



Confederation of Indian Industry

# Annual Report 2017 - 18



India@75: Inclusive. Ahead. Responsible





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India@75: Inclusive. Ahead. Responsible



**Ms SHOBANA KAMINENI**  
President, CII

# President's Review Looking Back

This was no ordinary year for CII and demanded a high degree of agility and adaptation to a constantly changing environment. The long-awaited Goods and Services Tax was introduced from July 1, making India a single market for the first time. Alongside, the spate of significant reform policies continued. Within this, GDP growth rate moderated to 6.6% from 7.1% in 2016-17, but equally, there were strong signs of investment revival towards the end of FY18.

The Government's commitment to ensuring smooth implementation of GST was commendable and it responded quickly to CII's submissions. We also provided industry inputs on macroeconomic management and sectoral policies during our meetings with the Prime Minister, Finance Minister and other ministers and officials. With 450 issues being taken up across infrastructure, manufacturing, agriculture, R&D, innovation and services, CII's policy work is appreciated by the Government.

The CII theme for the year 'India@75: Inclusive. Ahead. Responsible' received high attention through the year. Employment, education and healthcare emerged as key pillars for the inclusive growth agenda. In particular, women parity was an issue we actioned strongly. CII opened its fourth Model Career Center, held many job fairs to bring new opportunities for youth and expanded engagement in skills and training. I am happy that CII reaches out to a million youth every year through its various educational and training activities.

A competitive Indian industry requires a facilitative investment climate. We celebrated India's jump in the World Bank 'Doing Business' rankings by as many as 30 places in a single year. CII worked closely with Central and State Governments through the year on ease of doing business. The reduction in corporate tax rate to 25% for enterprises with turnover below INR 250 crore was a great step in line with our submissions.

Taking India Ahead means adapting to the new technology changes that are gathering momentum. CII has built a strong focus on Start-ups and entrepreneurship, aiming to partner with young people through the Startuppreneurs Forum and other initiatives. This year, we also set up the Society of Indian Defence Manufacturers to converge policy and action on this sunrise sector.

We had the chance to work with the Government on some of its major initiatives. Textiles India and World Food India had the participation of Prime Minister. A world record was set for the preparation of Khichdi, showing that India's traditional foods can be of interest to consumers everywhere!

Under the rubric of Responsible Industry, our work in the areas of climate change, corporate governance and CSR and community development was consolidated and expanded. The CII Foundation is doing remarkable work in women empowerment, disaster management, and the Clean India campaign. I am particularly passionate about the Power of Parity project, a new initiative which I led personally to increase women's participation in the workforce.

I had the opportunity to represent CII in interactions with visiting Heads of States including the Presidents of Russia, Turkey, Korea and Switzerland, Prime Ministers of Israel and Italy, and the German Chancellor. Our overseas visits were most productive as well, helping Indian industry deepen and strengthen its engagement with the world at a time of rapid changes in globalization. This

year's World Economic Forum Annual Meeting at Davos was particularly successful as the PM participated for the first time and the CII delegation and activities gained a high profile.

Above all, this has been a personally satisfying year for me in terms of engaging with Members. Traveling around the country, I had the chance to share the ideas and concerns of many Members and the CII platform indeed represents a strong forum for highlighting Member needs.

I would like to leave you with three ideas. One, industry associations need to come together to action important issues like taxation, company law etc. ASCON with its >120 associations and members is a great platform for this purpose. Two, global supply chains are changing and technologies are rapidly advancing. India needs a new industrial policy, more attention to R&D, and new business models to lead in the new world. Finally, risks such as geopolitical issues, climate change, cyber-attacks, and non-communicable diseases need to be addressed and industry must constantly stay ahead of the curve. Within these priorities, the role of CII remains even more relevant and critical, and I am sure it will go on to expand.

I thank Rakesh for ably sharing the numerous activities of CII with me and Uday for his support through the year. The Regional Chairpersons took up innovative projects across a range of areas, adding new dimensions to CII's work. I deeply appreciate the participation of chairpersons of all Councils and Committees and other bodies in CII. All office-bearers together contributed to a dynamic, eventful and productive year. A very warm and sincere thanks to all of you!





**Mr RAKESH BHARTI MITTAL**  
President Designate, CII

# President Designate's Report **Looking Ahead**

Over the last few years, the role of CII in India's development has greatly expanded and it has been a privilege to contribute to our mission to drive growth. This year was particularly productive in terms of policy advocacy and sectoral activities, reinforcing CII's position as a national development institution.

As investment revival continued to be a concern, CII presented a comprehensive agenda for growth, touching upon the areas of macroeconomic management as well as implementational issues in GST, addressing non-performing assets and driving investments, employment and exports. Several major policy recommendations were accepted by the Government including the extension of fixed term employment to all sectors, incentives for creation of new jobs, and key areas of GST.

In agriculture and food processing, a huge boost was imparted through the mega event of World Food India which brought in a new policy for doubling farmers' income through targeted linkages between agriculture and industry. Extensive infrastructure development through mega food parks, cold storage and logistics is planned. Lower tax rates for Farmer Producer Organisations will encourage diversification to value-added crops. CII provided key inputs and also contributed to building international presence for the sector. With the rural economy a strong base for growth, it is important that it continues to receive high attention.

The manufacturing sector is now beginning to show signs of revival. The Government is working on a new industrial policy that will embrace the changes in technology and globalization to make India a global leader. It was gratifying that the Government took up procurement policies and transportation issues in line with CII recommendations during the year. In CII, we have set up the National Council for Smart Manufacturing and divisions for advanced materials and technical textiles to take forward industry engagement in the high-technology areas.

The ASCON forum remained a strong agent for tracking manufacturing in the country. Defence manufacturing was an area of growth, encouraging CII to initiate the Society for Indian Defence Manufacturers.

The base of the manufacturing pyramid is made up of millions of small enterprises. The MSME sector remained high on the CII agenda, including issues such as financing, technology adaptation, ease of doing business and competitiveness. The Government's decisions to redefine MSME as per turnover and to bring down corporate income tax rate for smaller enterprises converged with CII recommendations and were very encouraging. CII's range of initiatives for MSME and its dedicated services are partnering the sector's growth across the country. Under the cluster training programme, almost 4000 small enterprises have built up their productivity through shared learning.

With the Government determined to accelerate infrastructure construction, CII took up several issues on strengthening public private partnerships and resolving stranded projects. On energy, the International Solar Alliance initiated by the Government, where CII is closely engaged, became a reality, while we continued to work on sustainability and climate change issues.

Sectors such as education, healthcare, retail, tourism, and media and entertainment are emerging as big job creators. CII's engagement in the services sector continues to expand, including through building services exports. The Government's move to expand R&D in higher education institutes and to develop more research scholars is in line with CII recommendations and so is the new National Health Protection Scheme, Ayushman Bharat, which promises to be a game-changer for healthcare access. We are particularly privileged to be associated with NITI Aayog's programme for addressing non-communicable diseases. CII continued to expand its activities for skill development and job creation, reaching out to lakhs of youth through different formats.

As the global economy improves, India's exports are growing and CII's international engagement stayed at a hectic pace. This year's World Economic Forum annual meeting at Davos was particularly relevant with the presence of the Indian Prime Minister for the first time in over 20 years. CII's delegation was one of the largest ever, receiving outstanding response. Our international alliances for innovation and R&D are gathering pace with new programmes being undertaken with Canada, Korea, Israel and Spain.

While hectic, the year was immensely inspiring for CII, taking our policy advocacy and proactive agenda for industry to a new level. I look forward to keeping up the pace and to the support of each CII member in the year to come.





**Mr UDAY KOTAK**  
Vice President, CII

## Vice President's Comments Reaching Out

One of the key ingredients for the growth of any country, in addition to a progressive policy environment is the presence of a conducive and collaborative working environment among businesses. This in turn depends on the networks and connections that are forged among businesses. CII constantly endeavours to facilitate the creation of such a collaborative environment. Further, through constant engagement with various stakeholders it helps in facilitating new business opportunities and developing the competitiveness agenda for various sectors of the industry. In the year gone past, we have further augmented our efforts to create newer platforms for increasing business connectivity and increasing industry competitiveness.

CII's range of events, conferences and exhibitions is wide, extending to knowledge sharing and showcasing of products. One of the marquee calendar events, Auto Expo 2018, the largest such exhibition in Asia, attracted an impressive footfall as has been the case year-on-year.

It saw the launch of multiple new vehicles. The well attended Global Exhibition on Services (GES) emerged as a focal point for capturing opportunities in exports from services sectors, encompassing both futuristic and traditional sectors. The Partnership Summit held in Visakhapatnam brought together over 1000 delegates from 40 countries to discuss India's growing role in a globalized world. In each Region and State, CII has worked to develop forums, bringing together buyers and sellers in a focused manner to unlock entrepreneurship.

CII's nine Centres of Excellence are the nodal agencies for driving competitiveness. Many of them have emerged as pioneers of catalytic movements. Sustainable development, energy and resource efficiency and water management are core functions that are helping the Indian industry to leverage productivity while reducing wastage and its environmental impact. Business excellence, quality attainment, and MSME competitiveness add to the overall mission of lean and efficient organizations. Logistics and leadership centers create the environment for businesses to flourish. With over 32,000 companies impacted, close to 3200 training programmes and almost 4000 SMEs in 275 clusters, we take pride in the excellent institutions that CII has built to cater to the needs of member firms.

This year, the India@75 forum received a special boost as the Government took up targets to be met on completion of 75 years of Independence in 2022. These converge well with the vision that CII has developed for India by 2022. The Young Indians platform too resonates with society and is working on a range of issues to energize Indian youth as active participants in its development.

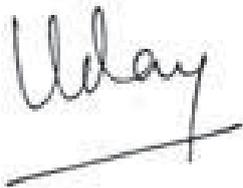
I believe that Corporate Social Responsibility should be a priority for industry as a means to give back. The CII Foundation is a special institution to drive CII's CSR initiatives. Its activities under the Swachhta Pakhwada campaign included waste management, sanitation awareness and dissemination and open-defecation programmes that were conducted across slums. The Women Exemplar Awards were presented to three deserving women who made a difference to empowerment at the grassroots.

CII Regional, Zonal and State Offices are microcosms of the overall activity calendar of the organisation and have worked to develop the right policy framework for industry. With States emerging as key stakeholders in facilitating the creation of a conducive investment climate, CII has been engaging with them to address issues that fall under their domain such as land

availability, labour regulations, agricultural marketing, and so on. This year, we also undertook several state level investment meetings in partnership with respective Governments. I commend the Regional, Zonal and State chairpersons for leading these initiatives and developing innovative ways to connect with Members.

Membership services remain the core of CII's work. Inputs from Members gained through their interactions at Council and Committee meetings on a wide spectrum of areas feed into the overall CII policy advocacy engagement. While the business development services help Members to connect, CII undertakes targeted services related to information and training. CII's Mentoring services for new Members and Market Facilitation Services for doing business overseas have taken off well and were further consolidated this year. I would urge Members to take advantage of CII's training Webinars and the MyCII online portal that brings together a huge volume of relevant information. Also, the CII reports and publications offer a depth of thought leadership to key issues.

I take this opportunity to thank all industry colleagues who contributed their thoughts and ideas to the CII agenda in varied areas and to the overall growth of the organisation. At CII, we hope to continue making a positive difference to the Indian industry.





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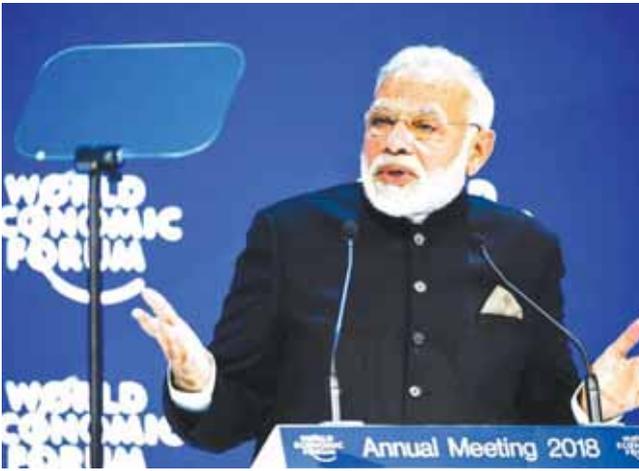
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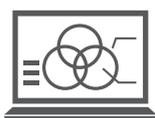
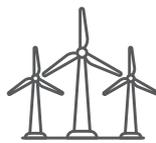
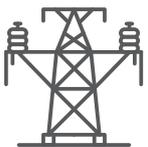
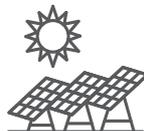




# Policy Advocacy

- Economic Policy and Research
- Ease of Doing Business
- Corporate Governance and Regulatory Affairs
- Ethics in Business and Society and Directors Guild
- Financial Reporting and NFCG
- Make in India
- Public Sector Enterprises
- Public Policy
- Taxation





# Economic Policy and Research

The Indian economy is on the road to recovery after having shaken off the economic disruptions catalysed by demonetisation and the transition to GST. This augurs well for growth and investment. Going forward, the economic momentum is expected to gather pace on the back of robust reforms and stimulus provided by public investment. Yet, some challenges remain which need to be overcome for broad-based economic recovery.

