

ON TRADE®

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India-Thailand Relationship: A 70-year Partnership and Beyond

H. E. Ms. Chutima Bunyapraphasara
Acting Minister of Commerce
Kingdom of Thailand

Development Commissionerate Works Towards Making Maharashtra a USD 1 Trillion by 2025

Dr. Harshdeep Kamble
Development Commissioner (Industries Department)
Government of Maharashtra



WORLD TRADE DAY MAHARASHTRA

Skilling MSMEs for Global Opportunities

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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.

From the Editor's Desk

ASEAN has been the focus region of Government of India's ambitious Act East Policy. India's relationship with ASEAN countries is rooted in mutual trust and centuries old ethnic and cultural linkages. The cover story of this edition puts spotlight on ASEAN's second largest economy - Thailand - and the evolving India-Thailand economic relationship. H. E. Ms. Chutima Bunyapraphasara, Acting Minister of Commerce, Kingdom of Thailand shared her perspectives on the scope for strengthening our bilateral partnership.

The new Industrial Policy (2019) of Government of Maharashtra articulates the state's ambition to become a USD 1 trillion economy by 2024. In a special interview to this journal, Dr. Harshdeep Kamble, I.A.S, Development Commissioner of Government of Maharashtra illustrates the role of MSMEs, women entrepreneurs and start-up enterprises in realising this ambition.

This is the celebratory moment for the family of World Trade Centers Association (WTCA) as it completes 50 years of existence. On this historic occasion, we proudly reflect on the prestigious legacy of this Association and its rich contribution to international commerce. From a humble beginning in 1969, WTCA has built the globally trusted 'World Trade Center' brand that has presence in 90 countries across all continents.

Today, these World Trade Centers have championed a unique model of trade promotion by fostering a

symbiotic relationship among property developers, industry bodies, government departments and financial institutions. World Trade Centers are the bridge that connects local SMEs to the foreign market by leveraging their unparalleled global network.

As it marks its 50th Anniversary, WTCA has planned a year-long campaign under the tagline 'A Half Century of Global Trade Connectivity'. This campaign will strengthen the solidarity of the 'World Trade Center' family by organising champions awards, global mural competition, releasing a series of short videos and a 50th anniversary tribute video. This edition of On Trade brings you a special write-up on the 50th Anniversary of WTCA and its recently released report on trade and investment. The edition also carries a detailed report on WTCA's 50th General Assembly, which was held in Querétaro, Mexico during April 7 - 11, 2019.

Fintech is an emerging sub-segment within the broader financial services industry and it has the potential to support trade and commerce by enabling ease of payment and promoting access to trade credit for MSMEs. This edition compiles views from academicians, economists and fintech consultants about the recent trends in this sector, with special reference to RBI's draft regulation on fintech sandbox.

The ongoing trade tension between the world's two largest economies is threatening the liberal global trade



order and it also poses a major risk to the global economic growth. The current edition offers an analytical perspective of how this trade tension will shape the global trade environment.

This edition also presents several interesting articles and interviews on diverse topics affecting trade and economy. We are confident that readers will gain useful insights from these articles and interviews and we look forward to your valuable feedback in this regard.

Y. R. Warerkar

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Impact of New FinTech Services for Financing MSMEs



Dr. Saugata Bhattacharya
Chief Economist
Axis Bank

Usage of AI, machine learning and blockchain technology has surged across the globe. India has witnessed transformational changes over the past few years; most of these are related to use of digital platforms. Digitalisation has changed the way we shop, book travel tickets, file our tax returns, make payments, transfer funds, trade in shares and securities, book a cab, obtain insurance, etc. IndiaStack, Central KYC Registry and other policy initiatives in the digital space are transforming the ability of Government to deliver public services, including finance, in ways rarely seen before.

The financial sector has played a critical role in this transformation. The initial advances started with payments, but have rapidly progressed to provide a seamless omnichannel experience to customers and increasingly, assessing and processing of loan proposals. This shift to the usage of digital modes is not only leading us to a more transparent economy but helping

expand the formal economy as well. With GST and e-Way Bill invoice matching in place, we are looking, in particular, at an Indian economy which will be dramatically different than what we have seen in the last 70 years.

The first change is a rapid acceleration in data generation. Digital initiatives of the government will ensure access to credible and authentic data, an invaluable asset today for decision making and forecasting. An accelerating move away from a cash economy will create a digital footprint of every transaction, AI and machine learning facilitating deep analysis and better prediction. Blockchains will help in securing transactions.

The segment which can make a difference and enable the nation to achieve GDP growth rate of 7.5% plus is MSMEs. Both in terms of its potential to generate employment and increasing output, MSMEs will play a key role. One of the biggest beneficiaries from digital innovations in financial technology will be Micro,

Small and Medium Enterprises (MSMEs).

Across the world, innovative ways of financing MSMEs have accelerated and new players are entering the lending space. These players come from different backgrounds and mindsets, bringing in a completely fresh approach to credit assessment and appraisal, with unique loan delivery processes and delivery mechanisms.

The Chinese e-commerce platform Alibaba launched a micro-credit company, Ant Financial, which offers loans to existing SME users of its e-commerce services. The availability of third party transaction and payment data, tax data, data on movement of goods, etc. are helping these platforms build predictive models, which are real time and not based on historical data. There are now innumerable independent entrepreneurs and startups in the US, UK, China and many other countries which have started financing MSMEs.



The main barrier to credit access that MSMEs face today is information asymmetry and shortage of collateral. The government and RBI have played an active and pioneering role in improving access of MSMEs to formal finance. Implementation of GST, e-Way Bill, Government e-Market (GeM), IndiaStack initiatives, Make in India, Stand up India, Udyog Aadhaar, etc. have ensured that there will be an explosion of credible and actionable data in the future. The availability of quality data will not only help financiers in understanding customer requirements but will also enhance their capability to structure and deliver appropriate customised solutions.

Sustaining the success of digital lending enablers for MSMEs will require a stable and reliable legal ecosystem. Introduction of the IT Act, Payment Systems and Settlement Act, Factoring Act, MSMED Act, Insolvency and Bankruptcy Code (IBC) are providing the legal and regulatory certainty necessary to reinforce trust on both sides of the transaction, thereby reducing the disproportionate dependence of financiers on collateral, a prudential requirement. In addition, the establishment of a Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI) is a big move forward in enabling even movable assets to be included as collateral, and will make the lending space even more secure for finance providers.

A second problem is that despite efforts on multiple fronts – as well as enabling legal and regulatory provisions – the MSME segment continues to be beleaguered with the problem of delayed payments and dependency on their corporate buyers. Various committees had recommended an institutional infrastructure for creating the



necessary liquidity for trade receivables. The idea of Electronic Bill Factoring Exchanges was mooted by RBI Governor in September 2013, which set in motion subsequent developments. This was meant to address the shortcoming of the extant system of bill discounting and Working Capital (WC) financing.

The government and RBI conceptualised and facilitated the introduction of a digital platform, with licenses issued to three entities to start operations in 2017. The 'Invoicemart' initiative (a digital platform operated by A.TREDS Ltd, a subsidiary of Axis Bank) is one of the licensees. Invoicemart brings together on its platform three KYC compliant set of participants in factoring – the Seller (MSMEs), Buyer (large corporates) and the Financier. The Financier provides short-term funding against approved invoices issued by the large company's MSME suppliers.

MSMEs benefit from cheaper cost of working capital on the strength of better credit rating of the large company. Moreover, this credit is without recourse to the sellers and is collateral free. The interest rate is determined through a transparent bidding mechanism. The buyer is able to optimise its own working

capital by extending its payment window beyond the stipulated 45 days from date of acceptance of invoice (in compliance with the MSMED Act) and yet not putting undue financial pressure on its MSME supplier base.

The large corporate can also negotiate better procurement terms and reduce input cost as payment can be made through the platform much earlier. The financier also benefits from this platform. The exposure booked through the platform is classified as Priority Sector Lending (PSL), thereby reducing the cost of building up a PSL portfolio. Banks are better able to manage credit risk since credit information on the large corporate is readily available.

The government's initiatives have shifted the narrative of financial inclusion – after the success of the Jan Dhan Yojana – from 'banking the unbanked' to 'funding the unfunded'. Last mile access to finance is increasingly feasible given the institutional systems, digitalisation, data repositories and broadening ecosystem of credit enablers.

■



Conservation of Biological Diversity: A Collective Responsibility

Dr. Sudipto Chatterjee

Associate Professor and Head, Department of Natural Resources, TERI School of Advanced Studies, New Delhi.

There has been a high level of awareness on the need for Biodiversity conservation. The subject area has commanded attention from different sections of society namely policymakers, citizens, corporates, government and non-governmental organisations.

Today, the significance of biodiversity encompasses all living forms on this earth and its interaction with environment which is largely appreciated. It is at the center stage of many international negotiations, global and domestic policy making and impact assessment studies for development activities. It is natural that conservation of biological diversity is often confronted with the conservation vs development debate. On one hand, development

is necessary, it has its implications in biodiversity loss through land degradation, deforestation, pollution to mention a few.

Conservation has attracted peoples support and investments by both public and private sectors. Support by the government, grants by funding agencies, soft loans by bilateral and multilateral overseas donors, investments by corporate sector through trusts and corporate social responsibility have contributed significantly to contain the loss of biological diversity. In spite of the interventions made, biodiversity loss is still reported throughout the world, the rate of loss of biodiversity is alarming and it is said that the earth is in a phase of sixth mass extinction. The previous five in geological history of the earth have been natural and the sixth one is due to manmade and anthropogenic activities.

Biodiversity loss is one the global threats that has crossed the safe zones of planetary boundaries as per the Stockholm Research Institute. Land degradation and land use change and pollution due to excessive usage of nitrogenous fertilisers and pesticides are the other two. The Living Planet Index of the WWF (World Wide Fund for Nature) and Global Biodiversity Outlook of FAO (Food and Agriculture Organization) emphasise on declining trends in biological diversity.

Interestingly, there is no clue of the entire spectrum of biological diversity that exists on the earth's surface nor an understanding of how many they are and where and how they are distributed. Some of them are lost forever, before even knowing about their existence. The knowledge on biodiversity issues are restricted to beautiful charismatic species or have been researched as a natural curiosity. What derails biodiversity conservation is the inadequate understanding of how it functions and its role in maintaining ecosystems. One does not realise what is lost and what are the implications when lost.

There are several arguments on conservation of biodiversity. Newer research has shown that one needs them more to sustain ones own living, for example, for many of the answers to some of the incurable diseases possibly lie in biodiversity. Scientific studies have shown that



knowledge of possible cure of diseases of kidney and diabetes lie with bears. Most often one does not appreciate the contribution they have made through clinical tests and subjected them to drugs before administering to humans. Pristine forest habitats have been most favorite destinations whenever there is a dire need of a vacation.

Conserving biodiversity makes economic sense. It is not without reason many scientists across the globe are trying to get back what is lost through extinction. Efforts are on in United States to bring back the extinct woolly mammoths for maintaining the permafrosts of Siberia and the Passenger Pigeon in Europe. It is only now that realisation of the implications of damages caused by humans through loss of biodiversity has taken place.

The challenges are many. It is difficult to convince people the urgency in investing in conservation of biological diversity. It is equally difficult to convince people that loss of biological diversity and corresponding loss of its habitat is a global problem. The impact of losses is not visible and it takes a long time for damages caused to manifest itself. There is no accountability for the footprints of activities that take place, hence realisations are limited to either few events of awareness or small initiatives which are important but do not match to the scale of interventions that are required. Threats to biodiversity continue to loom large.

Conserving biological diversity is therefore a collective responsibility. It is important to answer the moot question that not enough is done to replenish what is taken from nature. While pursuing the path of development, which is important for living and betterment of lives, leaving



nature more impoverished. Certain threats to biodiversity have acquired global proportions and some of the impacts may not be to reverse inspite of best intentions. There is awareness of climate change, ocean acidification, acid rain pollution, ozone hole depletion just to mention a few. Lives have been jeopardised, leaving behind an unhealthy planet for generations to come.

There are roadmaps and directions to address the issue, besides, global conventions to which India is a signatory. We are signatory to the Convention of Biological Diversity (CBD), Ramsar Convention, United Nations Framework Convention on Climate Change and United Nation Convention to Combat Desertification (UNCCD). CBD provides global biodiversity conservation targets also called Aichi targets, Ramsar Convention calls for conservation of Wetlands of international significance and UNCCD has called for Land Degradation Neutrality (LDN).

The United Nations has set 17 Sustainable Development Goals (SDGs) to ensure sustainable use of limited natural resources on the planet. It is important to analyse the reasons for not meeting the targets

that have been collectively set and take an easy recourse to delay the deadlines to meet them.

India has been recognised as one of the most biodiverse regions of the world. Being a Megadiversity Country, India has three of 34 global biodiversity 'hotspots', Ecoregions, Key Biodiversity Areas categorised by different Conservation Agencies such as Conservation International, World Wild Life Fund (WWF), IUCN (International Union for Conservation of Nature) among others.

India is one of the eight global centers of agro-biodiversity. Its dependence on biodiversity has been very high, local communities still make a livelihood of minor forest products, awareness of invaluable medicinal plants provided by the forests. We have therefore delineated around 4.5% of country's geographical areas legally declared as protected areas by categorising them as National Parks, Wildlife Sanctuaries, Community and Conservation Reserves. Nature conservation is an area where everyone can contribute in one's own capacity.



South East Asia's 2nd Largest Economy Aspires to be a Developed Country

Thailand, the second largest economy of South East Asia, is an investor's paradise as it is strategically located in the ASEAN region, gifted with abundant natural resources and its policymakers are pursuing a visionary development strategy. With a population of 69.4 million, Thailand is the fourth most populous country in the ASEAN region and it is an export-led economy as almost 65% of its GDP is derived from exports. Thai economy grew 4.1% in 2018, the fastest rate of expansion in six years. Today, Thailand is positioning itself as the regional economic center of Asia and Oceania, which accounts for 54% of the world consumer market and which contributes 34% to the world GDP.

Natural Resources

Thailand has known reserves of coal, precious stones, lead, tungsten, manganese etc. It is the world's leading producer and exporter of rice and rubber, besides other crops. The country is also the third largest producer of bio-fuels (through its ethanol and biodiesel plants) in Asia, after China and Indonesia. The country is one of the leading producers of gypsum and feldspar, which is used in glass, ceramics and metal welding sectors.

Economic Development

Thailand has made considerable economic development since late 1970s and has succeeded in lifting millions of people out of poverty. The country's poverty rate declined to 7.2% in 2015 from 67% in 1986. In July 2011,

Thailand became an upper middle income country when its per capita income touched USD 4,210 (upper middle income countries are those with per capita income between USD 3,976 to USD 12,275). In the coming years, Thailand aims to attain the status of a developed country and in order to attain this goal it has laid out long-term economic goals under a 20-Year National Strategy (2017-2036).

Global Competitiveness

Micro, small and medium enterprises in Thailand have demonstrated global competitiveness, especially in sectors such as automobiles, electronics, food processing, leisure and tourism. Some of the factors driving the economy's competitiveness are ease of doing business, concessional access to ASEAN market because of trade agreements, availability of skilled labour, among others. Thailand ranks 27th out of 190 countries in the World Bank's Ease of Doing Business ranking.

According to the Swiss think tank IMD World Competitiveness Centre, Thailand ranks 25th out of 63 countries on economic competitiveness index. Only Singapore and Malaysia are more competitive than Thailand in the ASEAN region.

Companies in Thailand benefit from duty-free access to many foreign countries, viz. the ASEAN countries, Australia, China, Japan, New Zealand, South Korea and India.

Thailand 4.0

In a major policy initiative, Government of Thailand announced Thailand 4.0 programme to usher in a value-based economy based on science, technology, innovation and creativity. As part of this programme, the government provides thrust on five existing high potential industries and an additional five new targeted industries. These 10 focus sectors are agriculture and biotechnology, smart electronics, medical and wellness tourism, next gen automotive, food, biofuels, digital economy, medical hubs, automation & robotics, aviation and logistics.

Thailand’s ‘Act West’ policy in bringing the two countries closer. India and Thailand are members of several multilateral fora such as East Asia Summit (EAS), BIMSTEC, Mekong Ganga Cooperation (MGC), Asia Cooperation Dialogue (ACD) and Indian Ocean Rim Association (IORA). Both the countries are members of the proposed Regional Comprehensive Economic Partnership (RCEP), where 16 member nations are negotiating a trade deal.

MVIRDC World Trade Center Mumbai has organised several interactive meetings in the past to promote bilateral commercial relationship. The Center organised

Eastern Economic Corridor (EEC)

As part of Thailand 4.0 policy, the government decided to develop its three eastern provinces viz. Chachoengsao, Chonburi and Rayong into an investment and technology hub spanning over 13,000 sq. km. The project, known as Eastern Economic Corridor (EEC), envisages investment in infrastructure projects worth USD 43 billion in the next five years – for airport expansion, new railways and cities, port development and developing modern industry.



Thailand Investment Year

Government of Thailand has declared the year 2019 as the ‘Thailand Investment Year’ to attract private sector investment in certain focus sectors. Under this initiative, the government offers 50% reduction of corporate income tax for companies investing in specified sectors for the first three years.

interactive meetings and roundtable discussions with Board of Investment Thailand and University of Thai Chamber of Commerce. The Embassy of Thailand has partnered with MVIRDC World Trade Center Mumbai in the latter’s flagship events Global Economic Summit and World Trade Expo. The Center also supports annual exhibitions and trade fairs of Thai companies to promote their products and services in the Indian market. For instance, the Thailand Shopping Festival, held every year at MVIRDC World Trade Center Mumbai, promotes decorative items, jewellery, garments, handbags, shoes, food, herbal products and other consumer goods from Thailand in India.

Thailand and India

India’s bilateral relations with Thailand are rooted in history, age-old social and cultural interactions and extensive people to people contacts. The year 2017 marked the 70th anniversary of India-Thailand diplomatic relations. Thailand is home to around 250,000 people of Indian origin.

India’s ‘Act East’ policy has been complemented by

India-Thailand Relationship: A 70-year Partnership and Beyond

H. E. Ms. Chutima Bunyapraphasara, Acting Minister of Commerce, Kingdom of Thailand in an interview to **MVIRDC World Trade Center Mumbai** provides a detailed account of India-Thailand bilateral ties with respect to the potentiality the relationship has in the future across several sectors of the economy. H. E. Ms. Bunyapraphasara also presents her views on Impact of the FTA, ASEAN and RCEP on the evolving bilateral relations.



Could you share your thoughts on how you intend to pitch for the ambitious Thailand 4.0 which was unveiled in 2016 for the Indian context?

'Thailand 4.0' policy aims to enhance efficiency in manufacturing process and add value to finished products through the utilisation of R&D, technology and innovation with existing resources for the main purpose of development of Thailand's economic structure permanently.

The model specially focuses on five principal sectors: food/agricultural products, health and welfare, smart devices/AI, digital and creativity. In the meantime, the Indian government released its policy 'Digital India' aimed at transforming India into an empowered society and knowledge economy by integrating IT innovation, together with existing schemes. Thailand has been pitching for an opportunity to cooperate with India. By considering both countries' policies; a rosy opportunity of being a

potential partner appears crystal clear because India ranks one of the expert countries in terms of IT. Since Thailand 4.0 model requires IT know-how, India can undoubtedly be one of potential partners to Thailand.

“ Since Thailand 4.0 model requires IT know-how, India can undoubtedly be one of potential partners to Thailand.”

Having marked the 70th anniversary of India-Thailand diplomatic relations in 2017, how has this translated in furthering bilateral relations?

The Year 2017 marked two auspicious events that Thailand and India jointly celebrated namely the 70th Anniversary of Thailand India Diplomatic Relations and the 25th Anniversary of ASEAN-India Dialogue relations. It is undeniable that our relations have been steadily developed from time to time by a strong foundation of people-to-people

connectivity, namely historical and cultural roots, much beyond our seven decades of diplomatic relations. The coherence of our national economic policies and strategies, in particular the India's Act East Policy and Thailand's Look West Policy, have opened doors and opportunities for deepening and strengthening our economic ties at bilateral, regional and multilateral levels, enhancing constructive cooperation among government, state enterprises and businessmen as well as generating trade and investment opportunities for our private sectors.

In 2016, Thailand-India relations were further enriched as India became Thailand's Strategic Partnership. The trade relations between Thailand and India have steadily expanded; especially in 2017 the bilateral trade increased for more than 34 percent to 10.37 billion USD and the following two digits growth in 2018 valued at 12.46 billion USD. Moreover, in 2018 our bilateral investment also reached 14.074

billion USD and the number of Indian tourists to Thailand also expanded for more than 12 percent to hit 1,596,772 tourists.

However, there are common challenges that Thailand and India need to jointly overcome, namely the disruptive technologies of the fourth industrial revolution and the shift of the centre of global economic power to the Indo-Pacific region. Taking into account all these challenges, Thailand and India need to rethink strategies in order to maintain growth and prosperity in next decades while leaving no one behind.

For Thailand, in confronting the technological revolution, we have introduced the Thailand 4.0 policy to drive forward the country to the era of innovative-and-technology-based manufactures and services. Thailand has designated the Eastern Economic Corridor (EEC) development plan in the eastern part of the country. The EEC development plan will lead a significant development and transformation of Thailand's investment in physical and social infrastructure in the region.

As for the other challenge, from Thailand's points of view, the Indo-Pacific region has increasingly played a stronger part in driving the global economy. As a result, Thailand and India through their existing economic cooperation platforms, namely the Thailand - India Free Trade Agreement, ASEAN-India Free Trade Agreement and Regional Comprehensive Economic

“India is an industry leader in many sectors including information technology, textile, and smart electronics and all are welcome to explore the possibility of investing in and take advantage of Thailand's strategic location which is at the heart of Southeast Asia, in order to gain market access to other ASEAN countries and beyond.”

Partnership (RCEP), will be able to forge effective partnership as well as deepening and widening the economic integration in the region. In essence, as the global trade war has expanded to cover the major economy in Asia, namely China and India, therefore, these mechanisms can also be used to absorb the side effects on both countries and our trade partners. Hence, as a chair of ASEAN, Thailand is fully determined to conclude the RCEP negotiations by the end of this year in order to enhance and protect benefits of all.

In addition, the complementarities of our existing policies, such as the Act East Policy and the Look West Policy, Make in India, Thailand 4.0, Digital India, Digital Thailand, and our intimate people-to-people relations as well as beneficial strategic location, I strongly believe that our bilateral relations in the next decade, will be able to maintain the balance of trade and investment, enhance economic competitiveness and initiate constructive cooperation in order to complement each other for a win-win partnership.

Thailand is ready to be India's destination in the spheres of trade, investment and tourism. We are always welcoming Indian people to discover our vibrant economy and unique business-friendly culture, while introducing our people to discover 'New India'.

How can India partake in the Eastern Economic Corridor?

Thai Government has established the Eastern Economic Corridor (EEC) project, which covers the area of three provinces (Chachoengsao, Chonburi and Rayong). These areas are production bases for industrial goods and high technology, such as automotive and medical technology, which have high potential for expansion. The EEC was developed with ease of transport and shipping in mind, which reduces transportation costs and increase its efficiency. The EEC Act, which establishes the Special Economic Zones (SEZs) and determine additional benefits and incentives such as land and other real estate ownership rights for foreigners, came into effect in 2018 and over 6,800 companies have already taken advantage of these incentives and set up in the EEC.

As we know, India is currently poised to be one of the largest manufacturing economies in the world as 'Industry 4.0' gains wider acceptance and reshapes manufacturing as a

“The Year 2017 marked two auspicious events that Thailand and India jointly celebrated namely the 70th Anniversary of Thailand India Diplomatic Relations and the 25th Anniversary of ASEAN-India Dialogue relations.”

“For example, the India–Myanmar–Thailand Trilateral Highway, which connects Moreh, India with the Greater Mekong Region with Mae Sot, Thailand is to become a gateway to East Asia and can help the two countries benefit from physical connectivity to the Delhi–Mumbai Industrial Corridor and the Chennai–Bangalore industrial Corridor.”

whole. Indian investors have a huge opportunity to participate and flourish in EEC. India is an industry leader in many sectors including information technology, textile, and smart electronics and all are welcome to explore the possibility of investing in and take advantage of Thailand's strategic location which is at the heart of Southeast Asia, in order to gain market access to other ASEAN countries and beyond. For more information, investors are encouraged to visit <https://www.eeco.or.th/en>

How has India's Act East Policy been complimented by Thailand's Act West Policy?

Thailand's 'Act West' policy can complement the 'Act East' policy of India. India has been focusing its attention on Southeast Asia since 1992 with the 'Look East' policy that strengthen its trade and investment ties with ASEAN. This has resulted in the increase of trade values between India and ASEAN, both on the bilateral level with individual members and on the regional level. The 'Act East' policy came into play in 2010, with the goal of deepening partnership between ASEAN and India, which includes trade, investment and tourism expansion. The policy focuses on improving the land and sea transportation infrastructure in order to physically connect trade, investment, and tourism routes. The policies of Thailand and India are complementary policies

that emphasise on infrastructure development, logistic connectivity and human capital development, which aim to strengthen and drive the regions toward mutual prosperity.

Thailand and India have had long-standing relations, encompassing social, cultural, religious, political, and commercial aspects. Benefiting from the Act West policy and Look West policy, in 2020, the trade value is predicted to further expand by additional US\$200 million. These policies will be supported by stronger linkages between many trade routes. Therefore, an acceleration of Indian special economic zones development project and improvements of physical transportation infrastructure would ensure a seamless development and timely utilisation of the policy.

For example, the India–Myanmar–Thailand Trilateral Highway, which connects Moreh, India with the Greater Mekong Region with Mae Sot, Thailand is to become a gateway to East Asia and can help the two countries benefit from physical connectivity to the Delhi–Mumbai Industrial Corridor and the Chennai–Bangalore indus-

trial Corridor. As for maritime transport, currently, shipping from Laemchabang Port to major ports in India is costly and lengthy, taking between 18-20 days. The new Enayam Port will significantly improve the efficiency of maritime transport and connect to a third country. This new port is set to become a center for motor vehicle industry, which has a potential to become a distribution hub for Thai products. Air transport between the two countries should also be addressed, since the traffic has been increasing annually to approximately 330 flights per week, mostly for tourism purposes.

ASEAN and India should expedite their economic cooperation to generate a maximum utilisation of the ASEAN-India Free Trade Agreement. Thailand proposes that the two sides can review agreements that covers trade facilitation such as ones that include infrastructure development, transportation, communication and information technologies, import-export procedures and distribution of goods. These will enable greater market access between ASEAN and India.

Therefore, the Act West policy of Thailand can complement the Act East policy of India through the following measures:

1. Promote economic cooperation between Thailand and India to cover more sectors, including trade, investment, tourism and services, which will generate development to states in the northeastern part of

“We are always welcoming Indian people to discover our vibrant economy and unique business-friendly culture, while introducing our people to discover 'New India'.”

India and facilitate income growth for both countries?

2. Promote bilateral trade which will allow businesses to expand their market to the northeastern region of India, especially in areas of expertise for Thai businesses, such as food processing, tourism and services.

3. Promote bilateral investment through Thailand’s Outward Investment policy that supports investment of Thai businesses in foreign countries. This policy is consistent with the Make in India policy, which Prime Minister Narendra Modi established to attract investment to India. At the same time, Indian investors can utilise Thailand as a gateway to enter the Asean Economic Community (AEC) and Cambodia, Laos, Myanmar and Vietnam (CLMV) countries.

4. Social and political relations, including strategic security cooperation such as counter-terrorism, anti-extremism and prevention of international crime, along with existing social, cultural, and religious linkages can strengthen our bilateral and regional relations.

