lucknow, Mangalore, Jaipur, Goa, Agartala, Guwahati, Leh, Patna, Trichy, Vijayawada, Port Blair, Agartala, Calicut, Trivandrum and Jabalpur; 98 MPPA additional capacity will be created in joint venture, private and state government airports. Also, additional 191 aircraft parking bays are planned at AAI airports.

AAI is in the process of awarding Project Management Consultancy (PMC) for expansion of 13 airports namely Chennai, Srinagar, Pune, Dehradun, Lucknow, Jaipur, Goa, Guwahati, Leh, Patna, Trichy, Vijayawada and Jabalpur and plans have been made for expansion of another 12 airports, subject to availability of land.

The details of the ongoing and

planned works are mentioned in the table.

Ude Desh Ka Aam Nagrik (UDAN) scheme has been a path-breaking element of NCAP 2016. The scheme envisions enhancing regional connectivity through a market-based mechanism in which passenger fares are capped at INR 2,500 for an hour long flight. AAI is already developing 5 regional

| A. | Upgradation works at AAI Airports - Terminal Buildings/ Airport (Work completed/ in Progress) | | | | |
|---|---|---|---|---|---|
| **S.No** | **State** | **Airport** | **Name of Work** | **Allocated Cost (Rs. In Crs.)** | **Status** |
| 1 | Arunachal Pradesh | Tezu | Operationalisation/Upgradation of Tezu Airport. | 96.50 | Runway work has been completed. Airport is ready for operationalisation with the renovated Existing Terminal Building. New Terminal Building is likely to be completed by Sep '2018. |
| 2 | Andman & Nicobar | Portblair | Construction of New Integrated Terminal Building. | 373.59 | Work awarded on 15.12.2016 to M/s Shaporji Pallanji & Company Ltd at a cost of Rs. 441.32 Crores. PDC June 2020. |
| 3 | Andhra Pradesh | Vijaywada | Construction of terminal building, ceremonial lounge and associated works. | 116.58 | Terminal Building work completed. Inagurated on 12th January, 2017 |
| 4 | Gujarat | Vadodara | Construction of New Integrated Terminal Building. | 160.20 | New terminal Building work completed. Inagurated on 22 October, 2016 by Hon'ble Prime Minister of India. |
| 5 | Karanataka | Hubli | Development of Hubli Airport including New Terminal Building and Extension and strengthening of runway. | 141.44 | Extension and Strengthening of runway is completed. Terminal Building and other ancillary buildings is nearing completion. PDC is Aug, 2017. |
| 6 | | Belagavi | Development of Belgaum Airport including New Terminal Building and Extension and Strengthening of runway. | 141.87 | Extension and Strengthening of runway completed. Terminal Building and other ancillary buildings is nearing completion. PDC is Aug '2017. |
| 7 | Odisha | Jharsuguda | Development of Jharsugada Airport for A-320 Aircraft | 176.90 | Work of upgradation of runway and New Terminal Building are in progress. PDC April, 2018. |
| 8 | Rajasthan | Kishangarh | Development of Kishangarh Airport | 181.00 | All works completed. DGCA/BCAS approval awaited. |
| | Tripura | Agartala | Construction of New Terminal Building | 438.28 | PMC awarded on 26.06.16. Work awarded on 08.06.17. PDC May' 2019 |
| 9 | Uttar Pradesh | Gorakhpur | Development of Civil Enclave including New Terminal Building | 22.34 | phase- I of Terminal Building work completed and Inagurated on 14.06.2017. Phase-II work in progress. PDC is Dec' 17. |
| 10 | Jammu & Kashmir | Jammu | Expansion and modification of Terminal Builidng | 75.60 | Completed and inaugurated on 17.08.17 |
| 11 | Kerala | Calicut | Construction of New Arrival Hall for International Terminal Building | 85.18 | Work in progress. PDC is June' 2018 |
| | | Trivandum | Extension of Airside Arrival corridor | 20.98 | Work in progress. PDC is Aug' 2017 |

| B | Upgradation works at AAI Airports- Airside Works (Work completed/ in Progress) | | | | |
|---|---|---|---|---|---|
| **S.No** | **State** | **Airport** | **Name of Work** | **Approved Cost (Rs. In Crs.)** | **Status** |
| 1 | Gujarat | Ahmedabad | Resurfacing of Runway. | 73.65 | Completed on 21.11.2016. |
| 2 | Gujarat | Surat | Extension and Strengtheing of Runway | 72.14 | Work in progress. PDC is 15th August 2017. |
| 3 | Rajasthan | Jaipur | Construction of part Parellel Taxi Track. | 30.25 | Work in progress. PDC Sept. 2018. |
| 4 | Goa | Goa | Construction of Parellel Taxi Track. | 188 | Work in progress. PDC May 2019. |
| 5 | Kerala | Trivandum | Strengthening of runway and taxiway | 56.06 | Work in progress. PDC is August 2017. |
| 6 | | | Extension of Parellel Taxi Track. | 69.07 | Work completed. |
| 7 | | Calicut | Strengthening of runway and taxiway | 55.42 | Work completed. |
| 8 | West Bengal | Kolkata | Strengthening of Main Runway and CAT-III B lighting | 123.02 | Civil work completed. Electrical work is in progress. PDC is August' 2017. |
| 9 | | | Construction of Isolation Bay | 27.35 | Work completed. Commissioning acitivities are in progress. |

| B | Upgradation works at AAI Airports- Airside Works (Work completed/ in Progress) | | | | |
|---|---|---|---|---|---|
| S.No | State | Airport | Name of Work | Approved Cost | Status |
| 10 | | | Construction of New Technical Block cum control tower. | 458 | Completed in April' 2017. |
| 11 | Chattisgarh | Raipur | Extension of Runway. | 88.44 | |
| 12 | Punjab | Amritsar | Strengthening of Runway and CAT-III B lighting | 88.88 | |
| 13 | Assam | Dibrugarh | Extension of Runway, | 59.85 | |
| 14 | Andhra Pradesh | Rajamundary | i) Extension of Apron in front of New Terminal Building | 43.29 | |
| 15 | | | ii) Extension & Strengthening of Runway. | 145 | |
| 16 | | Vijayawada | i) Extension of Apron for additional 10 parking bays | 24.25 | |
| 17 | | | ii) Extension & Strengthening of Runway. | 144.98 | |
| 18 | | Visakhapatnam | Extension of apron for additional 06nos parking bays | 59.83 | |
| 19 | | Tirupati | Construction of Isolation Bay | 26.8 | Work in progress. PDC is Oct' 2017. |
| 20 | Karnataka | Mangalore | Construction of Parallel Taxi track (Ph-I) | 45.83 | Completed. |
| 21 | | | Construction of Parallel Taxi track (Ph-II) | 106.4 | Work in progress. PDC is Aug' 2019. |