Some of the most noticeable ones include the overleveraged corporate sector, weak private sector investment, subdued credit offtake and stressed banking assets. These, together with a rise in inflationary expectations and elevated global commodity prices that act in concert to stymie economic growth, need to be addressed.

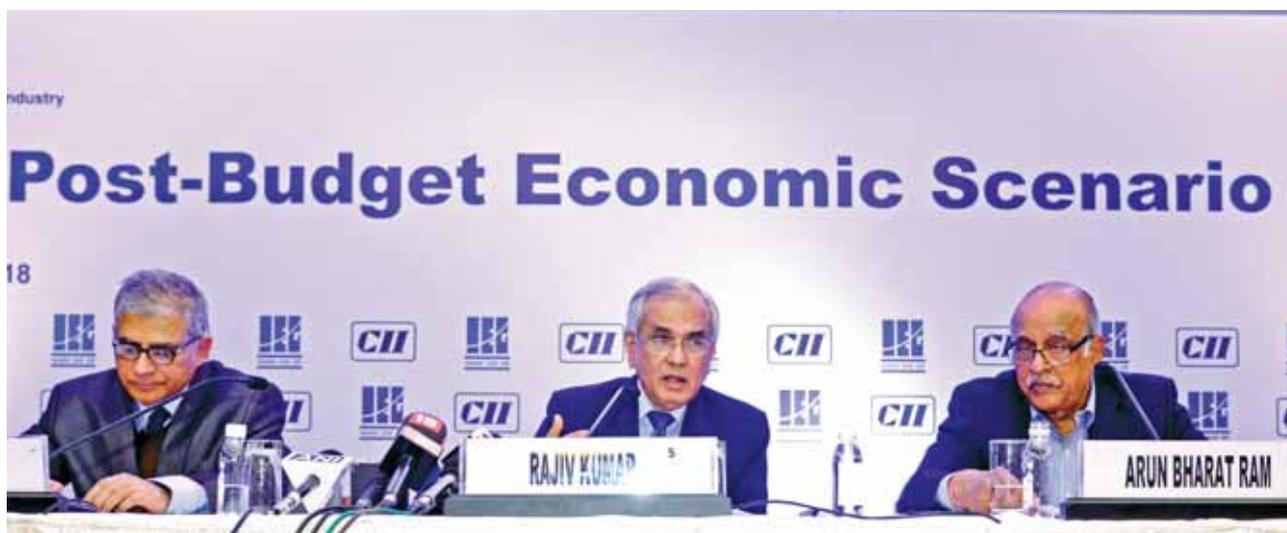
Through the year, CII engaged in dialogue with the industry and Government to understand how these issues and challenges could be addressed with the objective to help draw policies to lift the economy on a higher growth trajectory and enhance productivity.

## ADVOCACY

Taking the policy advocacy effort forward this year, CII advocated the continuation of the reforms agenda, which has helped boost economic growth across sectors of the Indian economy. Therefore, a specific set of policy interventions that could boost business confidence, revive private investment and place the economy on a path of sustainable and job-oriented growth was shared with the Government.



From L to R: Dr Manoj Panda, Director, IEG; Vinayak Chatterjee, Chairman, Economic Affairs Council and Chairman, Feedback Infra Private Limited and Chandrajit Banerjee, Director General, CII at the CII-IEG MoU signing ceremony in New Delhi



From L to R: Dr Manoj Panda; Dr Rajiv Kumar, Vice Chairman, NITI Aayog and Arun Bharat Ram, Past President, CII and Chairman, SRF Limited at the CII-IEG Panel Discussion on Post Budget Economic Scenario in New Delhi

Submissions on issues of relevance to industry and the economy such as improving demand, reviving growth and promoting employment were made. Distinctive areas such as a New Industrial Policy with a focus on new future oriented sectors and new technologies were suggested. CII worked closely with the Department of Industrial Policy and Promotion (DIPP) in identifying the sectors that need development and in articulating an actionable strategy for promotion. Several of CII's recommendations found a place in the Government's policy announcements periodically.

Regular presentations on the economy and industry are made during the National and Regional Council meetings to facilitate a discussion and promote exchange of ideas on areas of policy advocacy. Comprehensive notes and papers on economic revival, employment generation, exports, current economic situation, demonetisation, monetary policy, amongst others, were prepared and shared with Members and policymakers. A Memorandum of Understanding was signed with the Institute of Economic Growth for collaboration in economic research.

On Union Budget, CII made pre-budget presentations to policymakers and undertook a post-budget analysis. A Budget Analysis report, which included a commentary on the budget and provided an impact analysis on specific sectors was brought out on the budget day.

CII, in association with the Institute of Economic Growth, organised the Session on Post Budget Economic Scenario with Dr Rajiv Kumar, Vice Chairman, NITI Aayog as the chief guest. The participants benefited from the presence of eminent economists and experts who addressed the session.

### **Publications**

Economy Matters, a monthly CII publication, tracks economic developments on domestic and global fronts and provides a detailed analysis of important policy issues by subject experts from Government, industry and academia. The endeavour to keep readers abreast of the latest happenings in the economic sphere and provide them with insightful analysis on pertinent issues continued through the year.

### **Surveys**

CII brought out the Business Outlook Survey, a widely read and quoted survey pertaining to the current and future economic conditions in the country. Owing to CII's large Membership base, the data is collected from a large number of respondents which in turn helps in getting near accurate results. The robust methodology adds to the authenticity of the survey results. The CEO poll conducted by CII also tracked Members' views on topical economic issues.

# Ease of Doing Business

In 2014, the Prime Minister of India, Shri Narendra Modi launched the Ease of Doing Business initiative. His vision was to place India amongst the top 50 countries in the World Bank's Doing Business Ranking. With a slew of initiatives having been launched by various Ministries and State Governments, the country has made steady progress in this ranking over the last three years.

CII worked closely with the Government, to help sustained improvement in Ease of Doing Business (EoDB) by focusing on simplification, transparency and efficiency for investment facilitation. While India has made sharp improvements in the Doing Business rankings, several measures for sustaining the momentum were made to the Government.

## ADVOCACY

During the year, key focus areas of CII's work in Ease of Doing Business included:

- Moving towards a zero-physical interface for obtaining clearances / approvals with the provision of deemed approval.
- Introduction of Self/Third-Party Certifications wherever feasible.
- Facilitating speedy resolution of commercial disputes.
- Simplification of procedures for land acquisition and compliance with labour laws.
- Reduction in dwell time for exports and imports at major ports in India.
- Electronic interlinking of data collected by various Government departments.
- Ensuring effective on-ground implementation of reforms.

## ACTION

With a view to making recommendations and sharing feedback with the Government, CII created several platforms for stakeholder engagement. A series



From L to R: Milon K Nag, Co-Chairman, CII Task Force on Ease of Doing Business; Binoy Kumar, Special Secretary – Logistics, Department of Commerce, Ministry of Commerce and Industry; Pranab Kumar Das, Member (Customs), Central Board of Excise and Customs, Ministry of Finance at the National Conference on Trade Facilitation in India: Progress & Way Forward in New Delhi



Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited at India's Business Reforms in New Delhi

of meetings, consultations, workshops, and conferences created opportunities for participants to share experiences. Several surveys were undertaken and reports compiled to provide objective feedback to the Government on the impact of EoDB reforms.

An analysis of the on-ground implementation of EoDB reforms in 10 States - Maharashtra, Gujarat, Jharkhand, Chhattisgarh, Madhya Pradesh, Assam, Goa, Rajasthan, Uttar Pradesh and Haryana - was submitted to the PMO and DIPP for consideration. A perception analysis of EoDB reforms in Maharashtra and Chhattisgarh highlighted the gaps in implementation and suggested the way forward. A detailed Policy Dashboard on EoDB was submitted to relevant Central Government departments. The Dashboard, which is updated regularly, tracks pending reforms at the Central Government level.

To improve trade facilitation, policy inputs were provided to the Government on a wide range of areas including Direct Port Delivery, Authorized Economic Operators, SWIFT, amongst others. A comprehensive list of recommendations was submitted to the Government with a view to expedite implementation of WTO's Trade Facilitation Agreement (TFA), which became effective last year.

At the India's Business Reforms event, organised along with DIPP, Shri Narendra Modi expressed satisfaction over India's 30 points improvement in the Doing Business rankings. He hoped for a similar performance going forward to ensure that India joins the league of top 50 countries over the next 2 years. Ministers and key Government officials shared their experiences on helping India achieve this 30 spots improvement.

Shri Suresh Prabhu, Minister of Commerce and Industry led the discussions that highlighted the key reform initiatives undertaken by the various Central Government departments and the States of Delhi and Maharashtra.

The National Committee on MNCs was constituted under the leadership of Mr T Krishnakumar, President, Coca-Cola India & South West Asia. The objective is to help MNCs address policy and EoDB related issues such as lack of adequate safeguards for bringing high-end technology and procurement policy. Cumbersome property registration procedures, unavailability of digitized land records, delay in resolution of land disputes and difficulty in compliance with labour laws were some of challenges raised by Members in a meeting with DIPP.

The EoDB Series of National Conferences was launched with a view to tracking progress on business reforms, identifying pending areas of improvement and suggesting the way forward. The conferences specifically explored those areas of Ease of Doing Business where India ranks poorly in the global ranking such as Trade Facilitation and Resolving Insolvency in India. As part of the series, the first conference was organised on Trade Facilitation in India - Progress and Way Forward. Besides creating awareness about recent reforms, ways to addressing impediments to SWIFT, RMS, AEO, DPD were discussed at the Conference on Trade Facilitation.

A CEOs delegation to Paris that accompanied Shri Arun Jaitley, Minister of Finance and Corporate Affairs, held several meetings with industry leaders of France to explore the possibility of business collaborations between the two countries. The Minister outlined several policy reforms introduced by the Government that have improved India's investment climate.

With a view to enhancing India's business engagements with US, a CEOs delegation accompanied Shri Arun Jaitley to New York. The Delegation, led by Ms Shobana Kamineni, President, CII, had the opportunity to interact with some key business leaders of US. Addressing the American investors at a conference jointly organised by CII and USIBC, the Minister highlighted how India's investment climate had improved after implementation of several policy reforms such as GST.

# Corporate Governance and Regulatory Affairs

Given its all pervasive characteristic, governance today continues to sit at the centrestage of Government as well as industry action. As Indian industry expands its global footprint and engages with corporates and businesses from across the world, it is imperative that it follows and projects the highest standards of corporate governance to succeed in diverse markets.

With this objective in mind, industry and responsible corporates are constantly striving for exemplary corporate behaviour by designing enhanced standards of corporate governance structures and processes. These would then serve as guidelines for all corporates to follow.

CII endeavours to foster an environment for adoption of better corporate governance standards in the Indian industry. Corporates are strongly encouraged to voluntarily adopt best practices and self-regulation, thus obviating the need for additional regulations.

CII also works to help create a conducive regulatory environment for industry's growth by initiating comprehensive and sustained policy advocacy.

## ADVOCACY

In pursuit of this objective, CII created several platforms for deliberation and sharing of best governance practices which would help the industry. CII sought to disseminate best governance practices across industry. Recommendations for a facilitative business environment focusing on Company Law, SEBI Regulations, Competition Law, Insolvency and Bankruptcy Law and other pertinent corporate laws were actively discussed with the Government and regulatory authorities to identify the best practices that could be adopted and which would serve industry and the country well. Discussions were also held with the Ministry of Corporate Affairs (MCA), Securities and Exchange Board of India (SEBI); Insolvency and Bankruptcy Board of India (IBBI), and Competition Commission of India (CCI) to



From L to R: P R Ramesh, Chairman, Deloitte Haskins & Sells; Chandrajit Banerjee, Director General, CII; Injeti Srinivas, Secretary, Ministry of Corporate Affairs; Uday Kotak, Vice President, CII and Executive Vice-Chairman and Managing Director, Kotak Mahindra Bank Limited and Chairman, SEBI Committee on Corporate Governance; Keki Mistry, Chairman, CII National Council on Corporate Governance and Vice Chairman and CEO, HDFC Limited and Ramesh Ramanathan, Manager, IFC South Asia, International Finance Corporation at the 12<sup>th</sup> CII Corporate Governance Summit in Mumbai

fine-tune these and arrive at standards and laws in sync with the global best practices.