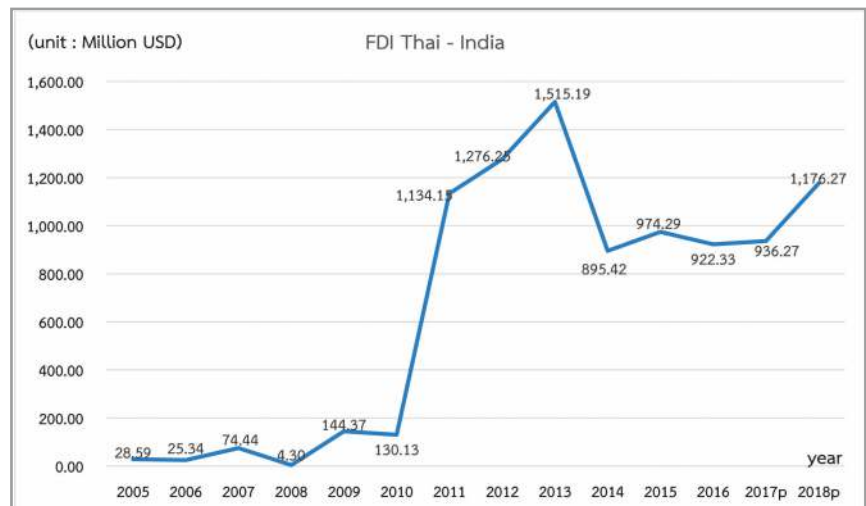
Could you enumerate the investments that have come into India in the recent past?

In 2018, Thailand’s direct investment in India was valued to be over US\$1 billion. Of these, 16.23% was investment in the manufacturing sector, which includes food and chemicals production. Investment in services includes construction (1.82%), financial and insurance (1.21%), retail, wholesale, and motor vehicles maintenance (0.44%), real estate (0.02%), food services and hospitality (0.01%).

The Indian government is accelerating their infrastructure development

projects to complement Make in India and Smart Cities policies. As a result of these supporting policies coupled by a large and diverse Indian consumer base, virtually all goods are in demand. Therefore, Thai businesses have a phenomenal opportunity to invest and expand in the Indian market. Sectors such as construction, infrastructure, hospitality, food processing, and eco-friendly packaging are all promising. Thai companies including CP, Italthai, Srithai Superware, Thai Summit Group, Delta, SCG Trading, Dutch Mill Thailand and Thai Union Group have already invested in India and many more companies are in the registration process.

“ Once the RCEP agreement enters into force, it will create one of the largest trading blocs, favourable environment for investment and opportunity for further expansion on trade and investment between Thailand and India.”



In your view how can Thailand serve as a Gateway to the South East Asian market?

With Thailand’s strategic location in the heart of ASEAN, Thailand has to initiate and develop both hard and soft infrastructure in order to fully utilise the advantage of its physical location and serve as a gateway to ASEAN or the Southeast Asia region. Currently, Thailand is undergoing an economic transformation from an industry-oriented economy to a value-based and innovation-driven economy under the ‘Thailand 4.0’ Policy in order to lift up the country as

a hub of trade and investment in the Southeast Asia region. To accomplish this goal, Thailand has undertaken three key strategies including human resource development, infrastructure development and modern rules and regulations.

Thailand recognises development of human resource skills and capabilities on Science, Technology, Engineering and Mathematics (STEM) and foreign language is the key factor to help transform the country into a technology and innovation-based economy. These capabilities will facilitate marketing

demand of foreign direct investment, in particular the innovative and technology-related industry.

With a view of infrastructure development, Thailand has launched the area-based development policy introducing Special Economic Zone (SEZ) in 10 border provinces and EEC in Eastern part of Thailand, targeting to become a trade and investment hub in region.

The SEZs have been designed to attract specific foreign investments in each industrial cluster. Logistic infrastructure (road, water and air) are also being developed to link the 10 SEZs to help create industrial value chain. Moreover, Thailand has designated EEC which will be the largest Special Economic Zone in Southeast Asia with world-class infrastructure and innovative industrial clusters in areas such as robotics, functional food, bio-chemical, medical, aviation, digital and smart electronics.

The EEC will offer strategic service and production base for partners and investors from around the world, providing a strategic gateway to ASEAN and the whole region through advanced transport connectivity such as high-speed trains, industrial and commercial ports, international airports, and digital connectivity with telecommunication network and internet highway development.

Furthermore, Thailand has amended the Investment Promotion Act and drafted the Enhance Competitiveness of Targeted Industries Act as a mechanism to promote and attract high-value investment as well as facilitate private sector on doing business in Thailand.

From a country perspective, our strategic location in ASEAN and the ongoing transformation of our economy will help pave way and shape our country to be a potential gateway for international investors and businessmen.

You were chair to the 7th Regional Comprehensive Economic Partnership (RCEP) Intersessional Ministerial Meeting in Cambodia. What were your findings? How would it further build on India-Thailand bilateral relations?

Recently, at the 7th RCEP Intersessional Ministerial Meeting on March 2, 2019 in Siem Reap, Kingdom of Cambodia, RCEP Ministers endorsed RCEP Work Plan 2019 in setting milestones and targets for each round of negotiations. The

“With the strategic location, skilled human resource, world-class infrastructure and modern rules and regulations, Thailand is ready to be India’s production base in the Southeast Asia region.”

ultimate aim is for Leaders to announce conclusion on RCEP negotiation within this year.

The next RCEP Ministerial Meeting is the 8th RCEP Intersessional Ministerial Meeting to be held from August 2-3, 2019 in Beijing, China. Thailand as Chair of ASEAN and RCEP Ministerial Meeting, is committed to be a coordinator among RCEP members for proactively pushing towards negotiations in order to reach final conclusion in all areas of negotiation targeted by our Leaders.

Once the RCEP agreement enters into force, it will create one of the

largest trading blocs, favourable environment for investment and opportunity for further expansion on trade and investment between Thailand and India. Such a development is consistent with India’s Act-East Policy that aims to promote cooperation and connectivity between India and ASEAN, and also Thailand’s Look West Policy with an aim to work closely with South Asia, especially India.

Additionally, RCEP will help to reduce complexity in the Rules of Origin, synchronise trade regulations and measures and upgrade mutual recognition on standards. RCEP will also strengthen the supply chain that will enhance expansion of trade and investment between Thailand and India. In terms of Thailand and India bilateral trade relations, India is

Thailand’s largest trading partner in South Asia. RCEP will further enhance economic growth in the two countries and also enable sustainable development at the regional level.

What is your message to the India business community looking to set their base in Thailand?

With the strategic location, skilled human resource, world-class infrastructure and modern rules and regulations, Thailand is ready to be India’s production base in the Southeast Asia region. One important thing, Thailand can offer to India, is ‘Thainess’; a unique social-friendliness to foreign investors and people. Thailand will be India’s investment destination in connecting with ASEAN and a ‘Second Home’ for Indian people working in our country.



India-Thailand Bilateral Relation Scales New Heights



Ms. Suparata Sawaengsri, Executive Director, Thai Trade Centre, Mumbai in an interview with **MVIRDC World Trade Center Mumbai** elucidated the potentiality of Thailand and India which can further add to the bilateral relations. Ms. Sawaengsri also shares the role of her organisation in enhancing this relationship.

Under your leadership, what would be your strategy to tap into the vast pool of trade and business opportunities in Mumbai thereby promoting Indo-Thai bilateral relations?

Mumbai, the financial and commercial capital of India is considered as the second fastest growing market in Asia which has always been attractive for prospective business opportunities. Being the most populous among all metro cities, it is the heart of all financial activities, naturally bringing in more business opportunities.

We plan to have as many trade promotional activities as possible such as trade fairs, business-to-business match-making events, seminars, roadshows, high-level delegation visits to India, promoting Thai trade fairs in India, besides, encouraging and supporting Indian businessmen to visit these trade fairs in Thailand. Just last month we had H. E. Ms. Chutima Bunyapraphasara, Acting Minister of Commerce, Thailand in Mumbai to promote trade and organised a trade event for construction and real estate companies. We were happy with the

results of this event. On this occasion, several MoUs were signed between Indian and Thai companies.

We are also planning to organise trade missions for Indian wedding planning and construction companies to visit Thailand around the beginning of September 2019. Thailand is one of the most preferred wedding destinations in Asia and Thailand has a variety of exotic locations in sea, mountainous region, etc. to plan weddings.

We organised our annual Thai Trade exhibition 'Top Thai Brands 2019' from June 27 - 29, 2019 in Mumbai. Thai Exhibitors showcased food products; health and beauty products; garments and fashion accessories; gems and jewelry and footwear. These exhibitors had successful business-to-business meetings with prospective Indian Companies.

We are currently having two in-store promotion trade activities with Reliance and Foodhall to promote Thai foods in the Indian market. Our in-store promotion trade activity with Reliance is for a month period which will run in 40 Reliance retail stores in Maharashtra, Gujarat, Karnataka and Kerala. The first store chosen was the one at Kurla Phoenix Mall, Mumbai. Subsequently, the next one will be in Ascenda Mall in Bangalore.

The in-store promotion activity with Foodhall is Pan India across all stores.

I would also like to highlight the two Free Trade Agreements (FTAs), Thailand shares with India, as these FTA's have huge potential for attracting trade and growing business between our countries. As a result of the FTA, if you import goods which fall under these free trade agreements you can benefit from tax rebate or even complete exemption from import duties.

“The first FTA between India and Thailand is the Early Harvest Scheme (EHS Scheme) under which there are 83 items where there is no import duty to be paid or zero duty when importing to India from Thailand.”

“ India and Thailand can work together to tap in the benefits of opportunities available in this new E-commerce and digital technology world.”

The first FTA between India and Thailand is the Early Harvest Scheme (EHS Scheme) under which there are 83 items where there is no import duty to be paid or zero duty when importing to India from Thailand. I have attached the list of products here below which fall under the EHS Scheme. You can refer to this portal for more information on <http://www.indiantradeportal.in/vs.jsp?lang=1&id=0,1,63,2401>

The second FTA is the ASEAN Agreement which is between India and ASEAN countries. Indian traders and importers can benefit from this FTA. Under this scheme there are a total of 5224 Items which can be imported to India under reduced tariff, and some products can be imported even duty free. This is being achieved over a period of a few years and duty rates are being reduced year by year for various products until the import duty for all products are reduced to zero % duty rates. You can access the information on <https://commerce.gov.in/trade/asen-india%20trade%20in%20goods%20agreement.pdf>

Both FTAs have significantly helped to expand trade between India and Thailand.

Mumbai has potential market for Thai SMEs, how do you intend to tap it?

Thailand and Mumbai can work

together to uplift the small and medium enterprises (SMEs) to higher levels. SMEs in Thailand and Mumbai can explore joint collaborations in food processing, dairy, textiles and information technology sectors.

Also Maharashtra produces million tonnes of milk but there is inadequate processing facility in the dairy sector. Maharashtra has diverse climatic conditions favourable for producing large variety of crops. The state accounts for 15% of India's GDP, more than 40% of exports and attracts 50% of India's total foreign direct investment (last year). This proves Maharashtra is the most investment-friendly state in India.

It has also been estimated that by 2020 India's urban population will be close to half a billion and this will create a huge demand for modern residential buildings, tourist accommodation, green/bio-materials for construction, as well as creative furniture and decorative items. There is a strong urge to strengthen our alliance in technology and design and hence there is surely a lot of potential for Thai SMEs to invest in India and tap the high business growth potential.

The following are the prospective collaborative efforts:

- To promote Mumbai city and Maharashtra state to be an investment destination for Thai SMEs in food processing Industries
- To have as many trade activities such as B2B matching activities, trade and investment seminars, trade delegations to India, trade exhibitions, etc. to help Thai companies benefit from opportunities in India

- To support Thai event organisers to bring exhibitions to India
- Plans to conduct Business-to-Business (B2B) matching activities on rubber and rubber wood products next year in India

Mumbai is fast becoming entrepreneur's paradise. Would Thai Trade Center want to promote investments in Mumbai so as to replicate One Tambon One Product (OTOP) which can be a mutually beneficial programme?

Regarded as the financial hub of India, Mumbai is one of the top locations for entrepreneurs to begin their business ventures. The city not only houses the world's biggest entertainment industry residing in its heart but also has multiple legacy businesses, conglomerates and financial institutions running their operations here.

Mumbai has the highest potential for modern retail in the country at INR 1,05,000 crore by 2036, followed by the National Capital Region (NCR) and Bengaluru, according to a report by property consultancy Knight Frank and Retailers Association of India (RAI).

The total retail spending in the top seven retail markets in India amounts to \$62 billion, which is expected to touch \$132 billion by 2020. Mumbai leads in terms of total retail expenditure of INR 1,21,400 crore, contributing nearly 29 per cent of the total retail expenditure in the top seven urban centres of the country.

As a Trade Promotion office we plan to promote the following:

- Organise study visits to Thailand and India

- Exchange program on material and design development
- Organise seminars and B2B matching events, etc.

There is definitely opportunity in Mumbai and we would be more than happy to look into it.

How is your office planning to promote Thailand - India - Maharashtra with model Collaboration 4.0?

1 Startups

The Indian startup ecosystem has grown tremendously over the past year, if you look at indicators such as new startups, funding and the number of investors in the country. According to data released by StartupBlink, India moved up to 17th position in 2018 from 37th spot last year in the Startup Ecosystem Ranking for 2019. There is a lot of potential for Thailand to collaborate in this area.

2 E-commerce

India and Thailand can work together to tap in the benefits of opportunities available in this new e-commerce and digital technology world. Both our countries can use this platform to promote and facilitate trading and business activities. I encourage entrepreneurs from both countries to utilise online channels to access and identify the right trade partners and access vast opportunities these markets have to offer to grow and build trade relationships.

How Mumbai's Bollywood can collaborate with Thai Trade Center to explore the scenic beauty of Thailand in the film industry? What are the incentives offered to Indian film producers? How would

the cultural complementarities in the two regions boost the tourism sector?

Every year there are many Bollywood films which are shot in Thailand, as Thailand offers a lot of scenic places to shot these films. The Royal Thai Government has set up the Tourism Authority of Thailand, Office (TAT) in Mumbai to promote Thailand tourism in India. TAT often invites many Bollywood celebrities and bloggers to visit Thailand. Thailand also offers film incentive measures through which Indian Bollywood companies can benefit shooting films in Thailand.

Another key sector that Thailand share complementarities with India in general and Maharashtra in particular, is hospitality and tourism-

“Thailand also offers a huge potential for Indian companies to invest in Thailand.”

related services, not only for Indian visitors but also for international tourists. Currently, there are around 17 Indian cities directly connected to Bangkok and Phuket with around 340 flights per week. Such growing connectivity is facilitating more tourists and business travelers to visit India in the future.

What is your message for Indian SMEs and entrepreneurs looking to invest in Thailand?

India has a huge population, the younger generation of Indians is very business oriented and are keen to take to business as their profession. Many Indian businesses especially startups are looking to do business in international markets.

Thailand also offers a huge potential for Indian companies to invest in Thailand. Strategically located at the heart of Asia, Thailand serves investors as a dynamic gateway to a fast growing economic market. Our growing economy, world-class infrastructure, competitive human capital and strong government support are responsible for our key position as one of the most attractive investment destinations for foreign investors.

Thailand has demonstrated remarkable economic progress experiencing foreign direct investment (FDI) inflows' growth of 21% over the past 6 years, compared to the global percentage of 0.7%. Occupying the 4th rank in Asia's top prospective host economies, Thailand has gained a solid reputation as a second home for various global multinational enterprises (MNEs).

With reduction in the successive corporate income tax to 20% in 2013, the corporate tax rate in Thailand ranks as 2nd lowest in the ASEAN countries. Not only has this led to an increase in economic activities and investments in Thailand but it has also put the Kingdom of Thailand in a competitive position against other countries.

As we can see from the above, Thailand has a number of benefits towards investing with us. We also have a Thailand Board of Investment, Mumbai set up and running in Mumbai, which is located at Royal Thai Consulate-General in Mumbai.

Priorities of Budget 2019-20

Mr. Sunil S. Bhandare

Director, The Saraswat Cooperative Bank and
President - All-India Bank Depositors'
Association



Introduction

Political stability is a sine qua non of macro economic stabilisation, acceleration of the reforms process and inducing economic resurgence. Fortunately, the post-election scenario has ensured a distinctive political stability, and there is no 'crisis' like socio-economic situation in the country, albeit there are several patches of acute pressures and pains. Most of the current tough economic challenges manifest through rapidly decelerating economic growth, severity of rural distress, rising joblessness, stagnating investments, sharply shrinking manufacturing growth, persistent lackluster export performance, fumbling financial sector, including the current desperate plight of NBFCs et al. At the same time, fiscal space is severely constrained thanks to inadequate buoyancy of tax and non-tax revenues in the midst of rapidly growing commitments to several new social welfare programmes as well as normally rising requirements of a host of existing budgetary allocations.

On the external side, there is virtually nothing to feel sanguine about. Indeed, global economic activity has been losing pace, especially in the Euro area and many of the emerging market economies. The scenario is no different in most parts of BRICS economies. There is considerable volatility in crude oil prices, which are influenced not only by the OPEC countries production stance, but also by the geopolitical conditions in the Middle-east region and tensions surrounding several major oil producing countries. To make things even more complex and worrisome are the growing specter of trade wars, largely driven by the present US administration, and uncertainties associated with Brexit.

Keeping such broader perspectives in view, the Finance Minister Nirmala Seetharaman is certainly faced with

formidable challenges in formulating and scripting the forthcoming budget. She has to usher long awaited optimistic and powerfully positive impact-making phase of economic resurgence.

It is truly the most opportune time to unfold policies, strategies and programmes of the Modi Government 2.0, signaling the shape of things to come both in shorter-term annual budgetary perspective as well as over the next five years of its tenure. Not just the voters, who have elected the government to power, but public at large, would be genuinely eager to see what is going to be in store for them. How the government responds to their expectations and aspirations – and all of that being stimulated by the grand electoral performance of the new government.

Steering the Determinants of Budgetary Strategy

Surely, the FM has virtually no luxury of time; she has to combat head-on all the tasks without any distractions and procrastinations, as the budget will be perceived as the most comprehensive and meaningful document, setting out refurbished vision-mission-objectives of the government. Intrinsicly, it would be governed by three major considerations, namely, (a) the substantive dimensions of the Interim Budget already presented by the Modi Government 1.0 on February 1, 2019; (b) a host of promises made in the BJP's election manifesto; and (c) various post-election pointers as given out by the spokespersons of the government, and more importantly by the Prime Minister per se. Among other things, the PM has covetously spoken about his ambition of making India the US\$ 5 trillion economy by 2024, and US\$ 10 trillion economy over the next eight years.

Thus, illustratively, what transpire from the Interim

Budget are several new lofty social welfare programmes such as Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) to provide an assured income support to small and marginal farmers. Under this programme, vulnerable landholding farmer families, having cultivable land up to two hectares, will be provided direct income support at the rate of INR 6,000 per year. It is projected to benefit around 120 million small and marginal farmer families that would entail an annual spending of as much as INR 75,000 crore.

Likewise, it has been proposed to launch a mega pension yojana, namely 'Pradhan Mantri Shram-Yogi Maandhan' for the unorganised sector workers with monthly income up to INR 15,000. It will assure monthly pension of INR 3,000 from the age of 60 years and the concerned worker will have to make a small monthly contribution during their working age with an equal share coming from the government.

Over the next five years, it is projected to become one of the largest pension schemes in the world. A token provision of Rs. 500 crore has been made with the promise of additional funds that may be required. The Interim Budget also offered some welcome benefits to individual taxpayers at the lower end of the income pyramid.

However, far more significant has been the laying out of the Modi government's ambitious ten-point vision 2030, which included every single major aspect of our socio-economic development such as commitment to (a) building up ambitious physical infrastructure (roads, railways, seaports, airports, urban transport, gas and electric transmission and inland waterways) and social infrastructure promising every family to have a roof on its head and to live in a healthy, clean and wholesome environment; (b) creating Digital India, which reaches every sector of the economy and every corner of the country; (c) making India a pollution free nation with green Mother Earth and blue skies; (d) expanding rural industrialisation using modern digital technologies; (e) generating massive employment by focusing upon the Make in India approach to develop grassroots level clusters, structures and mechanisms encompassing MSMEs, village industries and spread of start-ups and becoming a global manufacturing hub in various sectors like automobiles and electronics, defence and medical devices; (f) working vigorously towards Clean Rivers and ensuring safe drinking water to all Indians; (g) exploiting full potential of India's long coastline; and so on.

Surely, the forthcoming full-fledged budget has to provide substantive support to what has already been outlined in the Interim Budget.

At the same time, the vision of making India a 5-trillion dollar economy by 2024 – that is over a period of next five years – entails annual average growth rate in nominal terms of well over 13% as against 11.1% growth rate achieved in the previous five years. This sounds quite realistic and doable. Assuming an average annual inflation of 4% over the next five years, the real GDP growth has to accelerate to over 8.6% per annum as compared to 7.5% in the previous five-year period (2014-19). This would entail, at the macro level, a progressive increase of at least 5 percentage points in India's investment ratio (or gross fixed capital formation to GDP ratio) from the present 32.3% in 2018-19.

Key Macro Priorities for the Budget

What will stimulate investments in the economy to trigger the virtuous cycle of economic revival? We have to obviously focus on the following initiatives/ reforms:

- (a) Reduction in corporate taxes
- (b) Softening of cost of capital – lending rates, corporate bond market rates, etc. – all of which are inextricably linked to further reduction in the RBI's repo rate and the pursuit of accommodative credit policies. While this is in the domain of the monetary authorities, there is so much that also needs to be done at the fiscal end by the Central Government;
- (c) Public sector infrastructure investment – preferably of the Public Private Partnership variety – to 'crowd in' private investments;
- (d) Reining in fiscal deficit, and more importantly, the broader annual dimension of public sector borrowings requirement (PSBR);
- (e) Selective incentivising of corporate investments, preferably in labour-intensive industries; and
- (f) Reviving of private consumption expenditure through both rationalisation of GST and other indirect taxes as well as effective channeling of public expenditure programmes.

Almost all of these trigger points are inter-related and inter-dependent and can work in a mutually supportive

and accelerating mode. Several economists and professionals have been writing extensively on many of the policy areas to revive investment and growth in the economy in recent times.

However, what is critical now is to look at the issues of slowing down of the economy, sluggish investments and jobless growth in a more holistic manner. There has to be firing of growth engines both at the level of consumption expenditure, especially emanating from rural and semi-urban areas, and investment/capital formation across infrastructure development, manufacturing sector, services and exports sector. Given the current hostile and disruptive global trade scenario restraining export promotion, the budgetary policies have to give extreme focus on stimulating domestic demand aggressively – both consumption and investment.

Effectively, the budget has to unfold more tax-friendly environment through a promise of (a) progressive (if not instantaneous) reduction in the corporate tax rates across-the-board from the present 25% to 20% spread over next 3 to 4 years given the extant budgetary constraints; (b) further rationalisation of the GST rates structure along with removal of several glitches in its implementation and administration; (c) initiating a new Direct Tax Code (already a work-in-progress for almost a decade now) that is in conformity with the changing needs of modern corporate businesses; and (d) improving the ease of doing business, and in particular helping out assesses and tax authorities in minimising resort to newer tax litigation, and facilitating the settlement of existing tax disputes.

What have been mentioned so far are the illustrative – and by no means exhaustive – priorities for the forthcoming budget, keeping in view the urgency of stimulating corporate investment for economic resurgence. Surely, there is neither any point in speculating or adding more to the ‘traffic congestion’ of a host of recommendations already made, and are likely to be made by academicians, experts and professionals in the coming days.

Reality Check – the Budgetary Arithmetic

However, our reflections on budgetary priorities cannot be oblivious to what is the discernible fiscal space available for the Government of India. That, indeed, is the crux of the matter. All the budgetary expectations, be it in terms of generous allocations for infrastructure and rural development, social welfare schemes or defence expenditure cannot be fulfilled unless there is required buoyancy of tax and non-tax revenues.

So also, the demands of the corporates, MSME sector, start-up firms, real estate and construction businesses, exports and many others for radical reduction in corporate tax rates, rationalisation of GST into a single rate structure and for sumptuous tax concessions and incentives cannot be met easily and adequately.

A quick overview of the Interim Budget data numbers, as shown in the above table, suggests the stringency fiscal

(Rs. Billion)	2017-18 (Actuals)	2018-19 (R E)	2019-20 (IBE)	Please Note: RE = Revised Estimate IBE = Interim Budget Estimate Total Receipts = Total Expend 'Expend' = Expenditure Billion = INR 100 crores
1. Revenue Receipts	14,352	17,297	19,777	
2. Capital Receipts	7,068	7,276	8,065	
3. Total Receipts (1+2)	21,420	24,572	27,842	
4. Revenue Expend	18,788	21,406	24,479	
5. Capital Expend	2,631	3,166	3,363	
Revenue Deficit (4 – 1)	4,436	4,109	4,702	
Fiscal Deficit	5,911	6,344	7,040	

constraint or the ‘narrowness’ of the fiscal space of the Central Government's budget. Witness the following facts:

- First, revenue expenditure, which is mostly of a preemptive nature, knocks off over 87% of total receipts, leaving barely 12 to 13% for capital spending. There is virtually no scope to reshuffle revenue expenditure as it consists of committed spending on interest payments, subsidies, administrative expenditure, pensions, social welfare schemes, defence spending, etc.
- Second, the Interim Budget has already anticipated substantial increase in tax revenues, whose realisation would call for a stronger economic growth, especially of the manufacturing sector. Thus, gross tax revenues of the Central Government are projected to expand by 13.5% to INR 25,521 billion in

2019-20 (IBE) on top of 17.2% growth to INR 22,481 billion in 2018-19 (RE). The scope for enhancing this target of gross tax revenues would be marginal.

- Third, other major non-debt avenue for raising the resources is from PSUs' disinvestments. However, here too, there a virtual saturation limit seems to have been reached with the target for 2019-20 being placed at INR 900 billion as compared to INR 800 billion in the previous year.
- Last, the bottom-line of the fiscal space is governed by the fiscal deficit and revenue deficit ratios, which are depicted in the following chart. What is evident is the fact that for the last three or four years, the efforts to reduce the fiscal deficit to GDP ratio progressively to 3% had to be postponed. There is apparently 'stickiness' about this ratio and any effort to dilute the current policy stance on this score would be treated adversely by the international credit rating agencies as well as by domestic financial markets. Higher market borrowings of the government (a reflection of the fiscal slippage) would surely constrain RBI's efforts to cutback the repo rate, keep the cost of capital high for business and industry and effectively 'crowd' out the private sector in their investment efforts.

Concluding Observations

All in all, the FM Nirmala Seetharaman is faced with the most arduous task – of how to resolve a typical funda-

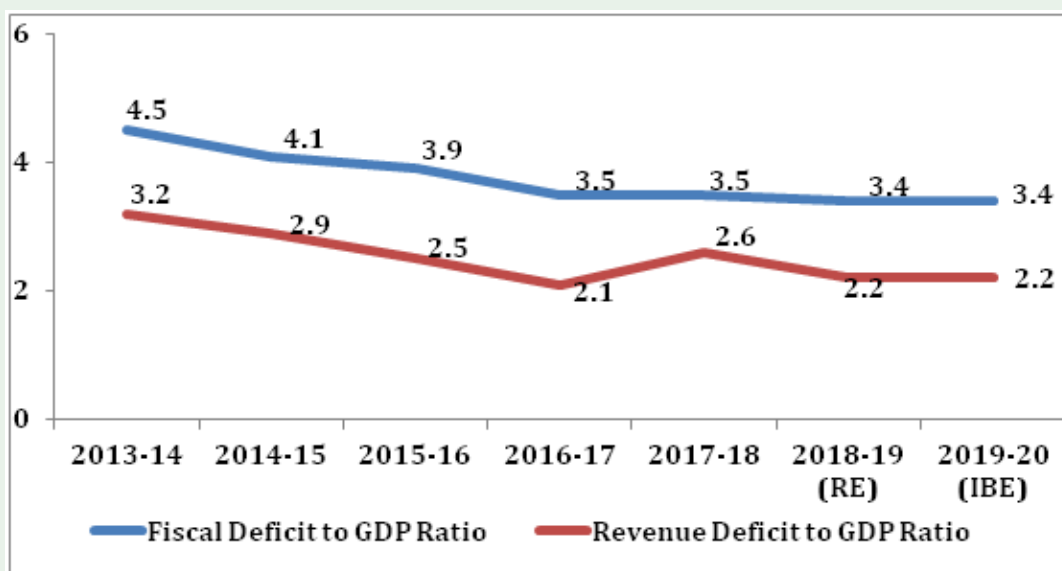
mental economic problem of managing rationally the unlimited expectations and demands of the people at large with limited fiscal resources at her command. The economy is desperately waiting for unleashing of forces of recovery and resurgence.