## Development of Airports - Planned

| S.No. | Airport | Existing Capacity (MPPA) | Required Capacity in 2025-26 (MPPA) | Total Planned Capacity (MPPA) | Aprox. Estimate (Rs. In | Status |
|---|---|---|---|---|---|---|
| **New Terminal Building** | | | | | | |
| 1 | **GUWAHATI** | 2.25 | 6.2 | 6.2 | 1142 | **PMC appointed. PDC Oct'. 2020** |
| 2 | **LEH** | 0.25 | 0.8 | 1.5 | 267 | **PMC appointed. PDC Dec' 2020** |
| 3 | **PATNA** | 0.7 | 4.55 | 3 | 803 | **PMC tender in process. Award Jul'17. PDC March 2021** |
| 4 | **TRICHY** | 1 | 3.1 | 3.52 | 770 | **PMC appointed. PDC Dec' 2020** |
| 5 | **VIJAYAWADA(Future Term.)** | 0.3 | 2.5 | 2.5 | 611 | **PMC tender in process. PDC: June 2021** |
| 6 | **JABALPUR(Dev. of airport)** | 0.12 | 1 | 1 | 163 | **PMC tender in process. PDC Jan' 2020.** |
| 7 | **AGARTALA** | 0.5 | 2.5 | 2.5 | 438.28 | **PMC awarded on 26.06.16. Work awarded 08.06.17 PDC: May 2019** |

**Expansion of Existing Terminal Building**

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | **CHENNAI** | 14.0 (New) + 9.0 (Old) | 25.66 | 30 | 2467 | **PMC Awarded** **PDC Dec' 2021** |
| 2 | **SRINAGAR** | 2.5 | 5.8 | 5.2 | 415 | **PMC tender in process. Award Dec' 17** |
| 3 | **PUNE** | 2.24 | 12.33 | 4.38 | 408 | **PMC awarded** **PDC Feb' 2021** |

Expansion of Existing Terminal Building

| | | | | | | |
|---|---|---|---|---|---|---|
| 4 | LUCKNOW | 3 | 9.79 | 9.75 | 880 | PMC awarded<br>PDC Dec' 2020 |
| 5 | MANGALORE | 2 | 4 | 3.8 | 133 | Engg Cons. Appointed. PDC Dec' 2019 |
| 6 | DEHRADUN | 0.4 | 1.28 | 3 | 290 | PMC awarded.<br>PDC Dec' 2019 |
| 7 | JAIPUR | 2.07 | 8.88 | 8.75 | 1177 | PMC Tender in Process<br>PDC Sep' 2021 |
| 8 | GOA | 4.5 | 15.66 | 7.5 | 400 | PMC tender in process.<br>PDC Dec' 2020 |
| 9 | VIZAG | 2.15 | 7.64 | 3.15 | 54 | AA&ES Accorded.<br>Tender called. |

Upgradation & Expansion of Airports

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | JABALPUR | 0.1 | 1 | 1 | 163 | PMC tender in process. Award Aug' 17 |
| 2 | KOLHAPUR | 0.1 | 0.6 | 0.6 | 275 | Engg. Consultancy awarded - PDC: Aug' 2020. |
| | | | | | | |

## Development of Airports - Planned

| RUNWAY (EXTENSION / STRENGTHENING / RESURFACING) | | | |
|---|---|---|---|
| S.No | Airport | Cost in Rs. Crores | Status |
| 1 | JAMMU | 100 | Land to be acquired |
| 2 | TIRUPATI | 119.5 | Estimates under process |
| 3 | KADAPPA | 95 | AA&ES Accorded by AAI Board. Tendering in process. |
| 4 | JABALPUR | 110 | Estimates under process. PDC Feb' 20 |
| 5 | DIMAPUR | 30 | TS Stage process. PDC Dec' 18 |
| 6 | IMPHAL | 30 | Planning Stage process |
| 7 | Chennai | 97 | Tender Called. PDC Dec' 2018 |

| APRON WORK / PARALLEL TAXI TRACK (PTT) | | | |
|---|---|---|---|
| S.No | Airport | Cost in Rs. Crores | Status |
| 1 | TRICHY | 70 | PDC Feb' 2019 |
| 2 | JABALPUR | 26 | Tender Stage |
| 3 | PUNE CE | 18 | Tender action in process. PDC Dec' 2018 |
| 4 | AHMEDABAD | 45 | Estimate in process. PDC Mar' 2019 |
| 5 | UDAIPUR | 36 | Tender action in process.PDC Mar' 2019 |
| 6 | BHUBANESWAR | 138.1 | PDC Oct' 2019 |

## Development of Airports - Planned

| ATC TOWER CUM TECHNICAL BLOCK | | | |
|---|---|---|---|
| S.No. | Airport | Aprox. Estimate (Civil/ Elec. + ANS Eqpt. ) Rs. Cr | Tender Date |
| 1 | AHMEDABAD | 150 + 50 | Aug'-17 |
| 2 | VADODARA | 52 + 20 | Aug'-17 |
| 3 | RAIPUR | 41 + 20 | Planning Stage |
| 4 | VARANASI | 87 + 20 | Planning Stage |
| 5 | JABALPUR | 25 + 20 | Aug'-17 |
| 6 | BHOPAL | 25 + 20 | Aug'-17 |
| 7 | TRICHY | 50 + 20 | Planning Stage |
| 8 | KHAJURAHO | 43 + 20 | Jun'-17 |
| 9 | GUWAHATI | 82 + 20 | SOW* In Process |
| 10 | BHUBANESWAR | 40 + 20 | Tender Stage |
| 11 | GAYA | 35 + 20 | Tender Stage PDC Aug 2018 |
| 12 | RANCHI | 14.23+20 | Planning Stage |
| 13 | DIBRUGARH | 30 + 20 | Jun'-17 |
| 14 | DIU | 18+ 20 | Tender Stage PDC Aug 2018 |
| 15 | KOLHAPUR | 22+ 20 | Engg, Cons. being appointed |

SOW* - Scope of Work

> "AAI is in the process of awarding Project Management Consultancy (PMC) for expansion of 13 airports namely Chennai, Srinagar, Pune, Dehradun, Lucknow, Jaipur, Goa, Guwahati, Leh, Patna, Trichy, Vijayawada and Jabalpur and plans have been made for expansion of another 12 airports, subject to availability of land."

airports namely Belgaum, Hubli, Kishangarh, Jharsuguda, Tezu and one greenfield airport at Pakyong. Revival of unserved and underserved airports will be taken up by AAI through infrastructure upgradation under Regional Connectivity Scheme UDAN in the next two years for which Government of India has given a grant of INR 4500 crore.

**According to a report by consulting firm KPMG, India is presently the 9th largest civil aviation market (by market size) in the world and it is expected to be the 3rd largest by 2020. Can you share your views on the future trends in passenger traffic, number of domestic and foreign airlines (operating in India) and foreign direct investment in the aviation sector?**

The growth of India's civil aviation industry is on an upward trajectory. India is expected to become the third largest aviation market by year 2020 and the largest in the world by the year 2030.