### **Companies Act, 2013**

With a view to ensuring that the business and regulatory environment in India becomes increasingly industry friendly, various aspects and provisions of the Companies Act, 2013, were taken up with the MCA. The focus was on enabling ease of doing business which would not only boost economic activity within the country, but also help attract foreign investments and players into the country. It is important that the law is not perceived as, and becomes an impediment.

The policy advocacy efforts with respect to the Companies Act, 2013 continued with a detailed submission to the MCA and the Parliamentary Standing Committee on Finance examining the Companies (Amendment) Bill, 2016. Inputs were also provided on layers of subsidiaries, dematerialization, IEPF, cost audit, prohibited services for auditors, issues related to independent directors, exemptions to private companies and Section 8 companies. These and other pertinent issues were highlighted to the MCA in a series of meetings that led to better understanding and shaping of ideas with respect to the Companies Act, 2013.

### **Engagement with SEBI**

The agenda on corporate governance was pursued through an extensive engagement with SEBI. As a Member of the SEBI Committee on Corporate Governance, CII submitted detailed recommendations to SEBI. Several of these were accepted, thus finding a mention in the SEBI report. CII has further submitted a set of recommendations to SEBI for issues that need to be streamlined.

### **Engagement with Global and Multilateral Organisations**

CII forged partnerships with global and multilateral organisations to boost India's economic growth. Some of the important organisations included the International Finance Corporation (IFC). The engagement was focused on understanding best global governance practices and replicating few relevant learnings for better governance by Indian companies.

### **ACTION**

The Mergers and Acquisitions (M&A) related issues were taken forward at the CII Mergers Acquisitions and Restructuring Summit 2017. The focus was on crucial issues such as regulatory framework, taxation, finance and technology regimes; restructuring for growth including opportunities under India's new bankruptcy and insolvency regime. Deliberations also centered around the restructuring for market strength. As the market changes, the impact of the volatility, uncertainty, complexity and ambiguity (VUCA) world on M&A was also discussed.

The clause on Valuations in Companies Act, 2013 came into force in October 2017. The Companies (Registered Valuers and Valuation) Rules, 2017 are also in force now. Their impact was discussed at a Conference on International Valuation Standards: Recent Changes and Impact. The need for principle and professional judgement based standards tied to a conceptual framework was highlighted. The concept of liquidation value and the requirements of the newly enacted Insolvency and Bankruptcy Code in India were also discussed.

At the 12<sup>th</sup> Corporate Governance Summit, Mr Injeti Srinivas, Secretary, Ministry of Corporate Affairs, Mr Uday Kotak, Chairman, SEBI Committee on Corporate Governance and Mr Keki Mistry, Chairman, CII National Council on Corporate Governance discussed the recommendations of the SEBI Committee on Corporate Governance.

A special edition of CII Policy Watch focusing on Corporate Governance and Transparency issues was released during the year.

### **Competition Law**

At the Annual Conference on Competition Law and Practice, stakeholders interacted on the appellate processes and judicial review of competition decisions and cartel enforcement and leniency. Insights on the impact of merger control on industry and unilateral conduct and innovation were shared by experts.

# Ethics in Business and Society

In a highly globalized scenario, ethics and compliance are becoming increasingly critical for industry, particularly when working with foreign partners. The Government of India is also spreading a strong message about intolerance of corruption and black money. The CII National Committee on Integrity and Transparency in Governance stepped up its efforts to enhance transparency and ethics in business and industry. During 2017 a large number of Members signed the CII Model Code of Conduct, which covers six basic principles for Members to follow.

## ADVOCACY

To bring in transparency in sectors, the Committee constituted two Working Groups which studied the healthcare and realty sectors, given that these sectors require a high degree of transparency and have a deep involvement of citizens. The recommendations of these Working Groups were released by the Union Finance Minister at the CII Annual Session. As follow up action, four Regional Working Groups on Healthcare were set up to encourage healthcare providers to adopt the recommendations.

## ACTION

### Compliance Management Programme

During the year, concerted efforts were made to encourage Indian industry to follow integrity and transparency in businesses. These included seminars, workshops, and engagement with stakeholders through various platforms. The 2<sup>nd</sup> Edition of the Compliance Management Programme, organised jointly with ISB and GE was attended by 28 participants, including those from the public sector.

### CII OECD Meetings

In the joint meetings with OECD, discussions revolved around the state of the industry and the possible anti-corruption laws. OECD also shared their thoughts on ethics and anti-corruption, managing corruption risks in international business transactions.

### Business and Human Rights

A Working Group was constituted to guide CII's work in the area of Human Rights awareness and implementation. To sensitize Members to support and respect Human Rights, three interactions were organised



From L to R: Sumit Mazumder, Chairman, CII Committee on Integrity and Transparency in Governance, Past President, CII and Chairman & Managing Director, TIL Limited; Pradeep Bhargava, Co-Chairman, Committee on Integrity and Transparency in Governance; Stefan Linssen, Chief Content Officer, Ethisphere and Aarti Maharaj, Managing Director, BELA South Asia and Executive Director, Communications, Ethisphere at the launch of the Ethisphere - CII South Asia - Business Ethics Leadership Alliance (BELA) Chapter in New Delhi

alongwith the National Human Rights Commission. Over the last few years, an increasing number of companies are issuing standalone Human Rights policies, rather than referring to it in their overall HR policies.

### **Working Group on Higher/Professional Education**

While UGC and AICTE have laid down norms, there is scope for increased clarity on policy, procedure and also disclosures by higher/professional education institutions. Recommendations to improve the transparency levels in this sector are being drafted after consultations and deliberations with stakeholders.

### **Partnership with Ethisphere**

The partnership with Ethisphere, a US based organisation and a global leader in defining and advancing the standards of ethical business practices continued to pursue its agenda. The South Asia Business Ethics Leadership Alliance (BELA) Chapter in India was launched in New Delhi. The Founding Members comprising Indian and multinational companies will shape the strategic direction of the Chapter while inspiring best practices in ethics, integrity and anti-corruption efforts across India and ultimately in South Asia.

Other initiatives included discussions being planned on the ISO Anti-Bribery-37001, a new anti-bribery standard, to enable Members to understand the adoption of the Standard and the systems required for applying for certification.

One of the biggest risks an organisation faces is the lack of information about third parties such as vendors, service providers, distributors, etc. Members would be sensitized to best practices and pitfalls through a series of experience sharing sessions. Several companies are putting in place policies and practices to align suppliers to their principals, with a view to expanding their businesses and enhancing their own credibility.

To build an environment of ethical practices and compliances, messages were communicated to stakeholders through social media. A film on transparency, ethics and compliances is also under preparation to encourage Members to follow good practices and benefit from it.

## **Directors Guild**

The current global scenario has reinforced the growing complexity and increasing shareholder activism in an inter-connected world. Combined with a continuously evolving regulatory environment, this scenario is transforming the role and expectations of Boards and Independent Directors. As a result, it is essential to create formal platforms for new Directors and potential senior management teams to learn about their fiduciary responsibilities and corporate governance challenges. As the Indian industry continues to expand across borders, it will need a larger pool of director level talent. These challenges are much higher for medium sized companies aspiring to professionalize and scale up. CII is uniquely positioned to help Directors address these challenges by honing their skills in a volatile business environment and has therefore taken a proactive role in creating such a platform under the Directors Guild initiative.

The Directors Guild Programme was launched in 2017 under the leadership of then CII President, Dr Naushad Forbes with Chairmanship of Mr R Mukundan, Managing Director, Tata Chemicals Ltd and Co-Chairmanship of Mr Ajay Nanavati, Chairman, Syndicate Bank. The Programme is focused on creating a network and expertise in Governance to address Board level challenges and to learn from thought leaders. The Directors Guild facilitates peer to peer learning and experience sharing by practitioners and experts through two unique Certification Programmes. Level 1: Directors Guild Gold Certification Programme is aimed at enhancing the effectiveness of the Senior Management. Aspiring and recently appointment directors on Boards can learn about how they can contribute effectively to their companies' Boards.

Level 2: Directors Guild Platinum Certification Programme is based on the philosophy Boards that Lead: Corporate Governance that Builds Value. This Programme is directed at experienced Board Members who can benefit from experience sharing and peer to peer learning on issues of concern and importance to the Boards.

# Financial Reporting and NFCG

A high-level CII delegation led by Ms Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited accompanied Shri Arun Jaitley, Minister of Finance and Corporate Affairs to Tokyo, Japan. Shri Jaitley, who addressed the Asian Development Bank Annual meeting, also participated along with the CII delegation, in a series of meetings and interactions with the Indian diaspora and Japanese business leaders on investment opportunities in India.

## CFO Committee

The CII CFO Committee, under the Chairmanship of Mr R Shankar Raman, Whole-time Director & CFO, L&T grew into an effective platform for CFOs to learn and share experiences in areas of concerns/interest. To meet this objective, cross learning sessions on various subjects such as Indian Accounting Standards, Good and Service Tax, Insolvency and Bankruptcy Code, Integrated Reporting and State of Economy were held.

With a view to exploring ways of strengthening the existing relationship with professional institutions and

effectively contributing to the development of young professionals, special interactive sessions were organised with Presidents of ICAI and ICMAI.

## Financial Reporting

During the year, CII worked towards identifying and addressing issues faced by Members in implementing Indian Accounting Standards and other related issues. The Financial Reporting Committee, under the Chairmanship of Mr Dipankar Chatterji, Senior Partner, LB Jha & Co. and Co-chair Mr P R Ramesh, Chairman, Deloitte India, submitted several representations and held discussions with concerned authorities on a range of issues impacting the industry. These include inconsistency in consideration of notional / unrealised gains or losses under the Companies Act, 2013; challenges faced by certain categories of companies consequent to different timelines for adoption of IndAS by different regulators; inconsistency between Companies Act 2013 and IndAS; Accounting of Government Grants and implementation issues in adoption of IndAS.



From L to R: S Srinivasan, Managing Director, Kotak Investment Advisors Limited; Chandrajit Banerjee, Director General, CII; Shaktikanta Das, Secretary, Department of Economic Affairs, Ministry of Finance; Arun Jaitley, Minister of Finance, Defence & Corporate Affairs; Sujan R Chinoy, Ambassador of India to Japan; Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Gaurang Shah, President, Asset Management, Insurance and International Business, Kotak Mahindra Bank Ltd at the Investors' Round Table in Tokyo



From L to R: Arun Jaitley; Dr M S Sahoo, Chairman, Insolvency & Bankruptcy Board of India (IBBI); Ajay Tyagi, Chairman, Securities and Exchange Board of India (SEBI); Dr Urjit Patel, Governor, Reserve Bank of India; Chandrajit Banerjee, Managing Trustee, National Foundation for Corporate Governance (NFCG) and Director General, CII at the National Conference on Insolvency and Bankruptcy in Mumbai

The National Conference on Financial Reporting - Transition to IndAS and GST: Challenges & Experiences was a continuation of the endeavours to facilitate smooth implementation of business reforms. During the conference, Mr Amarjit Chopra, Chairman, NACAS; Mr Kurian Vithayathil, Director General (Commercial),

C&AG and Member, NACAS; Mr Sanjiv Srivastava, Commissioner, CBDT; Mr Rajeev Yadav, Commissioner, GST Commissionerate, Ghaziabad and Mr Sudhir Soni, Partner, Indian Member firm of EY Global deliberated on challenges in transitioning to GST and Indian Accounting Standards.

## National Foundation for Corporate Governance (NFCG)

NFCG is a unique Public Private Partnership (PPP) model set up by the Ministry of Corporate Affairs (MCA), in partnership with CII, Institute of Company Secretaries of India (ICSI) and Institute of Chartered Accountants of India (ICAI), Institute of Cost Accountants of India (ICAI), National Stock Exchange (NSE) and Indian Institute of Corporate Affairs (IICA) to foster a culture of corporate governance both at the level of individual corporates and industry as a whole.