There are all the basic ingredients of resilience at the macro level – moderate inflation, comfortable forex reserves, manageable current account deficit, banking sector gradually regaining from its massive NPA crisis, corporates raring to get started with their programs of expansion and new investment after their long strategic pause of last three or four years, and so on.

In this contextual framework, what is expected is a clear direction from the budgetary strategy even in the midst of limited fiscal space. Equally important are going to be the government's non-budgetary policy initiatives for stimulating the overall investment and growth outlook.

These would include reforms of labour and land markets, further improvement in the ease of doing business, making tax administration more proactive and investment-friendly, further liberalisation of FDI, strengthening institutional structure of cooperative federalism for ensuring more participative reforms by the center and states to promote balanced and inclusive economic development. How much of all the expectations and aspirations are going to be fulfilled would be clearly known on the D-day of the budget – July 5, 2019!!!

■



World Trade Center Indianapolis Provides Conducive Environment for Businesses to Thrive



Mr. Greg Zoeller, Chairman, World Trade Center Indianapolis comes with a rich experience of government service, legal background and business acumen, having excelled in each of these stints throughout his career. In an interview with **MVIRDC World Trade Center Mumbai**, Mr. Zoeller speaks of his intent to help Indiana businesses connect to their counterparts around the world and also in managing strategic partnerships.

As a former Indiana Attorney General, what was your vision behind having a World Trade Center in Indianapolis?

After my years as the elected Attorney General, I wanted to continue to serve the interests of the people in Indiana. Developing a World Trade Center connects Indianapolis to the global trading community and promotes Indiana's products to markets around the world.

Using the many connections I've made in federal, state and local government, I am able to introduce those coming to Indiana from around

“Indianapolis is becoming a very attractive location for Indian businesses to locate due to its central location and access to North American distribution systems.”

the world to meet with our elected leaders as well as leaders of business and civic organisations. Indianapolis was one of the largest cities without a World Trade Center and I wanted to help connect our community to the world.

Since its inception, what are the priorities you have set for World Trade Center Indianapolis to help the local trading and business community in the region to thrive with the help of the WTCA network?

We strive to provide greater opportunities to develop new markets by increasing the understanding of international trade and helping to overcome the reluctance of small to medium size businesses by providing trade services and access to reciprocal services of other WTCs.

By addressing the reluctance to engage in international trade and helping overcome the barriers to entry into the global marketplace, we prioritise both trade education and trade services to the business

community. Our collaboration with other organisations that support manufacturing and business relationships creates a support network for all those in our local trading community.

The mandate for both our World Trade Centers is to promote MSMEs in our regions so that they gain from benefits that accrue while reaching out to international markets? What are the synergetic activities that both WTCs can together facilitate for them?

The lower costs for doing business in Indiana and a skilled workforce has led Infosys and others to locate here. A high return on investment has also attracted foreign investment to support this growth. By joining in partnerships and working together, our World Trade Centers can multiply the benefits to those we serve.

Strengthening our reciprocal services will provide synergies for marketing small to medium sized companies in both Indiana and India.

Indiana accounts for more than 80,000 jobs, about 20 percent of the state's total employment, in fast-growing sectors like life sciences, agbiosciences and aerospace. How would World Trade Center Indianapolis partner with the state government to maintain and go beyond these targets?

The State of Indiana has partnered with our WTC through support from the Indiana Economic Development Corporation, a public-private entity and by the active support of Governor Eric Holcomb who has made international trade a priority of his administration with a focus on India.

There has been a concerted effort to attract tech companies focusing on life sciences, agbiosciences and aerospace that employ high-skilled workers graduating from our world-class universities of Purdue, Notre Dame and Indiana University.

Having served in the state government as Indiana's Attorney General developing and maintaining a relationship with it, is a high priority of mine and one where I spend

“ I would encourage Indian business leaders to reach out to those who have made an investment in Indiana to learn more of the reasons why they chose to locate in our state and the benefits they have found from their investments. ”

“ The rapid investment by Indian companies in Indiana creates more opportunities to promote our Hoosier companies products to Indian markets. ”

considerable time. The policies of our state government attract global businesses and help strengthen and reward those who have invested in our state.

What is your strategy to promote Hoosier companies in Indiana to the world in general and to India in specific?

The presence of large international companies in Indiana who have global markets provide opportunities to help promote their suppliers' products. The WTC works with these suppliers to help develop these markets in partnership with larger companies.

How has US-China trade war impacted Indiana businesses?

It has undoubtedly had a negative impact. The agricultural community has been most effected and has seen a decrease in sales, particularly of corn and soybean to China. However, there is hope that the long-term benefits of developing fair and open trade with China are worth some of the short-term impact.

With the new government in India about to take charge, what are your policy expectations, in order to build a strategy to promote Indiana businesses in India?

The growth of the economy in India is seen as a reflection of the stability of the government. There are high expectations in the contin-

ued stability of Prime Minister Modi's government and the development of stronger, democratic systems that will allow for more Indiana business to choose India as a new market.

On my visit to India during the Independence Day celebration in 2018, I attended the ceremonies at the Red Fort and heard the address of the prime minister that highlighted the major accomplishments of his administration and was encouraged that there were greater investment opportunities for our Indiana businesses.

What would be your message to Indian businesses looking to set their base in Indianapolis?

The rapid growth of Indian businesses choosing to locate in Indianapolis speaks to why it is a smart choice. However, a visit to Indianapolis will help you understand the warm welcome you receive, what we call 'Hoosier hospitality' and the quality of life you enjoy in Indiana.



Monument circle, Indianapolis

Does Yuan Depreciation Affect India's Exports?

Dr. Soumya Kanti Ghosh

Group Chief Economic Advisor
Economic Research Department
State Bank of India



The ongoing trade skirmish between USA and China has resulted in both sides levying tariffs on imports. This trade war has sparked the fears of a global slowdown. There is also the added threat that this trade war can turn into a currency war with China going for devaluation to counteract the effect of tariffs on its exports. This has raised concerns among other emerging economies, including India, about their goods losing competitiveness.

However, given the past trends there is no one-to-one relation between China going for devaluation and Indian exports losing ground. In 1994, Yuan had depreciated by 31%, while rupee had depreciated by around 17%. Despite this the merchandise exports grew by 18% for FY94-95. This period 1993-1995 saw upward movement in India's exports, despite Yuan first depreciating and then appreciating. Again in 2003-2007, Yuan had slowly appreciated by around 11% in four years. Meanwhile, the Rupee had also appreciated by almost the same percentage. Despite this, 2003-2007 was another golden period for India's exports registering double digit growth for every year. The period since the global growth slowdown

which commenced from 2008 and has continued till now, saw India's exports growth wildly fluctuating, from a high of 40% (mostly due to base effect) in FY10 to a low of -15% in FY15. This is despite Yuan moving in both directions every year. India trade has moved in tandem with the world trade movement, which is highly dependent on global growth.

Global factors have impacted the currency and export growth for both the nations rather than Yuan affecting India's exports. Currently Rupee stands at close to 69 per dollar and China is at around 7 per dollar. Also, since India opened its economy in 1991, Rupee has depreciated by 63% vis-à-vis China's depreciation of 20% against the US Dollar, showing that Chinese currency depreciation is one of the less important factors, when it comes to India's exports.

Looking at India and China's place in the world merchandise trade map, we see that India's commands around 1.68% share of world's total goods exports, ranking at 20th position according to WTO 2017 data. Meanwhile China is the world's largest merchandise exporter, hogging 12.77% of world's goods exports. This shows how unevenly matched both these countries are

when it comes to goods exports. However, services are a saving grace with share in world total exports for India and China at 3.47% and 4.29% respectively. When we look at the composition of exports for 2018, a sobering truth is visible. India's total merchandise exports are 30% of China's biggest category of exports (machinery and mechanical appliances and electrical and electronics).

India's exports of machinery and mechanical appliances and electrical and electronics are only 3% of China's exports of this category. This shows that, in case of high-value manufacturing goods, India has not built enough capabilities to take China head on. Also, in India's export basket, petroleum products and gems and jewellery are the two major components. These track the global commodity prices' outlook and increase the volatility in India's export growth. So for exports to be more resilient what is needed is diversifying the export basket, both in terms of geography and products and building high value manufacturing capabilities, by focusing on R&D and skilling the workforce.

■

FinTech Companies to Get a New Lease of Life through Regulatory Sandbox

Tanvi Vakil

Fintech Consultant

Deloitte Touche Tohmatsu India LLP



In comparison to other sectors, innovators in Banking, financial services and insurance (BFSI) face a unique challenge of stringent regulations. The existing regulatory framework doesn't benefit innovators who often land up challenging them due to the ambiguities around the products and services, which causes a perception that they pose a potential higher risk to the financial system.

The Reserve Bank of India (RBI) recently on April 2019, released a draft 'Enabling Framework for the Regulatory Sandbox'. This draft lays down the design of a controlled environment for innovators to test their products and services. This initiative is aligned with India's market regulator, Securities and Exchange Board of India (SEBI) and insurance regulator, Insurance Regulatory and Development Authority of India (IRDAI) who have proposed for a sandbox.

This is in line with the Government's effort to ensure financial inclusion in the country. In the past five years; the Indian financial services sector has undergone a

significant transformation accelerated by the Government's push towards a 'Digital India'. Since then the country has witnessed a spurt in Fintech startups who are using technology to make financial services accessible to all.

To tackle this challenge and to nurture innovation in this sector, RBI has decided on a regulatory sandbox that will allow FinTech innovators to experiment their solutions in a controlled environment before going into the market.

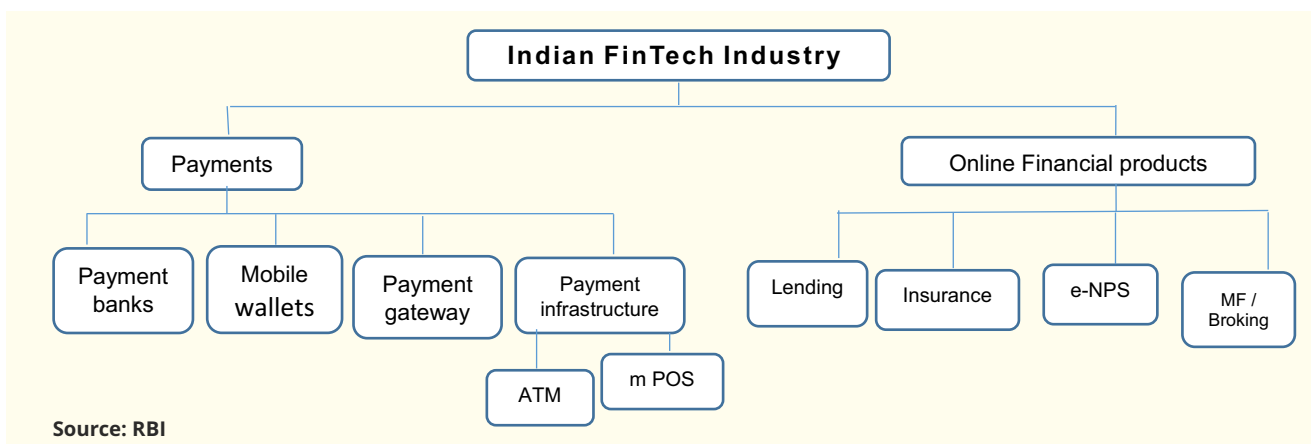
What is a regulatory sandbox?

A regulatory sandbox is a framework set up by a financial sector regulator to allow small scale, live testing of innovations by private firms in a controlled environment (operating under a special exemption, allowance, or other limited, time-bound exception) under the regulator's supervision. The concept, which was developed in a time of rapid technological innovation in financial markets, is an attempt to address the frictions between regulators' desire to encourage and enable innovation and the emphasis on regulation following the financial crisis of 2007-2008.

So how did this concept evolve?

The concept of sandbox started finding supporters post the financial crisis of 2008 that had led to the desire; to break up the old, discredited monopolies which has long dominated the financial services sector.

A regulatory sandbox was first implemented in the United Kingdom in 2015. Until now they have had five cohorts with 89 companies accepted



Source: RBI

to test their solutions. Switzerland in 2016 announced a regulatory framework for a sandbox for FinTechs, enabling them to offer services without a license and agency monitoring, as long as the total public funds accepted do not exceed 1 million Swiss francs. Around the same time, the European Banking Federation released a vision paper exploring the creation of a Europe-wide FinTech sandbox that would let companies experiment with new cross-border financial services.

Australia introduced a sandbox in December 2016; The Australian Securities & Investments Commission (ASIC) issued an industry-wide waiver allowing eligible FinTech to test specified services without a license, as long as they meet specified conditions and inform ASIC.

A leader in Southeast Asia's Fintech

funding, Singapore boasts of a regulatory Sandbox with successful graduates including PolicyPal. The Monetary Authority of Singapore (MAS) has recently explored the concept of pre-defined sandboxes or Sandbox Express, which complements the existing Sandbox. The aim is to enable firms which intend to conduct regulated activities to embark on experiments more quickly, without needing to go through the existing bespoke sandbox application and approval procedure.

In India regulatory sandbox holds a lot of significance in India where 19 crore adults remain unbanked even after the ambitious Jan Dhan Yojana. Metrics across various financial products indicate the need for more innovative solutions to truly transform the underbanked population into under-served, semi-served and fully serviced.

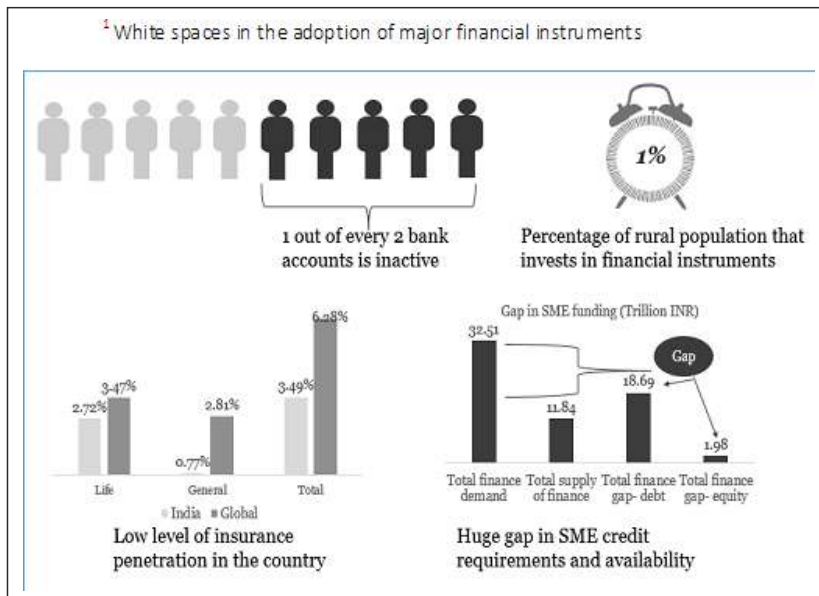
The infographic below outlines pockets of opportunities which are still beyond the reach of the traditional financial services industry.

Advantages of a Regulatory Sandbox

- Will help FinTechs launch innovative products at a lower cost and in less time
- Will allow regulators to work along with FinTechs to build appropriate consumer safeguards into the new products and services
- Will help companies to experiment FinTech solutions with emerging technologies such as blockchain, artificial intelligence, IoT where the consequences of failure can be contained and reasons for failure analysed
- Will help in reducing time and cost of getting innovative ideas to market by accessing regulatory expertise that sandbox offers

As India goes through a new telecom revolution, even remote rural areas are connected to the world via the internet and mobile devices.

It is now more pertinent for financial services to innovate solutions for the new generation with a greater focus on financial inclusion and innovative sachet modelled products and services.



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(Ms. Nissar Behera, Fintech Consultant and Ms. Richa Gaur, Fintech Managing Consultant are from Deloitte Touche Tohmatsu India LLP who have contributed to the article. They are currently working with Mumbai Fintech Hub, a Government of Maharashtra initiative to promote Fintech ecosystem in the State.)

Regulatory Sandbox: An Enabler of Financial Inclusion

Dr. Saon Ray

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Like in other nations, the growth and development of FinTech industry has evoked much interest in India too. As an industry which holds immense potential and disruptive ability, the growth of FinTech firms is keenly watched by the regulators across the board. While a dedicated FinTech policy or regulation is yet to be developed there is a general agreement that regulation should keep pace with technological change but also should not hamper innovations. A regulatory sandbox can help achieve these twin goals of encouraging innovation and regulating the industry. With the notification of the Reserve Bank of India in April this year, there is a move to set up the regulatory sandbox in India later this year.

Regulatory sandbox refers to an institutional arrangement which allows FinTech companies to live, test new products and services in a controlled environment with active cooperation of the supervisor (BIS, 2018). It allows companies to experiment their products and improve its viability in the existing market. The most common reason for setting up a sandbox is promote competition in financial services market through innovation (Jenik and Lauer, 2017).

A sandbox has a given eligibility criteria, well defined space and duration for testing of the product and appropriate boundary conditions to ensure protection of interests of all parties involved, including consumers and rest of the industry (RBI, 2018) (BIS, 2018).

In a sandbox setup, generally there is a prior application process and selection by a supervisor before it engages with the firm which may or may not be currently regulated. The handholding by the supervisor helps the entrants to better address barriers to entry and information asymmetries in the market that would have otherwise limited their growth and development. From the regulators perspective, this arrangement allows them to gain insights to potential risks and benefits arising out of innovative products and business models, facilitate innovation and assess the existing framework of regulation and supervision.

Innovation Hubs and Accelerators

Regulatory sandboxes are not the only mechanisms used to support innovations: other such mechanisms are innovation hubs, accelerators, or incubators. Innovation hubs are more informal arrangements when

compared to sandboxes and usually play an advisory or supportive role for the entire industry for new entrants as well as incumbents. They can be described as information exchange regime on FinTech matters, which may play a larger developmental role (BIS, 2018). An accelerator in general refers to programs funded and run by experienced private players. They can take various forms but mostly follows a mentorship model where startups with innovative ideas are provided platforms to develop and scale their products or services and sometimes initial seeding.

Indian position

Fintech innovation in India has largely been a private sector phenomenon, led by startups and small sized IT firms. The initial support mostly came from private players like large commercial banks or IT companies. The state support is also fast catching up with a variety of support programmes by both regulators and government. There has also been state level support with many state governments coming out with dedicated FinTech policy. The notable examples in this respect are Maharashtra financial Technology Policy, FinTech Valley Project in Andhra Pradesh, etc.

The success of regulatory sandbox in fostering innovation depends on some factors such as the design of the sandbox. The recommendation by the Working Group on FinTech and Digital Banking of Reserve Bank of India led to establishment of a Regulatory Sandbox in India. The 'Report of Working Group on FinTech and Digital Banking' by Reserve Bank of India points out that '... as of now, the FinTech risks are being looked at more in terms of what is associated

with the traditional IT systems, such as cyber-security risks'. This is certainly only a part of the concerns that FinTech growth brings with it and warrants a more concentrated regulatory approach which balances innovation and risk. The committee has identified Institute for Development and Research in Banking Technology (IDRBT), an RBI

research institute to take lead in this regard. A similar recommendation was also earlier made by Watal Committee which looked into the digital payments.

If the objective of sandbox is to promote financial inclusion (as is the case in India), the eligibility criteria for joining the sandbox becomes

critical. RBI has listed the criteria for selection of participants in the sandbox in India. Once the sandbox is set up later this year, and products are tested, another milestone in the FinTech space will be reached.

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Mr. Kalantri Elected as Chairman, Honorary Consular Corps Diplomatique - Mumbai

Mr. Vijay Kalantri, Honorary Consul, Republic of Uzbekistan in Mumbai and Vice Chairman, MVIRDC World Trade Center Mumbai was elected as Chairman of the Honorary Consular Corps Diplomatique (HCCD) – Mumbai. Also present were Mr. Mahendra K. Sanghi, Honorary Consul General, Consulate of the Republic of Kazakhstan; Mr. K. K. Kanoria, Honorary Consul General, Consulate of the Kingdom of Morocco; Mr. Ramavtar Goenka, Honorary Consul General, Consulate of Kenya; Mr. Gul Kripalani, Honorary Consul, Consulate General of the Republic of Iceland and Past President of Honorary

organising a number of trade programmes with consular corps in Mumbai for the benefit of cross-border businesses.



Consular Corps Diplomatique, and Mr. Madhusudan Agarwal, Honorary Consul General, Republic of Uganda to Mumbai in India. Mr. Kamal Morarka, Chairman, MVIRDC World Trade Center Mumbai felicitated Mr. Gul Kripalani on this occasion.



Members of HCCD resolved to continue their efforts in

When Elephants Fight - Lessons from the US - China Trade War

'When elephants fight, it is the grass that suffers'
 - African proverb

The two largest elephants in the global economy are engaged in an economic skirmish. This doesn't bode well for the grass underneath.

In March 2018, the US announced its plans to place tariffs on Chinese imports. Consequently, what began as a 10% tariff on steel and aluminium imports worth USD 48 billion sourced from 25 different countries, a year later has morphed into US tariffs on USD 250 billion of Chinese imports and Chinese tariffs on USD 110 billion of American imports covering a wide range of industries such as agriculture, primary commodities, textiles, automotives, electronics and technology.

The Grass

The economic cost of the trade war is high. The grass, alas, is suffering. The US and Chinese GDPs have already shrunk by 50 basis points and 30 basis points respectively. The WTO has raised red flags over what could become 'the worst crisis in world

trade since 1947' and IMF forecasts for global growth have been revised downward. The IMF also warned that trade tensions had negatively impacted business confidence that has reinforced tighter financial conditions and manifested itself in higher policy uncertainty.

The American Elephant

One might be tempted to ask, if the Americans fired the first shots, aren't the Americans winning? The reality tells another tale. In a letter addressed to the President, 600 American companies claimed they are worse off because of the escalations in trade tensions. The impact, the letter claimed was 'significant, negative and long term'. The companies cited research conducted by Trade Partnership Worldwide LLC that found that 25% tariffs on USD 300 billion in imports would result in the loss of 2 million American jobs and erode 1% of the US GDP. "Mr. President", said the companies in the letter, "tariffs are

taxes paid directly by US companies – not China". The American elephant may have not only damaged the grass but also stepped on its own foot.

The Chinese Elephant

Any analysis of the impact of the trade war on the Chinese economy must be

placed in context of the structural shift in China's economy over the past decade. In 2008, China's net trade surplus (an indicator of the importance of trade to GDP) was 8% of GDP, in 2018 that figure fell to 1.3%.

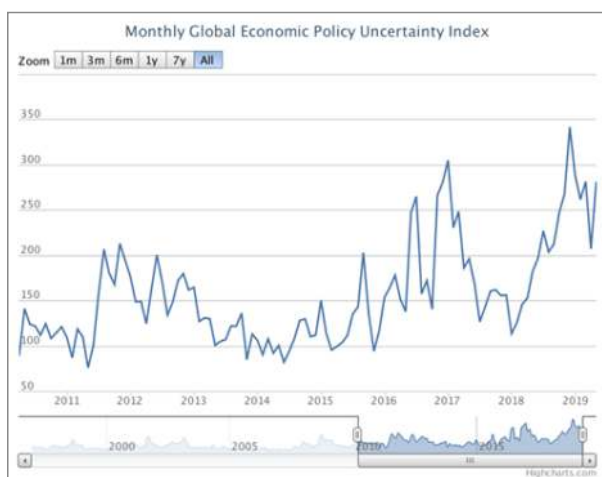
"25% tariffs on USD 300 billion in imports would result in the loss of 2 million American jobs and erode 1% of the US GDP"

-Trade Partnership Worldwide LLC

Today, consumption contributes over 60% to Chinese growth. Most global consumer facing sectors such as luxury goods, automotive, FMCG and mobile phones have 30% of their sales in China. Chinese per capita income, which in 2018 stood at USD 9,780 is a steady reminder of the rising importance of domestic consumption.

What is therefore more critical to investigate is the impact on Asian economies that depend on China for exports or imports. 36% of Chinese exports are headed for Asian markets and more than half of China's import basket is Asian. The impact of the trade war is more aptly framed as a demand shock from the Chinese economy. Retail sales in China slowed down to 8.1 percent in November 2018, the lowest in 15 years while industrial production indexes recorded the lowest growth rate in 5.4%.

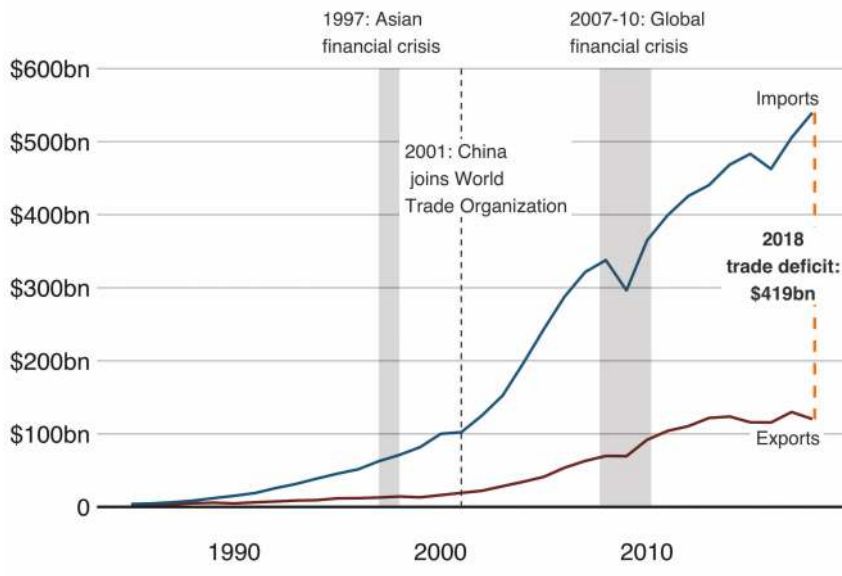
It is then clear that the trade war creates bearish pressure on aggregate demand and reinforces sluggish



Source: EPU

US trade with China

US trade deficit with China has soared since 1985



Source: US Census

export growth for firms exporting to China.

Everyone Loses the War, Some Win the Battles

Every war is made up of numerous battles. World War II had more than two dozen battles across 9 fronts including the battle of Leningrad and the battle of the Atlantic. Trade wars have battles too even though the difference between a war and a trade war is that nobody wins the latter.

In this case, the battles to be won are the battles of trade diversion. Diversion is a term that analysts use to refer to a change in trade patterns such that trade is 'diverted' from a more supplier (a Chinese supplier) to another owing to the effect of policy decisions such as a trade agreement or tariffs.