Based on the forecast, the passenger traffic in India is expected to increase from 264.97 million in 2016-17 to 440 million in 2021-22 by registering significant Compound Annual Growth Rate (CAGR) of 11%. The expansion of India's middle class population, coupled with continued strong GDP growth will help the country to achieve the fastest air traffic growth.

The growth in the aviation sector does have a 'multiplier' effect on the economy, and this will be a boon to the country that the Civil Aviation Industry ventures into a new era of expansion. Primary concern and focus, areas of development is creation of airports matching the global standards, improved air navigation services, capacity creations both in air and on ground, encouraging FDI in domestic airlines, addition of fleet by airlines, in-house Maintenance, Repair and Overhaul (MRO) activities, cargo, passenger facilitation, skill development, improved IT interventions and a higher stress on regional connectivity.

India is currently the focus of the entire world and we have to grab this opportunity and work toward becoming the leaders in aviation. However, the task is not simple but the government initiatives in the form of NCAP 2016, regional connectivity scheme and balanced regulations will give the desired fillip to the aviation activities in India.

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# World Trade Centre Institute of International Trade, Mumbai

## Post Graduate Diploma in Foreign Trade

World Trade Centre Institute conducted the 57th batch of Post Graduate Diploma in Foreign Trade (PGDFT). The batch comprised 24 candidates representing business and government officials. The course was uniquely designed in keeping with the evolving needs of the industry focusing on topics such as identifying and selecting new markets, understanding international trade finance to mitigate business risks, concept of logistics for reduction of costs, customs management, etc. Besides gaining knowledge related to international trade, participants were also invited to seminars, workshops and events organised by World Trade Centre Mumbai, to take advantage of the networking opportunities at these events.

Professor Mr. A. N. Khedkar delivering the inaugural lecture for students of PGDFT Batch 57.

**The course was held at the World Trade Centre Mumbai on July 10, 2017.**

Students of PGDFT Batch 56 at the Project Presentation and Viva Voce.

## Session on Project Presentation and Viva Voce

A Viva Voce for the 56th batch of Post Graduate Diploma in Foreign Trade was conducted based on the project presentation. Students prepared project reports and made presentations in small group on topics such as 'export of button mushroom', 'logistics of export marketing', 'country profile of Bangladesh' and 'special economic zones'. The project presentations and viva voce were evaluated by Professor Mr. Arvind Khedkar.

**The viva voce was held at the World Trade Centre Mumbai on July 1, 2017**

## International Marketing Presentation

Batch 57 of the Post Graduate Diploma in Foreign Trade was assigned the task of developing presentations based on the country profiles of select countries namely, Ghana, Ireland, Vietnam, Indonesia, Mexico, Senegal and Oman. The purpose of this assignment was to explore and understand the various aspects of new and international markets before entering them. The studies were based on pestle analysis of the specific country, its current position in the global market, the presence of global players in the market including Indian companies,

Students presenting their study for doing business in Ireland.

Mr. Virendra Gupte, Senior Faculty of the Institute (front) among the audience during the international marketing presentations.

tariff and non-tariff barriers, whether a member of WTO, regional trading blocs etc.

Presentations were a group activity and the student introduced their country as an attractive destination for trade and investment.

**The presentation was conducted at the World Trade Centre Mumbai on September 12, 2017.**

## Bidding Adieu to Faculty Member

World Trade Centre Institute bid farewell to Mr. P. V. George, who served as a faculty for its students. Mr. George was the Deputy Commissioner of Customs (Retd. IRS) and was associated with the Centre since 2010 conducting sessions on Customs Management. With an in-depth knowledge on the subject, Mr. George shared his expertise with students on various procedures as well as documentation aspects of customs in exports and imports. He incorporated practical examples making the subject interesting to the students.

**World Trade Centre Institute extended their best wishes to Mr. George on July 15, 2017.**

Students of the Certificate Course on Foreign Trade present a memento to Mr. P. V. George.

## Indo-Global Education Summit & Expo 2017

World Trade Centre Institute participated in the Indo-Global Education Summit & Expo 2017 to create World Trade Centre Mumbai's brand awareness and to network with participants and attendees. The participants included collaborative research programs, joint/dual degree programmes, distance education programmes, vocational education programs, and other academic partnerships. The Institute got the opportunity to network with some of the major Indian institutes offering various courses and few ministries such as Ministry of Tourism, Ministry of Commerce and Industry and Ministry of Skill Development and Entrepreneurship who were promoting initiatives taken by the Government of India. Foreign universities from USA, UK, Iceland, Australia, Lithuania, Japan, Poland, Dubai and South Africa also participated in the Expo programme. The Institute's stall received around 150 enquiries from students as well working professionals who were keen and interested to pursue the courses that were on offer in order to make a career in International Business and Foreign Trade.

Participation in Indo-Global Education Summit & Expo 2017 on July 17, 2017.

**The Summit & Expo was Held at The Lalit in Mumbai on July 17, 2017.**

## Guest Lecture

Mr. K. M. Harilal, Deputy Director General of Foreign Trade, Mumbai Zonal Office, Directorate General of Foreign Trade (DGFT) was invited to deliver a guest lecture to students of Post Graduate Diploma of Foreign Trade Batch 57. Mr. Harilal presented an overview of the Indian economy and its export scenario. He spoke about the challenges in international trade and explained its linkage with the GDP growth of the country. He further enlightened on the specific role played by DGFT, the policy and schemes offered for the promotion of exports.

**The lecture was conducted at the World Trade Centre Mumbai on September 13, 2017.**

Mr. K. M. Harilal, Deputy Director General of Foreign Trade, Mumbai Zonal Office, Directorate General of Foreign Trade addressing students.

## Education Tours to WTC Mumbai

A number of management institutions and colleges in and around Mumbai organised visits to World Trade Centre Mumbai which was part of their curriculum, to understand the business practices in an organization setup. Mr. A. O. Kuruvila, Advisor–Trade and Education, MVIRDC World Trade Centre Mumbai conducted interactive sessions with the students and oriented them on the importance of international markets and provided them with an overview. He also explained the role of World Trade Centre Mumbai as a facilitator in international trade.

36 students from Ashoka Center for Business & Computer Studies, Nashik - August 1, 2017.

110 management students from NCRD's Sterling Institute of Management, Nerul - September 6, 2017.

80 students from MIT ART's Commerce and Science, Pune - September 7, 2017.

120 management students from Vidyalanka School of IT, Wadala - September 7, 2017.

110 management students from NCRD's Sterling Institute of Management, Nerul - September 7, 2017.

60 management students from H&G HM Institute of Management, Ulhasnagar - September 26, 2017.

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# WTC Mumbai Session at WTO Public Forum 2017

## Mitigating the Challenges of Sustainable Development through the Adaptation of Clean Technologies

WTO Public Forum 2017 with the theme 'Trade Behind the Headline' was held from September 26-28, 2017 at the WTO Headquarters in Geneva. The Forum offered an opportunity to go beyond the rhetoric and examine in detail the realities of trade – the benefits it offers and the challenges it can bring.