Over the years, NFCG has supported over 250 programmes and 30 research studies undertaken by accredited institutions (top management institutions) and partner institutions in the area of corporate governance and related subjects.

During 2017-18, apart from supporting corporate governance initiatives of partner and accredited institutions, NFCG also organised two mega events.

The National Conference on Insolvency and Bankruptcy: Changing Paradigm was organised in partnership with MCA and the Insolvency and Bankruptcy Board of India (IBBI). Inaugurated by Shri Arun Jaitley, the Conference was also addressed by Dr Urjit R Patel, Governor, RBI; Mr Ajay Tyagi, Chairman, SEBI; Dr M S Sahoo, Chairman, IBBI; Mr Chandrajit Banerjee, Managing Trustee, NFCG and Director General, CII; Mr Uday Kotak, Executive Vice Chairman, Kotak Bank; Mr Sunil Mehta, MD & CEO, PNB. The Conference facilitated better understanding of intricacies of the Code, shared experiences gained and addressed challenges to be overcome. NFCG's revamped Website ([www.nfcg.in](http://www.nfcg.in)) was also launched by the Minister.

MCA continuously strives to reduce the gap in the availability of relevant information between companies and its stakeholders. MCA's National CSR Data Portal and the Corporate Data Portal, another step in this direction, were launched at an event organised by MCA in partnership with NFCG and NFCSR (IICA). Shri Arun Jaitley launched the websites in the presence of Shri P P Chaudhary, Minister of State for Corporate Affairs and Law & Justice, Mr Injeti Srinivas, Secretary, MCA, Mr Chandrajit Banerjee, and others.

# Make in India

The Make in India initiative was launched by the Government of India in September 2014 for driving the country's economic agenda. Aimed at transforming India into a global design and manufacturing hub, the initiative strives to bring a paradigm shift in the relationship between Government and industry, by acting as a facilitator rather than a regulator. In a short time span, with support of partners such as CII, the programme is now carving a new roadmap and industrial policy for pushing forward the country's manufacturing agenda. CII, as a Department of Industrial Policy and Promotion (DIPP) partner, engaged in international and domestic programmes with a view to attracting Foreign Direct Investment (FDI) into the country and giving a push to domestic investment and manufacturing.

## St Petersburg International Economic Forum

In June 2017, DIPP participated in the St Petersburg International Economic Forum-SPIEF that marked the 70<sup>th</sup> Anniversary of diplomatic relations between India and Russia. India being the guest country, Shri Narendra Modi, Prime Minister of India was the Guest of Honour at SPIEF 2017, themed New Balance

in Global Economy. The event saw interactive sessions and G2B meetings at the Make in India Lounge set up at the SPIEF exhibition. A 54-member CEOs Delegation was organised along with the India - Russia Business Dialogue in cooperation with DIPP and the Business Council for Cooperation with India.

## Make in India, Sweden

Make in India Sweden, organised in association with DIPP in Stockholm in October 2017 was an intense two day engagement and amplification of outreach efforts to leverage and build convergence around investment opportunities in India for Swedish companies. DIPP, in coordination with stakeholders, discussed the initiatives taken by the Government of India over the last three years to attract FDI and enhance ease of doing business. Apart from sector specific reforms being highlighted during sectoral seminars, introduction and effect of GST were also explained. Make in India Sweden included various panel discussions, Round Tables and G2B meetings. These included sessions on Make in India, Smart City, Innovation; Round Table discussions on automobile, healthcare, industrial goods and G2B



From L to R: Sergey Cheremin, Chairman, Business Council with Cooperation with India and Minister for Economic Development of Moscow Region; Ramesh Abhishek, Secretary, DIPP, Ministry of Commerce & Industry; Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited and Chandrajit Banerjee, Director General, CII at the Make in India Lounge at SPIEF 2017 in St Petersburg, Russia



India-Sweden Business Leaders' Round Table during Make in India Sweden in Stockholm

meetings. There were Government representations from India and Sweden and industry representations from India, Sweden and other parts of the world.

### **New Industrial Policy**

As an outcome of the interactions with domestic and international stakeholders, DIPP has proposed to revisit the New Industrial Policy (NIP) after a gap of 26 years. The Industrial Policy of India was last written in 1991. CII along with DIPP organised multiple stakeholder consultations to outline the thinking behind the NIP. During a live interaction on Doordarshan on 9 February 2018, Shri Suresh Prabhu, Minister of Commerce and Industry, interacted with invited members of local and sectoral associations across Delhi, Mumbai, Chennai and Kolkata. He understood the concerns of these stakeholders with a view to building confidence and generating interest amongst investors for making in India.

At consultation meetings in Lucknow during the Uttar Pradesh Investors Summit and at Visakhapatnam during the Partnership Summit, senior DIPP officials deliberated on several investment related issues with senior industry leaders.

The world is witnessing disruptive changes along multiple dimensions towards globalization - from new technologies to new business models to new competitors

and new challenges. Technology and innovation are key factors for industry to continue as the engine of growth. New technology is changing every aspect of industry, from primary production to management and operations. The new set of technologies, broadly described as industry 4.0 or smart manufacturing involving robotics and artificial intelligence, are disrupting traditional production systems. The future of industry will be defined by such emerging technologies. It is imperative that industry adopts these technologies to give a boost to Make in India.



From L to R: Krister Stenmark, Vice President, Architects, Sweco International AB; Anupam Mishra, Economic Advisor, Ministry of Urban Development; Atul Chaturvedi, Additional Secretary, DIPP, Ministry of Commerce and Industry; Jonas Tornblom, Senior Advisor, Envac; Robert Andren, Deputy Director, Division for Natural Resources, Swedish Ministry of Environment and Maria Rankka, Chief Executive Officer, Stockholm Chamber of Commerce, Government of Sweden during the Make in India Sweden in Stockholm

# Public Sector Enterprises

Meant to have been the initial engines of economic growth for a newly independent India, the Central Public Sector Enterprises (CPSEs) have grown from strength to strength over the last seven decades. These enterprises have spurred the nation's growth while driving inclusivity as well as giving a thrust to Government priorities. The CII Public Sector Enterprises Council is the apex body of the CPSEs, focused on strategic issues impacting their performance. Keeping the diversity of the sector in mind, three sub-committees viz Policy Advocacy and Regulatory Affairs, Technology and Innovation and Human Resources drive CII's efforts in this area.

## ADVOCACY

- In an exclusive presentation on Review of Loss Making PSEs, made to the Parliamentary Standing Committee on Public Undertakings, the enterprises were classified into categories and suggestions were made for a possible way forward for each of them.
- Eight of CII's recommendations on improving standards of corporate governance of listed PSEs were included in the final report of the SEBI Committee on the matter.
- In addition, some of the actions suggested to resolve issues with the SEBI Guidelines and Companies Act were implemented by the concerned departments.
- The Government perspective on CPSEs and its efforts at augmenting resources were shared with the industry at an Interaction with the Department of Investments and Public Asset Management (DIPAM).
- Discussions on ways to mitigate the challenges facing CPSEs, the implications of anti-profiteering provision as well the functioning of the Competition Commission were also held. These sessions were an opportunity for stakeholders to gain insights into the Government support available in these areas.



From L to R: D K Hota, Chairman, CII PSE Subcommittee on HR and CMD, BEML; Neeraj Kumar Gupta, Secretary, DIPAM; Atul Sobti, Chairman, CII PSE Council and CMD, BHEL and Ananta Barua, Executive Director, SEBI at an Interactive Session in New Delhi



From L to R: S K Acharya, Co-Chairman, CII PSE Council and CMD, NLC India; B N Sharma, Chairman, National Anti-Profiteering Authority and Atul Sobti at an Interactive Session in New Delhi

### ACTION

The PSEs were exposed to emerging technology trends such as Internet of Things, with a view to helping them cope with the changing business requirements. As a first step, a maiden seminar was organised to discuss this trend vis-à-vis the CPSEs. Leaders such as IBM, Siemens, SAP and early adopters from the public sector charted the IoT implementation roadmap for PSEs. The second phase was marked by an experiential workshop on application of IoT interventions in preventive maintenance to handhold participants on application of solutions in their actual environment.

Owing to certain challenges in their operating environment, PSEs face an uphill task, which is most amplified in the HR function. An Ideation Conclave themed Journey from Best to Next HR Practices in CPSEs, was aimed at identifying the HR best practices from the public and private sectors that CPSEs can adopt. Ways of quickly replicating these success stories across sectors were also shared.

PSE Insights a bi-monthly magazine, published by CII, continued to showcase the CPSEs' achievements. The impact and relevance of issues such as innovation, Make in India, world class operations, excellence in PSEs and digitalization were highlighted through the year. The bi-monthly magazine is circulated to the Prime Minister's Office, administrative departments of the Government, CPSE Board Members and CII Membership.



From L to R: S K Acharya; Devender Kumar Sikri, Chairperson, Competition Commission of India and Atul Sobti at an Interactive Session in New Delhi

# Public Policy

In 2017-18, CII engaged in policy advocacy by facilitating exchange of views between industry and policymakers on important issues.

## **ACTION**

### **MPs Round Tables**

The MPs Round Tables were an opportunity to discuss the challenges facing the industry and to create awareness about CII's nation building initiatives. In 2017-18, two MP Round Tables were conducted.

### **MPs Round Table on Skill Development**

With skill development being a key focus area for both - industry as well as the Government - CII continued to push this agenda across the country. One important element of this initiative is skill development centres. CII sought the cooperation of MPs in its endeavour to identify opportunities to set up more skill development centres. At the MPs' Round Tables, CII's work in the skill development area was shared with 9 MPs. Key challenges being faced by the industry were also highlighted to the MPs including Shri P D Rai, Smt Vandana Chavan, Professor Rajeev Gowda, Shri Ramakrishan, Shri T K S Elangovan, Shri R S Bharati, Shri Vikas Mahamte, Smt Geeta Kothapalli and Shri Vincent Pala.

### **MPs Round Table on Doubling Farmers' Income**

Agriculture is the source of livelihood for a majority of the country's population. Although India is self-sufficient in food production and a net exporter of agri-products, Farmers' income has remained largely stagnant. It is in light of this that our Prime Minister has given the call for Doubling Farmers' Income by 2022.

CII conducted this Round Table to suggest ideas and to achieve this objective. Six MPs, Shri Vikas Mahamte, Smt Geeta Kothapalli, Shri D Raja, Shri R K Jena, Shri Narendra Sawaikar and Shri Vincent Pala participated in the Round Table and discussed the suggestion put forth by CII.

### **Odisha State MPs Meeting**

The Odisha State MPs Meeting was a platform for industry representatives to engage with Parliamentarians from the State. Cooperation of the MPs was sought to resolve the challenges facing the industry in Odisha. Some of these include high electricity duty for captive power plant (CPP) owners, high land cost, and non-representation of industry in districts.



MPs Round Table on Skill Development and Livelihood in New Delhi



Haryana State MPs meeting in New Delhi

Odisha MPs, Shri Tathagata Satpathy, Shri Prasanna Kumar Patasani, Shri Bhartruhari Mahtab and Shri Arka Keshari Deo interacted with CII Members at the meeting.

### Haryana State MPs Meeting

The challenges being faced by the industry in Haryana were shared at the Haryana State MPs Meeting. Some of the biggest issues for which their cooperation was sought include the prevailing law and order situation in the State and the labour issues.

Haryana MPs, Shri Ramesh Chander Kaushik, Shri Dharambir Singh, Shri Ram Kumar Kashyap deliberated with the industry on solutions to these challenges. The MPs were also apprised of CII's efforts at nation building.



From L to R: MPs P D Rai, Ramakrishnan and Vandana Chavan during a meeting in New Delhi



Interactive Session with MPs from Odisha in New Delhi

# Taxation

CII continued to engage with the Government on taxation reforms. In particular, the focus was on reduction of the corporate tax rate, implementation of provisions on BEPS and Multilateral Instruments and effective implementation, administration and structure of the GST Law.

Suggesting simplifications to the new regulations/policies pertaining to taxation, conducive to the industry were also major areas of work for CII.

## ADVOCACY

While GST has been welcomed by one and all, the industry is facing a number of transitional and implementation issues. On behalf of Members, CII has regularly taken up issues of concern on GST. Detailed memorandums on the GST Laws, GST rates and GSTN issues were submitted to the Ministry of Finance, to the Core Groups constituted by CBEC and the GST Council. In addition, CII has taken up specific issues separately also through various letters and meetings with the Government officials from time to time and kept a close interaction with members and the Government on GST implementation and transition issues.