Has the trade war triggered diversion? Evidence published by the Japanese investment bank Nomura is

quite positive here. Take Vietnam for instance. The Vietnamese economy expanded by a staggering 8% owing to shifting production lines in the first quarter of 2018. Where did Vietnam make those gains? Most of the gains were made in industries impacted by US tariffs on China such as electronics, furniture and telecommunication devices. Gains were also made in products imported by China namely boards, panels, cotton yarn and electrical appliances. It is likely that multinational enterprises are shifting their supply chains based on the expected impact of tariffs.

Nomura's research suggests that trade diversion may also benefit countries such as Taiwan and South Korea who have historically supplied electronic products to the Chinese market. Benefits may also accrue to countries such as Chile, Malaysia and Argentina that export agricultural goods and commodities. The question seems to be, if Chinese or American firms are looking at

alternative suppliers, where are they looking? That is where the battles are being fought.

India is also part of these battles. The Commerce ministry recently opined that 350 products ranging from granite and copper ores to paper-board and electronic equipment may see growth in exports owing to trade tensions between US and China. Of these, 151 products including diesel, X-ray tubes and chemical products have the ability to 'displace' US exports to China. Likewise, 203 Indian products including rubber and graphite could displace US suppliers in Chinese markets. Consequently, Indian exports to the US have grown by 11.2% and exports to China have grown by 31.4% in 2018.

This suggests that India stands to benefit in industries that have a high price elasticity of demand i.e. demand for these products is sensitive to price levels (which rise when hit by tariffs).

The nature of these gains, in terms of their sustainability remains anybody's guess. Are these gains short term? Are they akin to seasonal fluctuations in demand? Are these shifts in production temporary? The jury is still out on these queries.

It is easy to forget that the two economies engaged in this skirmish are the two largest economies in the world. If those 600 American companies are to be believed, the impact on their medium - long term growth is likely to off-set any gains made from short term spikes in export orders.

If global growth is pushed off its trajectory, trade, investments, wages, and ultimately incomes will be hit. Perhaps it is time to tend to the grass.



We are Working To Make Maharashtra a USD 1 Trillion Economy, says Dr. Kamble

Dr. Harshdeep Kamble, Development Commissioner (Industries Department), Government of Maharashtra is all determined to enable the micro, small, medium enterprises (MSMEs) in Maharashtra to grow, flourish not just in the domestic market but also to seize the benefits of exporting to international markets. His department has facilitated in rolling out a number of schemes and incentives for MSMEs. Dr. Kamble in an interview to **MVIRDC World Trade Center Mumbai** elaborates the mandate of his department in the easing of exports for MSMEs in the state.

What is the role played by your department to help the government in meeting its target of growing to US 1 trillion economy by 2025?

Directorate of Industries, Government of Maharashtra (GoM) is an executive arm of the Industries Department of the state which is engaged in implementation of government policies for all-round development of industries by seeking coordination among the state-level promotional corporations like MIDC, MSSIDC, KVIB, etc. and other department relating to industries.

The department has been established to monitor, implement and develop various schemes including incentive schemes for promotion of industries in Maharashtra. It also assists the state government in the formulation of various industry-related policies and promotional schemes namely, Industrial Policy, SEZ Policy, IT Policy, Package Scheme of Incentives, etc.

The Directorate of Industries has taken several steps in areas of manufacturing, future industries, infrastructure, employment and sustainability. The department has organised summits where up to 4106 investment proposals with a total investment of INR 12.07 lakh

crores were received heralding an employment potential of 3.7 million.

The department has given high priority to create an ecosystem for better investments and employment. It is also a step to bridge the divide between the rural and urban. Apart from investment proposals the department aims to generate more than 2 lakh jobs. All these efforts would lead to achieve the 'Trillion Dollar Economy' target by 2025.

“The investment limit for incentive purpose for small industrial units will be increased upto INR 50 crore in Fixed Capital Investment (FCI) so that more such units can come under the ambit of small industries.”

How can Magnetic Maharashtra further enhance inward flow of investment to the state?

The main objective of Magnetic Maharashtra was to project and focus on the industrial strength of the state and promote activities in industrial areas to boost investments in the state. On an average every year Maharashtra sees an investment of INR 15,000 crore in the industrial sector. The focus of Magnetic Maharashtra is to attract investments in new and upcoming sectors and areas such as renewable energy, electric vehicles, data analytics and artificial intelligence.

Magnetic Maharashtra: Convergence 2018 was a summit

“ Maharashtra is the leading state in the country for Industrial Cluster development. Cluster-based approach is increasingly being recognised as sustainable, cost-effective and an inclusive strategy to ensure competitive and improved MSME units.”

held in Mumbai, India on February 18–20, 2018 and the state signed 4,106 Memorandums of Understanding (MoUs) involving an investment of more than INR 12.07 lakh crore during the three-day event. Approved investments of INR 3.91 trillion through 104 MoUs will be executed by Maharashtra and central government agencies. The state government has geared up to project its unique strengths at Magnetic Maharashtra campaign and continues to occupy a unique position in India's economy. As a result, Maharashtra has been able to attract significantly high levels of investments.

What are the steps taken by your department to improve ease of doing business?

Dedicated investor facilitation cell and online Single Window Portal have been established under Maharashtra Industry, Trade & Investment Facilitation Cell (MAITRI). The Single Window Portal has provision for single application, payment, tracking and monitoring of majority industry-related approvals across various departments of the state government. As per World Bank Doing Business Report 2019 (assessment covering 190 economies), India was ranked 77, a massive jump of 23 positions against its rank of 100 in 2018 and 130 in 2017. In the ranking, evaluation of cities of Mumbai and Delhi were done (cities with population over 10 million).

Mumbai has been the largest contributor in achieving this quantum jump in the World Bank ranking. Through Entrepreneur Registration and Incentive Management system (ERIMS), investors can check the eligibility for state incentives and online applications for incentives and permissions under various acts. As per Asian Competitiveness Institute of Lee Kuan Yew School of Public Policy, Singapore, the index on ease of doing business in 2016, Maharashtra ranked first in the country.

How is your department contributing to the greening of industrialisation in Maharashtra?

Under Article 48A of the Directive Principles of State Policy, the state will endeavour to protect and improve the environment and safeguard forests and wildlife of the country. The state government has undertaken 50-crore plantation programme, intended to increase the forest cover in the state from the current 20% to the nationally mandated 33% of Maharashtra's land area.

The department through Industrial Policy 2019 will be assisting green Industrialisation by undertaking measures to conserve water, energy and environment. Projects covered under the scheme include waste management systems (including ETP, STP etc.), pollution control systems and devices; health and safety systems and devices; water conservation, harvesting systems and devices and captive renewable power generation. Budgetary support from Maharashtra Pollution Control Board (MPCB) and Government of India's schemes will be considered, so as to minimise adverse environmental impact.

How will the Industrial Policy 2019 announced by the government aid in improving MSME competitiveness?

MSMEs are the backbone of Maharashtra's economy. With more than three million MSMEs, Maharashtra has largest number of MSMEs in the country, which contributes to more than 80 per cent of total employment. MSMEs are best placed to utilise local resources and

Eligibility Criteria for MSMEs to avail incentives under industrial Policy 2019

Taluka / Area Classification	Maximum Fixed Investment (INR crore)	Admissible Capital	Ceiling as % of FCI	Eligibility Period (Years)
A	For the purpose of this policy, MSME shall include units as per the MSMED Act, 2006, as well as the units with FCI of upto INR 50 crore		-	-
B			30%	7
C			40%	7
D			50%	10
D+			60%	10
Vidarbha, Marathwada, Ratnagiri, Sindhudurg & Dhule			80%	10
No Industry Districts, Naxalism Affected Areas* and Aspirational Districts**			100%	10

*Naxalism affected areas as per Government Resolution No.: PSI -2013/ (CR- 54) /IND-8 Dated 1st April 2013 issued by Government of Maharashtra Industries, Energy and Labour Department.
** Aspirational Districts are Osmanabad, Gadchiroli, Washim and Nandurbar

create local entrepreneurship and employment. About 40% of exports originate from MSMEs. Considering the vital role of this sector, the state government intends to strengthen and promote the sector for achieving inclusive industrial growth and promoting employment generation. The investment limit for incentive purpose for small industrial units will be increased upto INR 50 crore in Fixed Capital Investment (FCI) so that more such units can come under the ambit of small industries.

The state government will assist in strengthening the existing related institutions within Maharashtra through the following ways:

- To support Centers of Excellence (CoE) and research facilities in developing and assimilating technologies that are of significance to the industry.
- CoE and research facilities will have Plug & Play Incubation Facilities and provisions for mentoring and training.
- To support institutional tie-ups for sector specific skill development and for use of new and upgraded technology or products.
- Workshops will be conducted in institutes for SME entrepreneurs to create awareness and for adoption of new technologies. Further, the state will promote tie-ups with global MSMEs.

How is Maharashtra Industry, Trade and Investor Facilitation (MAITRI) Cell providing a conducive business environment?

MAITRI is an initiative of state government to facilitate Ease of Doing Business. Since its inception it has been very effective in facilitating clearances, permissions, licenses to numerous enterprises. MAITRI marks a paradigm shift in the role of the Government from being a regulator to that of a facilitator. It provides Government-to-Business (G2B) services, one-stop-shop for existing and prospective investors to get consolidated information about the investment process with regard to expanding their existing units or to set up a new business unit in the state. MAITRI will work jointly with national and international industries associations, forums by organising and participating in various summits, fairs, exhibitions, roadshows, etc. It would be a platform for promotion of brand Magnetic Maharashtra.

Could you share with us the progress of your cluster development programme and challenges faced in achieving set targets?

Maharashtra seeks to overcome challenges of financial ability, technical knowledge, technological and managerial capacity to dedicate resources for cluster development through the following measures:

- To offer fiscal assistance for approved Common Facility Centers (CFCs) across the state except A and B zones (well developed zones).
- The limit for fiscal assistance for cluster promotion will be increased to INR 10 core from existing INR 5 crore.
- To offer fiscal assistance to Special Purpose Vehicles (SPVs) specifically setup for the purpose. A state level Steering Committee will evaluate and approve proposals under the scheme.

“Department of Industries will promote setting up of industrial clusters along the special projects declared by central and state government such as Maharashtra Samruddhi Mahamarg, Delhi Mumbai Industrial Corridor (DMIC), Sagarmala, Bharatmala, etc.”

- In new MIDC industrial estates, 20% area will be reserved for MSMEs. Out of which 20% area to be reserved for SC/ST entrepreneurs and 5% for women entrepreneurs and industrial units of Women's Savings Groups.

For rehabilitation of Ex-servicemen and to promote self-employment among them 2% plots will be reserved.

- CFC established under the cluster development programme of central and state government will be treated as industrial activity.

What are the latest targets towards capacity building of MSMEs in order that they qualify to reach out to international markets?

Considering the vital role of this sector, the state government intends to strengthen and promote the MSME sector for achieving inclusive industrial growth and promoting employment generation. In view of their capacity augmentation, the state government intends to support MSME units by providing following support:

- To conduct a study of all districts in Maharashtra

which is aimed at identifying potential for MSME manufacturing activities, formulating and executing strategies based on Geographical Indications (GI).

- To launch Chief Minister Employment Generation Program (CMEGP), a new employment-generation programme targeting unemployed youth.
- MSME units need support for adoption and dissemination of technology, exploring markets, management techniques, etc. For this, the state government will assist in strengthening existing related institutions within Maharashtra.
- To provide speedy resolution of insolvency and bankruptcy, the state government is to maintain region-wise cells to guide the concerned units seeking resolution under the Insolvency & Bankruptcy Code 2016 mechanism.
- The state government intends to support MSME units by providing financial assistance to first 250 SMEs based in Maharashtra which will be listed on the SME exchange.

How do you intend to set up the proposed Maharashtra Export Promotion Council?

Maharashtra is ranked first in India with a total export of INR 4.49 lakh crore in financial year 2017-18 and has been on an upward trajectory over the last decade. Major exports from Maharashtra include gems & jewelry, machinery and equipment, pharmaceutical products, IT, iron & steel, vehicles and parts/accessories, cotton and other agro-produce. A study was undertaken to identify the export strategy and prominent sectors were identified for further boosting its exports in the area of apparel and textiles, engineering goods, agro-produce and processed foods, IT/ITES, auto and auto components and pharmaceuticals and chemicals.

Any country's economic performance is measured by its exports share in global trade. In line with Government of India's initiatives in setting up sectoral Export Promotion Councils, Government of Maharashtra envisions to set up Maharashtra Export Promotion Council. The Council will promote export-oriented business in the state. Further, it will act as a platform to assist in creating awareness and making units more competitive. The council will be headed by Minister of Industries.

The key activities of the council will include following:

“ Department of Industries encourages private sector participation in the development of industrial infrastructure, assistance shall be provided to the projects for establishing industrial parks related to thrust sectors along DMIC.”

- Interaction with global and domestic stakeholders, government agencies and international communities.
- Preparation of roadmap for export promotion.
- Address grievances of export units and provide relevant export information.
- Export Data Intelligence: It will act as a think tank for market intelligence, business intelligence, etc. related to demand of products, brands and services across the globe.
- It will act as a facilitation body for various initiatives regarding marketing assistance to boost export from the State. The initiatives include:
 - Brand Development: Facilitate development of brand for export products by way of promotional advertisements of popular brands from the state at both domestic and global level.
 - Export Awareness: Export potential and procedure awareness will be disseminated through training programs, workshops, seminars, etc.
 - Exhibitions: Provide assistance to exporters / institutions / associations / EPCs for organising export promotion exhibitions, seminars, conferences, etc. both domestically and internationally. To encourage participation in domestic and international exhibitions the state will provide assistance in the form of participation cost.
 - Export Product Development: To encourage export support to new products and new markets, samples to foreign buyers will be promoted for MSMEs.
 - Export Excellence Awards: Awards will be given to exporters for excellence in sector specific export performance.

What is the support being provided by your department in the DMIC project?

Quality infrastructure is a key driver for industrial growth. It is also very important for attracting global manufacturers, investors and other corporates to the State. DMIC is

central government's infrastructure programme aiming to develop new industrial cities as 'smart cities' and covering next generation technologies across infrastructure sector having the objective as a 'Global Manufacturing and Trading Hub'.

Department of Industries, Government of Maharashtra will promote setting up of industrial clusters along the special projects declared by central and state government such as Maharashtra Samruddhi Mahamarg, Delhi Mumbai Industrial Corridor (DMIC), Sagarmala, Bharatmala, etc. MIDC will be the nodal agency for development of industrial nodes along these projects

The infrastructure developed will be given preference and higher fiscal support through ongoing schemes. If need arises, fund will be provided from Special Component Plan (SCP) and Tribal Sub Plan (TSP).

What are some of the measures planned to promote women entrepreneurship?

With a view to encourage women centric enterprises to take benefit of investor friendly climate of Maharashtra, a special policy for women entrepreneurs has been announced. The department expects that the policy would lead to an investment of about INR 2,000 crore and create about one lakh jobs in the next five years. Salient features of the policy include:

- Financial assistance from INR 15 lakh up to INR 1 crore in proportion of 15 per cent to 35 per cent of the capital investment of the project at a subsidised rate of interest of upto 5 per cent, will be given. The project will get electricity at a subsidised rate of INR 1-2 per unit instead of INR 7-8 per unit charges for industries.
- Few stalls or some areas in malls, commercial complexes or market yards will be kept reserved only for women. Also, land will be reserved for women industrialists in Maharashtra Industrial Development Corporation (MIDC) area across the state.
- For marketing purposes, spaces will be reserved to display products in various public places, malls, railway stations, bus stations, airports, movie theatres, foot over bridges, sub-way or commercial complexes.
- Woman and child development department will also set aside INR 50 crore for the policy, which will be valid for 5 years or till further directives issued by the industries department.

“Maharashtra Export Promotion Council will act as a platform to assist in creating awareness and making units more competitive.”

What is your message to the Maharashtra's business community?

Maharashtra is one of the most industrialised states in India. We have the best infrastructure in place, ample availability of skilled persons and with best incentives policy with returns on investments to make Maharashtra an attractive destination for any type of industry.

Our state contributes about 15% of GDP of the country. The Directorate of Industries (DoI), headed by Development Commissioner (Industries), is an executive arm of the Industries Department which overlooks the development of industries in the state and the state level promotional corporations. It is supported by eight regional offices headed by joint directors and 36 District Industries Centre's (DICs) headed by general managers.

With a very progressive leadership under Mr. Devendra Fadnavis, Honorable Chief Minister, Maharashtra is looking forward to be a first trillion dollar economy in the country and to fulfil this vision. Apart from infrastructure, we have brought many reforms in 'Ease of Doing Business' by setting up MAITRI.

Government of Maharashtra having developed MAITRI Portal for investors in Maharashtra is a one-stop-shop for existing and prospective investors to get consolidated information about the investment process. With regard to expanding their existing manufacturing units or to setting up a new manufacturing unit in the State, we have integrated 20 services across nine departments with MAITRI Portal.

DoI was established to monitor and implement the promotion and development of MSME sector at the state level. One of the prime aims of DoI is to implement various schemes and incentives for the promotion of industries. Notable among its schemes is Packages Scheme of Incentives which was announced along with the Industrial Policy 2013.

We have come out with sector-wise attractive policies, which are made available online on MAITRI portal.

We welcome you to invest in Magnetic Maharashtra.



E-commerce: The New Frontier of Global Trade

Seventy-six WTO Members comprising the European Union and 48 other members have launched plurilateral negotiations on trade-related aspects of e-commerce seeking to put in place global rules on electronic commerce.

The debate in WTO on Electronic Transmission has been continuing since early 1990s. The Declaration on Global Electronic Commerce adopted by Trade Ministers at the second session of the Ministerial Conference at Geneva in May 1998 set the stage for the WTO General Council to establish a comprehensive work programme to examine all trade-related issues pertaining to global electronic commerce, taking into account the economic, financial and development needs of developing countries, and to recognise the work being undertaken in other international fora on this subject.

Under the Declaration 'electronic commerce' is understood to mean the production, distribution, marketing, sale or delivery of goods and services by electronic means. The work programme also included issues relating to the development of the infrastructure for electronic commerce. It was also decided that all aspects of the work programme concerning the imposition of customs duties on

electronic transmission shall be examined in the General Council.

The policy attention that has accrued to e-commerce at the highest levels of global trade negotiations reflect in part the fast pace of digitisation of the economy and the rapid increase in e-commerce that has challenged business models and transformed consumption practices. This has profound implications, particularly for the developing world.

The latest data for 2017 shows annual growth in global e-commerce sales of 13% reaching around USD 29 trillion. The Global Ecommerce Report released by Ecommerce Foundation indicates that global online retail is increasing rapidly with a forecasted growth rate of 17% in 2017. One quarter of the world's population purchased goods and services online in 2017. The market for e-commerce expanded significantly over the past decade and that it continues to grow.

While global e-commerce is still dominated by developed countries, the highest growth is observed in developing regions, especially in Asia. China alone accounted for a share of 18% of global exports of digital products. Out of 95 developing countries, 86 developing countries were net importers of Physical Digitisable

Products in 2017, with top three net importers being Thailand (USD 1.8 billion), followed by India (USD 1.7 billion) and Mexico (USD 1.1 billion). Net exporters of Digitisable products with net exports higher than USD 100 million include China, Singapore Malaysia, Hong Kong (China) and UAE.

Global Business-to-Consumer (B2C) e-commerce was expected to increase to USD 1.84 trillion in 2017, and Asia Pacific will have the highest share of the total B2C e-commerce turnover, i.e. 50% of overall turnover. As a matter of fact, China continues to have the largest B2C e-commerce market with more than USD 681 billion in turnover, followed by the US with USD 438 billion and the UK with USD 196 billion.

In developed markets, e-commerce presents the next frontier of growth. For instance, Australia and Turkey show the largest e-commerce turnover growth rates with 40% and 31% respectively. Further, Europe has the highest e-GDP of all regions with 4.91%, but is closely followed by Asia Pacific with 4.87%. UK has the highest share of e-shoppers, with 81% of the total population online and 98% of the population having shopped online. In contrast only 15% of Indonesia's population is online; however, the e-shopper population is growing the fastest in Indonesia,

at an annual growth rate of 24.2%.

The world's largest economy has a large e-commerce footprint too. The E-Stats Report 2016 released by the US Census Bureau indicates that e-commerce shipments of US manufactures were USD 3469.6 billion in 2016 representing 64.8% of all manufacturing shipments in 2016. E-commerce revenues for service industries in the United States were USD 608.7 billion in 2016, accounting for 4.2% of the total revenues while sales from e-commerce for US retailers were USD 389.1 billion in 2016, up 14.4% from USD 340.2 billion in 2015.

However, the world's second largest economy is not far behind. China's e-commerce trade volume reached 31.63 trillion yuan (USD 4.58 trillion) in 2018. Over 9 trillion yuan of online retail sales was made and online payment exceeded 200 trillion yuan last year. By the end of 2018, the number of Chinese people working in e-commerce reached 47 million. The development of e-commerce has influenced both production and consumption, and is promoting the development of the agriculture, industry and services sectors in the Chinese economy.

In India, as across the globe, the electronic commerce market has been witnessing consistent growth in recent years. The Indian B2C e-commerce market

was valued at USD 38.5 billion in 2017 and is estimated to rise to USD 200 billion in 2026, while B2B e-commerce was estimated to be around USD 300 billion. Despite the high growth of e-commerce in India, the sector is still at a nascent stage and according to some estimates, it is about 3% of the retail market worth USD 860 billion, excluding travel and tourism.

In entrepreneurial terms, Africa has much ground-breaking innovation taking place in the digital space. Examples include MPesa and Jumia, the Pan-African e-commerce platform which recently became listed on the New York Stock Exchange. There is much optimism, particularly among young Africans, of the promise that digital applications and e-commerce offer for improving lives and incomes.

However, the reality of connectivity and skills constraints affecting the continent cannot be overlooked. Key ICT indicators for the year 2018 (ITU) show that only 24% of Africans have access to the Internet. This figure is the lowest for any region and stands well below the world average of 51%. In addition, while 58% of households globally enjoy access to a computer, only 9% of Africans do so. Although, they constitute 17% of the world's population, Africans only account for 6% of global Internet users.

Although, many digital inclusion initiatives have sprung across the

continent, achieving the goal of universal affordable access to ICTs for all Africans will require a sustained and committed effort on the part of governments, private sector and development partners. This is the rationale behind the All Africa Digital Economy Moonshot spearheaded by the Broadband Commission (ITU) and the World Bank.

Therefore, it is becoming increasingly clear that WTO needs to engage constructively on the issue of e-commerce to balance the economic and commercial interests of both, the developed as well as the developing and least developed nations. Any future multilateral rules on e-commerce must take into consideration the development challenges of the developing and least developed countries to serve the goals of a free, fair and judicious multilateral trading system. Digital e-commerce policies must allow fair review of the needs, concerns and priorities of those countries which are yet unprepared for any comprehensive discussion at the multilateral level. WTO needs to bear in mind that any hasty outcome on e-commerce rules is fraught with the risk of jeopardising the development interests of the bulk of developing and least developed countries which will undoubtedly erode faith and confidence in the multilateral trading system.

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RCEP – What Will India Gain by Joining the Trade Bloc?

Dr. Shrikant Kamat

Partner - Indirect Tax & International Trade
Mazars

India is a member of the proposed 16 Country Trade Bloc known as Regional Comprehensive Economic Partnership (RCEP). China, Japan, Korea, Australia and New Zealand are other five countries apart from the 10 ASEAN countries forming the bloc. A few economists in India as well as overseas are sceptical about the gains India would actually achieve by signing the RCEP Free Trade Agreement (FTA), given the huge negative trade deficits it suffers year after year in respect of all the five other countries named above, the biggest being China.

With almost 90 percent tariff lines touted to be made duty free as part of the agreement between the RCEP member countries, the trade community in India apprehends mass flooding of the Indian markets with cheap goods from China and other RCEP countries, thereby doing permanent damage to the local industry in the country. In this backdrop, it looks seemingly difficult to justify India's signing of the RCEP FTA by end of year 2019. However, the picture is not all that gloomy as it is made out to be in the media or rather there are many positives that could emerge out of India's participation in RCEP.

Firstly, not only does RCEP offer

Indian producers access to a large market in the other fifteen countries but it also opens up the possibility of Indian suppliers joining global value chains that would potentially increase India's trade with the rest of the world. One has to remember that a country with higher tariffs, such as India, after signing FTA with lower tariffs countries, such as the ASEAN countries, may possibly experience a greater trade deficit with the member countries but lower trade deficit with rest of the countries of the world as imports will be diverted towards the lower tariff member countries such as India which can use these cheaper imports in manufacturing and export finished goods to the rest of the world.

So, rising trade deficit with prospective RCEP members does not necessarily establish a case against RCEP. Indian manufacturers and producers have already shown that they can compete with established foreign producers by improving their efficiency as well as working out strategic collaboration with foreign producers. The same may well happen after India becomes a member of RCEP.

However, the Indian Government's policy intervention in the right manner and right measures will be

highly critical to decide the country's future in international trade balance post signing the trade deal. For example, the Government will have to bring in labour reforms in the Small and Medium Enterprises (SMEs) segment and offer income support to this segment where market access in the markets of other RCEP countries is not assured.

Secondly, the Make-in-India programme launched with much fanfare four years ago has not really taken off in the expected way. Finished goods are still being imported at lower customs duties and not really helping the cause of domestic manufacturers and assemblers. RCEP is likely to change this skewed landscape in favour of the intermediates imported into India from the RCEP member countries, provided the Indian Government agrees to cap the tariff lines for finished goods to be imported duty free from other RCEP member countries. So far, the rise in Indian trade deficit with its FTA partners has occurred due to cheap imports of final products, instead, cheaper intermediate goods can rather help in making Indian exports competitive.

Another argument in favour of India signing the RCEP is that the FTA will

offer India an opportunity to engage with China. It will give us some chance to restrict some of China's allegedly unfair practices such as granting high subsidies to its exporters or creating artificial barriers to export of Indian pharmaceutical products to that country. The RCEP rules that will apply to India will apply to China as well in equal measure and this will help India gain a level playing field, which apparently may not be the case right now.

As far as India's farm sector is concerned, India is currently the largest milk producer in the world with production exceeding 180 million tonnes in FY 2018-19 and expected to touch 200 million tonnes in the current fiscal. Presently, the imports of milk and milk products into India are allowed with an import duty ranging between 40 and 60 per cent. This provides enough protection for the local industry to build its level of competitiveness.

However, with RCEP, India could see a heavy inflow of cheaper milk flowing in from Australia and New Zealand. Even though this appears to be an area of concern, it is common knowledge that there are massive wastages and process losses in the Dairy and Food Processing Sector owing to lack of well-equipped storage and processing facilities. These are required to be addressed immediately by implementing stringent operational controls.

With large overseas food processing companies expected to set up base here after India signs the RCEP, the food processing industry could get a boost with state-of-the-art cold chain machinery and other food processing equipment. The government should certainly encourage setting up of these units, especially when food parks set up a few years ago are

lying idle and waiting for investments to flow in.

Will India's Services Sector be the biggest gainer from RCEP?

Service sector accounts for over 60 percent of India's Gross Domestic Product (GDP) and the country's economic growth engine runs on the wheels of services exports year after year. Information Technology (IT) and IT Enabled Services (ITES), Banking & Financial Services (BFS), Logistics Services, Accounting and Business Advisory Services, Advertising Services, Travel & Leisure Services and many more services have been raking in the much-needed foreign exchange for the nation.

However, the biggest challenge that the service sector faces in overseas markets is difficulty in accessing those markets owing to some or the other non-tariff barriers. This challenge has hitherto stopped Indian leading services sector companies from making forays into ASEAN and other East Asian markets, language barrier notwithstanding. However, with RCEP, these non-tariff barriers may soon fade away- and our skilled and the semi-skilled workforce could be deployed in the RCEP countries, known in WTO jargon as 'Mode 4' deployment. This is easier said than done though as RCEP member countries haven't really been receptive during the negotiations, to India's proposals, thus far, for providing market access.