The opening plenary debate was addressed by a distinguished panel of experts. **Mr. Roberto Azevêdo, Director General, World Trade Organization** opened the debate asking participants to consider how the trading system needs to be improved in order to respond to the challenges facing the global community. **Ms. Christine Lagarde, Managing Director, International Monetary Fund** said that although trade has reduced poverty and improved living standards worldwide, there is a growing perception that it has contributed to growing inequalities within countries. New trade agreements are addressing issues of labour disruptions and providing solutions at the domestic level to those who have not gained from trade. **Ms. Susana Malcorra, Minister Advisor, Government of Argentina** related experiences of her country which showed the importance of long-term policies allowing for good planning and predictability. **Nobel Prize Winner Mr. Paul Krugman, Distinguished Professor, City University of New York Graduate Center and columnist, The New York Times** claimed that economists such as himself have missed the fact that sharp growth in global trade has produced sharper-than-expected income redistribution effects and transitional costs. The explosion in trade in some ways is already in the rear-view mirror, it's already plateaued, if we turn our backs on trade now it would be highly disruptive.

World Trade Centre (WTC) Mumbai and All Association of Industries (AIAI) participated in the WTO Public Forum 2017 at Geneva and conducted a session on the theme 'Mitigating the Challenges of Sustainable Development through the Adaptation of Clean Technologies'. The session was addressed by eminent experts drawn from prestigious organizations of international repute. WTC Mumbai and AIAI delegation comprised Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai and President, All India Association of Industries; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai and Executive Director, All India Association of Industries; Ms. Debjani Chowdhury, Advisor, MVIRDC World Trade Centre Mumbai and Mr. Navneet Agarwal, Assistant Director –Trade Promotion, World Trade Centre Jaipur.


Mr. Roberto Azevêdo, Director General, World Trade Organization (centre) in conversation with Ms. Rupa Naik, Senior Director, MVIRDC World Trade Centre Mumbai (left) and Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai.

From (L-R): Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai and Ms. Christine Lagarde, Managing Director, International Monetary Fund.

From (L-R): Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai and Ms. Susana Malcorra, Minister Advisor, Government of Argentina.

From (L-R): Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre Mumbai and Nobel Prize Winner Mr. Paul Krugman, New York Times Columnist.

Progress toward sustainable development has taken centre stage in every aspect of development planning both at national and global institutional levels across the world. Keeping this at the core of the debate, the panel deliberated on a wide range of issues highlighting the imperatives of promoting sustainable development by creating an ecosystem supported by clean technologies and balancing human livelihood.


From (L-R): Mr. Alexander Kasterine, Senior Advisor, Climate Change and Biodiversity, Trade for Sustainable Development Programme, International Trade Centre (ITC); Mr. John Danilovich, Secretary General, International Chamber of Commerce (ICC); Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre (WTC) Mumbai; Mr. Frank Van Rompaey, Representative to the UN and other International Organizations in Gevena, UNIDO Geneva Office; Dr. Viviana Munoz Tellez, Coordinator, Development, Innovation and Intellectual Property Programme, South Centre and Dr. Paul Kloppenborg, Partner and CEO, Global Cleantech Capital.

**Mr. John Danilovich, Secretary General, International Chamber of Commerce (ICC),** stressed that it is time to combine the twin goals of growth and sustainability and it is only through placing sustainability at the heart of business that companies will find success in the 21st century. According to a report from the Business and Sustainable Development Commission, UN's Sustainable Development Goals (SDGs) opens up US$ 12 trillion market of opportunities in sectors such as food, energy, health and cities. Global Goals 'hot spots' – markets specifically aligned with the UN's sustainable development objectives – have the potential to grow 3 times faster than average GDP over the next five years.

Even as it opens up huge benefits for businesses, business leaders largely consider sustainability to be government territory only, Mr Danilovich observed. This is beginning to change though. SDGs should also be known as 'BDGs' i.e. Business Development Goals, Mr. Danilovich said and he further informed that many companies were already recognizing the big efficiency gains, innovation and reputation enhancement that come from engaging in socially and environmentally responsible behaviour. However, for business to play its full role in meeting the climate challenge, governments must establish the right policy environment with clear rules and mechanisms under the Paris Agreement to provide business with the certainty it needs to make crucial investments in clean technologies. Mr Danilovich called for renewed efforts to secure Environmental Goods Agreement before WTO Ministerial Conference 2011 in December.

**Mr. Frank Van Rompaey, Representative to the UN and other International Organizations in Gevena, UNIDO Geneva Office** said the 2030 Agenda contains Inclusive and Sustainable Industrialization as a goal – goal 9. The expectation is that global industrial production will increase by factor of 4 by 2050. It is important that this expansion happens in an environmentally sustainable way. For UNIDO, sustainable industrialization has two main dimensions: 1) The greening of existing or new industrial activities, i.e. promoting the adoption of cleaner production processes and products, which use resources more efficiently, generate less waste, phasing out toxic substances; and improving occupational health. 2) The creation of green industries - the sectors such as production of solar panels, wind turbines, recycling plants, pollution control equipment and services such as environmental engineering and consulting services, waste treatment and management. This sector is rapidly expanding and a diverse sector especially in countries faced with a growing environmental burden, where there is a demand, for eg. in India and China unlike other countries which have far smaller industrial sectors. In those countries UNIDO focuses on greening of industries notably advising companies and institutions on the environmental, economic benefits of further investments. As a viable approach, Mr. Rompaey underscored the need to decouple resource use and / or environmental impact from economic growth.

Speaking on UNIDO's recent activities, Mr. Rompaey informed that UNIDO launched a new programme a few years ago, Global Cleantech Innovation Programme (GCIP). It is implemented also in India apart from seven other countries. It is funded by Global Environment Facility (GEF) and aims to assist innovators in cleantech, typically energy efficiency and renewable energy sectors, to innovate.

**Mr. Alexander Kasterine, Senior Advisor, Climate Change and Biodiversity, Trade for Sustainable Development Programme, International Trade Centre (ITC)** explained why SMEs were an important part of the process of the Paris Agreement in terms of mitigation and adaptation to climate change and that SMES were particularly vulnerable to climate change. Impact of climate change needs to be addressed with a two-pronged approach - public policy and business opportunities. In terms of public policy there is need to design policies which incentivize SMEs to strategize their business in the right direction. In terms of business opportunities, it is important to find solutions to climate change through innovation in industrial operations.

According to Mr. Kasterine, SMEs face many barriers in adaptation. Speaking on ITC's programme in the area of adaptation and mitigation, Mr. Kasterine referred to the ITC study on exporters of agri food products in Peru and Uganda. The study highlighted the impact of climate change as the key concern of exporters, besides issues of price volatility and quality management. In order to improve their climate resilience, exporters needed access to crop varieties which were resilient to climate change, access to finance and assistance in diversifying export markets. Lack of information about standards and new environment resilient technologies, ways to plan emission reduction were among other barriers exporters faced in their operations.