CII also submitted its Pre-Budget and Post-Budget Memoranda on both Direct and Indirect Taxes. On various occasions, CII met and submitted its representations to the Finance Minister, Finance and Revenue Secretary and senior officials of the Revenue Department.

Submissions were made to the Government on various Direct Tax issues such as section 10(38) on capital gains, valuation of unquoted equity shares, Trusts, investment allowance, voluntary reporting of estimated current income and advance tax liability, ITR forms, review of CBDT Citizens' Charter, CbCR and Master File Rules. CII also highlighted that the Indian corporate sector's tax burden is one of the highest in the world. CII has submitted that the corporate tax rate be brought down to 18% at the earliest with the withdrawal of tax incentives and exemptions as well as surcharges and cesses.

CII also advocated that the Minimum Alternate Tax (MAT) be abolished in view of removal of most incentives. Alternatively, the MAT rate to be brought down to 10% and levy of MAT to be restricted to those



From L to R: Rajiv Memani, Chairman, CII National Committee on Taxation and Chairman - India Region & Emerging Markets Committee, Ernst & Young LLP; Sushil Chandra, Chairman, Central Board of Direct Taxes (CBDT), Ministry of Finance; Dr Hasmukh Adhia, Secretary (Finance and Revenue), Ministry of Finance; Chandrajit Banerjee, Director General, CII and John Joseph, Member (Budget), Central Board of Indirect Taxes and Customs (CBIC), Ministry of Finance at the Interactive Session with Ministry of Finance on Union Budget 2018-19 in New Delhi

incomes that are taxable under the regular provisions. Further, just like domestic dividend, foreign dividend and SEZs to be exempted from MAT, leaving profits with these companies for further investment.

On Dividend Distribution Tax (DDT), CII proposed to rationalise DDT rate to 10%. Alternatively, to negate the multiple level taxation issues pertaining to Dividend Distributed / Income, the dividend paying company may pay tax on its profits including distributed profits at corporate rates. Dividend may be taxed in the hands of the non-corporate (leveraged) shareholders as normal income, and expenses then be allowed against such dividend in full. CII also recommends that Section 80M which granted deduction of inter-corporate dividend received by a domestic company to the extent of amount distributed by the recipient domestic company on or before the due date of filing return of income, to be reintroduced to pre-empt double taxation of inter-corporate dividend.

On the GST rates, CII recommended rationalisation of rates in many categories of goods, especially in the 28% slab. Basis CII suggestions, the GST Council rationalised the rate of tax on various goods and services. The luxury items / sin goods on which compensation cess is leviable have been retained in the 28% tax slab, and significant changes have been made in slabs wherein more than 175 entries were shifted from the 28% rate slab to the 18% rate slab.

### **ACTION**

The National Academy of Customs, Indirect Taxes & Narcotics (NACIN) has granted CII an accreditation for imparting GST Training. CII conducted more than 100 training programmes on GST across the country where 5000 plus participants attended training sessions from diverse sectors.

CII, in association with media channels, organised live interactive sessions with the Finance and Revenue Secretary to discuss GST implementation and transitional challenges.

An Interactive Session with Ministry of Finance was organised on Transition to GST Implementation. CBEC Chairperson, GSTN Chairman and senior officers from CBEC were present and interacted with Members. A CII delegation made an appearance before the

Parliamentary Standing Committee on Commerce and submitted a representation on the Impact of GST on Exports for their consideration.

A survey was conducted to seek inputs on the impact of GST on the sector / product / pricing, and law related issues on the transition to GST implementation, which was submitted to the Government as a CII industry input on GST issues.

CII has placed a number of webinars and videos on GST in its Knowledge Management Series which are available to Members and industry at large.

CII is reaching out on a continuous basis to the general public through its social media platforms such as Twitter, Facebook and LinkedIn for educating and advocacy initiatives on the benefits of GST and addressing the concerns of the Members.

An Interactive Session with Mr Rajat Bansal, Joint Secretary (FT&TR), on Multilateral Instruments and BEPS was organised. Earlier, a CII delegation also met Mr Bansal in his office and sought clarity on issues related to MLI and its implications for industry.

A closed door meeting was organised with Mr B N Sharma, Chairman, National Anti-Profiteering Authority to share the challenges being faced by the trade and industry and the apprehensions in particular on various profit vs profiteering issues which per se may not lead to anti-profiteering.

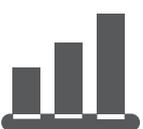
CII also organised a half-day Interactive Session with the Ministry of Finance on the Union Budget 2018-19 to get an insight into various aspects of the Budget and to understand its implications for industry, immediately after the Budget Presentation in the Parliament. Dr Hasmukh Adhia, Secretary (Finance and Revenue), Mr Sushil Chandra, Chairman, CBDT, Mr John Joseph, Member (Budget), CBEC and other senior officials from the Ministry of Finance addressed the session and interacted with participants.



# Competitive Solutions and Nurturing Competitiveness

## Centres of Excellence

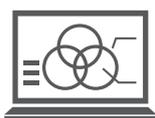
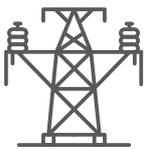
- CII Institute of Logistics
- CII Institute of Quality
- CII-ITC Centre of Excellence for Sustainable Development
- CII Centre of Excellence for Competitiveness for SMEs
- CII-Naoroji Godrej Centre of Manufacturing Excellence
- CII-Sohrabji Godrej Green Business Centre
- CII-Suresh Neotia Centre of Excellence for Leadership
- CII-Triveni Water Institute
- CII Jubilant Bhartia Food and Agriculture Centre of Excellence





## Building Competitiveness

- Competitiveness Development Services
- Design
- Innovation
- Intellectual Property Rights
- Science and Technology & RD
- Start-ups
- Waste to Worth
- Public Private Partnership Technology Centres
- Skill Development
- Human Resource Development
- Industrial Relations



# CII CENTRES OF EXCELLENCE

## Catalysing Competitiveness Across Industries

### AGRICULTURE



CII JUBILANT BHARTIA FOOD AND AGRICULTURE CENTRE OF EXCELLENCE New Delhi

FOCUS: Improving Competitiveness of the Agriculture and Food Value Chain by Catalyzing Innovation, Building Capacity and Enhancing Productivity

**70**

Colleges Participated in CII Surakshit Khadya Abhiyan Across 20 States

**3000+**

Participants from 1000+ FBOs Attended Food Safety and Quality Workshops, Inhouse Trainings and Assessments

**344+**

Companies, Farmers & Entrepreneurs Participated in Cold Chain Awareness Workshops Across 6 States

### GREEN BUSINESSES



CII-SOHRABJI GODREJ GREEN BUSINESS CENTRE Hyderabad

FOCUS: Foster, Promote and Accelerate Green Practices and Businesses

**522**

Green Building Projects Registered

**161**

GreenCo Registrations and Energy Audits

**162**

GreenPro (Green Product) Certified Products

### LEADERSHIP DEVELOPMENT



CII SURESH NEOTIA CENTRE OF EXCELLENCE Kolkata

FOCUS: Development of Leadership for a New India

**601**

Future Leaders Underwent Training

**322**

Companies Impacted

**12**

Training Interventions and 4 Process Improvement Interventions

### LOGISTICS



CII INSTITUTE OF LOGISTICS Chennai

FOCUS: Transform India as a Global Leader in Logistics and Supply Chain

**3500**

People Participated in Training Programmes

**600**

Newly Certified Logistics and Supply Chain Professionals

**225**

Companies Participate in National Supply Chain and Logistics Excellence Awards. 80 New Warehouses Certified

MANUFACTURING



CII NAOROJI  
GODREJ CENTRE  
OF MANUFACTURING  
EXCELLENCE  
Mumbai

FOCUS: Foster Pre-eminence and Competitiveness  
to Create a Global Manufacturing Hub in India

**1400**  
Members Participated  
in the CoE's Interventions

**87**  
Capacity Building  
Programmes

**316**  
Man-days of Training  
125+ SMEs Covered

QUALITY



CII INSTITUTE  
OF QUALITY  
Bengaluru

FOCUS: Transform Businesses, Share Value, Create Value

**260**  
Companies Advised

**132**  
Training Programmes  
Conducted

**24**  
Technical Experts.  
3 Overseas Missions  
Undertaken in 2017

SMEs



CII CENTRE OF  
EXCELLENCE FOR  
COMPETITIVENESS  
FOR SMEs  
Chandigarh

FOCUS: Enhancing Competitiveness and Manufacturing Excellence of the SMEs

**2974**  
Participants from 450  
Companies Benefited  
from over 60 Training  
Programmes and  
Workshops

**1609**  
Case Studies Recieved  
from 336 Companies  
for Best Practices  
Competition

**900**  
Million Rupees of Projected  
Savings from 30 Energy  
Audits and 15 Ongoing  
Clusters/Assignments

SUSTAINABILITY



CII-ITC CENTRE  
OF EXCELLENCE  
FOR SUSTAINABLE  
DEVELOPMENT  
New Delhi

FOCUS: Advancing the Agenda of Sustainable Business Practices in India

**2000**  
Certified Professionals  
Trained

**46**  
Training  
Programmes Held

**24**  
Companies Awarded

WATER



CII-TRIVENI WATER  
INSTITUTE  
Gurugram

FOCUS: Water Conservation, Water Efficiency and Waste Water Management

**1200**  
Persons Sensitised.  
100+ B2B Meetings  
Conducted

**150**  
Companies Advised.  
25 Water Audits Conducted.  
20 Companies Awarded

**25**  
WATSCAN Projects on  
Water Security. Water  
Planning for 15 Drought  
Prone Districts Completed

# Centres of Excellence



## CII INSTITUTE OF LOGISTICS

India's transport and logistics sector has registered encouraging growth over the last few years despite a challenging global scenario. The Government's clear focus on developing this sector, along with the development of infrastructure, will continue to propel the sector forward. In this backdrop, 2017 was a year of pride and achievement for the CII Institute of Logistics (CIL) where it succeeded in its efforts to obtain infrastructure status for the logistics sector.

Logistics costs in India, at 13-14% of GDP, are higher than those in developed countries. With this development, the logistics sector, including cold chain and warehousing facilities, is likely to attract increased long term funding at competitive rates, thus easing the pressure of rising logistics costs on global competitiveness of exporters. This year the Institute strengthened its efforts to enhance developmental activities in logistics and supply chain by:

- Offering advisory services for improving efficiency.
- Enabling functional skill enhancement with training and skill development programmes.
- Imparting functional qualifications in logistics, supply chain and shipping tracks.

- Helping to develop professional competency assessment frameworks (SCM PRO & SCM EXE).
- Focusing on Warehouse Operational Excellence Assessment and Certification (WAREX).
- Undertaking Total Cost Management (TCM) initiatives for manufacturing and services sectors.

In pursuit of these objectives, a MoU was signed with the Ministry of Commerce for setting up institutional mechanisms aimed at developing India's logistics sector. Under this agreement, the Institute will work towards addressing challenges facing the sector and help take measures to bring down costs. To promote the sector at the State level, the CIL will work with the State Governments and take initiatives to build capacity.

### ACTION

CIL has brought to the industry insights on emerging global trends and best practices as well as helped address logistics and supply chain management challenges. Working with stakeholders, the Institute strives to build the image of the sector, enhances knowledge and helps build competitiveness.



CII SCALE Award 2017 Winners at the Supply Chain and Logistics Excellence Awards at Hyderabad



From L to R: Lance M Wallin, Global Director - Strategic Accounts and Innovation, Sealed Air Product Care; Anil Arora, Former MD, M J Logistics Ltd; Jaideep Ghosh, Partner & Chief Operating Officer, Management Consulting, KPMG; Pirojshaw Sarkari, Member - CII National Committee on Logistics & CEO, Mahindra Logistics Ltd; R Dinesh, Chairman - CII Institute of Logistics Advisory Council and Managing Director, TVS Logistics Services Ltd at the E Commerce Supply Chain 2017 in New Delhi

### Education

- Over 1,800 participants underwent the distance education programmes in logistics management, supply chain management, third party logistics and competitive supply chain management.
- Students of 10 educational institutes benefitted from the short-term certification programme in logistics and supply chain management.
- The second batch of the international distance education programme under UN, meant for senior transport staff managers, was successfully initiated in 2017.
- Having earned the trust of educational institutions, CII extended 5 of its existing MoUs and signed 6 new MoUs.