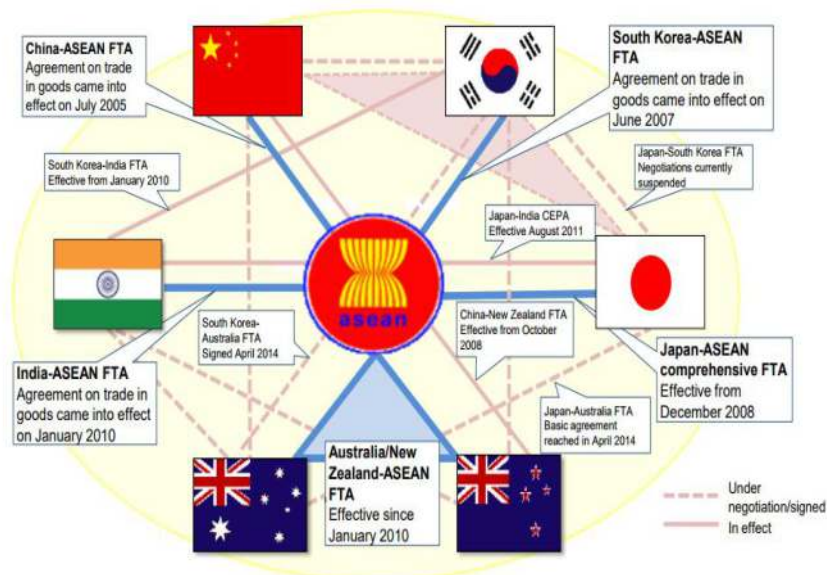
Another big gain from RCEP would be the big surge of investments that the country may witness, post signing the trade deal. Investors in Singapore, Japan, Australia, Korea and China are eagerly waiting to evaluate the final contours of the FTA before committing funds to ventures in India. However, the newly formed

stable government at the centre and the country being a democracy, will always go a long way in instilling confidence in overseas investors. Critical sectors of the economy such as technology, semi-conductor chips, electronic goods, e-commerce, pharmaceuticals, chemicals, textiles, food processing and logistics will get a real boost with big ticket investments in these sectors.

Finally, if a few other issues are also considered to be as serious and important, it would appear that India is in need of RCEP rather than RCEP needing India. One of the reasons for saying this is the significant dilution of the role of the dispute settlement body of WTO and the accompanying multilateral rules of trading. Today, WTO comes out as fairly ineffective to curb the protectionist measures implemented by many countries including the USA. FTAs such as RCEP seemingly offer an assured market to member countries.

If India becomes a member of some large regional free trade agreement, it would give a big boost to overseas investment (FDI) that could further invigorate critical export sectors such as IT, pharma, automobiles and auto-components, where India may have a competitive advantage in the region. If India gets connected to the global supply chain by virtue of this regional grouping, the manufacturers in the country will have assured customer base and market access.

There is no doubt that RCEP certainly has some serious threat potential that cannot be brushed aside with casual circumspection, especially when it concerns certain critical sectors such as textiles, pharmaceuticals and e-commerce. Going by the figures shared in the media by the Confederation of Indian Textile Industry (CITI), India's trade



Source: Colloquium: Japan, Portugal and EU Cooperation (2014) by Prof. Yorizumi Watanabe

with China in textiles and clothing has gone from a surplus in 2013-14 to a deficit of USD 1.5 billion in 2018-19. This negative trade deficit can only widen further after India signs RCEP.

Also, RCEP does not provide the long rope for negotiations and delay in implementation of measures is generally permitted under the multilateral trading system of World Trade Organization. Therefore, intellectual property rights (IPR) laws and several other laws and standards in India will no longer be able to offer the kind of wide protection hitherto made available to domestic manufacturers and rights holders. Hence it is widely apprehended that the RCEP may increase the costs of health care in the country and cause permanent damage to India's generic drugs manufacturing sector.

However, this is an area where the Indian Government will have to proactively move swiftly to bring in required amendments in existing laws to protect the economically weaker sections and upcoming sectors such as bio-technology and pharmaceutical research.

On the stringent data protection law that India seeks to legislate based on a draft policy recently circulated, RCEP may prove to be the dampener as it intends to facilitate free access to Indian data by businesses or governments of RCEP countries, giving them control over data in every sector. The chapter in the RCEP FTA, dedicated to information and data sharing could allow foreign technology corporations greater access to private data of Indian citizens and could compromise the nation's data security.

Even though there is credence to these arguments on the potential threat to domestic industry that RCEP could pose, this can be addressed effectively during the ongoing negotiations by the Indian Government, given India's bargaining power as the fastest growing economy in the world and the uncertainties faced by the economies of other RCEP member countries.

The message for the Indian Government and the domestic industry in India is loud and clear, if

India's entry into the new trade bloc has to be a win-win for the business community and its people. It encompasses the following aspects:

- India needs to bring in effective policy level changes to enhance productivity and quality in agriculture as well as manufacturing
- Tariff elimination in intermediates, parts and components could be immediate but may be considerably delayed to the extent permissible under the RCEP FTA for finished goods imports to keep the important and core sectors of the economy healthy and growing
- Negotiate intelligently with China to ensure that the tariff reduction in goods is restricted to intermediates to the extent possible and is adequately compensated by market access in services to Indian businesses

Expo Center

FIBRES & YARNS



The 14th edition of Fibres & Yarns was organised by Tecoya Group. The three-day trade fair witnessed leading Indian and International Exhibitors who unveiled their new collection in the world of textiles. The trade fair showcased fibre, yarn, spinning, weaving, knitting and processing in cotton, synthetics, man-made fibers, readymade garments, retailing and fashion.

The trade fair was held at Expo Center from April 4-6, 2019.

FLAG SUMMER FEST



Flag Summer Fest was organised by the Fazlani L'Academie Globale school. The school festival gave the opportunity for children to play games and enjoy eats and drinks at the food stalls.

The festival was held at South and North Lounge on April 16, 2019.

SHUKLA DAY COIN FAIR



Shukla Day Coin Fair is organised in memory of Mr. S. M. Shukla Memorial Coin Day which is the country's longest running, largest and most popular show in the numismatic world. The stalls displayed a wide variety of coin collection, stamp collections, etc.

The fair was held at Expo Center from April 19 - 21, 2019.

FABTEX - THE INDIAN FABRIC



Fabtex Expo was organised by Tecoya Infotech with the aim to source fabrics for fashion apparel. The highlights of the Business-to-Business (B2B) expo was to provide visitors and stakeholders in the textile industry to get a first-hand experience of the latest fabrics and their quality and also to network with potential suppliers. There were more than 70 hand-picked fabric manufacturers and suppliers who networked to enable long-lasting connections with fabric buyers, domestic garment manufacturers, garment exporters, designers and merchandisers.

Fabtex Expo was an innovative platform for fabric manufactures to market their new and novel fabric collections to the textile supply chain partners.

The trade show was held at Expo Center from April 25 - 27, 2019.

TIMES KIDZ WORLD 2019



Times Kidz World 2019 organised by Introduction Trade Shows Pvt. Ltd is more than just an exhibition. Every edition of the show has an events area, a stage area where various competitions and activities are held. Dance competitions, singing competitions, drawing and painting competitions, tile painting, craft and origami, talent shows, magic shows...the list is endless!

There are also well known personalities and characters namely, Chhota Bheem, Arjun, Doraemon, Spongebob Squarepants, Dora the Explorer, Mickey Mouse, Garfield, Spider-man, Fafa & Juno, Santa Claus grace the occasion with their presence. Kidz World Expo is a complete day out for the entire family.

The exhibition was held at the Expo Center from May 4 - 5, 2019.

ELITE CLOTHINGS - SOLO EXHIBITION



Elite Clothings - Solo Exhibition was organised by Elite Clothings which exhibited menswear such as formal wear, t-shirts, sportswear, etc.

The exhibition was held at North Lounge from May 15 - 18, 2019.

KANAKAVALLI KANJIVARAM SILK SAREES EXHIBITION & SALE



Kanakavalli Retail LLP organised the Kanakavalli Kanjivaram Silk Sarees Exhibition. The focus was to display the various weaves of the Kanjivaram saree shaped through the beauty of hand crafting and the essence of tradition.

The exhibition was held at South Lounge from May 15 - 18, 2019.

INDIAN HANDICRAFT FACTORY



The exhibition showcased readymade garments for men, women and kids.

The exhibition was held at South Lounge from May 29 - 30, 2019.

HASTASHILPI – SILK INDIA 2019



The exhibition was organised by Hastashilpi. This ten-day event showcased fine silk products from more than fifteen states across India. There were varieties of silk on display namely, Muga Silk, Tasar, Mulberry, etc. The event was endorsed by silk retailers, manufacturers and exporters of India.

The exhibition was held at the Expo Center from June 8 – 17, 2019.

FCB EVENT – FACEBOOK EVENT



FCB 2019 was organised by George P Johnson Experience Marketing. It was mainly to boost businesses online with the most up-to-date tools, insights and best practices for achieving success on Facebook and Instagram.

The event was held at South and North Lounge and Centrum on June 9, 2019.

FASHION AFFAIR



\Fashion Affair was organised by Affair Events & Exhibitions. The three-day event hosted around 80 stalls that showcased apparels, home décor, jewellery and many other lifestyle products.

The event was held at Expo Center from June 21 – 23, 2019.



World Trade Center (Goa) Association

A part of World Trade Centers Association, New York, which is an unparalleled Network of 327 WTCs in 90 Countries connecting 1 million businesses across the world, now in Goa

Connect Locally Trade Globally

Objective

- ✿ Facilitates Trade and Investment
- ✿ Provides Training and Educational Programmes
- ✿ Promotes Competitiveness through Research and Trade Promotional Activities

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

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Mr. Kalantri Re-elected as Board Member of World Trade Centers Association for the Record 6th Term

Mr. Vijay Kalantri, Board Member, World Trade Centers Association (WTCA), New York and Vice Chairman, MVIRDC World Trade Center Mumbai was elected for the sixth consecutive term as the Board Member of World Trade Centers Association (WTCA), New York. The re-election took place at a time when WTCA celebrates its 50th General Assembly at Querétaro in Mexico.

On this occasion Mr. Kalantri said, "I am honoured and privileged to be elected once again as Board Member. I thank all the members for reposing faith in me. I reaffirm my commitment to the vision of WTCA which is to promote prosperity through trade." Mr. Kalantri is also the President of the All India Association of Industries and Promoter of Dighi Port. Mr. Kalantri is also on the Board of WTCA Foundation to help in its mission to conduct programmes that promote social welfare as well as support activities that foster peace and social stability. World Trade Centers Association is an unparalleled



Mr. John E. Drew, Chairman, World Trade Centers Association, New York (left) with Mr. Vijay Kalantri, Board Member, World Trade Centers Association (WTCA), New York

network of 328 World Trade Centers across 91 countries connecting one million businesses across sectors. WTCA helps businesses to connect globally while prospering locally.

World Trade Center (WTC) Mumbai, promoted by M Visvesaraya Industrial Research and Development Centre, is the premier World Trade Center in India dedicated to the promotion of international trade and investment. It is a member of the WTCA. The prime objective of the World Trade Center Mumbai is to enhance India's trade competi-

tiveness and facilitate India's integration with global markets through trade promotion, research, education and training in international trade and business. World over, WTCs are growing at a fast pace with over 28 of them in India alone.

The re-election took place on April 8, 2019 at Querétaro in Mexico.

Government of Russia Seeks Support from Indian Industry to Promote its Far East Region

Ministry for the Development of the Russian Far East, Government of Russia is seeking investment from Indian business to develop bilateral cooperation in Oil, Minerals, Pharmaceuticals, Paper industry, Logistics and film production.

"We look forward to the support of Indian business to develop Diamond, Gold, Silver, Copper and Coal mines as well as invite Indian film industry to the picturesque, Far Eastern Federal District of Russia", said Mr. Aleksei V. Surovtsev, Consul General of the Russian Federation in

Mumbai at an interactive meeting organised by World Trade Center (WTC) Mumbai and All India Association of Industries (AIAI) on 18th April 2019. Representatives from Bank for Development, Vnesheconombank, Ministry for the Development of the Russian Far East and Russian Export Center were also present.

'Far Eastern Federal District of Russia' is the largest of the eight federal districts of Russia. It lies within the easternmost part of Asia. Vladivostok is the administrative centre of this economically developed District.



From (L-R) – Mr. Perminov Alexander, Chief Representative in India, Bank for Development, Vnesheconombank; Ms. Alexandra Chernova, Director – Cooperation Division, Far East Investment and Export Agency; Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai; Mr. Aleksei V. Surovtsev, Consul General of the Russian Federation in Mumbai; Ms. Khristina Boiko, Consul, Consulate General of the Russian Federation in Mumbai and Mr. Timur Vekilov, Chief Representative in India, Russian Export Center.

Ms. Alexandra Chernova, Director – Cooperation Division, Far East Investment and Export Agency said, “India is the fastest growing economy and offers great potential for Russian companies to invest. The Russian Far East region is the fastest growing economic zone in Russia. Later this year Mr. Yury Trutnev, Hon'ble Deputy Prime Minister of Russia is visiting India to explore cooperation among Indian business to develop this region. There is a tremendous scope to develop joint

mining projects on Diamond, Gold, Silver, Coke as well as develop infrastructure and logistics projects.” The delegation accompanying the Hon'ble Deputy Prime Minister of Russia will hold series of meetings with potentials Indian partners and will have special meetings with film producers to promote film shooting and post production work”, she concluded. Ms. Chernova further requested World Trade Center Mumbai and All India Association of Industries to help in organizing meetings in Mumbai.

Mr. Vijay Kalantri, Vice Chairman- World Trade Center Mumbai and President – All India Association of Industries said, “The bilateral relations between India and Russia have been a key pillar of India's foreign policy. In 2017-18, the bilateral trade was USD 10.7 bn. There is a huge potential to increase the trade to over USD 50 bn. in the next decade. Mining, Pharmaceuticals and bollywood film production are potential drivers for enhancing economic cooperation between India and Russia.”

WTC Mumbai and AIAI offered its full cooperation for the success of Hon'ble Deputy Prime Minister of Russia's visit to Mumbai.

The event was held at MVIRDC World Trade Center Mumbai on April 18, 2019.

Mr. Scott Wang Suggests WTC Mumbai to Handhold other WTCs

MVIRDC World Trade Center Mumbai organised a luncheon meeting with Mr. Scott Wang, Vice President – Asia Pacific, WTCA New York to discuss the roadmap for cooperation among World Trade Centers across the globe. The meeting was attended by the two Vice Chairmen of MVIRDC World Trade Center Mumbai, viz. Mr. Vijay Kalantri and Mr. Sharad Upasani.



Mr. Scott Wang addressing the meeting.

The meeting was also attended by key functionaries and staffs of MVIRDC World Trade Center Mumbai. During the meeting, Mr. Wang suggested MVIRDC World Trade Center Mumbai to guide other World Trade Centers in India on trade promotion and trade education services.

The meeting was held at MVIRDC World Trade Center Mumbai on April 30, 2019.

Women Authors Discuss Compatibility of Feminism and Motherhood

M VIRDC World Trade Center Mumbai organised a panel discussion on "Can Feminism and Motherhood co-exist?" in association with The Network. The event was addressed by acclaimed women authors, who also essayed the role of mother in their personal life. The event was addressed by Ms. Meghna Pant, multiple award-winning author, journalist, speaker and feminist, Ms. Seema Punwani- Global marketing professional, and author of Cross Connection, Dr. Swati Lodha- CEO - Publishing Infinity, Founder - Life Lemonade and author. The panel session was moderated by Ms. Swati Khandelwal, Chief Executive Officer, Publishing Infinity.

It is commonly believed that we are now in the 4th wave of feminism, which no longer just refers to the struggles of women; it is a clarion call for gender equity. Feminism is part of a larger consciousness of oppression along with racism, ageism, classism, ableism and sexual orientation. All the panelists agreed that this wave is upon women, and its upto women to give it a direction.

In women's roles as professionals, opinionated authors and mothers, the pressure to be a role model mother, often comes in the way of expressing ourselves fully. In this context, distinguished speakers shared their views on how one can achieve a balance.

The first wave of feminism took place in the late 19th and early 20th centuries. The goal of this wave was to open up opportunities for women, with a focus on suffrage. This wave also saw women acting in very "un-ladylike" ways (public speaking, demonstrating, stints in jail), which challenged the "cult of domesticity."



From (L-R): Ms. Reeta Gupta, author, market, content strategist, The Network; Ms. Meghna Pant, Multiple award-winning author, journalist, speaker and feminist; Ms. Seema Punwani, global marketing professional, and author of Cross Connection; Dr. Swati Lodha, Chief Executive Officer, Publishing Infinity and Ms. Swati Khandelwal, Executive Editor, Zee Business.

The second wave began in the 1960s and continued into the 90s. In this phase, sexuality and reproductive rights were dominant issues. Sex and gender were differentiated—the former being biological, and the later a social construct that varies culture-to-culture and over time. Academic majors and minors in women's, feminist, masculinity and queer studies produced thousands of students with degrees in the subjects.

The third wave of feminism began in the mid-'90s, and was a celebration of ambiguity and refusal to think in terms of 'us-them'. Most third-wavers refuse to identify as 'feminists' and reject the word that they find limiting and exclusionary and seeks to breaks boundaries.

The Panel Discussion was held at MVIRDC World Trade Center Mumbai on May 8, 2019.

Government to Introduce New GST Returns Filing System to Improve Compliance, say GST Commissioners

Tax authority assures further simplification in GST regime to promote ease of doing business

I ndia has successfully embarked on a major indirect tax reform since Independence without creating high inflation or shortage of commodities in the market. The current GST regime has consolidated 17 taxes and 23 different statutes under one indirect tax system. Taxes

on most goods have been reduced to 18% slab and today 65% of GST revenue comes from this slab. The government has forgone more than Rs 2 lakh crore because of input tax credit under GST. In the last two years, the GST Council has held 30 meetings and resolved major

challenges faced by the industry. In future, the GST Council will introduce a new tax returns filing system to simplify the compliance procedures for micro, small and medium enterprises. The new system will be introduced after testing it on pilot basis," said Mr. Rajiv Jalota, IAS, Commissioner of State Tax, Department of Goods and Service Tax, Government of Maharashtra at an interactive meeting organised by All India Association of Industries (AIAI) and MVIRDC World Trade Center Mumbai at Hotel Trident, Mumbai.



From (L-R): Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai; Mr. Rajiv Jalota, IAS, Commissioner of State Tax, Department of Goods and Service Tax, Government of Maharashtra; Mr. Sanjay Mahendru, Commissioner, Central Goods and Services Tax, Mumbai and Mr. Y. R. Warkerkar, Director General, MVIRDC World Trade Center Mumbai.

Mr. Jalota explained that the GST regime has reduced tax burden on service industry (because of input tax credit) even though the tax rate has risen from 15% to 18%.

Mr. Jalota offered to partner with AIAI and WTC Mumbai for re-launching its skill development programme on GST for professionals.

Mr. Sanjay Mahendru, Commissioner, Central Goods and Services Tax, Mumbai assured that the government will further simplify the GST compliance procedure as tax collection improves in the days to come. He said, "GST System in India is entering into a consolidation phase in a short span of two years from the date of introduction as the industry and the tax department are adapting to this new indirect tax system. The tax administration is addressing the challenges faced by the industry at a fast pace. Any inconvenience faced by the industry will equally affect the tax department. Therefore, GST Council has set up the Law Committee and Fitment Committee to study the representations received by the

industry and take timely action on them. In future, we can see more rationalization of this tax regime as tax collection improves."

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai called for a rational and simplified tax system to promote tax compliance and accelerate the economy's growth rate to more than 7%. Mr. Kalantri raised concerns about the impact of GST reform on unorganized sector and called for lower tax rate to address tax evasion and enlarge tax base.

He said, "Redressal of GST complaints must be fast-tracked by the authority. Government of India must reduce the number of tax slabs under the GST to two from the existing four slabs. Also, there is a need to reduce GST rates in order to discourage tax evasion. Globally, the average tax rate under GST is 14%, while, in India, the peak slab is 28%. In order to provide relief to MSMEs, the government must raise the turnover threshold for GST to Rs 1 crore from the current level of Rs 40 lakh. Gradually, petroleum products and real estate must be brought under the GST regime. The government must promote a business-friendly and balanced tax system."

Mr. Kalantri suggested policymakers to reform regressive tax laws and avoid prosecution as a solution to address tax non-compliance.

During the event, representatives from trade and industry raised queries and sought clarifications on filing of tax returns, claiming input tax credit, rectifying errors in form submission, incidence of double taxation etc. One of India's leading Engineering, Procurement and Construction (EPC) company suggested government to offer input tax credit for domestic infrastructure projects sub contracted by foreign companies to Indian company.

The event received overwhelming response from trade and industry, consultancy organizations, law firms, practicing chartered accountants, consular corps and academicians.

The interactive meeting was held at Hotel Trident, Mumbai on May 9, 2019.

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Uzbekistan is a Land of Opportunities for Doing Business, says Mr. Oybek

The year 2019 is declared as the Year of Active Investments and Social Development in Uzbekistan. Uzbekistan is the investment paradise for foreign investors. I invite Indian companies to invest in the Kashkadarya Region of Uzbekistan and benefit from export opportunities to the 300 million consumer market of the Commonwealth of Independent States (CIS). Uzbekistan enjoys preferential market access to the CIS region. Our government is committed to promote investment from India. Our government has a system of regular communication with foreign investors and we address their challenges in timely manner. Government of Uzbekistan has liberalized foreign investment policy and it deals with foreign investors on first come first serve basis," said Mr. Shagazatov Oybek Bakhodirovich, Vice Governor of Kashkadarya Region in Uzbekistan at the Business Forum organised by MVIRDC World Trade Center Mumbai, All India Association of Industries (AIAI) and the Embassy of Uzbekistan.

Mr. Bakhodirovich invited Indian companies to invest in Kashkadarya Region and explore huge reserves of gold, oil & gas and other minerals. He also highlighted investment opportunities in pharmaceuticals, healthcare services, information technology, hotels, automobile etc.

In the tourism sector, Kashkadarya Region has more than 1000 historical sites and many monuments that are more than 2,000 years old. The region has a well developed airport and the government is considering to invite Indian companies to operate airport infrastructure.

Speaking about other potential areas of investment in the region, Mr. Bakhodirovich said, "Kashkadarya Region is the leading producer of grains and meat. The region offers favourable agro-climatic condition for growing vegetables and fruits such as apple, peach, pomegran-



From (L-R): Mr. Shagazatov Oybek Bakhodirovich, Vice Governor of Kashkadarya Region, Republic of Uzbekistan; Mr. Ulugbek Yunusov, Deputy Governor of Namangan region, Republic of Uzbekistan; Mr. Vijay Kalantri, Honorary Consul General, Republic of Uzbekistan in Mumbai and Vice Chairman, MVIRDC World Trade Center Mumbai; H. E. Mr. Farhod Arziev, Ambassador of Uzbekistan in India and Captain Mr. Somesh Batra, Vice Chairman, MVIRDC World Trade Center Mumbai.

ate, grapes, watermelon, among others. It is also the largest producer of cotton and it accounts for 80% of the mineral production in Uzbekistan. The region holds tremendous potential in logistics sector as all the cargoes moving to the neighbouring countries in the South pass through this region."

Mr. Bakhodirovich specifically highlighted the potential for cultivating and exporting pepper from Kashkadarya Region. He said, "The region exports around 50,000 tonne of pepper to South East Asia. Pepper cultivators receive orders from Asian countries such as China."

Speaking on this occasion, Mr. Ulugbek Yunusov, Deputy Governor of Namangan region in Uzbekistan remarked, "The Region of Namangan is poised to become the leader in all fields of the economy. The region enjoys steady economic growth, favourable business climate, sound financial system, strong telecom infrastructure and investor friendly policies. Government of Uzbekistan has given special policy framework to attract foreign direct investment in areas such as free economic zones (FEZs)."

Mr. Yunusov informed that his government is taking steps to transform the Namangan airport into an



From (L-R): Mr. Shagzatov Oybek Bakhodirovich, Vice Governor of Kashkadarya Region, Republic of Uzbekistan; Mr. Vijay Kalantri, Honorary Consul General, Republic of Uzbekistan in Mumbai and Vice Chairman, MVIRDC World Trade Center Mumbai; Mr. Ulugbek Yunusov, Deputy Governor of Namangan Region, Republic of Uzbekistan; H. E. Mr. Farhod Arziev, Ambassador of Uzbekistan in India; Mr. Kamal Morarka, Chairman, MVIRDC World Trade Center Mumbai and Captain Mr. Somesh Batra, Vice Chairman, MVIRDC World Trade Center Mumbai

international hub for promoting trade and tourism. The local government is negotiating with the national government to secure authority to operate the airport, modernize and develop its infrastructure, allow foreign carriers to operate there and implement open sky policy in the aviation sector.

The Deputy Governor invited Indian companies to explore joint venture and cluster development opportunities in textile sector and agriculture sectors, as the country is a major importer of readymade garments and agro-commodities. "Although Namangan is a champion in the textile sector, with more than 1400 active textile units, there is still not sufficient capacity to meet domestic demand for readymade fabric. Foreign investors can procure good quality cotton produced in Namangan."

Mr. Yunusov also invited India's pharmaceutical companies to invest in its free economic zones (FEZs). Government of Uzbekistan offers incentives such as concessional land tax, property tax and other fiscal benefits for companies investing in these zones and exporting at least 25% of their output in the first year of operation.

Speaking about the tourism potential in Namangan, he said, "Namangan region is home to 282 cultural heritage and 155 archeological monuments. The region received tourists from more than 52 countries last year. The

regional government has allocated 30,000 hectare land for domestic and foreign companies investing in hotels and other tourist infrastructure."

H. E. Mr. Farhod Arziev, Ambassador of Uzbekistan in India remarked, "Hon'ble President of Uzbekistan Mr. Shavkat Mirziyoyev visited India twice in the last six months and this demonstrates our commitment to strengthen bilateral relationship. We have active exchange of delegation at the levels of deputy Prime Minister and other ministers. In January 2019, Uzbek-India Foreign Ministers Initiative was launched to kickstart dialogue on various areas of cooperation. There is tremendous scope for promoting people-to-people contact, cultural exchange, education and tourism. Recently, India's Amity University and Sharda University established their presence in Uzbekistan."

H.E. Mr. Arziev further informed, "Cooperation in the information technology field has started with the establishment of Uzbek-India technopark. In the field of culture, The Year of Uzbek Culture will be launched in India and The Year of Indian Culture will be observed in Uzbekistan from next year. Both the countries are also implementing joint film projects."

The Ambassador expressed confidence that this Business Forum will result in fruitful networking session and mutually beneficial business partnership in the days ahead.

Mr. Vijay Kalantri, Honorary Consul General, Republic of Uzbekistan in Mumbai and Vice Chairman, MVIRDC World Trade Center Mumbai said, "Uzbekistan is the land of opportunity. The country has strong historical ties with India. The current bilateral trade volume of USD 350 million does not reflect the true potential for cooperation. We assure full support to the Government of Uzbekistan to increase this trade volume to USD 1 billion in the next two years. Both the countries have tremendous scope for collaboration in areas such as oil and gas, tourism, hospitality, pharmaceuticals, agro-processing etc. We are happy to note that Government of Uzbekistan has introduced e-visa for Indians. It is the only country after Thailand to offer e-visa for Indians free of cost."

Mr. Kalantri expressed gratitude to the Ambassador for

his support and cooperation in organising this Business Forum.