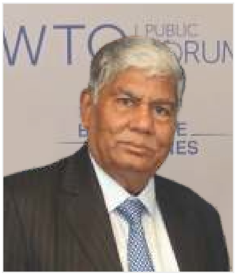
**Dr. Viviana Munoz Tellez, Coordinator, Development, Innovation and Intellectual Property Programme, South Centre** stated that in the context of the 2030 Agenda, there are global challenges and the global community must come together to find new solutions. SDGs are increasingly getting linked to health, climate change, industrial policy and integrating faster partnerships including the private sector as part of the 2030 Agenda. In terms of mitigating the effects of climate change, Dr. Munoz held out that there is a clear leadership responsibility by that part of the world that has historically contributed more to the carbon emission. Mitigation efforts must be linked to adaptation efforts and all governments must take action toward this end. Developing and least developed countries which are severely impacted due to the adverse effects of climate change and lack resources to build systems need to be supported and assisted with capacity building, technology transfer and financial support based on national needs and priorities.

Financial and technological support needs to be coupled with knowledge and skill transfer and there have been many trade agreements, as well as obligations and commitments by the developed countries to assist developing and least developed countries with technology transfer on concessional terms instead of on commercial terms. On the financial side, there is a global fund to assist weak countries to access technology, Dr. Munoz expressed. Further, according to Dr. Munoz, countries need not necessarily focus on high technologies and instead many of the home–grown, grass-root technologies can be readily used and adapted. However, this can be very successful with greater exchanges among SME enterprises in countries such as India, Dr. Munoz said.

**Dr. Paul Kloppenborg, Partner and CEO, Global Cleantech Capital**, deliberating on the current trends in investments in clean technologies, revealed that in the coming months, 392 GW of solar capacity will be installed in the world, which will surpass the amount of 392 GW of nuclear power that is operating in the world at present. According to Dr. Kloppenborg, in the last 15 years the world has witnessed a constant growth in the solar market, up approximately 28-30 per cent and solar installed capacity is expected to rise to 82-90 GW in the world in a year. India and China have emerged as big markets, with India likely to soon overtake China. The other big markets are the USA and Latin America with smaller markets in Europe and with Africa opening up as a new market.

Energy sector is highly capital intensive with a long gestation period. The credit crisis of 2008 proved to be a blessing for the clean energy sector. Energy sector will be further decentralized and solar energy is the most decentralized generation of energy and can be installed with great ease. On the other hand, wind energy is far more centralized and is subject to state intervention, regulation and inefficiencies.

With regard to investments, microfinance seems to be the preferred option for solar and yet it means blocking of capital for at least 6-7 years. Solar modules involve high capital and the real jobs are in installing solar panels. Therefore, the success of solar business will depend on viable microfinance policies and solutions, Dr. Kloppenborg opined.



Moderator **Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Centre (WTC) Mumbai and President, All India Association of Industries (AIAI)** observed that global policies in economic, social and environmental spheres have greatly influenced and prompted national action. The scheme on 'Development and Promotion of Clean Technology and Waste Minimization Strategies' adopted and implemented by India aims at a holistic action plan to create an ecosystem nurtured by clean technologies. In the renewable energy sector, India's National Solar Mission has set the target of solar power capacity of 1000,000 MW by 2022. With this ambitious target, India will become one of the world's largest green energy producers, surpassing several developed countries. Globally, the International Energy Agency identified phasing out inefficient coal power stations as a key plank to promote universal consensus and action on climate change.

Mr. Kalantri called for a coordinated approach by governments, businesses and public to adopt technological solutions that intricately balances the ecosystem with human livelihood.

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# Driving Semiconductor Industry Growth and Innovation through Free Trade

**Devi Bengfort Keller**
Director, Global Policy,
Semiconductor Industry Association

Free and open international trade is vital for the semiconductor industry to compete, innovate and grow. Semiconductor 'chips' are the brains of modern electronics, enabling advances in communication, computing, healthcare, military systems, transportation, and countless other applications. Indeed, semiconductors are critical components in a staggering variety of products, from smaller computers and smartphones to safer automobiles and navigation systems.

The semiconductor industry is distinguished by a highly specialised, complex and global supply chain for raw material, equipment, R&D, human talent, testing, and distribution. The intermediate nature of semiconductor products also requires frequent import and re-export of products to meet constantly changing customer needs. These factors, combined with the high capital costs and short product lifecycles of cutting-edge semiconductor technologies, mean that the success and competitiveness of the semiconductor industry depends on the ability to move semiconductors freely, efficiently, fairly, and quickly across borders. Bilateral and multilateral trade agreements that remove both tariff and non-tariff barriers help the semiconductor industry do that.

By enhancing access to large and growing markets around the world, trade agreements drive growth and demand for semiconductor products. This is especially true for the U.S. semiconductor industry, which derives about 80% of its revenues from sales outside the United States. By lowering the costs of trade through elimination of tariffs and other trade barriers, trade agreements help the semiconductor industry channel investments into advancing technology and innovation. Semiconductor companies on average re-invest nearly one-fifth of sales revenues back into R&D, among the most of any industry. Greater innovation in the semiconductor sector in turn drives technological advances in areas such as telecommunications and computing, environmental protection, energy efficiency, transportation, healthcare, product safety, medical technology, artificial intelligence, automation and more. In fact, facilitating the free and open flow of the most advanced semiconductor devices has lowered costs for consumers and fueled the technology revolution that has benefited domestic economies, standard of living, and social and economic progress the world over.

As a result of trade liberalisation, the volume of worldwide trade in semiconductors has grown significantly over the past two decades, from $338 billion in 1996 to over $1.3 trillion in 2016. The size of the global market, of which the U.S. industry makes up nearly half, has grown from $132 billion in 1996 to $339 billion in 2016. In addition to trade volume, the power, performance, and functionality of individual semiconductor devices has expanded exponentially. The average number of transistors per semiconductor has grown by an extraordinary 167,572%, from around 135,000 transistors per chip in 1996 to roughly 227 million per chip in 2016. Processing speeds have jumped more than 10,000%, and the energy efficiency of computing has increased by 1,400%. At the same time, the price of semiconductor technology has dropped significantly. In the 1950s, a single transistor cost was $5.52.

Today, a single transistor costs less than one billionth of a dollar. McKinsey & Company has reported that if the automobile industry had similar improvements in price and performance to semiconductors over three decades, 'a Rolls-Royce would cost only US $40 and could circle the globe eight times on one gallon of gas with a top speed of 2.4 million miles per hour.'[1]

A key driver of this extraordinary growth has been the continuous opening of markets and lowered costs of moving products, talent, materials, resources, and knowledge across borders. The World Trade Organization (WTO), established in 1995, has been fundamental in ensuring trade flows smoothly, predictably and fairly. For example, the WTO Agreement on Technical Barriers to Trade (TBT Agreement) has been critical in promoting global standards and interoperability by eliminating policies and technical measures that discriminate between foreign and domestic products, or create 'unnecessary' obstacles to trade. Interoperability is a basic requirement for the widespread, global adoption of technology products.