### Training / Certification

- More than 900 professionals from various domains of supply chain management underwent training on topics such as supply chain, export-import, GST, leadership and technology.
- An additional 500 professionals were certified for SCM EXE.
- The SCM PRO Certification programme was attended by 120 participants.

### WAREX

CII's Warehouse Assessment and Certification programme not only assesses but also certifies the overall functionality of the warehouse. During the year, 18 facilities were certified under the programme, enabling them to take the leap to the next level of competitiveness.

### Supply Chain and Logistics Excellence (SCALE) Awards 2017

The SCALE Awards recognize organisations that have achieved significant improvement in integrating supply chain and logistics functions. This recognition is aimed at accelerating the enablers for building a world class supply chain and to prompt organisations to develop future ready supply chains, bringing knowledge and fresh perspectives to the industry. With 180 companies participating, the 4<sup>th</sup> Edition of these Awards was larger than ever.

## INSTITUTE OF QUALITY

As a champion of the Quality movement in India, the CII Institute of Quality (CII IQ) is powered by the responsibility of enriching lives of Members, improving their workplaces and making the world a better place by applying quality tools, techniques and systems. CII IQ provides the best of its kind training and consulting services to organisations to help improve performance of companies and set a standard of excellence. CII IQ continued to partner international and national organisations, to engage with stakeholders, network with domain experts to build capability and share best practices.

### Business Excellence

#### ADVOCACY

Build an enabling ecosystem to recognize excellence by building capability, setting systems in place and creating benchmarks to support the development of global organisations.

#### ACTION

With the fundamental objective of promoting quality systems in the country, CII IQ continued to train managers from the industry and provide platforms for stakeholders to interact and share best practices. The Silver Jubilee celebration of CII's National Quality Summit was addressed by over 40 national and

international experts. The Institute also recalibrated itself to be awarded GOLD level of certification under the IGBC Green Existing Buildings rating system.

At the 16<sup>th</sup> CII IQ Anniversary Day Session and the KN Shenoy Oration, corporate leaders shared their insights on building a culture of quality in Indian industry. The National Business Excellence Conclave, Industrial Safety Leadership Conference and 5<sup>th</sup> National Excellence Practice Competition were opportunities to deliberate upon the applicability of smart tools and steps necessary to achieve business goals. With a view to building a safety culture, the 1<sup>st</sup> Edition of the CII IQ National Safety Practice Competition was also launched during the year.

### Total Productive Maintenance

#### ADVOCACY

Build world class 'future ready' manufacturing capabilities manned by a critical mass of change leaders equipped with the ability to adopt global best practices.

India is credited with having the highest number of JIPM-TPM awarded companies outside of Japan with 224 Indian companies having won 324 JIPM-TPM Awards. The TPM Club India of CII IQ, through its consulting and hand-holding support, has till date supported 103 companies enabling them to win 134 Awards. The 2016



From L to R : R Mukundan, Chairman, CII IQ and MD, Tata Chemicals Ltd; Priyank Kharge, Minister for Information Technology and Bio-Technology & Tourism, Government of Karnataka; Shin Taguchi, Chief Technical Officer, ASI Consulting Group; David Rasquinha, MD, EXIM Bank of India and T T Ashok, Past Chairman, CII SR and MD, Taylor Rubber Pvt Ltd at the 25<sup>th</sup> National Quality Summit in Bengaluru



Godrej Interio Division received the CII EXIM Bank Award for Business Excellence for 2017 in Bengaluru. The recognition was received by Zurvan Moralia, CEO (5<sup>th</sup> from left); Subhodh Mehta, Senior Vice President (5<sup>th</sup> from right); R R Gupta, Vice President (3<sup>rd</sup> from left) and Team. Also on the stage: Shin Taguchi (first from right); R Mukundan (6<sup>th</sup> from left); Vipin Sahni, Executive Director, CII IQ (1<sup>st</sup> from left); David Rasquinha (7<sup>th</sup> from left) and T T Ashok (4<sup>th</sup> from left)

TPM Awards of the Japan Institute of Plant Maintenance (JIPM) saw 25 companies successfully challenging the prestigious Japanese award.

More than 200 Kaizens and 150 improvements were shared at the Kaizen and Circle Competitions respectively. A series of Master Classes and training programmes for facilitators helped strengthen the TPM ecosystem. A Symposium on Quality Improvement Methodology was organised jointly with the Indian Statistical Institute. Missions to successful organisations to learn TPM, Lean & Quality Improvement best practices, a Good Manufacturing Practices Mission to Toyota Kirloskar Motor, Facilitators Certification Courses and a Masterclass on TPM enabled companies to learn and implement the TPM concepts during the year.

The TPM Club drove its agenda of international interactions with a Best Manufacturing Practices Mission for the Automotive Industry Development Centre (AIDC) South Africa and launch of programmes such as VAVE/RCM/Robust Quality Engineering and webinars.

The potential of TPM becoming a growth driver for Indian industry was deliberated upon at the Champions' Trophy 2017 and the 17<sup>th</sup> National Conference. The 1<sup>st</sup> ever competition on human mistake proofing (Poka-yoke), a workshop on Reliability Centered Maintenance (RCM) to acquaint participants with types of failure patterns and maintenance and a Robust Quality Engineering



From L to R: Ranganathan Balaji, COO, Sona BLW Precision Forgings Ltd; V Ramesh, Former MD of EID Parry; Nagaraju Srirama, President & Director, JK Fenner Ltd and V Narasimhan, Past Chairman, CII TPM Club India and Executive Director, Brakes India Ltd at the TPM National Conference in Chennai

workshop contributed significantly to bringing quality improvements in Indian industry.

Under a MoU with Labour Fund (Tamkeen), Kingdom of Bahrain, CII IQ will exchange professional experiences on Member services, share best practices and support Bahrain's private sector on quality enhancement and competitiveness.

## Quality Management Systems ADVOCACY

Facilitate the development of a robust and credible quality infrastructure in India by working with the Government and Indian industry. The Institute continued to deliver the ZED Scheme of the Ministry of MSME for enhancing competitiveness of the sector.

## ACTION

In the second phase of the US India Standards and Conformance Cooperation Programme, a Grant Agreement was signed with the US Trade and Development Agency (USTDA) to deliver a series of six standards and conformance workshops jointly conducted with the American National Standards Institute (ANSI) (Washington, D.C.).

A Standards Portal jointly developed with the Government will cover India's actions on standardization, conformity assessment and technical regulations. The first CII National Competition on SPC towards Zero Defect aimed at encouraging and rewarding adoption of holistic quality practices by Indian companies. Several other platforms such as the BPM Asia Conference,



From L to R: Roger Tregear, BPM guru and Consulting Director, Leonardo Consulting; Kalpana Awasthy, Director General, National Productivity Council; S K Kakkar, Chief Mentor – Business Excellence, Organizational Performance Excellence Consultants and Amit Chauhan, CEO, Q3Edge Consulting at the BPM Asia Conference & Competition 2017 in New Delhi

assessor training, ZED certifications, training on problem solving tools enabled Indian industry to pursue QMS. Civil Services probationary officers were sensitized on Total Quality Management practices at a session held at Lal Bahadur Shastri National Academy of Administration, Mussoorie (LBSNAA).

## Education Excellence

### ADVOCACY

Promote and encourage capability and capacity building amongst schools and administrators with a view to making them future ready through training, counselling and assessments.

### ACTION

School teachers, principals and administrators were exposed to international best practices through missions to Singapore and Finland. CII IQ has collaborated with NIE to bring Singapore's educational best practices to Indian schools. The NIE Singapore faculty also imparted professional development training to a large group of teachers and principals across India. The visit to University of Helsinki helped understand the nuances of Finnish education, their change to a theme based education policy and a rising and sustaining PISA score.

The 20<sup>th</sup> Edition of the National Summit on Quality in Education, workshops on learning strategies and quality

tools and the re-launch of the education e-learning course -INCITE- provided several opportunities for educators to upskill themselves.

## Lean Six Sigma

### ADVOCACY

Build a critical mass of operational excellence change leaders supporting Lean Six Sigma in organisations and establish analytics using industry data.

### ACTION

Programmes in Lean and Six Sigma were targeted at enabling companies to improve their operating efficiencies. Companies such as Vizag Steel Plant, Bharat Forge, Infosys, Aditya Birla Finance, Kirloskar, VKC & Borosil benefitted from the Six Sigma services. Good Manufacturing Practices Missions were taken to ABB, Titan Factory, Ace Designer, Toyota Kirloskar Motor, JCB India, Bosch Jaipur, Maruti Suzuki, Sona Koyo Steering Systems and Hindustan Coca Cola Beverages. The 1<sup>st</sup> Lean National Competition, the 11<sup>th</sup> Six Sigma Competition and other Lean Six Sigma Certification Courses encouraged world class manufacturing practices in India.

## CII-ITC CENTRE OF EXCELLENCE FOR SUSTAINABLE DEVELOPMENT



CII-ITC Centre of Excellence for Sustainable Development (CESD) advances the agenda of sustainable business practices in India.

CII-ITC CESD has taken a leap forward in this regard by helping industry meet this agenda through policy advocacy, thought leadership and advisory, and capacity building of companies. With up-scaling of knowledge, action and recognition services, the practice of responsible and sustainable business is becoming mainstream and legitimate. CII-ITC CESD is on a mission to catalyse innovative ideas and solutions, in India, and globally, to enable business and its stakeholders in sustainable value creation.

### ADVOCACY

#### The CII-NITI Aayog Cleaner Air Better Life Initiative

The CII-NITI Aayog Cleaner Air Better Life Initiative, launched in November 2016, attempted to build consensus among diverse stakeholders for actionable solutions towards cleaner air in Delhi NCR and its neighbouring regions.

CII-ITC CESD organised multi stakeholder consultations after NITI Aayog constituted four Task Forces: Biomass

Management, Clean Fuel, Clean Industry and Clean Transportation. These consultations resulted in finalization of action plans for biomass management, clean fuel and clean transportation, which were recently published and released in the form of reports by NITI Aayog and CII in February 2018.

In the Union Budget 2018, a special scheme for supporting sustainable farming practices to control air pollution recommended by CII-ITC CESD was announced. This is in line with CII's recommendations in addressing the issue of biomass burning.

#### CII-National Committee on Environment 2017-18

Inputs were provided to the Government on the interface of industry with environment conservation and forest protection. Working under the leadership of Mr R Mukundan, MD & CEO, Tata Chemicals, the Committee focused on plastic waste management, e-waste management and environment and forests clearance.

#### Working Group on e-Waste Management

Several representations were made to the Ministry of Environment, Forests and Climate Change (MoEFCC)



From L to R: Sanjiv Puri, CEO and Executive Director, ITC Limited; Tomasz Kozlowski, Ambassador of European Union to India and Bhutan; Dr Mahesh Sharma, Minister of State (I/C) for Culture and Minister of State for Environment, Forest and Climate Change; Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited and Chandrajit Banerjee, Director General, CII at the 12<sup>th</sup> Sustainability Summit in New Delhi

and Central Pollution Control Board (CPCB) on the Extended Producer Responsibility (EPR) compliance faced by electronic and electrical equipment manufacturers. CII-ITC CESD is now anchoring discussions to reply to the draft e-Waste (Management) Amendment Rules, 2017 notified by the Ministry in response to the various representations.

### **Working Group on Environment and Forest Clearance**

Recommendations to resolve the key issues pertaining to procedural challenges during project appraisal for grant of environment and forests clearances are being drafted in consultation with stakeholders. These will be submitted to MoEFCC, once finalized.

### **Working Group on Plastic Waste Management**

An approach paper for EPR implementation was submitted to Chairman, CPCB and Joint Secretary, MoEFCC. Members also approached the Punjab Pollution Control Board (PPCB) for details of their scheme inviting producers/brand owners to contribute to a dedicated Plastic Waste Management Fund for collection and disposal of plastic waste. CESD submitted a representation to MoEFCC regarding various State Pollution Control Boards continuing to serve show-cause notices for non-compliance despite positive efforts made by the industry.

## **ACTION**

### **Capacity Building**

During 2017, CII-ITC CESD reached out to almost 2000 participants through almost 75 programmes, conducted both in India and abroad, on topics such as value innovation, CSR rules and impact measurement, sustainability reporting, integrated reporting, cluster platform for transformative solutions, human rights and biodiversity.