During the event, distinguished audience raised queries and sought clarification on various issues related to doing business in Uzbekistan. The Business Forum received overwhelming response from trade and industry, consular corps, producers from bollywood and entertainment industry, consultancy organizations, visa consultants, financial institutions and others.

The event ended with B2B meeting and networking reception.

The Forum was held at MVIRDC WTC Mumbai on May 10, 2019.

Industry Offers Suggestions for Ongoing RCEP Negotiations

MVIRDC World Trade Center Mumbai facilitated a stakeholder consultation to invite suggestions from trade and industry for the on-going 'Regional Comprehensive Economic Partnership' (RCEP) negotiations. The stakeholder consultation was organised jointly with Mahratta Chamber of Commerce,

Industries and Agriculture (MCCIA), Indian Council for Research on International Economic Relations (ICRIER) and World Trade Center Pune.

Representatives from diverse sectors and industries ranging from manufacturing, agriculture and services



From (L-R): Dr. Saon Ray, Senior Fellow, India Council for Research on International Economic Relations; Mr. Ajay Mehta, Senior Member, Executive Committee, Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA); Mr. Anand Mohgaonkar, Group Head-Customs & Trade Compliance, Cummins India; Dr. Shrikant Kamat, Leader-Customs & International Trade, IP Protection Laws, Partner, Indirect Tax, BDO India LLP and Mr. Nikhil Oswal, Head-International Trade & Events, World Trade Center Pune

gathered at the Kirloskar International Convention Centre, where the consultation was held.

The objective of the event was to elicit comments and expectations from industry so that it can be a valuable inputs for the ongoing negotiation of the mega trade deal.

The RCEP covers 16 countries, which include 10 ASEAN members, South Korea, China, Australia, New Zealand, India, South Korea. Together, these countries account for almost half of the world population, 30 percent of global GDP (22 trillion USD) and a quarter of its exports.

Participants at the stakeholder consultation posited that the structural issues that have hindered productivity growth in the agriculture sector must be addressed before market access to foreign firms significantly increases competition in the market.

Participants discussed the dearth of essential infrastructure investments in cold storage capacities and logistics networks. Participants also expressed concerns over reciprocal market access through RCEP in the presence of inefficiencies that could erode comparative advantage.

The sheer scale of the RCEP deal points towards huge opportunity costs of opting out of RCEP. However, the costs of coming on board must be considered as well. A cautious and strategic approach to the negotiations is critical in ensuring that India's demands and compromises at RCEP negotiations provide greater benefits on a net basis.

The Consultation was held in Pune on May 10, 2019.

India-Thailand Ties to See New High in Hospitality and Construction Materials

The Thai Trade Center Mumbai organised a Seminar & Business Networking Programme on Hospitality and Construction Materials which was supported by MVIRDC World Trade Center Mumbai on May 20, 2019. H. E. Ms. Chutima Bunyapraphasara, Deputy Minister of Commerce and Acting Minister of Commerce, Thailand led the business delegation from Thailand comprising representatives from hospitality and construction material industries.

H. E. Ms. Bunyapraphasara said, "There is immense

scope to double the current trade of USD 12 billion between Thailand and India particularly in the backdrop of the emerging opportunities in technology, hospitality, tourism, food processing, among others. India and Thailand must take various initiatives to promote bilateral trade as Thailand is the 2nd largest economy in ASEAN region."

Ms. Prim Jitcharoongphorn, Chairperson of Thailand-India Business Council said, "The ambitious RCEP negotiation will further enhance the scope of coopera-



From (L-R): Ms. Supatra Sawaengsri, Executive Director of Thai Trade Center and Consul (Commercial), Royal Thai Consulate General Mumbai; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai; H. E. Ms. Chutima Bunyapraphasara, Acting Minister of Commerce, Ministry of Commerce Thailand; Mr. Vijay G Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai and Mr. Phusit Ratanakul Sereroengrit, Deputy Director General, Department of International Trade Promotion, Ministry of Commerce, Thailand.

tion beyond trade in goods and services to promoting cross-border investment, relaxation of immigration laws, mutual recognition of standards etc. Major investments from Thailand into India are in infrastructure, real estate, hotel and hospitality sectors (besides food processing and chemicals)."

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai said, "India's bilateral relations with Thailand are cordial and deep-rooted. Last year marked the 70th anniversary of India-Thailand relations. India's construction and hospitality companies can explore investment opportunities in the upcoming Eastern Economic Corridor (EEC). This project envisages investment worth USD 43 billion in the next five years on airport expansion, new railways and cities, port development and developing modern industry. The

ongoing 1,360 km long trilateral highway project connecting India with Thailand via Myanmar also offers huge opportunity for construction and hospitality companies in both the countries."

On this occasion an MoU was signed between MVIRDC World Trade Center Mumbai and the Department of International Trade Promotion in the presence of H. E. Ms. Bunyapraphasara with the objective to strengthen, encourage, promote and develop cooperation and collaboration in various business activities, etc. The Memorandum will also enable expansion of business partnership between India and Thailand.

The event was held at Hotel Trident, Mumbai on May 20, 2019.

World Environment Day 2019 Celebrated Through Exhibition on Eco-friendly Products

On the occasion of World Environment Day 2019, World Trade Center Mumbai organised a two-day exhibition showcasing eco-friendly products at the World Trade Center Mumbai. Twenty-three enterprises displayed products by women entrepreneurs who are underprivileged, rehabilitated from social crimes, tribals and self help groups. The products included compostable bags; solar-powered lamps; healthy and organic food items; prototype sustainability app for solutions in water, wastewater, waste handling and energy sector; natural and handmade toiletries; fabric and handmade jewellery; chemical-free items for festivities; air purifier plants and eco-friendly crockery. Dr. Harshdeep Kamble (IAS) Development Commissioner (Industries) Directorate of Industries, Government of Maharashtra visited the exhibition pledging his support to the cause of eco-friendly sustainable environment for all. Also present was Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai, a key functionary of the Center.



Dr. Harshdeep Kamble (IAS), Development Commissioner (Industries), Directorate of Industries, Government of Maharashtra (2nd left) receiving a hamper of eco-friendly products from a woman entrepreneur (2nd right). Also present is Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai (left).

Dr. Kamble said, "Maharashtra was the first government to introduce a dedicated industrial policy for women-owned enterprises. We are creating awareness on this policy by organising programmes and training session on capacity building, certification, compliance, business planning, sales strategy, data protection and data security measures."

Ms. Naik said, "Having successfully organised Earth Day on April 22, 2019, World Environment Day was celebrated here at the World Trade Center Mumbai. It was a unique initiative to promote small businesses in eco-friendly products, which provided them a platform to reach out to local markets. Such initiatives will be taken up on a regular basis to showcase the products and services of women entrepreneurs, startups, innovators, self help groups, non-government organisations and social enterprises, which have a huge impact on the Sustainable Development Goals (SDGs). It is through such exposure that World Trade Center Mumbai proposes to map the impact of such enterprises by

continuously engaging them on product development, marketing and branding procedures."

Ms. Naik further added, "World Trade Center Mumbai has taken up several initiatives to create awareness on eco-friendly sustainable practices such as rooftop solar paneling, e-waste bins, composting machine, pet bottle crusher machine, green design for maximum use of natural light and energy efficient lighting design."

The Exhibition was held at MVIRDC WTC Mumbai on June 6-7, 2019.

Society Must Empathise, Rather Than Sympathise with Disabled People, says Pooja Bhatt

We must change our mindset towards disabled people from sympathy to empathy. The size of the disabled people in India is more than the entire population of many countries. Our society and government must be sensitive to the needs and aspirations of the disabled people. Countries such as Japan and New Zealand have developed conducive environment for disabled people. The railway station in the city of Utsunomiya in Japan has special ramps and pathways for disabled people," said Ms. Pooja Bhatt, veteran Bollywood actress, producer and director while addressing the 19th edition of India's Regional Abilympics hosted by MVIRDC World Trade Center Mumbai on June 14, 2019.

This is the first ever regional Abilympics held at the commercial capital of India. The event was organised by the National Abilympics Association of India (NAAI), under the aegis of Sarthak Educational Trust with the support of The Hans Foundation.

Speaking on this occasion, Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai said, "Empowering persons with disabilities is one of the means to attain the UN's Sustainable Development Goals (SDGs), which are the guiding principles of the activities of MVIRDC World Trade Center Mumbai. Through such events, we can directly and indirectly promote SDG 4 (quality education), SDG 8 (decent work and economic growth) and SDG 10 (reduced inequalities). Nobody on this earth is disabled; everybody is specially-abled. I am confident that events such as this will demonstrate the extraordinary talent of specially-

abled people and create employment opportunities for them. In future, MVIRDC World Trade Center Mumbai is planning to organise an exhibition with NGOs for displaying the arts and crafts made by specially-abled people."

Sharing his thoughts on this subject, veteran Bollywood Film Director, Producer and Screenwriter Mr. Mahesh Bhatt remarked, "It is indeed a humbling experience to see how people with disabilities are overcoming their challenges in remarkable ways. Today, on my way to this event, I saw a disabled car driver demonstrating his extraordinary skills behind the wheels and skillfully riding past my car. After seeing this driver, I have shed all my stereotypes about disabled people, who are considered unfit in this competitive world. I was alarmed to realize my ignorance about the special abilities of the disabled people."

Earlier in his welcome remarks, Dr. Jitender Aggarwal, Founder and CEO, Sarthak Educational Trust & Secretary General - NAAI said, "Corporate India must provide employment opportunities for disabled people as it will lead to their financial empowerment. Disabled people have demonstrated that they are equally competent and they are loyal to their employers. By employing disabled people, companies can reduce the employee attrition rate."

Dr. Aggarwal informed that currently there are 2.68 crore persons with disability in India and he expects this number to increase to 10 crore by Census 2022 as Government of India has introduced new categories of



From (L-R): Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai; Ms. Rosimar da Silva Suzano, Dean of Consular Corps Mumbai and Consul General of Brazil in Mumbai; Dr. Jitender Aggarwal, Founder and Chief Executive Officer, Sarthak Educational Trust & Secretary General – NAAI and Mr. Edgard D. Kagan, Consul General, Embassy of USA in Mumbai.

disability. Government of India has recognized disabled people under 21 different categories, which is higher than the seven categories followed earlier.

Speaking about the policy initiatives for disabled people, Dr. Aggarwal informed, “In the last five years, Government of India has taken around five initiatives to empower persons with disabilities. Under the National

Action Plan for Persons with Disability, the government aims to train 22 lakh people by 2022. However, so far, not even one lakh disabled people are trained. So, we need to ensure effective implementation of these initiatives at the ground level.”

The event was also addressed by other dignitaries such as Mr. Sanjay Bhatia, Chairman, Port Trust of India, Mr. Ashish Kumar Chauhan, MD & CEO, Bombay Stock Exchange, Ms. Rosimar da Silva Suzano, Dean of Consular Corps Mumbai and Consul General of Brazil in Mumbai and Mr. Edgard D. Kagan, Consul General, Embassy of USA in Mumbai, among others.

The two-day Regional Abilympics (June 14 and June 15) featured exhibitions, panel sessions, competition and job fair, where persons with disabilities demonstrated their talent to 25 national and multinational companies. Some of the companies that participated in the job fair are Wipro, Sutherland, Reliance Retail, McDonalds, Citibank, Tata Chroma, Comfort Furnishing etc. Around 350 specially-abled candidates participated in the job fair and among them 200 were recruited for various posts.

The two-day Abilympics received overwhelming response from more than 450 persons with disability who participated in competitions across 10 vocational skills such as floral arrangement, cookery, jewellery, e-sports, tailoring, beauty therapy, desktop publishing, character designing, among others.

The two-day event was held at MVIRDC World Trade Center Mumbai on June 14, 2019.

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World Trade Day Aurangabad Educates MSMEs on Foreign Trade

MVIRDC World Trade Center Mumbai received overwhelming response from micro, small and medium enterprises (MSMEs) for its interactive session on 'Skilling MSMEs for Global Opportunities' organised in Aurangabad. The event was organised in partnership with Maharashtra Industry, Trade and Investment Facilitation Cell (MAITRI), which is an arm of Department of Industries, Government of Maharashtra.

The interactive session is part of the series of knowledge

programmes conducted by MVIRDC World Trade Center Mumbai across Maharashtra to observe World Trade Day. World Trade Day is a unique initiative of World Trade Centers across the world to create awareness on international trade and its impact on economic development and regional growth.

Mr. B. S. Joshi, General Manager, District Industries Centre, Aurangabad created awareness about the various schemes of Government of Maharashtra to support micro, small and medium enterprises. Mr. Joshi



Mr. B. S. Joshi, General Manager, District Industries Centre addressing World Trade Day Aurangabad. Seated (L-R): Mr. A. O. Kuruville, Advisor – Trade and Education, MVIRDC World Trade Center Mumbai, Mr. Virendra S Gupte, Senior Faculty, MVIRDC World Trade Center Mumbai and Mr. D.L. Rajale, President, Marathwada Association of Small Scale Industries & Agriculture

suggested industry to avail these schemes and enhance their competitiveness in the global market.

Mr. Virendra S Gupte, Senior Faculty, MVIRDC World Trade Center Mumbai conducted an interactive session, where he explained the procedures involved in international trade, the importance of marketing strategy, right costing and pricing of goods and adherence to global quality standards.

Mr. Gupte began the session by sharing an overview of the current developments in international trade, including the ongoing trade tension between USA and China. He also highlighted key trends in India's exports and imports in recent years.

Mr. Gupte suggested participants to develop strategies for export, which include identifying the right market, adopting quality standards of the importing nation, roping in the right logistics partner, managing currency risks etc. He also brought out the relevance of Market

Research and data analytics for identifying consumer demand in foreign countries. Mr. Gupte suggested exporters to consider customer preferences, products of the competitors, regulatory environment and legal requirements in foreign countries.

Mr. Gupte informed about the key features of India's Foreign Trade Policy and highlighted some of the government schemes/benefits available to exporters. He also covered critical aspects of Quality and Certification requirements according to global standards. Mr. Gupte explained the relevance of International Commercial Terms (INCO Terms) for finalizing contracts with foreign Buyers/Sellers.

Mr. A. O. Kuruville, Advisor – Trade and Education, MVIRDC World Trade Center Mumbai shared the concept of World Trade Day and its objective. He pointed out that the objective of World Trade Day is to encourage small and medium enterprises to explore opportunities in capacity building and seek opportunities in international trade and exports.

Mr. Kuruville suggested the participants to take advantage of the services offered by MVIRDC World Trade Center Mumbai in enhancing their presence in the global market. He said MVIRDC World Trade Center Mumbai is a preferred catalyst for international trade in India. He also elaborated on the courses offered by World Trade Institute and to impart key skills for aspiring exporters.

After the session, the audience raised queries and clarification on various issues related to international trade during the question and answer session.

The event was held at Aurangabad on June 13, 2019.



Audience at World Trade Day Aurangabad

Workshop on Exports Receives Overwhelming Response in Kolhapur

MVIRDC World Trade Center Mumbai received overwhelming response from more than 100 delegates for its workshop on international marketing organised in Kolhapur. The event was organised in association with Department of Industries, Government of Maharashtra and the Kolhapur Chamber of Commerce & Industries.



A view of the participants.

During the workshop, experts on international marketing imparted critical skills required for venturing into the international market. The workshop focused on key skills such as international marketing, quality certification, export costing and pricing among others.

The event was attended by delegates from micro, small and medium enterprises, industry clusters, women entrepreneurs, startup enterprises and self-employed people.

This programme gained significance at a time when Government of India and Government of Maharashtra are taking steps to accelerate India's exports in the coming years.

The programme is part of the third edition of the Center's flagship event World Trade Day Maharashtra to spearhead a state-wide awareness campaign on skill development to enhance the global competitiveness of micro, small and medium enterprises (MSMEs).

According to a finding by MVIRDC World Trade Center Mumbai, Kolhapur has untapped potential for employment creation and global value chain integration in sectors such as textile, leather, engineering and agro-processing in Kolhapur. Almost 80% of micro and small enterprises in Kolhapur are engaged in agro processing and cotton textile industries.

Emphasizing on the export potential in Kolhapur, Mr. A. O. Kuruvila, Advisor – Trade and Education, MVIRDC World Trade Center Mumbai, welcomed the participants and explained the underlining objective of organizing such sessions. He also mentioned that similar sessions are planned in other key cities like Nashik, Amaravati, Jalgaon, Solapur & Palghar.

He explained the role played by MVIRDC World Trade Center Mumbai in promoting international trade with various activities including training courses in foreign trade. He spoke about the objective of WTD and how it helped MSMEs in building knowledge and confidence in entrepreneurship. He also elaborated on the services offered by WTD and encouraged MSMEs to get benefit by associating with WTC. He also said about various courses offered by WTC to skill entrepreneurs to be global.

Mr. Khedker who is the senior faculty of WTC Mumbai was the main speaker for the program. He said that balance of trade (BOT), which is an indication of Forex inflow and outflow is a major issue of our economy. "Our Balance of Payment (BOP) may be overtly comfortable (because of strong inflow of foreign capital), but BOT is an issue as our imports far exceeds exports.

India's foreign trade policy aims at improving BOT at micro level of a firm so that aggregated it may help towards achieving positive BOT."

Mr. Khedker further explained, "India needs to promote exports aggressively in the background of trade competition and political issues relating to tariff and non tariff barriers. The training we impart is to encourage industries to export good quality products at competitive prices by enhancing their competence with thorough knowledge of all aspects of international trade."

Mr. Varun Chulate, Assistant Director from EEPC spoke about EEPC by elaborating on the specifics of markets for engineering products, existing and unexplored markets and specific schemes available to enter in to these markets.



Mr. Arvind N. Khedker, Senior Faculty, MVIRDC World Trade Center Mumbai conducts workshop.

World Trade Day is a unique initiative of World Trade Centers across the world to create awareness on international trade and its impact on economic development and regional growth.

The session benefited MSME units representing auto-components, agro processing, textile and other manufacturing sectors in Kolhapur.

Similar sessions will also be organised in other parts of Maharashtra, such as Amravati, Nashik, Solapur, Jalgaon, Palghar and Ratnagiri.

The workshop was held in Kolhapur on June 18, 2019.

World Trade Day Nashik Receives Overwhelming Response from MSMEs

MVIRDC World Trade Center Mumbai received overwhelming response from micro, small and medium enterprises (MSMEs) for its interactive session on 'Skilling MSMEs for Global Opportunities' organised. The event was organised in partnership with MAITRI, which is the investment facilitation cell of Government of Maharashtra and Nashik Industries & Manufacturers Association (NIMA).

The interactive session is part of the series of knowledge programmes conducted by MVIRDC World Trade Center Mumbai across Maharashtra to observe World Trade Day. World Trade Day is a unique initiative of World Trade Centers across the world to create awareness on international trade and its impact on economic development and regional growth. The objective of World Trade Day is to encourage small and medium enterprises to explore opportunities in capacity building and seek opportunities in international trade and exports.

Mr. Pravin Deshmukh, Jt. Director of Industries, Government of Maharashtra welcomed the efforts of WTC Mumbai in skilling SMEs in different part of Maharashtra



Mr. Pravin Deshmukh, Joint Director of Industries, Government of Maharashtra addressing the session in Nashik. Seated (L-R): Mr. Gaurav Dharkar, Chairman, Seminar Committee, Nashik Industries & Manufacturers Association (NIMA); Mr. Shashikant Jadhav, Vice President, Nashik Industries & Manufacturers Association (NIMA); Mr. Tushar Chavan, Honorary General Secretary, Nashik Industries & Manufacturers Association (NIMA) and Mr. A. O. Kuruvila, Advisor – Trade and Education, MVIRDC World Trade Center Mumbai.

through the initiative of World Trade Day. He explained the various initiatives launched by DIC Nashik to help Industries in the region. The on-line facilities offered for Industries for ease of doing business were further elaborated by Ernst & Young representatives.

Mr. Virendra S. Gupte, Senior Faculty, MVIRDC World Trade



Mr. Virendra S Gupte, Senior Faculty, MVIWDC World Trade Center Mumbai conducting the interactive session.

Center Mumbai conducted the session by sharing a synopsis of the current developments in International Trade highlighting the geo-political challenges in world trade, tensions at the global level arising out of US and China trade ties, growing protectionism and rising role of India.

Mr. Gupte shared with the participants the strategies to be adopted for Export preparedness, including Management focus and vision, competency and skill building. He also elaborated how an entity can create an Export Plan, based on systematic Market Research and data analytics. He also highlighted the key issues in International Marketing relating to identifying products and markets taking into consideration various parameters - customer preferences, competitor offerings, pricing, shipping and logistics, regulatory environment,

legal requirements and international standards of compliance.

Mr. Gupte covered in detail critical aspects of Export Pricing and Costing and important aspects of managing credit and cost. He shared the highlights of the current Foreign Trade Policy of the Government and various schemes / benefits available to exporters. He also covered critical aspects of Quality and Certification requirements as per global standards.

Another important aspect in Export

-Import trade was also covered by Mr. Gupte relating to the meaning, relevance and implications of International Commercial Terms (INCO Terms) while finalizing contracts with Buyers / Sellers.

Mr. A. O. Kuruvila, Advisor - Trade and Education, MVIWDC World Trade Center Mumbai explained the underlining objective of organizing such sessions. He also mentioned that similar sessions are planned in other key cities such as Solapur, Amaravati, Jalgaon, Palghar and Ratnagiri. He briefed about the concept of WTC and the services & facilities offered at WTC Mumbai including the training courses in foreign trade and encouraged participants to take advantage of it.

The event was held at Nashik on June 26, 2019.

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Maharashtra Government to Set up Venture Capital Fund for Export-Oriented Units, says Minister Rawal

This is a momentous day for the global community of World Trade Centers as they renew the spirit of solidarity and reaffirm their commitment to international trade. International trade is a major driver of economic growth and regional development. I am confident that this event will strengthen the commitment of all the World Trade Centers towards their shared mission of 'Prosperity through Trade', said Mr. Jaykumar Rawal, Hon'ble Minister for Food and Drugs Administration, Tourism and Protocol, Government of Maharashtra on the occasion of the 18th World Trade Centers Association Day organised by MVIWDC World Trade Center Mumbai.

Emphasising on Government of Maharashtra's policy initiatives for enhancing trade and MSME growth, Mr. Rawal said, "Under its New Industrial Policy, 2019, the state government is in the process of setting up Export Promotion Council, Export-cum-Convention centers in different regions and it will soon introduce a venture capital fund for export-oriented units. The state budget for 2019-20 has proposed 50 industrial parks at taluka level for micro, small and medium enterprises. There is a great demand for cashews produced in the State in foreign countries. In order to promote cashew exports from the state, Government of Maharashtra has

allocated Rs. 100 crore for expansion of cashew processing industry. The state government is offering Rs. 50 per kg to milk federations and private milk processing industries to encourage export of milk powder."

Mr. Rawal opined, "I am proud to say that Government of Maharashtra is committed to enhance its leading position in India's foreign trade. Already, the state accounts for 25% of India's exports. Maharashtra is the largest mango exporter in the country and it contributes 90% of the total export of this commodity." Considering the importance of food and drugs sectors in Maharashtra's trade basket, the Minister said, "We are committed towards strong food and drug quality standards and wish to collaborate with the world on these aspects. At the ground level, we are training children in schools on the importance of nutritional food aspects."

Talking about the importance of tourism in promoting cultural exchange between nations, while also supporting development of entertainment, retail and real estate industries in the host country, he said, "Pilgrim centres are the major places of attraction for domestic and foreign tourists. Government of Maharashtra has reserved Rs. 100 crore for modernization of bus stations at pilgrim centres in the state. In this year's budget, Government of Maharashtra has announced the concept of tourism police in the district of Sindhudurg, Aurangabad and Nagpur besides Shirdi and Mumbai. Under this concept, the state government will provide security services of international standards to tourists in these places."

Inviting private participation in the tourism sector, Mr. Rawal suggested, "Earlier this year, Government of Maharashtra decided to open hundreds of acres of vacant land near 3,255 dams in the state for tourism and development of recreational facilities. The state government will develop recreation facilities in these vacant lands in partnership with private sector. The



Mr. Kamal Morarka, Chairman, MVIRDC World Trade Center Mumbai (2nd left) felicitating Mr. Jaykumar Rawal, Hon'ble Minister for Food and Drugs Administration, Tourism and Protocol, Government of Maharashtra (2nd right) with a floral bouquet. Also present (L-R): Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai and Board Director – World Trade Center Association, New York and Mr. Sharad Upasani, Vice Chairman, MVIRDC World Trade Center Mumbai.

Government of Maharashtra has entered into an agreement with Mahindra Lifespace Developers (MLDL) to develop a 1,300-acre eco-friendly tourist destination at Murud in district Raigad. This project is set to be the largest medical and wellness tourism investment in Maharashtra. It will also position the state as a global tourist destination."

Appreciating Government of Maharashtra's partnership with World Trade Center Mumbai to promote exports from various districts in the state, Mr. Rawal remarked, "As a part of this initiative, I am glad to note that the state government is working with the Center for its ongoing World Trade Day programmes across various districts. World Trade Day has received overwhelming response from MSMEs in the relevant districts where it has been conducted so far. I am also glad to note that the state government is partnering with World Trade Center Mumbai to promote entrepreneurship among women and SC-ST communities. On behalf of Government of Maharashtra, I assure regular and continued support to World Trade Center Mumbai in its future endeavours, as well."

Mr. Kamal Morarka, Chairman, MVIRDC World Trade Center Mumbai said, "Since the year 2002, the global network of World Trade Centers (WTCs) has been

observing World Trade Centers Association Day to renew its commitment to promote peace and stability through trade. On this occasion, we proudly remember the contribution of late Mr. Guy Tozzoli, who was the driving force of the WTC movement across the globe. Mr. Tozzoli's mission was to unite the world with the common bond of trade and investment. Today, all the 327 WTCs across 90 countries cherish his dream of Peace and Prosperity through trade."

Mr. Morarka added, "As a result of this unwavering commitment to promote global trade, the iconic WTC movement continues to grow strength by strength every year despite the ghastly terrorist attack on WTC in New York on September 11, 2001. This commitment to global trade is all the more relevant today when various countries are erecting barriers to trade."

He further remarked, "Through networking and technological advancements, today WTCs across the world are well connected and they bring in innovation. General Assembly, the flagship event of World Trade Centers Association enables exchange of ideas and best practices among these WTCs in international trade promotion."

Elaborating on MVIRDC WTC Mumbai's commitment to promote trade linkages, Mr. Morarka said, "We receive over 60 delegations every year, with an overwhelming response from local business, industry and consular corps. This has led to greater participation in our annual flagship events, namely Global Economic Summit, World Trade Day Maharashtra and World Trade Expo. We are confident that our initiative to connect cities through

trade will help micro, small and medium enterprises in these cities to explore new markets and benefit from international collaboration."

Mr. Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai and Board Director - World Trade Center Association, New York said, "Maharashtra's exports can be enhanced by handholding MSMEs, women-owned enterprises, industry clusters and startup enterprises to foray into the global market." Assuring MVIRDC WTC Mumbai's support to Government of Maharashtra's research initiatives, Mr. Kalantri suggested that the Center can conduct studies in identifying trade opportunities in the food, drugs and tourism sectors. He further suggested the Government of Maharashtra should focus on improving the Mid-Day Meal programme. He concluded saying, "I take this opportunity to assure the Government of Maharashtra all possible support in its endeavour to enhance trade, investment and tourism in the state."

Also present on the occasion were Mr. Sharad Upasani, Vice Chairman, MVIRDC World Trade Center Mumbai, Mr. Y. R. Warkerkar, Director General, MVIRDC World Trade Center Mumbai and Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai along with members of trade, industry and consular corps.

The event was held at MVIRDC World Trade Center Mumbai on June 25, 2019.