Another example is the WTO Information Technology Agreement (ITA). Originally signed in 1996 and expanded in 2015, this pioneering trade pact eliminates tariffs on hundreds of high-tech goods and components, from semiconductors to smartphones. This has made transformational technology products more affordable and accessible to consumers, businesses, innovators, and entrepreneurs, which in turn has promoted growth and prosperity through expanded e-commerce, access to the Internet, and availability and affordability of innovative technology in downstream sectors. This ultimately helps bridge the digital divide. Being part of the ITA also fosters a predictable and positive trading system that bolsters industry investment, economic modernisation, innovation, productivity and job creation.

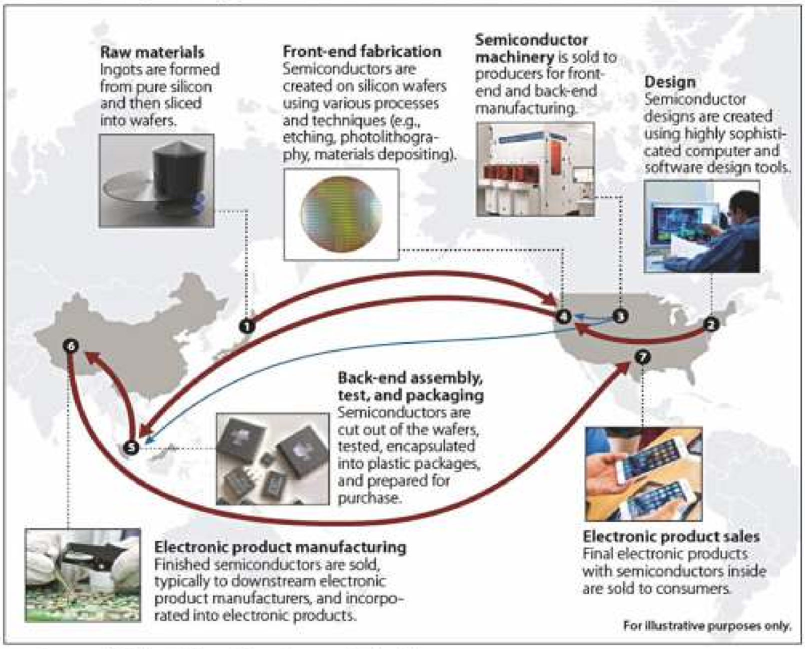
As a last example, the WTO Trade Facilitation Agreement (TFA) has the promise of dramatically lowering trade costs by expediting import, export, and in-country transit; removing bureaucratic red tape and corruption; making border processes more efficient and transparent; and focusing on technological advances to achieve such objectives. Since semiconductors are a highly traded product that have complex manufacturing supply chains, simplifying customs and trade procedures and removing costly impediments will have a profound impact on the semiconductor industry.

Despite great strides in trade liberalization over the years, protectionist policies and unfair practices are popping up around the world, threatening the competitiveness and growth of the global semiconductor industry. These protectionist, unfair practices take various forms, including high tariffs, discriminatory domestic standards, onerous licensing and certification schemes, localisation or indigenous innovation policies, regulatory restrictions on commercial products with encryption, State-Owned Enterprise (SOE) activity guided or aided by government influence, or forced transfer of critical technology or sensitive IP.

While bilateral and multilateral trade agreements have been incredibly important to the success of the semiconductor industry, trade agreements need to evolve to include new disciplines to align global trade rules with how trade is done in today's digital economy.

Economies seeking to develop a domestic semiconductor industry, or simply strengthen their participation in global electronics value chains, will only succeed if they adopt a global approach to trade. Applying common global

**Figure 2. Typical Global Semiconductor Production Pattern**




**Source:** CRS, adapted from information provided by SIA.

**Notes:** This diagram is for illustrative purposes only. Numbered circles do not necessarily reflect where specific production, services, or sales take place.

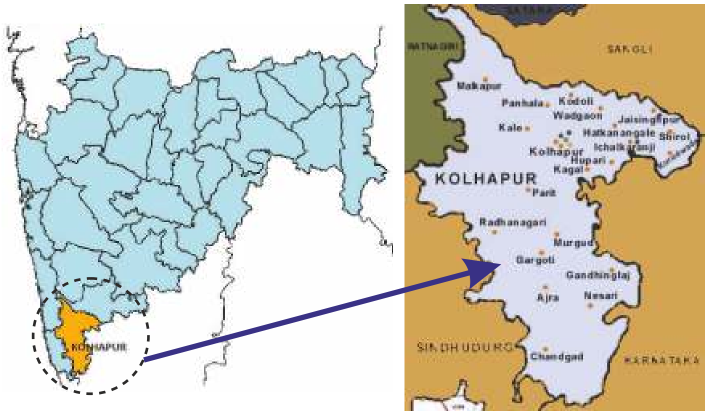
[1] 'Creating Value in the Semiconductor Industry,' McKinsey on Semiconductors, Autumn 2011 file:///Users/dkeller/Downloads/MOSC_1_Value_creation.pdf

standards instead of mandating unique national standards makes integration of different technologies efficient and attainable. Eliminating tariffs (i.e. by joining the ITA) and removing non-tariff barriers fosters a predictable and positive trading system that bolsters industry investment. Ensuring sound legal systems and intellectual property protection signals that a country is open for business are crucial. Integration into a worldwide ecosystem is an essential part of success for individual firms participating in the global value chain of one of the world's most dynamic and vital industries.

■

| Semiconductor Growth Metric | 1996 | 2016* | % Change |
|---|---|---|---|
| **Total Semiconductor Trade**<br>*Source: UN Comtrade* | $338 billion | $1.323 trillion | 291% |
| **Size of Global Semiconductor Market**<br>*Source: WSTS* | $132 billion | $339 billion | 157% |
| **Total Number of Semiconductor Units Produced**<br>*Source: WSTS* | 215 billion | 824 billion | 283% |
| **Number of Transistors Produced (estimate)**<br>*Source: SIA in US Factbook* | 29.1 quadrillion (29,100,000,000,000,000) | 187 sextillion (187,000,000,000,000,000,000) | 642512% |
| **Average Number of Transistors per Semiconductor**<br>*Source: SIA in US Factbook & WSTS* | 135,349 | 226,941,748 | 167,572% |
| **Microprocessor Speeds**<br>*Source: IC Insights, McClean Report 2015* | 133 MHz Single Core | 3,500 MHz Quad Core | 10,426% |
| **Energy Efficiency of Computing (MIPS/watt)**<br>*Source: IC Insights, McClean Report 2015* | 12 million instructions per second/watt | 166 million instructions per second/watt | 1,383% |
| **Total worldwide IC wafer capacity (200 mm equivalents)**<br>*Source: IC Insights, McClean Report 2017* | 51.9 million | 201.9 million | 289% |
| **Worldwide semiconductor industry R&D spending**<br>*Source: IC Insights, McClean Report 2017* | $15.7 billion | $56.5 billion | 260% |
| **Process technology node reached**<br>*Source: IC Insights, McClean Report 2016* | 350 nanometers (.35 microns) | 10 nanometers | 3,400% |
| **Average value of semiconductor content per car**<br>*Source: IC Insights, McClean Report 2016* | $100 per car | $400 per car | 300% |
| **Cell phone subscriptions per 100 people**<br>*Source: World Bank, ITU* | 2.5 | 98.33 | 3,833% |
| **Internet users per 100 people**<br>*Source: World Bank, ITU* | 1.3 | 44 | 3,285% |

Note: Value amounts ($) expressed in US dollars.
*Where 2016 data not available, estimates are based on most recent year data is available.