### **Business and Biodiversity**

This year IBBI has secured projects on biodiversity management, concluded a Business and Biodiversity Conference with active participation from all sectors and is continuing to work with the National Biodiversity Authority (NBA) and MoEFCC for policy engagement and workshops.

Business and Biodiversity Conference: IBBI organised a one-day Conference titled National Biodiversity Targets

2020: Challenges and Opportunities for Business, to create awareness about biodiversity management and how businesses can support in achieving India's National Biodiversity Targets (NBTs).

Piloting Natural Capital Externalities (NCXs) Tool: CII-ITC CESD and GIST Advisory are jointly developing a natural capital valuation tool for Indian industry called the Natural Capital Externalities Tool. WIPRO, Godrej, Tata Chemicals, Tata Housing, Mahindra, Hindustan Zinc, ACC and JSW are the eight companies piloting the NCXs tool at select sites for natural capital valuation. Results of the NCXs tool will support companies to achieve goals related to their sustainability framework.

### **CBD GPBB Meeting, Paris**

IBBI participated in the GPBB in November 2017 at Paris, France hosted by ORÉE and presented the reporting framework of IBBI member companies. GPBB is also developing a reporting framework for the businesses to document the biodiversity mainstreaming work undertaken by businesses.

### **Climate Change**

Three working groups have been created under the CII Climate Change Council 2017-18 to take the agenda forward - the Working Group on Nationally Determined Contributions (NDCs) under The Paris Agreement on power generation using waste heat and off gases; and on technology needs assessment and capacity building requirements.

The 23<sup>rd</sup> Conference of Parties (CoP23) under the United Nations Framework Convention on Climate Change, held at Bonn, Germany, emphasised on considering Resource Efficiency as a key enabler in meeting the climate objectives as well as SDGs. CII along with the Global Business Coalition is engaged in a process of informing the G20 policymakers of the trends within industries, with the perspective of supporting the development of an integrated international policy framework that benefits from good practices and experiences of how businesses can promote resource efficiency activities globally.

### **Integrated Reporting**

CII-ITC CESD's <IR> Lab India (Lab), set up in partnership with International Integrated Reporting Council (IIRC) is a collective of companies, investors, regulators, accounting firms and academics, to practice



Nitin Gadkari, Minister of Road Transport and Highways, Shipping and Water Resources, River Development & Ganga Rejuvenation at the 12<sup>th</sup> Sustainability Summit in New Delhi

and advocate IR and become a bridge with IIRC and country networks. As network partner for IIRC's 3<sup>rd</sup> Annual Official Integrated Reporting <IR> Convention in Amsterdam, CII-ITC CESD hosted the session on Growth of Integrated Reporting in India.

### **Business for Human Rights**

CII-ITC CESD participated in the 6<sup>th</sup> United Nations Forum on Business and Human Rights in Geneva. The focus of this year's forum was on the third pillar of the guiding principles, that is, Access to Remedy. During the three-day forum various stakeholders presented their views regarding access to remedy for impacts caused due to business operations. CII aims to showcase some of the good practices of Indian businesses in the UN forum next year.

### **Global Siemens Integrity Initiative**

The Promotion and Adoption of Responsible Business Practices by Corporates in India was launched in 2015, under the Siemens Integrity Initiative - a global project. This initiative aims to increase awareness about maintaining ethics and values while doing business among the corporates. A recent publication under this

initiative titled Responsible Business Practices in India focuses on enabling stakeholders, including private companies and professionals, accountants, small and medium enterprises, management institutions, and civil society on modes to operate ethically and deal with implementation challenges.

### **12<sup>th</sup> Sustainability Summit 2017**

The 12<sup>th</sup> Sustainability Summit focused on Driving Inclusive Growth and the collective journey of stakeholders in achieving SDGs by 2030. Participants deliberated on a range of subjects including climate change, business responsibility and circular economy, artificial intelligence, business ethics and sustainable mining, amongst others.

## CII CENTRE OF EXCELLENCE FOR COMPETITIVENESS FOR SMEs



The Indian SME sector is the backbone of the national economic structure and has unremittably acted as the bulwark for the Indian economy. With around 36.1 million units throughout the geographical expanse of the country, MSMEs account for around 6.11% of the manufacturing GDP and 24.63% of the services sector GDP as well as 33.4% of India's manufacturing output. The sector employs around 120 million people and accounts for around 45% of India's overall exports. This sector's competitiveness is crucial to India's emergence as a leading global economy. CII, therefore, through its CII Centre of Excellence for Competitiveness for SMEs focuses on development of Indian SMEs through the Centre's advisory, consultancy, business facilitation and specialised services. These are driven through initiatives in manufacturing excellence, energy management, human resource management (HRM), corrosion management and developing clusters for enhancing the industry's competitiveness.

### ADVOCACY

The Centre works towards enhancing the industry's competitiveness by benchmarking practices with global standards and developing customised solutions for sustainable growth. Skill building, competence and HRM are driven through platforms such as clusters, sharing of best practices, workshops and training programmes. These networking platforms help enhance the SMEs reach and strengthen their OEM connect. Balanced and sustainable growth is promoted through initiatives on energy management and corrosion mitigation.

### ACTION

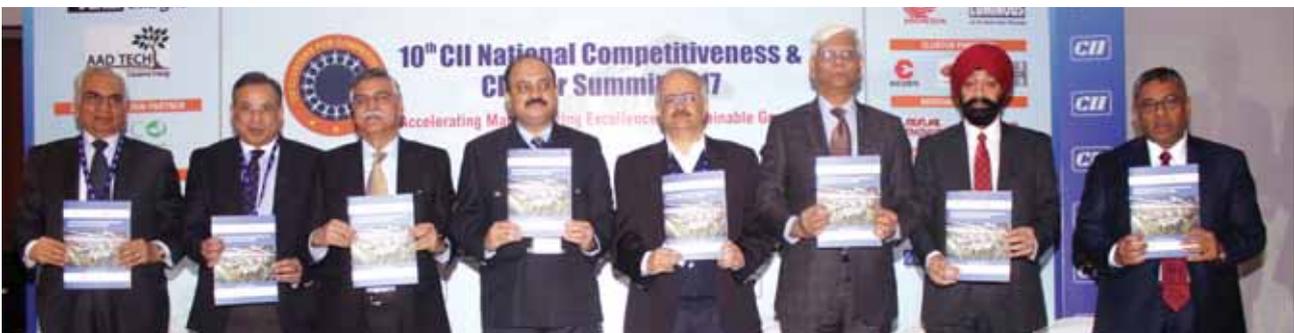
#### Sustainable Competitiveness Building Through Cluster Deployment

The Centre guides the efforts to build competitiveness based on the level and need of industry, through diverse business models of clusters such as Basic Cluster, Lean Cluster, Advanced Cluster, Integrated Lean TPS Cluster, Engineering Cluster and ZED Cluster.

Using the CII Cluster approach has helped companies increase productivity by 40% to 200%. Several companies have been able to build ZERO Defect in operations achieving ZERO CC, CR and 80% to 100% reduction in in-process rejections. Participating companies strive to build cost competitiveness and a zero accident culture. Proven tools and techniques are deployed to help industry achieve excellent result in quality, cost, delivery, safety and morale in the organisation, thereby enhancing profitability. These initiatives are focused on transforming a plant to a Hospital Clean Factory on the inside and a Garden Green Plant on the outside. The participating SMEs also get exposure to global market opportunities. The cluster approach nurtures an ownership culture, developing competencies and building teams to achieve desired results.

#### Building Next Generation Manufacturing

Over the years, the Centre has developed and implemented many success stories through its excellence in manufacturing initiatives. Some of the unique



From L to R: Yogesh Munjal Chairman, CII Clusters for Competitiveness and Managing Director, Munjal Showa Limited; Praveer Sinha, Chief Executive Officer & Managing Director, Tata Power Delhi Distribution Limited; Sunil Kant Munjal, Past President, CII and Chairman, Hero Corporate Service Private Limited; Piyush Srivastava, Additional Development Commissioner, Ministry of MSME; Vipin Sondhi, Summit Chairman and Managing Director & CEO, JCB India Limited; Shreekant Somany, Chairman, CII - Centre of Excellence for Competitiveness for SMEs and Chairman & Managing Director, Somany Ceramics Limited; Pikender Pal Singh, Senior Director & Head, CII - Centre of Excellence for Competitiveness for SMEs and Rajesh Jain, Managing Director, LPS Bossard Private Limited at the 10<sup>th</sup> CII National Competitiveness and Cluster Summit in New Delhi



Abhay Bakre, Director General, Bureau of Energy Efficiency, Ministry of Power, presenting the award to Daimler India Commercial Vehicles Private Limited, Chennai at the CII National Energy Efficiency Circle Competition 2017 in New Delhi

initiatives include Hospital Clean Inside Factory; Garden Green Outside; Five Senses in Manufacturing, Cost Saving through Panch Tatvas in Manufacturing; building a zero defect culture across the value chain and building intelligence in manufacturing. The system for keeping the Plant in order for employees and staff, designed by the Centre, has benefitted several companies. Some other programmes aim at specific improvements such as No compressor in Assembly Plant, No Hammer, No Air Gun, No Racks, No Pallets, No Wood in the factories and No Supervision in the plant. A programme to enable zero skill operators to change over Big Press machines within 17 seconds is helping companies improve cycle times.

### Enhancing Reach and Networking

In pursuit of the Make in India initiative, the 10<sup>th</sup> National Competitiveness and Cluster Summit was themed Accelerating Manufacturing Excellence and Sustainable Growth. With this theme, the Centre aimed at giving a new direction to the Cluster movement and enabling networking amongst SMEs, OEMs and other stakeholders.

#### Key Parameters (2017-18)

Savings Achieved by Companies From 30+ Detailed Energy Audits (INR Million)	510
Number of Companies Handheld Through 15 Ongoing Clusters for Competitiveness	106
Best Practices Competition Case Studies Received From 336 Companies	1609
Training Programmes and Workshops	60
Industry Participants Benefited From Over 450 Companies	2974
Savings Achieved by 106 Companies From 15 Ongoing Clusters/Assignments (INR Million)	390



Dr U Kamachi Mudali, Co-Chairman, CII-Corrosion Management Committee and Chairman & Chief Executive, Heavy Water Board (HWB), Department of Atomic Energy (4<sup>th</sup> from left) with Corrosion Committee Members at the 5<sup>th</sup> CII Corrosion Management Summit in Chennai

### International Interventions

For the last 9 years, the Centre has facilitated bilateral social and economic relations through the Indo-German Manager Training Programme (IGMTP). The programme connects Indian and German enterprises with the aim to enhance their foreign economic potential. Efforts are also made to enhance their competitiveness to improve their attractiveness to foreign investors. The programme has facilitated export and import deals, technology transfers, collaborations and joint ventures. Over the years, 340 Managers have undergone IGMTP. Imports and exports of over €6.77 million and Euros €6.69 million respectively have been generated through this initiative.

### Promoting Energy Efficiency Mission and Technology

To transition to a sustainable energy system, mobilising energy efficiency has become an urgent priority for the industry. CII promotes energy efficiency in Indian industry by sensitizing stakeholders and providing competitiveness enhancing solutions. A Technical Conference on Energy Efficiency, Environment and Technology – EETech 2017, aimed at inspiring energy managers, discussed latest standards in energy efficient equipment, systems and processes. Automation, renewable energy industrial applications and other key aspects to make India energy self-sufficient, competitive, modern and attractive to both domestic and international investors were also deliberated during the Conference.

### World Class Energy Efficiency Initiatives

Having undertaken over 1550 energy audits, both in India and abroad, the Centre has helped realize annual recurring savings worth INR 3360 million. Going forward it is projected that these Audits will realize



Winners of the CII National HR Circle Competition in New Delhi

further savings of INR 510 million. High Impact Training Programmes on Energy Efficient System and Energy Efficient Design Stage Considerations, Industrial and Electrical Safety, Business Risk Management, ISO 50001 Internal Auditor Certification Programme helped build capacity in this area.

The Centre is working closely with stakeholders in promoting world class energy efficiency in auto, auto components, engineering, pharmaceutical and chemical, food processing, commercial buildings, FMCG, refinery, rice mills, textile, pulp and paper, power and sugar sectors. This initiative facilitates continuous improvement in Indian industry's performance to reach world class standards.