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Government of Maharashtra and World Trade Center Mumbai Observe World MSME Day

MSMEs in Maharashtra have demonstrated their competitiveness in price, quality and timely delivery of goods in the global market. I am here to honour these MSMEs for their admirable contribution to employment generation and exports. It is heartening to note that more and more women are venturing into the male-dominated area of entrepreneurship and trade. Women can avail various benefits under the state government's dedicated industrial policy for women entrepreneurs. In future, Government of Maharashtra will encourage participation of MSMEs and

women entrepreneurs in international trade delegations. This will promote joint ventures between Indian and foreign MSMEs." said Mr. Subhash Desai, Hon'ble Minister of Industry and Mining, Government of Maharashtra. The minister was addressing the Seminar on 'International Opportunities for MSMEs and MSME and Exporters Awards' organised by MVIRDC World Trade Center Mumbai in association with the Industries Department, Government of Maharashtra on the occasion of International MSME day.



Mr. Subhash Desai, Hon'ble Minister of Industry and Mining, Government of Maharashtra (2nd right) and Mr. Atul Save, Hon'ble Minister State Minister (Industry), Government of Maharashtra (3rd right) presenting an award to an MSME Entrepreneur. Also present (L-R): Dr. Harshdeep Kamble (IAS), Development Commissioner (Industries), Directorate of Industries, Government of Maharashtra; Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai and Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai.

Government of Maharashtra has taken various initiatives to promote exports and support MSMEs in the state. One of the initiatives is setting up an export promotion council not only for promoting exports of the state but also for attracting foreign direct investment.

The minister further said, "The Global Investment Promotion Council, headed by the Chief Minister, will attract foreign direct investment from MNCs such as Google, Microsoft and Adobe. Various such initiatives and schemes such as Maharashtra Global Investment Forum will be initiated by the state government soon."

Mr. Atul Save, Hon'ble Minister State Minister (Industry), Government of Maharashtra encouraged MSMEs to take advantage of the anti-dumping measures imposed by USA and Europe on Chinese goods. He said, "India is the next preferred destination for mass manufacturing after China. Already, Indian goods are superior to Chinese goods on price and quality. Our ambitious initiatives such as Make in India, Magnetic Maharashtra are benefitting entrepreneurs."

Mr. Save pointed out that the government is addressing lack of skilled manpower by opening training centers in rural areas under the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY).

Mr. Satish Gavai (IAS), Additional Chief Secretary (Industry), Government of Maharashtra said, "Government of Maharashtra recognizes the fact that the future of the economy lies in the hands of MSMEs. MSME entrepreneurs must develop bravery and resilience. We are trying to develop an enabling environment for MSMEs by reducing redtapism and improving ease of doing business."

Dr. Harshdeep Kamble, Development Commissioner (Industries), Government of Maharashtra said, "MSMEs play an important role in realizing our target of transforming

Maharashtra into a global hub for manufacturing, investment and technology. Government of Maharashtra offers grants to MSMEs upto the turnover of Rs. 50 crore, which is higher than the turnover limit of Rs. 10 crore set by the central government. The state government has also set up Rs. 100 crore for cluster development project."

Speaking about the initiatives of the state government to generate employment, Dr. Kamble said, "Government of Maharashtra aims to generate 8-10 lakh jobs under its flagship scheme Chief Minister's Employment Generation Programme over the next five years. The government aims to provide grants to 10,000 units under this programme in the current year and 20,000 units in the following year. Our objective is to generate 40 lakh job opportunities in the state over five years."

The state government also announced 20% more financial incentives for agro-processing units and 75% subsidy for expenses incurred on quality certification.

Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade

Center Mumbai said, "MSMEs are the engine of economic growth. In order to support these enterprises, Government of Maharashtra must revive SICOM and Maharashtra State Financial Corporation (MSFC). These two institutions played a vital role in addressing the financial needs of the industry. Maharashtra witnessed sound growth when these two institutions were active in the MSME sector."

Mr. Kalantri also suggested policymakers to rationalize policy framework by removing regressive laws and improving ease of doing business.

Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai suggested MSMEs and women entrepreneurs to participate in international trade fairs and exhibition to explore global market. She also proposed Government of India to set up foreign offices of India's trade promotion organisation, on the lines of KOTRA, TAITRA, PROMEXICO etc.

Ms. Naik invited women entrepreneurs to register themselves on SheTrades, which is web and mobile app, a flagship initiative of ITC Geneva. This app is targeted to connect 3 million women entrepreneurs across the globe by 2025.

Dr. P. Anbalagan, Chief Executive Officer, MIDC was also present at the event.

On this occasion, Government of Maharashtra felicitated more than 55 MSMEs, including exporters and farmers from across Maharashtra for their valuable contribution to employment creation and international trade.

The event also featured an interactive panel session, where experts suggested MSMEs to register on online platforms such as Government e-Marketplace (GeM) and Amazon. By registering with the GeM, MSMEs can benefit from the mandatory 25% procurement norms of public sector undertakings.



Mr. Subhash Desai, Hon'ble Minister of Industry and Mining, Government of Maharashtra (2nd left) lighting the ceremonial lamp. Also present (L-R): Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai; Mr. Atul Save, Hon'ble Minister State Minister (Industry), Government of Maharashtra; Dr. Harshdeep Kamble (IAS), Development Commissioner (Industries), Directorate of Industries, Government of Maharashtra and Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai.

The panel session was addressed by Dr. Shrikant Kamat, Leader - Customs & International Trade, BDO India LLP, Mr. Pramod Sant, VP - Head of Import Export and Customs, Siemens India and Ms. Lubeina Shahpurwala, Co- Founder, Mustang Socks. Mr. Siddhartha Rastogi, Managing Director, Ambit Capital - Asset Management moderated the panel session.

The seminar was also addressed by Mr. Ajay Thakur, CEO, SME-Exchange, Mumbai and Mr. Krishnalal Dhingra, Regional Chairman (WR), EEPIC India and Dr. Amar Banerji, Head, Technology Transfer & Collaboration Division, Bhabha Atomic Research Centre (BARC).

The event received overwhelming response from representatives of more than 500 MSMEs, consular corps, export promotion councils, chambers of commerce and consultancy organizations.

The event was held at MVIRDC World Trade Center Mumbai on June 27, 2019.

Hon'ble Governor of Odisha Lauds WTC Bhubaneswar



His Excellency Professor Mr. Ganeshi Lal, Hon'ble Governor of Odisha (left) along with an official (center) in discussion with Ms. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar (second right) and Ms. Asha Mohapatra, Assistant Manager, World Trade Center Bhubaneswar (first right).

York and is promoted by MVIRDC, the promoter of World Trade Center Mumbai.

She further explained about the concept of World Trade Centers across the globe and how it integrates a global network of more than 328 World Trade Centers in 91 countries. She explained that the aim of World Trade Center Bhubaneswar is to place Odisha on the global business map.

Team members of World Trade Center Bhubaneswar, met and felicitated his Excellency Prof. Ganeshi Lal, Hon'ble Governor of Odisha.

Ms. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar apprised Prof. Lal of the establishment of the World Trade Center Bhubaneswar and the activities planned in the near future. She informed his Excellency about the various initiatives World Trade Center Bhubaneswar has taken in order to assist the local businesses, particularly the MSME sector in accessing partners in global markets.

She informed him that World Trade Center Bhubaneswar is a member of the World Trade Centers Association, New

Ms. Asha Mohapatra, Assistant Manager, World Trade Center Bhubaneswar shared details about the initiatives of the Center in facilitating CSR activities and supporting the micro entrepreneurs at the grass root level with explicit focus on women entrepreneurs.

His Excellency Prof lauded the initiatives of WTC Bhubaneswar and expressed that his office would provide the necessary support in their best capacity to this endeavour.

The meeting was held at Raj Bhavan, Bhubaneswar on April 30, 2019.

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WTC Bhubaneswar Supports Ethical Corporate Branding



Dr. Kamalesh Mishra making his deliberations

World Trade Center Bhubaneswar facilitated an orientation programme on Ethical Corporate Branding for the officials and field staff of South Eastern Region Pipelines division of Indian Oil Corporation Limited (IOCL), Bhubaneswar.

The program was organized under the Corporate Social Responsibility (CSR) training initiatives of IOCL. The objective of the program was to provide training on Corporate Branding & CSR with focus on Ethical Branding.

Dr Kamallesh Mishra, Freelance Expert on Branding & Marketing and the resource person for the session made a presentation on corporate reputation building through correct positioning of Company values in the field of work.

He discussed various case studies on out of box thinking for implementation of CSR initiatives. He also deliberated on conceiving CSR projects in the needful areas in order to engage and develop sustainable partnerships with local communities and other stakeholders.

The session was inaugurated by Mr P C Choubey, Executive Director, South Eastern Region Pipelines (SERPL), Paradip in the presence of Mr. S. Patnaik, GM (HR), SERPL Bhubaneswar Region HQ and other officials.

Speaking on this occasion, Mr. Choubey shared the approach of IOCL towards CSR and encouraged everyone to brainstorm to get the best ideas for effective CSR projects.

Officials from various zones of the South- Eastern exchanged their ideas and suggestions for working with local communities and other stakeholders. New ideas and success stories of new age thinking in CSR Implementations were discussed and outstanding work in this regard was recognized.

The orientation programme was held at IOCL on May 16, 2019.

MVIRDC World Trade Center Mumbai Donates Rs. 51 lakhs to Cyclone-hit Odisha



Mr Vijay Kalantri, Vice Chairman of MVIRDC World Trade Center Mumbai (3rd from right) handing over the cheque of INR 51 Lakhs to Mr. Naveen Patnaik, Honble Chief Minister of Odisha. Also seen from (L-R): Ms. Asha Mohapatra, Assistant Manager, World Trade Center Bhubaneswar; Ms. Nimeshika Natarajan, Assistant Director, World Trade Center Bhubaneswar; Ms. Mohini Kalantri, wife of Mr. Vijay Kalantri; Mr. Y. R. Warkerkar, Director General, MVIRDC World Trade Center Mumbai and Ms. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai.

M VIRDC World Trade Center Mumbai, Promoter of World Trade Center Bhubaneswar has donated INR 51 Lakhs to Chief Minister's Relief Fund (CMRF) towards restoration and relief work for those affected by Cyclone Fani.

Handing over the cheque to Mr. Naveen Patnaik, Hon'ble Chief Minister of Odisha, Mr Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai lauded

the State Government for taking all precautionary steps to ensure zero casualties during Cyclone Fani. Mr. Kalantri also briefed the Hon'ble Chief Minister about the activities of MVIRDC World Trade Center Mumbai and its contribution to international trade.

Mr. Kalantri expressed confidence that with the support of Shri. Patnaik, a commercial facility for World Trade Center Bhubaneswar can be developed in the capital city of Odisha. World Trade Center Bhubaneswar, which has been active for the last five years in Bhubaneswar, plans to develop a commercial facility to offer integrated trade support services to the industry under one roof.

Sharing his views on this occasion, Mr. Y. R. Warkerkar, Director General, MVIRDC World Trade Center Mumbai informed that there are 330 World Trade Centers in more than 100 countries and their headquarter is in New York. Setting up World Trade Center in Bhubaneswar shall bridge the gap between business community from Odisha and overseas.

The event was held at Chief Minister Odisha's office on June 21, 2019.

World Trade Center Bhubaneswar Observes World Trade Day

His Excellency Prof. Ganeshi Lal, Governor of Odisha inaugurated World Trade Day, which was organised by World Trade Center Bhubaneswar at Hotel Swosti Premium, Bhubaneswar. The event also featured Annual Members Meet of the Center.

Addressing the event, His Excellency Professor Mr. Ganeshi Lal suggested industry to expand their business in world market by making optimum use of the unparalleled global network of WTC in more than 90 countries.

The event focused on unleashing the export potential of Odisha. His Excellency Prof. Mr. Ganeshi Lal spoke highly of Odisha's culture, tradition and brotherhood. He stressed on the development of villages and urged corporate leaders to advance the villages' access to global market as the objective to pursue for inclusive development. Prof. Lal suggested WTC Bhubaneswar and its members to work in this direction especially in collaboration with central and state government sponsored schemes.

Captain Somesh Batra, Chairman, World Trade Center Bhubaneswar and Vice Chairman, MVIRDC World Trade Center Mumbai delivered the welcome address where he acknowledged the achievements of WTC Bhubaneswar and assured continued endeavours by the Center to bring Odisha's best to the world and bring the best of the world to Odisha.

Captain Mr. Dibya Shankar Mishra, Hon'ble Minister of Energy, Industries, MSME, Government of Odisha spoke highly of the capacity of Industry and MSME to transform the economy and how he strongly feels the need for a full-fledged office for WTC Bhubaneswar.

Dr. Nitin Jawale, IAS, Managing Director, Industrial Promotion & Investment Corporation of Odisha (IPICOL), Government of Odisha stressed on the need for rapid economic development in eastern parts of India and how it can hugely contribute to the Prime Minister's target of making India a 5 trillion dollar economy.

As part of the event, WTC Bhubaneswar felicitated

member companies in different categories for their outstanding performance in international trade and facilitation.

The event also featured signing of two MoUs by WTC Bhubaneswar with Industry partners such as Hotel and Restaurant Association of Odisha (HRAO) and Batoi Systems Pvt Ltd. On this occasion, WTC Bhubaneswar revamped its sectoral Think Tanks, which were designed last year, by adding new conveners, co-conveners and members.



His Excellency Professor Mr. Ganeshi Lal, Governor of Odisha (2nd left) lighting the ceremonial lamp. Also seen (L-R): Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai; Captain Mr. Somesh Batra, Chairman, World Trade Center Bhubaneswar and Captain Mr. Dibya Shankar Mishra, Hon'ble Minister of Energy, Industries, MSME, Government of Odisha.

Leaders from different think tanks at WTC Bhubaneswar namely Mr. J.K. Mohanty, Convener, Tourism Think Tank, Mr. Ashwini Rath, Convener, Start-up, Innovation & Technology Think Tank, Mr. Mahendra Gupta, Convener, Smart City & Infrastructure Think Tank, Mr. Pradipta Mohanty, Convener, Agriculture & Food Processing Think Tank and Ms. Sanghamitra Jena, Convener, Women Forum presented their detailed account of activities and shared their plan for near future.

The event was held at World Trade Center Bhubaneswar on June 22, 2019.

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World Trade Day Goa Receives Overwhelming Response from Industry



Mr. Arman Bankley, Partner AR-Mines Industries & Secretary, Vibrant Goa Foundation addressing the audience. Also seen seated (L-R): Mr. Cyril Desouza, Assistant Director - Trade Promotion, World Trade Center Goa; Mr. Mc Eugene Pinto, Co-Founder and Partner, Kitzai Imports & Exports and Mr. Ambar Kamat, Director, Eintellize Infotech Private Limited.

World Trade Center Goa organised a panel session to discuss export potential of Goa as part of its initiative to observe World Trade Day Goa 2019. The session was addressed by Mr. Mc Eugene Pinto, Co-founder and Partner, Kitzai Imports & Exports, Mr Ambar Kamat, Director, Eintellize Infotech Private Limited and Mr. Arman Bankley, Partner AR-Mines Industries & Secretary, Vibrant Goa Foundation.

World Trade Day is a unique initiative of World Trade Centers across the Globe to create awareness on International Trade and its impact on Economic Development and Regional growth. The objective of the World Trade Day is to encourage small and medium enterprises to explore opportunities in capacity building and exports.

The event received overwhelming response from trade & industry, aspiring entrepreneurs and exporters, besides government officials.

Speaking on this occasion, Mr. Pinto pointed out that Goan companies have beautiful products that they can export throughout the globe, but unfortunately, they get

so much engrossed in the running of the company that they actually neglect the hardcore selling and marketing of the product.

He opined that paying more attention to this aspect will give a boost to their selling activity and result in a dramatic and positive change to their respective company's bottom-line.

Mr Kamat made a detailed presentation on the Global Data Protection Regulation (GDPR). He highlighted that this is a legal framework that sets guidelines for collection and processing of personal information from Individuals who live in the European Union (EU). Mr Kamat also explained that even companies not selling directly to the EU would have to be very well versed with this regulation as it applies regardless where the websites are based. He also touched upon the area of

how each company can protect its data while doing cross border trade.

Mr. Bankley gave a lucid presentation on the Vibrant Goa - Global Expo & Summit 2019, that will be organized from 17th to 19th October 2019, at Goa. He encouraged all everyone to actively participate in this event and make it a big success in projecting the business potential of Goa.

Mr Cyril Desouza, Assistant Director, Trade Promotion, World Trade Center Goa made a presentation on the 'Export Revenue Assistance Programme' (ERAP), which is introduced by World Trade Center Greater Philadelphia. The programme will be of great help to companies who are interested in selling in United States of America. The programme is specifically targeted at those companies that are planning to expand their business by selling their products in the US market. He also distributed copies of the ERAP to all the delegates present.

The event was held at World Trade Center Goa on May 30, 2019.

■

Officials Invite MSMEs to Avail Government Schemes on World MSME Day



Seated (L-R): Mr. Cyril Desouza, Assistant Director - Trade Promotion, World Trade Center Goa; Mr. Shashi Kumar, Assistant Director (Gr1), MSME Development Institute Goa; Mr. G. R. Akadas, Director, MSME Development Institute Goa; Mr. A. V. Raviprakash, Chief General Manager, (Commercial) Goa Shipyard Limited and Ms. Geeta Joshi, Planning Officer, Directorate of Industries, Trade & Commerce, Government of Goa.

World Trade Center Goa organized a Seminar on the theme 'MSMEs and Global Economy' to commemorate the World MSME Day that is annually celebrated around the globe.

Speaking on this occasion, Mr G R Akadas, Director, Micro, Small and Medium Industries, Development Institute (MSME DI), Goa, highlighted various ongoing government schemes for MSMEs. Some of the schemes mentioned by Mr. Akadas are Udyog Aadhar Memorandum (UAM), Credit Linked Capital Subsidy scheme and lean manufacturing schemes.

Mr. Akadas also informed that the institute organizes Industrial Motivation Camps for developing entrepreneurial skills. Mr Akadas, while also explaining some of the new schemes to be launched in the near future, encouraged the delegates present to take advantage of the many schemes on offer to upscale their production levels to cater to the Global Markets.

Ms. Geeta Joshi, Planning Officer, Directorate of Industries, Trade & Commerce, Government of Goa, presented an overview of the "Umbrella Schemes" that the State Government has on offer to the MSMEs. She made a detailed presentation of Schemes such as The Capital Subsidy Scheme, Interest Subsidy Scheme, incentives for training prospective Employees Scheme etc... Ms. Joshi also explained the eligibility criteria, benefits, ceiling and period of validity of each of the schemes.

Mr A V Raviprakash, Chief General Manager (Commercial), Goa Shipyard Limited spoke on the Goa Shipyard Ltd's (GSL) policy to strengthen the MSE eco-system in Goa. He emphasized the need to involve more women, Scheduled Caste and Scheduled Tribe entrepreneurs in the manufacturing sector.

Mr Raviprakash presented an in-depth explanation of the opportunities that the GSL offers to the local vendors and gave an overview of the Vendor Development Programmes that would benefit the local entrepreneurs in a very positive way.

While thanking the delegates present, Mr Shashi Kumar, Assistant Director (Gr.1) MSME DI suggested MSMEs to take advantage of the various Central and Local Government initiatives to enhance productivity, grow locally and prosper globally.

Earlier in his opening remarks, Mr Cyril Desouza, Assistant Director, Trade Promotion, World Trade Center Goa expressed confidence that this seminar will create a major public awareness on the importance of MSMEs to employment, exports, GDP and their support to large manufacturing units.

The event was held at World Trade Center Goa on June 27, 2019.

■

Industry Roundtable Explores Export Potential of Rajasthan



Ms. Manju Mali, General Manger, District Industries Centre-Banswara, Industries Department, Government of Rajasthan (left), Mr. Navneet Agarwal, Assistant Director – Trade Promotion, World Trade Center Jaipur (3rd left) with officials of MSME DI, NSIC, MAHI power project and Nuclear Power Corporation of India Ltd.

World Trade Center Jaipur organized an Industries Interaction Roundtable to explore the export potential of Banswara ‘the city of hundred Islands’. Banswara, located in the southern part of Rajasthan, is called the city of hundred islands because of the presence of several islands on the Mahi river.

The event was organised in collaboration with Banswara District Industries Centre, Industries Department, Government of Rajasthan, MSME- DI Jaipur and National Small Industries Corporation Limited (NSIC), Government of India.

Mr. Pradeep Ojha, Deputy Director-MSME - DI shared information on various schemes of the department to facilitate exports from the district. He said, “Under International Co-operation scheme (IC), visit and participation of MSMEs in International Exhibitions/Trade Fairs/Buyer Seller Meets, support can be extended through airfare subject to a maximum of Rs. 2.50 lakh for three foreign resource persons and with a maximum government assistance of Rs. 4.50 lakh per event for stall, venue and catering, post fulfilling eligibility criteria.”

Mr. D. K. Agarwal, Deputy General Manager - NSIC, Jaipur addressing the event remarked, “Ministry of Micro, Small & Medium Enterprises, inter-alia, through National Small Industries Corporation (NSIC), a Public Sector Enterprise of the Ministry, has been providing marketing support to Micro & Small Enterprises (MSEs) under Marketing Assistance Scheme.”

Mr. Agarwal added further, “The need of the hour presently is to provide sustenance and support to the whole MSME sector (including service sector), with special emphasis on rural and micro enterprises, through suitable measures to strengthen them for converting the challenges into opportunities and scaling new heights. Thus, although the medium enterprises have also been included as the target beneficiaries under the scheme, special attention would be given to marketing of products and services of micro and small enterprises, in rural as well as urban areas.”

Ms. Manju Mali, General Manger, District Industries Centre-Banswara, Industries Department, Government of Rajasthan advocated the fact that given support from all government departments and foreign trade facilitation partners such as World Trade Center, the district can see sharp rise in exports from the state.

Ms. Mali informed, “Yarn, marble slabs and tiles are major exportable items from the state. For any new SME, the geography offers huge potential in the areas of oil and dal mill, maize based packaging of baby corn, bakery units, leather shoes, bags and purses, mini cement plants, gang saw units, iron fabrication work, plastics molded items and marble handicraft items.”

The program was well attended by senior officials from Mahi power project, Rajasthan State Industrial Development and Investment Corporation, popularly known as RIICO, a premier agency of Government of Rajasthan that has played an important role in the

industrial development of Rajasthan, Laghu Udyog Bharati and Nuclear Power Corporation of India Limited. Later during a formal interaction, World Trade Center Jaipur and Nuclear Power Corporation discussed the possibilities of a state level vendor development program to be organized at Banswara.

Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur helped facilitate the event.

The roundtable was held at World Trade Center Jaipur on April 11, 2019.

Session on Vendorisation Receives Overwhelming Response in Dungarpur

World Trade Center Jaipur organised a brainstorming session on Vendorisation and Ancillarisation in Dungarpur district of Rajasthan in association with RIICO (Rajasthan State Industrial Development and Investment Corporation) and other government agencies.



Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur; Mr. Pradeep Ojha, Deputy Director, MSME - DI, Jaipur and Mr. D. K. Agarwal, Deputy General Manager, NSIC, Government of India.

The event was also attended by senior officials from MSME Development Institute (DI), NSIC (National Small Industries Corporation limited) and District Industries Centre Dungarpur, Department of Industries, Government of Rajasthan. The event featured brainstorming session on the industrial growth taking place in the district of Dungarpur through Vendorisation and Ancillarisation.

The session received overwhelming response from representatives of trade and industry in Dungarpur. Mr. Ketan Patel, Regional Manager, RIICO, Government of Rajasthan chairing the session said, "As an apex organization engaged in fostering growth of industrialization in the state, the Mission of RIICO is to catalyze planned industrialization in Rajasthan. It keeps pace with

the industrialization process by providing complete and innovative support services to industries - industrial infrastructure, finance, consultancy and other industry related assistance. In addition, RIICO undertakes a wide range of functions, inter alia, including promotional activities such as identifications of projects, preparation of project profile and feasibility reports."

In his presentation Mr. Pradeep Ojha- Dy. Director, MSME DI said, "Vendorization and Ancillarisation sends a dependable image of service provider as the process is for identification, selection and utilization of service providers based on their qualifications and other fitting requirements. This process allows regional centers to verify, prior to the provision of services to clients, that the applicant meets all the cited requirements and benchmarks specified in the guidelines."

In the special address, Mr. Hitesh Joshi, General Manager, District Industries Centre urged MSME-DI and World Trade Center Jaipur to promote local artisans at national and international level exhibitions and B2B meetings.

Mr. Joshi also expressed keen interest in bringing a delegation from the region to World Trade Expo and Global Economic Summit hosted at WTC Mumbai. Citing the success story of Shree Rajasthan Syntex Ltd. (participant at the program), Mr. Joshi urged entrepreneurs to venture into textiles as the region has favorable water and labour conditions. Shree Rajasthan Syntex Ltd. is one of Rajasthan's largest textile exporters from Dungarpur.

Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur helped facilitate the event.

The session was held at World Trade Center Jaipur on April 12, 2019.

Seminar Explores Export Potential of Stone Industry in Hindaun

World Trade Center Jaipur in collaboration with MSME – DI Jaipur and Udyog Mandal Stone Association Hindaun organized a seminar on 'Exploring the Export Potential of Hindaun' to interact with entrepreneurs actively involved in the stone industry. Hindaun is a city in the Karauli district of Rajasthan and it is a major hub of stone industry. Stone industry is a major contributor and a growth driver to the economy of Rajasthan. Hindaun is located in the eastern part of Rajasthan and it is well connected with Jaipur, Agra, Alwar, Dholpur, Bharatpur with modernized roads.

Mr. S. S. Singal, President, Udyog Mandal Stone Association Hindaun shared a brief outline of the stone industry and informed, "Hindaun is the biggest Centre of the building stones. Over the years, dark red strips have become famous for roof construction. Many units of stones carving are present in working condition due to its presence on the north-west railway lines of Hindaun."

Mr. Singal further added, "After designing different types of stone shapes, they are sent to different areas of the country by road and railway line. Transportation business of Karauli totally depends on mineral production. Although the red- pink shaded stone of Karauli is used in building materials locally, it has now been made attractive by polishing it in the "Gangsa" units. The stone mined here in Sikandra-Manpur area of Dausa district is used for stone cutting at large scale, where attractive statues, artefacts of birds, buildup of mesh windows are made and exported to foreign countries. Sufficient amount of primary and secondary minerals are available in Karauli."

Mr. Kailash Agarwal, Director, Agarwal Slate Industries shared more information about the stone mining industry in Karauli district. He pointed out, "There are massive reserves of building, silica and Ghiya stones underneath the earth in the Karauli District of the eastern Rajasthan. There are plenty of mines having stones used in the construction of buildings. The stone is famed for being used in building construction since ancient times. These stones have been used in very few

famous buildings of the country including Red Fort of Delhi, Forts of Agra Fatehpuri and the Parliament of India."



Mr. Dinesh Chand (I.E.S.) Assistant Director, Ministry of MSME addressing the participants. Seated (L-R): Mr. S. S. Singal, President, Udyog Mandal Stone Association Hindaun; Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur and Mr. Kailash Agarwal, Director, Agarwal Slate Industries.

Mr. Dinesh Chand (I.E.S.) Assistant Director, Ministry of MSME apprised the audience about various government schemes where local entrepreneurs upon forming clusters can seek benefits from MSME department and participate in events and exhibitions subsidized by the government.

Mr. Dinesh appreciated the manufacturing and processing capabilities of Silica Stone, Masonry stone, Sand stone, and "Ghiya Patthar" (soapstone) units in Hindaun for their significant contribution to the economy of Rajasthan.

Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur helped facilitate the event.

The seminar was held at World Trade Center Jaipur on May 18, 2019.