# Kolhapur - A Thriving Trade and Business Destination

Kolhapur City is in the southernmost district of Kolhapur in western Maharashtra. Situated on the Pune-Bangalore National Highway No. 4. and on the banks of River Panchganga, it is famous for the Mahalakshmi Temple and wellknown worldwide for Kolhapuri Chappals (leather slippers made from buffalo skin). It was in August 2017 that the Kolhapur Municipal and Regional Development Authority were established governing the city and 42 villages around it. Over the years, Kolhapur has risen to be one of the cities in India having the highest per capita income as the economic activity has escalated. In so doing, it has earned itself the name of being an upcoming investment destination in the state of Maharashtra.

## Micro, Small and Medium Enterprises

Kolhapur is a well-known industrial city in western India having a number of Micro, Small, Medium Enterprises (MSMEs) and large scale industries that have contributed to its growth. MSMEs are largely present in ago-based industry; cotton textile; woolen, silk and artificial threads based clothes; jute and jute bases; ready-made garments and embroidery; wood and wooden-based furniture; paper and paper products; leather-based industry; rubber, plastic and petro-based industry; chemicals and chemical-based industry; mineral based industry; metal based industry; engineering units; electrical machinery and transport equipment; and repair and service industry. The small-scale industries have collectively been successful in providing large-scale employment.

New MSMEs have the potential to grow in mechanical items (agriculture, automobile, textile); chemical items (plastics, paint, drugs); electric items (electrical and electronic equipment); leather and footwear; glass and ceramic items; food items; and service-based industries. Clusters in the micro and small enterprises are present in the manufacturing sector, namely foundry and engineering cluster Kolhapur; silver ornaments cluster Hupri; jaggery cluster Kolhapur and chappal cluster Kolhapur.

## Industry

Large deposits of bauxite reserves in the region has contributed to Kolhapur's industrialization process. Kolhapur has approximately 300 foundries which mainly cater to exports of the state. Some of the big names in the industry include a manufacturing plant of Kirloskar Oil Engines (KOEL) at Kagal MIDC near Kolhapur and a Raymond clothes plant in the same vicinity. Besides, it has other industrial areas namely, Gokul-Shirgaon MIDC, Shiroli MIDC & Udyamnagar, Ajara, Halkarni, KagalHatkan gale and Gadhingalaja that cater to the various sectors of the economy. The co-op industrial estates in Kolhapur are L. K. Akiwate Industrial Estate,

Jaysingpur; Ichalkaranji Industrial Estate, Ichalkaranji; Kolhapur Udyam Co-op. Industrial Estate, Kolhapur; Yashawant Co-op. Industrial Estate, Hupri; Laxmi Co-op.Industrial Estate, Hatkangale; Parvati Co-op. Industrial Estate, Yadrav; and Chh.Shahu Co-op. Industrial Estate, Shirol.

Major industries include spinning mills; textile mills and sugar that have further contributed to the employement of the region. The Kolhapur economy is predominantly driven by the textile industry, with Ichalkaranji, a city in the vicinity of Kolhapur, commonly refered to as 'Manchester of Maharashtra' in the lead. It is home to some of the oldest textile industries in India. It has approximately 5000 textile factories. Initially the city produced cotton garments but has now diversified into domestic and international brands catering to exports to all parts of the world. The arts and handicrafts industry is a thriving one with 15 co-operative societies manufacturing Kolhapuri chappals providing employment both directly and indirectly. Kolhapur chappals are of two types, the export and fancy varieties, which are sold both domestically and internationally.

The silver and gold industry is another thriving industry. Anklets and necklaces (especially Kolhapuri Saaj) are the main jewellery that are uniquely hand-crafted having demand in both India and abroad. This industry churns out a turnover of crores of rupees employing artisans and traders from in and around Kolhapur.

## Agriculture

Agriculture continues to be the dominant sector of Kolhapur with rice and sugarcane being the main crops which are grown in most parts of the region. Kolhapur district had 111,500 ha of area under cultivation of Kharif rice in 2015-16, producing

273,300 tonnes of output with a productivity of 2451 kg /ha. Similarly, it had 145,300 ha of area under cultivation of Kharif rice in 2015-16, producing 13,097,700 tonnes of output with a productivity of 90 kg /ha. Thus, it also has a large number of sugar refineries in the district. As a result of its sugarcane production, Kolhapur has earned its name as one of the major jaggery production hubs in Maharashtra with a number of jaggery clusters.

## Exports

The major bulk of exportable items are agro-based products, leather footwear items and mechanical items. The growth trends are also witnessed in engineering industry, food processing and packaging industry that manufacture leather

chappals and related services. The potential areas for the service industry to grow are in Jaysingpur, Ichalkaranji, Kolhapur, Hupri, Hatkangale, Yadrav and Shiroli.

## Tourism

Tourism is another source of revenue for Kolhapur with a number of tourist and sightseeing attractions. The city is famous for the Mahalakshmi Temple that is thronged by millions of pilgrims each year. It is well connected to most of the cities in Maharashtra. The other attractions include the 85 feet tall idol of Lord Ganesh (elephant God) at the Chinmaya mission; Tara Rani Equestrian Statue which stands on two of the horse's legs; and a bronze statue of

Mahalaxmi Temple, Kolhapur

Babasaheb Ambedkar (noted Indian politician and reformer) at Bindu Chowk. At the annual Dusshera procession, the Kolhapur Maybach Car of the chhatrapatis of Kolhapur is displayed to the public.

## Entertainment

Kolhapur has also made its mark in the film industry with the setting up of the Maharashtra Film Company in 1929 established by Baburao Painter (Indian film director). The city has become the primary centre for the Marathi film industry. Kolhapur plays host to many film festivals, including the Kolhapur International Film Festival. Kolhapur has a film city spread over 75-acre in Morewadi which was set up by the state government in 1984. The objective of the film city was to provide infra-structure set-up to the Marathi film industry and provide all facilities, from shooting to post production, under one roof. The work of renovation and new locations of Kolhapur film city is an on-going process.

Thus, Kolhapur has witnessed all-round development over the years, ranging from agriculture and industry to tourism and entertainment and has the potential of developing into a major investment destination.