World Trade Center Jaipur Organises 3rd World Trade Day

World Trade Center Jaipur organised its third World Trade Day on the theme 'Enhancing Export Potential of Rajasthan' at Maple Abhay-Jodhpur. The event was organised in partnership with Export Promotion Council for Handicrafts (EPCH), Jodhpur Institute of Export and Shipping Management (JIESM), Spices Board of India and India's leading open university IGNOU.



Mr. Gaurav Surana, Regional Head-Jodhpur, Spices Board of India addressing participants. Seated (L-R): Mr. Gopal Sharma, Regional Head, EPCH Jodhpur; Mr. Rais Ahmed, Director JIESM Jodhpur; Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur and Dr. Ajay Vardhan Acharya, Regional Director, IGNOU.

The event drew a large number of entrepreneurs and exporters from handicraft, furniture, agriculture and textile sectors.

Dr. Ajay Vardhan Acharya, Regional Director, IGNOU, Mr. Rais Ahmed, Director, JIESM Jodhpur, Mr. Gaurav Surana, Regional Head, Jodhpur, Spices Board of India and Mr. Gopal Sharma, Regional Head, EPCH Jodhpur set the tone for the day and made it clear that Jodhpur and many other districts in Rajasthan threw abundant opportunities for bilateral trade from the state.

Mr. Ahmed said, "Rajasthan is one of the most prominent locations for textile processing in India. In addition to being one of the largest producer and exporter of polyester viscose suiting - woven polyester fabric (mixed with viscose rayon), it is also emerging as an important

state for production and export of readymade garments, cotton yarns, and nylon tyre cord fabrics."

He added, "From the districts perspective, Bhilwara is one of the major manufacturing destinations in India for suiting fabrics and yarns. Barmer is also being developed on similar lines as Bhilwara. The district of Jaipur is one of the largest centers for readymade garment processing in

India, and a large number of units in Jaipur are catering only to the exports market. Pali, Balotra and Jodhpur are also among the prominent centers of India for processing of low weight, low cost fabrics."

Mr. Sharma explained, "Handicrafts is an integral part of Rajasthan's culture. There is strong presence of various types of handicrafts in the major districts of Rajasthan: Textile Printing from Bagru, Chittroli, Sanganer, Jaipur and Jodhpur, Zari from Jaipur and Barmer, Stone Inlay from Jaisalmer."

Speaking on this occasion, Mr. Gaurav Surana informed, "There exists substantial export potential in the areas of fresh vegetables, amla, guava, aloe vera, oil cake, oil seeds etc.

There are also opportunities for canning, dairying, frozen food, fruits and vegetable, milk and milk beverages and soft drinks in the state. However, infrastructure needs to be built to support the same."

At the end of the session, participants engaged with the speakers by seeking information and clarification on payment and documentation related issues in international trade.

Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur helped facilitate the event.

The event was held at World Trade Center Jaipur on May 31, 2019.

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WTC Jaipur Joins Hands with ICRIER to Hold Stakeholder Meet on RCEP

Indian Council for Research on International Economic Relations (ICRIER), New Delhi organised an 'RCEP Stakeholders Consultation on Agriculture, Industry and Services' in collaboration with World Trade Center Jaipur and MVIRDC World Trade Center Mumbai at the World Trade Center Jaipur.

The objective of the event was to elicit suggestions from industries in Northern states of India for the ongoing negotiation of India on RCEP (Regional Comprehensive Economic Partnership) with 15 other countries.

Dr. Saon Ray, Senior Fellow, ICRIER, New Delhi, explained that RCEP is a Free Trade Agreement (FTA) being negotiated among 16 countries, namely, the ten countries of ASEAN region (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam), Australia, China, India, Japan, New Zealand and South Korea.

She further remarked, "The proposed RCEP trading partners have reached a critical stage of negotiations, having completed five years of negotiations on the Goods, Services and Investments agreement. Under the aegis of RCEP, countries would need to reduce or eliminate trade barriers and expand market access for goods and services. The negotiations cover sectors such as agriculture, industrial products, raw materials, intermediates, financial services, professional services and IT services."

The consultation meeting was well attended by more than 75 participants, belonging to export-oriented sectors such as handicraft, agriculture, garment and stone Industries. The meeting became a converging point for representative discussions and presentations by the manufacturing trade associations, service providers, patent and copyright experts, academicians, researchers, foreign trade facilitators and export facilitating government departments.

Mr. Atul Poddar, Managing Director, Poddar Associates believed that the proposed RCEP agreement is gigantic in scope. It can potentially lead to becoming the largest free trade bloc in the world covering about 3.5 billion people and 30 per cent of the world's Gross Domestic Product, ultimately covering almost half of the world's population.

Mr. Mukesh Gupta, Executive Director, Morarka Organics observed, "RCEP could be a turning point in heralding major trade-related reforms, which was unheard of ever since the days of liberalisation in 1991. RCEP will give Indian exporters a window of opportunity to be a part of global value chains."



Mr. Anil Velde, Joint Director - Trade Promotion and Marketing, World Trade Center Mumbai addressing the participants. Seated (L-R): Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur; Dr. G. K. Prabhu, Manipal University; Mr. Lekhraj Maheshwari, Former Chairman, Export Promotion Council for Handicrafts (EPCH); Dr. Saon Ray, Senior Fellow, ICRIER, New Delhi; Mr. Mukesh Gupta, Executive Director, Morarka Organic Foods Ltd and Mr. Avindar Laddha, Department of Industries, Government of Rajasthan.

A number of MSMEs, industry associations and National Institute of Agricultural Marketing (NIAM) shared their concerns with Dr. Ray during the programme.

Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur helped facilitate the event.

The event was held at World Trade Center Jaipur on June 10, 2019.



Solid, Liquid and Industrial Waste Management

World Trade Center Jaipur organized an interactive programme on 'Solid, Liquid and Industrial Waste Management' in collaboration with Rajasthan Pollution Control Board and MSME DI. The objective of the event was to create awareness about eco-friendly management of industrial waste.

Dr. Ravindra Nagar, Professor, Malviya National Institute of Technology, Jaipur said "We must minimize dumping of waste in landfill by properly segregating them at source and recycling them. We can generate useful compost and renewable energy by efficiently managing organic waste and combustible waste."



Mr. Bhuvnesh Mathur, Environmental Engineer, Rajasthan Pollution Control Board addressing the participants. Seated (L-R): Mr. D. K. Agarwal, Regional Head, National Small Industries Corporation; Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World Trade Center Jaipur; Mr. M. K. Saraswat, Director, MSME - DI; Mr. Y. S. Bhati, President, Sudarshanpura Industrial Estate and Dr. Neha Sharma, Head Of Department, Poddar Group of Institutions, Jaipur

Ever growing quantum of municipal solid waste is causing serious environment and health hazards. A sustainable integrated waste management approach is required to be presented as a response to the emerging environmental demands.

Mr. Bhuvnesh Mathur, Environmental Engineer, Rajasthan Pollution Control Board remarked, "Waste management rules in India are based on the principles of sustainable development and precaution to the highest level. These principles mandate civic bodies and commercial establishments to act in an environmentally accountable and responsible manner. The increase in waste generation led to promulgation of sub laws under the Environment Protection Act 1986."



Dr. Neha Sharma-HOD, Poddar Group of Institutions, Jaipur addressing the audience

Mr. M.K. Saraswat, Director- MSME DI explained, "There has been significant technological progression for processing, treatment and clearance of solid waste. Energy from waste is a crucial element of SWM as it reduces the volume of waste from disposal as also helps in converting the waste into renewable energy and manure."

Sharing his views on this occasion, Mr. Navneet Agarwal, Assistant Director - Trade Promotion, World

Trade Center Jaipur said, "To ensure that recycling works, infrastructure needs to be in place so that societies can handle the waste stream. Government and private sector must come together to create capacity for recycling plastic waste. We must also develop sustainable method to treat waste instead of relying on incineration, which releases harmful gases in the atmosphere."

Mr. Pradeep Ojha, Deputy Director MSME - DI proposed vote of thanks at the event.

The programme was held at WTC Jaipur on June 9, 2019.

50th WTCA General Assembly in Queretaro, Mexico - A Report

MVIRDC World Trade Center Mumbai organised a delegation to the 50th WTCA General Assembly which was held in Queretaro, Mexico. The delegation members included Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai; Mr. Sharad Upasani, Vice Chairman, MVIRDC World Trade Center Mumbai; Captain Mr. Somesh Batra, Vice Chairman, MVIRDC World Trade Center Mumbai; Mr. Firoze Andhyarujina, Senior Advocate, Supreme Court of India and Mr. Ajay Khatlawala, Solicitor, Little & Co.

Day 1, April 8, 2019 commenced with a meeting on AgMac Roadmap 2019 which was chaired by Mr. Steven

to further develop it. The average travel time between Alaska and Shanghai is logistically shortened by five hours

- As there are sub sectors in Agriculture, attempts were made to define it in a manner to include administrative, political, production and advancements in technology, resulting in higher yield of crops. Mr. Andhyarujina pointed out that there are various laws that have helped in defining agriculture to include international models utilising legal and general dictionary definitions. The committee governing AgMac included some that would help in



Lo, Executive Director and Ms. Sui Jin Kon, Director – Global Alliances from World Trade Center Harbin. The following were discussed at the session:

- Best practices in agriculture which could help create model guidelines
- Emphasis on various modalities of actionable transactions leading to business opportunities for members
- In the event of a disaster, China could supply food, besides providing other assistance. Southern China is the biggest seafood market and Harbin is helping

defining the term in the future. Through discussions, the Committee concluded that rice was the staple diet world over. Rice cultivation is fragile, requiring lot of care. Therefore, companies that are engaged in rice production should be encouraged and WTCs should take an active role in promoting it

- All WTCs must actively engage by contributing to the AgMac community website which has been recently launched

The opening general session commenced with a welcome address by Mr. John Drew, Chairman, Board of WTCA. Mr. Drew said that the main theme is to lay down



the foundation of global connectivity, which was well received with enthusiasm and commitment by members.

Thereafter, Mr. Scott Ferguson, Chief Executive Officer, WTCA provided an update on the recent developments and plans for WTCA:

- A number of events were discussed for the next 12 months to celebrate WTCA's 50th Anniversary
- Active engagement among WTC members on a one-on-one basis would bring about unity. Currently there are 130 active WTCs.
- A review of events held across WTC:
 - American Business Forum held on February 22, 2019
 - 8th Global Economic Summit on Services: Enabler of Growth for Trade and Industry held at WTC Mumbai from March 6-7, 2019. Twenty-six countries participated in the Summit that was well received by both government and industry. World Trade Organization, World Bank and European Services Forum were some of the main multilateral organizations that participated in the event
 - Radio shows helped SMEs connect on AIR
 - WTCA's Health Analysis Report presented covering – types of events, member engagement response, news items, digital and surveys conducted, etc
 - New members – 13 new WTCs registered of which two were from India, namely WTC Nagpur and WTC Guwahati. WTC Goa and WTC Jaipur, complete 5-10 year anniversary, besides, many others

Mr. Alex Brown, Director - Communication Accreditation, WTCA informed about the new policy of Accreditation to be introduced for both new and old WTCs. Mr. Brown also apprised participants about the 50th Anniversary programme highlighting the following:

- WTCA Global Village
- Two Track Communication
- WTCA Micromedia Competition
- Global Mural
- Event Enhancement

A session on 2019 Trade & Investment Report revealed that cities with WTCs out performed globally in terms of better GDPs and on an average higher FDIs and exports. Therefore, having a WTC in a city would help it grow economically, leading to better standard of living.

A session on Unique Analysis & Thought Leadership pointed out that cities having WTCs were resilient in the face of economic downturn and helped in cushioning during economic turbulence. In terms of GDP, WTC cities tend to loose about .8% compared to others that make huge losses.

A Board Plenary Meeting Report was presented by Ms. Anna Brod. The issues discussed were:

- Executive Committee Report which dealt with Intellectual Property Rights (IPR) and collation of information. The Report also examines Licenses Approvals Revaluation
- 2018 Audited Financials were placed and accepted
- Audit and Risks Committee Reports presented
- Nomination and Compensation Committee Report presented by Digital Sterling Committee
- Investment Committee presented its report
- Finance Trade Market update presented

Mr. Vijay Kalantri, Vice President, WTC Mumbai was re-elected as a Board Member of WTCA, New York for the sixth consecutive year with the maximum number of votes from the Asia-Pacific region.

APAC and India Regional meetings were held on April 9,

2019. Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai provided a recap of the events and exhibitions organised at the Center and with various trade promotion bodies with a view to promote and encourage MSMEs.

MVIRDC World Trade Center Mumbai was recognised as the one of the most active WTC in the world. An MoU was signed between WTC Mumbai and WTC Sao Paulo, Brazil on April 9, 2019.

A presentation was made on Mexico which has 12 WTCs. The WTCs are focused on members business requirements and promotion of local businesses. Further, it was pointed out that cities with WTCs act as vehicles of growth for promotion of trade and investment and free trade zone, knowledge sharing, and organisation of an annual trade event.

Although, most of the work done by WTCs is diverse, the mandate is for the benefit of MSMEs. In most economies, SMEs contribute 60% in value terms and 70% in employment generation. WTCs provide opportunity to local entrepreneurs to function locally while being connected globally. Towards achieving this aim, WTCs must collaborate with each other.

Mr. Ferguson concluded the session with a message 'Trust and confidence in business is the main recipe of success', which should be adopted by WTCs.

Mr. Carlos of World Trade Center Queretaro provided in-depth information on Queretaro's automobile and aerospace industries which are its strengths. He said that these industries have immense investment opportunities for collaboration and awareness could be created through business events. He apprised delegates of its ambitious plan to build five more towers in its premises. Queretaro is poised to create new business opportunities and he invited WTCs to be a part of it.

Executive Director of Queretaro provided a detailed account on Queretaro. He said that it is the 5th largest developing city in Latin America with a number of key sectors having partnership opportunities. He said that Summit 2019 identifies and provides assistance to different platforms and organises business

matchmaking session for connecting WTCs with each other. He emphasised that human capital would be the key factor in business dealings and plans are afoot to organise a direct connection with universities. He further added that Mexico has a geographic advantage as compared to other countries as a result of its proximity to Canada and USA.

Mr. Francisco Domínguez Servién, Governor of Queretaro spoke about the development opportunities in the city. Mr. Servién provided an overview on natural resources, culture, economic wealth, location and connectivity, skilled workforce of Queretaro.

In his keynote address, Mr. Servién laid down a seven-point agenda:

- ❶ Industrialisation which started in 1970, led to synergistic activities between public and private sectors. This enabled the government to provide employment.
- ❷ Research linkage brings about evolution in every aspect of the city
- ❸ Queretaro is an investment destination since it possesses industrial and mining activities and provides manufacturing facilities. Queretaro has created most of the employment in Mexico. It has the lowest debt in Mexico and has made attempts to reduce corruption.
- ❹ Queretaro is open to the world and is the 4th investment destination in aerospace industry. It is also a logistic hub. The industrial growth is at 5% per annum and has more than 1500 foreign companies operating.
- ❺ It is specialised in human resources, availability of manpower, productivity and has reasonable wages.



⑥ It is also the hub for manufacture of cars. Queretaro produces 5 million cars every year. It has also Engineering and IT Technology Center and is the leading exporter in Latin America for tomatoes and spices.

⑦ It is the destination for natural and cultural heritage and it prides on the huge potential of its people.

He also pointed out that there are other essential features which have significant importance.



- ① Excellent criminal justice
- ② Ranked among top 10 industrial cities
- ③ Has a DNA National data
- ④ Lowest rate of Human Rights Violation
- ⑤ Respect for law
- ⑥ Education which helps to alleviate extreme poverty

He concluded by stating that Queretaro maintains good governance and there is direct dialogue between government and people.

On 10th April, a tour of the World Trade Center Queretaro was planned. The premises had adjoining offices and a medical center. At Queretaro Centro de Congress, an interactive session on Queretaro and Mexico was organised. The session delved into Queretaro as a preferred destination. The following were discussed:

- ① Queretaro as a strategic location situated in the heart of Mexico.
- ② Logistically 584 miles to the US border.
- ③ A small state with agriculture and vineyards.
- ④ Has 18 municipalities and an active rail and road connectivity.
- ⑤ Is a young state with 2.2 million population. Average age is 26 years and employment rate stand at 36%.

⑥ Adherence to security, safety and law enforcement.

⑦ Has a peaceful working environment with no industrial strike in the last 24 years.

The General Assembly concluded with a gala dinner and a presentation on Taipei in Taiwan which is the next destination for the 51st General Assembly.

MVIRDC World Trade Center Mumbai signed an MoU with World Trade Center Mexico City on April 12, 2019.

Other Meetings

April 5, 2019

MVIRDC World Trade Center Mumbai delegation had a meeting with Greater Houston Partnership and Indo-American Chamber of Commerce Greater Houston (IACCGH) along with representatives from the Mayor of Houston's office in Houston, Texas, USA on April 5, 2019. The meeting was organised at Greater Houston Partnership Center Hall. Mr. Jagdeep Ahluwalia, Executive Director, IACCGH spoke on the four pillars of synergetic activities between Houston, Texas and India which are:

- ① India Cultural Center
- ② Charities Foundation which raises and provides funds for only people and organisations in Houston.
- ③ Political Indo-American Association which conducts political analysis of USA on India.

④ Facilitates collaborative partnerships between Indian and American businesses.

Elaborating on the issue of Indo-American business, Mr. Ahluwalia said that there are number of members and other chambers of commerce who are associated with the Partnership which includes doctors and engineers.

One of the main purposes of the partnership is to tap into the purchasing power of India, which would bring about greater cooperation in certain areas such as:

- ① Manufacture of medical logistics
- ② Life science
- ③ Oil and natural gas
- ④ Small and medium businesses in Houston and India

Mr. Ahluwalia pointed out that Houston is extremely prosperous, having a healthy economy and should be explored for expansion of businesses. Houston has 23rd largest GDP among countries of the world. Mr. Vijay Kalantri, Vice Chairman, MVIRDC World Trade Center Mumbai offered to put together a delegation from India to visit Houston in a span of two years.

He was thankful to the support and cooperation that was extended to the Houston delegation that visited the Center last year. It was also pointed out that Houston is the largest recipient of inbound investments compared to other states in the US. This is mainly because of oil and gas reserves in the state of Texas which is a lucrative business opportunity for oil companies.

Mr. Ahluwalia was supportive of Mr. Firoze Andhyarujina, Senior Advocate suggestion to organise a webinar post the Indian Budget of the next government in June. It was pointed out that the webinar would be extremely important so as to find out how the Indian budget would impact and affect American industries, companies and investors.

WTC Mumbai should take up this initiative which would be live within 15 days of the budget where there would be live question and answer session. It was also suggested that they would want to experiment it beyond Texas to an approximate audience of 1500 people or companies.

Discussions were held on a proposed 'Innovation

Corridor' to be established in Mumbai in collaboration with Greater Houston Partnership. Besides the Chamber of Commerce, Mr. Paul Cuclis, Global Business Manager of the Mayor of Houston's office was also present at the meeting.

Further, an interactive meeting was organised with Mr. Anupam Roy, Consul General of India, Houston along with functionaries of his office. Mr. Roy pointed out that there are about 80,000 Indians who are employed in the US, while there are about 2000 Americans visiting India for work. Mr. Roy said that the Consular office was addressing issues pertaining to skill development of Indians – providing a digital atmosphere to work, healthcare issues, etc.

It was also pointed that various personal family issues including divorce and rehabilitation of children have become an important and integral part of the Consular office. One aspect which Mr. Roy emphasised was on tele-medicines. He pointed that Houston is the medical capital of the world and therefore tele-medicine opportunities could be explored which could be profitably utilised.

Mr. Roy emphasised on trade and business ties between Houston and India. He also spoke on the educational aspect as well as cultural activities of Indians settled in Houston. With the increasing number of Indians coming and settling in Texas, there are many who are contesting elections for positions of county judges and as democratic candidates.

April 6, 2019

A meeting was arranged at NASA on April 6, 2019. The delegation was received by NASA officials and were taken on a guided tour around NASA facilities. The delegation visited the Space Shuttle Monitoring Centre where the experience of astronauts seen in outer space was demonstrated live.

April 15, 2019

The delegation paid an official visit to World Trade Centers Association, New York (WTCA, NY) which was hosted by Mr. Scott Ferguson, Chief Executive Officer, WTCA, NY.



WTCA Marks 50th Anniversary with Year-long Campaign



World Trade Centers Association (WTCA), New York, the licensee of the prestigious 'WTC' brand, commemorated its 50th anniversary by kickstarting a year-long campaign with the tagline "A Half Century of Global Trade Connectivity".

As part of this campaign, WTCA will engage with its members by organising champions awards, global mural competition, releasing a series of short videos and a 50th anniversary tribute video. Members of WTCA can play these videos during their business events and create awareness about the history of the association. The objective of this year-long campaign is to bring members together, recognize their diversity and unique contribution to global commerce. The campaign started at the 50th General Assembly (GA) of WTCA at Querétaro, Mexico in 2019, and it will conclude at the GA in Taipei next year.

The annual GA of WTCA is a promising platform for WTC members and their local companies to make business connections in a wide range of industries both within their region and globally. WTCA is an unparalleled global network of 325 highly-connected and mutually-supporting member organizations in around 91 countries to promote global trade and investment.

The iconic 'WTC' brand stands for an ecosystem of global connections, iconic properties, and integrated trade services. Today, the brand has presence in 325 cities that together account for 35% of global gross domestic product and 1.24 billion people. WTCA traces its genesis in 1969, when Mr. Guy Tozzoli, Director of the World Trade Department at the Port of New York Authority established the World Trade Centers Association in Delaware, USA as a non-profit organization.

Since its inception, WTCA has stayed committed to its vision of being the world's trusted global brand, facilitating international business connections and trade. The association was conceptualized on the idea that doing business around the globe should be as easy as doing business down the street. For half a century, WTCA has contributed to local prosperity by connecting commer-

cial property developers, economic development agencies and SMEs to the global market.

WTCA Trade and Investment Report

WTCA has been documenting latest insights and analysis on world trade and investment in the form of an annual report since 2018. The title of the 2019 edition of this report is 'Navigating Uncertainty' and it captures the technological, economic and geopolitical forces shaping international trade and investment. The report is based on an original city-level data analysis, surveys, and interviews with business leaders from more than 325 cities, represented by WTC members.

The report concludes that amidst slowing investment and escalating trade and geopolitical tensions, there are also opportunities for businesses in foreign trade. WTC members are uniquely positioned to engage in city-to-city diplomacy and thereby help local small and medium enterprises grab these opportunities. The report also points out that small and medium enterprises are proving agile and adaptable and may even find ways to take advantage of the disruption created by trade and geopolitical tensions.

The report brings to the focus the role of WTCs in making cities resilient to economic shocks. A resilient city is one that outperforms its country in terms of economic growth and foreign direct investment. Other hallmarks of a resilient city are it has many foreign citizens, boasts of higher proportion of educated population, a well-diversified economy and a strong service sector compared to other cities.

The report points out that the presence of World Trade Center has enabled economic resilience of 166 cities in the face of deceleration in the economy of its host country. The report mentions that WTC members have forged a healthy dialogue and cooperation among public and private sectors in making these cities resilient and creating opportunities for local businesses.

World Trade Center Mumbai Institute

Felicitation of PGDFT Batch 60 and PGDFRM Batch 30 Students

Certificate distribution programme was organised for students of 'Post Graduate Diploma in Foreign Trade' Batch 60 and 'Post Graduate Diploma in Forex and Risk Management' Batch 30. Mr. Y. R. Warkerkar, Director General, MVIRDC World Trade Center Mumbai and Mrs. Rupa Naik, Senior Director, MVIRDC World Trade Center Mumbai handed over certificates and marksheets to students who completed the courses along through written examinations, project work, assignments and bourse training.

Professor Mr. S. Binju, faculty, World Trade Center Mumbai Institute addressed the students appreciating their efforts and achievements.

Mr. A. O. Kuruvila, Advisor – Trade & Education, MVIRDC World Trade Center Mumbai encouraged students to



participate in the events of the Center and take advantage of the networking opportunities.

The felicitation of students was organised at MVIRDC World Trade Center Mumbai on May 6, 2019.

Workshop on GST in Foreign Trade



A one-day workshop on 'GST in Foreign Trade' was organised for the benefit of exporters, importers and re-exporters. The objective of the programme was to provide a better understanding of the concepts of GST and its practical application. CA Mr. Sumeet Mehta, Corporate Advisor provided a detailed account of the basics on GST - levy and collection of GST, importance of time, place and value of supply determining the point of taxation. Mr. Paras Mehta, Head of Accounts and Tax of Universal Petrochemicals covered invoice rules, refund of GST, law and procedures for imports and exports, sale of goods in Customs Bonded Warehouses, GST on High

Sea Sales, GST in case of SEZs, removal of goods under refund of GST paid, removal of goods under Input Tax Credit (ITC) against LUT, Reverse Charge Mechanism (RCM) for Ocean Freight, RCM on GTA, etc.

The workshop was well attended by bankers, exporters and importers from various industries such as shipping, engineering, rubber, textiles, etc.

The workshop was held at MVIRDC World Trade Center Mumbai

Visit of Mexican Students under PLEI



Twenty-six Mexican students pursuing International Business Leadership Program (PLEI) visited MVIRDC World Trade Center (WTC) Mumbai to acquaint themselves of the services and facilities on offer. The visit was facilitated by Ms. Smita Mohta, Public Relations, Honorary Consulate of Mexico in Mumbai. The objective

Mr. A. O. Kuruvila, Advisor – Trade & Education, MVIRDC World Trade Center Mumbai gave a presentation on the concept of a WTC and its role in trade promotion. He also elaborated on the benefits to SMEs through an association with the local WTC in expanding their business worldwide.



Mr. Atharva Deshmukh, Research Associate, MVIRDC WTC Mumbai made an extensive presentation on India-Mexico trade relations. He discussed key economic data, forecasts and issues surrounding growth in India and Mexico; India's external profile with respect to trade partners, investment sources and destinations, export and import basket; and Indian exports to Mexico and Indian investments in Mexico as well as Mexico's exports and Mexican investments in India.

behind the visit was to connect the knowledge which they gain to help them to search business opportunities for companies that provide them with economic support to achieve them. The students represented various areas namely finance, engineering, marketing, IT, etc. Also, through their interactions with WTC Mumbai officials they could gain insight into various aspects of trade and business.

The students visited MVIRDC World Trade Center Mumbai on June 7, 2019.

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BASIC CHINESE BUSINESS CONVERSATIONS COURSE

Commencement: August 1, 2019

Duration: 3 Months | Thursdays : 6.30 pm - 8.30 pm

Designed to meet the needs of individuals who are doing business with China as well those entrepreneurs who wish to enter into Chinese Markets. The objective of the course is to enable you to communicate accurately and appropriately in simple Chinese for common everyday purposes.



CERTIFICATE COURSE IN EXPORT-IMPORT BUSINESS

Commencement: August 10, 2019

Duration: 3 Months | Saturdays: 10.30 am - 5.30 pm

Well suited to meet the needs of individuals who wish to become global entrepreneurs. The course provides a background in marketing, management, finance and international trade. The goal of the course is to create a foundation for prospective small business owners, to help them for a long-term success in their business and encourage them to be global.

POST GRADUATE DIPLOMA IN FOREX AND RISK MANAGEMENT

Commencement: August 10, 2019

Duration: 6 Months | 2nd & 4th Saturdays: 10.30 am - 5.30 pm

Specially designed for the middle and senior management level executives to enhance their knowledge on Foreign Exchange and Financial Risk Management. It covers topics such as Foreign Exchange Market, Financial Risks and Managing Financial risks, Derivative Products as Risk Management Tools.



CONTACT

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