**(Inputs have been sourced from www.sidbi.in, www.dcmsme.gov.in, www.kolhapuronline.in, http://mahaagri.gov.in and Wikipedia)**

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# Celebrating 25 Years of ASEAN-India Partnership

**Dr. Prabir De**
Coordinator, ASEAN-India Centre, and Professor, Research and Information System for Developing Countries (RIS), New Delhi

India and ASEAN are home to 1.8 billion people and have an economic size of US$3.8 trillion and a substantial share of world resources, economic and otherwise. Both share land and maritime boundaries to each other. ASEAN-India relations are firmly embedded in culture, commerce and connectivity. India's 'Look East Policy' (LEP) was in force for more than two decades, and thereafter, it has been transformed into a more serious 'Act East Policy' (AEP) with ASEAN at its core.

The ASEAN-India relations have gained constant momentum throughout this period. Starting as a sectoral partner of ASEAN in 1992, India became a dialogue partner of ASEAN in 1996, a summit-level partner in 2002 and a strategic partner in 2012. The year 2017 marks the 25 years of ASEAN-India dialogue partnership, 15 years of summit-level interaction and 5 years of strategic partnership.


When India undertook LEP in 1992, India's total trade with ASEAN was even less than US$5 billion. Twenty five years later, ASEAN has become India's 4th largest trading partner, accounting for 10 percent of India's total trade, and India has become ASEAN's 7th largest trading partner. So, last 25 years of ASEAN-India is a success case of dynamic partnership with integration at its core.

Overtime, the landscape of ASEAN-India relations has widened with vibrancy and activities. ASEAN and India are both contributors to regional growth and stability. Today, there are 30 dialogue mechanisms between India and ASEAN, including a Summit and seven ministerial meetings in a wide range of sectors such as foreign affairs, commerce, tourism, agriculture, environment, renewable energy and telecommunications.

Economic, strategic and cultural relations between ASEAN and India are deep rooted. India's participation in ASEAN Defence Minister's Meeting (ADMM+), East Asia Summit (EAS), ASEAN Regional Forum (ARF), Mekong–Ganga Cooperation (MGC), Asia Cooperation Dialogue (ACD), Indian Ocean Rim Association (IORA) are part of this process. India is a strategic partner of ASEAN as well as Vietnam, Singapore, Malaysia, Indonesia, Russia, China, US, Japan, South Korea and Australia. In the last two years, the President, Vice President and the Prime Minister of India visited 9 out of 10 ASEAN countries. Such is the high order of importance India attaches to ASEAN today.

Economic ties between India and ASEAN are deepening day-by-day. In 2016, ASEAN was India's 4th largest trading partner, accounting for 10 percent of India's total trade. In the same year, India was ASEAN's 7th largest trading partner. India's export to ASEAN has increased to US$30 billion in 2016-17 from US$25 billion in 2015-16. Driven by rising and favourable commodity prices, India's trade with ASEAN has increased to US$70 billion in 2016-17 from US$65 in 2015-16 FY. Barring the Philippines, India has completed the task of tariff liberalisation under this Agreement in December 2016.


India is also gaining production linkages with Malaysia (e.g. electronics), Thailand (e.g. automobiles), Singapore (e.g. digital networks), etc. Key to the sustainability of such production networks would be to engage SMEs. SMEs make up more than 90 percent of enterprises and accounts for over 50 percent of jobs in ASEAN. Thus, SMEs play an important role in the ASEAN region. The need is to strengthen networks between SMEs of ASEAN and India, particularly in those sectors which offer high cross-border production linkages.

Investment flows between ASEAN and India have been growing constantly with more inward FDI coming for 'Make in India'. The Free Trade Agreement (FTA) in goods, implemented in 2010, and the services trade and investment agreement in 2015 between ASEAN and India represent an important effort to enhance ASEAN-India integration. India has also signed bilateral Comprehensive Economic Partnership Agreements (CEPAs) and Comprehensive Economic Cooperation Agreement (CECAs) with Japan, Korea, Singapore, Malaysia, along with a regional FTA with ASEAN.

India is a partner of the Regional Comprehensive Economic Partnership (RCEP), which is a comprehensive free trade agreement being negotiated between the 10 ASEAN members and ASEAN's FTA partners, i.e., Australia, China, India, Japan, Korea and New Zealand. ASEAN India-Business Council (AIBC), set up in March 2003, has been entrusted to bring key private sector players from India and the ASEAN countries on a single platform for business networking and sharing of ideas.

ASEAN has embraced the ASEAN Economic Community (AEC) on January 1, 2016, albeit on a smaller scale. In parallel, ASEAN has undertaken series of initiatives to achieve the AEC 2025 milestones. India has announced a Line of Credit of US$1 billion to promote projects that support physical and digital connectivity between India and ASEAN, and a Project Development Fund (PDF) with a corpus of INR 5 billion to develop manufacturing hubs in Cambodia, Lao PDR, Myanmar and Vietnam (CLMV) countries. India has three major ASEAN-India Cooperation Funds, namely, ASEAN-India Fund, ASEAN-India S&T Development Fund, and ASEAN-India Green Fund.

ASEAN and India have finalised a list of priority areas for the period of 2016-2018, which would contribute toward successful implementation of the 2016-2020 Plan of Action. Out of 130 activities identified in the 3rd Plan of Action, a set of 54 activities have been already implemented. There have been significant developments in agriculture, processed food, machinery, electrical and electronics, travel and tourism and education sectors.

To deal with such wide ranging activities, stronger institutions are needed. India has set-up a separate Mission to ASEAN in Jakarta in April 2015 and ASEAN-India Centre (AIC) in New Delhi in 2013 to help facilitate India's engagements with ASEAN. To facilitate Track II dialogue, India has set-up the ASEAN Studies Centre (ASC) in Shillong in 2016, and conducted a series of dialogues, seminars and conferences across the country. Delhi Dialogue (DD) is one of the flagship projects, which has gained popularity in both ASEAN and India. In July 2017, Delhi Dialogue IX was held at Delhi.

India is remained committed to working closely with ASEAN with a view to bringing the ASEAN-India Strategic Partnership to new heights. A series of events have been planned throughout the year 2017 on the theme 'Shared Values, Common Destiny'. The celebrations span political, economic, cultural and people-to-people contacts, to culminate in a Commemorative Summit.

In addition, Ministerial-level Meetings, a Youth Summit, a Business Summit, CEOs Forum, Regional Indian Diaspora Meeting, Artists Forum, Conferences, Public Competitions and Cultural and Music Festivals are also planned both in India, as well as in ASEAN countries, to celebrate the partnership this year. The ASEAN-India Commemorative Summit will be held in January 2018 at Delhi, when all ASEAN Leaders will be the Chief Guests at the Republic Day in 2018.

ASEAN-India relation is irreversible. We look forward to working with our ASEAN countries on the various activities to commemorate the 25th Anniversary of ASEAN-India relations.

**(Views expressed are personal.)**

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