From L to R: Prateek Garg, Founder CEO & MD, Progressive Infotech; Pikender Pal Singh; Shreekant Somany; Vijay Thadani, Vice Chairman and Managing Director, NIIT Limited; Jayant Krishna, Executive Director and Chief Operating Officer, National Skill Development Corporation (NSDC); Saptarishi Chatterjee, Partner, KPMG and Prakash Rao, VP - HCM & Digital, People Strong HR Services Pvt Ltd at the CII Symposium on Digital Transformation for Enhancing People Competitiveness in New Delhi

### Applauding the Industry's Efforts Towards Energy Efficiency

The First National Energy Circle Competition was a continuation of the Centre's endeavours to encourage, support and applaud the industry's efforts in improving energy efficiency and reducing natural resource consumption. The competition was a platform for industry, technology providers and institutions to share success stories and help others to internalize the concepts.

### Corrosion Management

Corrosion, one of the most significant costs impacting Indian industry accounts for annual losses of over INR 2 lakh crore, which is a substantial amount for a sector to lose. With a commitment to enhance Indian Industry's competitiveness, CII initiated Corrosion Management Services in 2006. This mission was driven through seminars, workshops, training and certification programmes and conferences. Continuing the war against corrosion, the Centre trained about 180 corrosion managers this year.

### Empowering Human Resources

To encourage, support and applaud the industry's efforts in setting up world class HR practices and enhancing employee productivity, companies were recognised at the First CII National HR Circle Competition. Missions to benchmark HR companies were also organised during the year.

## CII - NAOROJI GODREJ CENTRE OF MANUFACTURING EXCELLENCE

In a highly competitive global environment, company level competitiveness in manufacturing is key to a nation's economic growth. A globally competitive, innovation led manufacturing sector also has the potential to create millions of jobs that India needs. The CII - Naoroji Godrej Centre of Manufacturing Excellence (CME) thus promotes and fosters pre-eminence and competitiveness to create a global manufacturing hub in India. The Centre focuses on initiatives aimed at:

- Incentivizing manufacturing jobs.
- Enhancing competitiveness.
- Forging alliances with academia, R & D establishments, Government and Industry.
- Building a well-trained smart force.
- Creating globally relevant manufacturing leaders.
- Compiling a narrative on Indian manufacturing.

### ACTION

The Centre drives its agenda through training programmes, building capacity in companies as well as focusing on the core of manufacturing through initiatives in industrial safety, welding and welding technologies and fluid power technology. During the year, 87 training programmes aimed at fostering manufacturing competitiveness benefitted over 1400 participants from 500 companies. Seven in-company programmes trained over 200 professionals in GST, supply chain, communication skills, design of experiment and geometric dimensioning and tolerance.

A MoU signed with the Fluid Power Society of India (FPSI) will help further manufacturing and business

excellence in the segment. The 3<sup>rd</sup> Batch of the Gold Sash Manufacturing Excellence Programme was also launched during the year.

### Future of Jobs Initiative

Policy makers are focused on addressing the challenge of creating millions of new jobs to ensure employment of around 10-12 million youth entering India's job market annually. With rapid advances in technology, it is becoming increasingly challenging to predict the numbers and nature of future jobs. To address this dynamic trend, CII launched the Future of Jobs in India Initiative last year. The outcomes of this key initiative were emphasized in a Conference where experts from related fields shared their perspective on the jobs challenge, the emerging landscape and the future shape of the economy. A report on Future of Jobs : Enterprises and Livelihoods also underscores these challenges and the future landscape.

### Occupational Health and Safety

At the 2<sup>nd</sup> Edition of the Conference on Occupational Health and Safety, corporate leaders gave a call for inculcating safety and sustainability habits from school level to promote Environment, Health and Safety (EHS) consciousness in the society. The role of leadership for sustainable performance and embedding a culture of safety across the supply chain was also emphasized.

### Advanced Manufacturing & Industry 4.0

The Advanced Manufacturing Programme achieves its objective of facilitating manufacturing growth by



Dr Rajiv Lall, Executive Chairman, IDFC Limited delivering the keynote address at the Conference on Future of Jobs in Mumbai. Also seen are Arun Maira, Former Member, Planning Commission of India and Jamshyd N Godrej, Past President, CII and Chairman & Managing Director, Godrej & Boyce Mfg Co Ltd



S Sundarram, Managing Director, Lincoln Electric making a case for Weld 4.0 at the Conference in Mumbai. From L to R: A Shivkumar, Chairman, CII Core Group on Welding Technology and Former Chief Executive, EWAC Alloys Ltd; Satish Bhat, Managing Director, Ador Welding Limited and Dr Prabhu Aggarwal, Vice Chancellor, O P Jindal University

developing leaders and honing their skills in developing manufacturing roadmaps for their companies. A two module special programme was launched in 2017 to build these skills. Module 1 was held at the University of Warwick, UK to explore next-gen manufacturing technology enablers and strategies. Module 2, held in India, concentrated on developing leaders aligned to the Future of Manufacturing in terms of technologies and future trends, enabling them to integrate current manufacturing practices with Industry 4.0 and Frugal Engineering. Apart from visits to plants of companies such as Jaguar Land Rover, Renishaw, Amazon Fulfilment (Automated) Factory, Manufacturing Technology Centre, UK and Bosch Plant in Nashik, (India), the UK Module also witnessed interactions with senior faculty including Professor Lord S K Bhattacharyya, Chairman, WMG.

Taking forward the objective of building capacity for Industry 4.0, CII-CME launched, Industry 4.0 – How to Implement?, an exhaustive training programme. With a holistic approach to implementation, it focused on application of various aspects of Industry 4.0 including smart machines, analytics, Internet of Things, connectivity, automation, disruptive effect of exponential technologies, and cyber security. The training, spread over six days and combined with 2 industrial site visits, was attended by participants from prominent member companies.

In the Industry 4.0 era, mechatronics has become more relevant than it has ever been. Today, agile and scalable technologies provide more efficient data flow, visibility, and control, with machine data securely transmitted to and from a network or cloud for real-time decision making, diagnostics and maintenance, and predictive



Participants of the Advanced Manufacturing Module with Professor Lord S K Bhattacharyya, Chairman, WMG, University of Warwick, in Coventry, UK

analytics. The Conference on Mechatronics thus explored the use of mechatronics to maximise output, reduce lead time, lower set up time, enable addition of features and ultimately enhances productivity.

### **Industry-Academia Linkage**

Organised with a view to fostering a link between the manufacturing sector and the young generation, Anvesh - a premier Manufacturing Quiz saw participation of final year engineering and MBA students and young corporate professionals. Led by Mr Banmali Agrawala, President - Infrastructure and Defence & Aerospace, Tata Sons, the Quiz witnessed a huge turnout with about 100 teams participating to win.

### **Sectoral Integration-Welding Industry**

An active component of Intelligent Manufacturing, a widely developed trend today, is Intelligentized Welding Technology (IWT). New age technologies such as robotics, automation, big data and artificial intelligence are changing the face of manufacturing worldwide making it safer, faster, and potentially error free. The 2<sup>nd</sup> Edition of the Conference on Welding Technology themed Weld 4.0 – Intelligentized Welding in India discussed the global developments in this area and the ensuing challenges for India. With O P Jindal University as the Knowledge Partner, a White Paper on the topic was also compiled.

## CII-SOHRABJI GODREJ GREEN BUSINESS CENTRE

As a fast growing economy, India is faced with the challenge of balancing the objective of achieving a higher GDP growth rate while maintaining focus on sustainability and environment protection. As higher economic growth results in increased consumption of natural resources, increased waste generation and ecological degradation, the Government of India as well as the industry remain committed to the goals of sustainable development.

The CII Sohrabji Godrej Green Business Centre (CII-Godrej GBC) established in 2000 is CII's developmental institute on green practices and businesses, aimed at offering world-class advisory services on conservation of natural resources. The Centre, through a multi-pronged approach, makes a clear case for green businesses. CII-Godrej GBC envisions India emerging as one of the global leaders in green business by 2022.

### Key Areas

- Facilitating greening of built environment.
- Greening of companies through the GreenCo Rating System.
- Equipping industry to achieve world class levels of energy efficiency.
- Facilitating market transformation through GreenPro Certification.
- Enabling promotion of renewable energy technologies.

As on March 2018, the Centre has facilitated over 19 million tons per annum of CO<sub>2</sub> reduction.

### ADVOCACY

#### Policy Incentives

As a result of the concerted efforts of CII-Indian Green Building Council (IGBC), the Governments of Himachal Pradesh, Jharkhand and Rajasthan as well as the Pune Municipal Corporation have begun to offer additional Floor Area Ratio (FAR) to IGBC green building projects. The MAUD, Government of Andhra Pradesh has reduced the permit fee for IGBC projects. Other States offering incentives include Punjab, West Bengal and Uttar Pradesh.

### ACTION

#### IGBC Green Building Rating System

Globally, India stands at the 2<sup>nd</sup> position in the world in terms of the largest registered green building footprint, with projects spread across the country.

With the understanding that each building is a different type, IGBC in 2017 launched specific rating systems for health and wellbeing, existing cities and affordable housing. A detailed reference guide on new buildings and green interiors were also launched. Over the years, IGBC has launched 22 green building rating systems designed to address national priorities. These systems are a blend of ancient architectural practices and modern technological innovations.

As on March 2018, over 4,500 green building projects amounting to over 5.26 billion sq.ft had adopted IGBC Green Building Rating System. These



Release of Green Champions of India-GreenCo Coffee Table publication at the GreenCo Summit 2017 in Pune



World Green Building Council (WorldGBC) team in Jaipur

include Government buildings, cities, villages, homes, commercial buildings, schools, metro stations, factory buildings, amongst others.

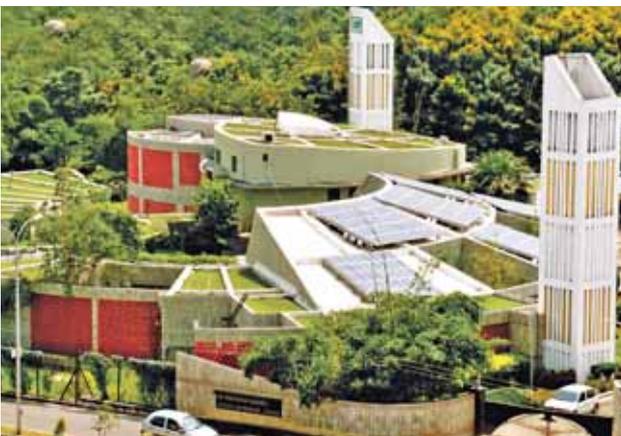
A MoU was signed with Bhopal Smart City Development Corporation Limited (BSCDCL) for designing the city of Bhopal in line with the CII- IGBC Green Cities Rating System. MoUs with the International Association of Plumbing and Mechanical Officials (IAPMO) and Indian Plumbing Association (IPA), Climate Project Foundation were also inked.

### WorldGBC Members Meet

Coinciding with the Green Building Congress 2017, CII-IGBC hosted the 2017 annual WorldGBC (World Green Building Council) Members meet. With CEOs and senior officials from over 30 Green Building Councils, it was a platform to share and learn the best practices/ success stories from across the Councils.

### GreenCo Rating System

The GreenCo Rating System, the first of its kind in the world, is a robust evaluation process that rates the degree of environmental performance of a company. It evaluates companies on various performance parameters



CII-Sohrabji Godrej Green Business Centre-India's first platinum rated green building

including energy efficiency, water conservation, renewable energy, GHG mitigation and waste management. More than 450 companies, including several SMEs are pursuing this system. This includes 145 GreenCo rated companies.

### Partnership with Indian Railways

CII-Godrej GBC team is working closely with the Indian Railways team on over 50 projects in greening of their workshops/production units, buildings. Two Railway Stations i.e. Jaipur and Secunderabad as well as the Rail Nilayam-Zonal Head Quarter of South Central Railway (SCR) were awarded with IGBC Green Building Rating and 15 production units and workshops have already achieved GreenCo Rating.

A project for Facilitation of Energy Efficiency in Indian Railways, carried out in partnership with Indian Railways and Shakti Sustainable Energy Foundation, led to the identification of 280 energy efficiency projects. Savings of INR 365 lakh were reported in one year.

### Energy Management

With over 1,615 detailed energy audits (as on date) including international assignments in Korea, Australia and Qatar, the Centre's global presence is being further strengthened.

- A dialogue between Government and industry, to discuss and deliberate on the future of energy efficiency in India, to culminate in policy recommendations for a paradigm shift in energy efficiency in India by 2030.
- MoU inked with Tiruppur Exporters' Association (TEA) aimed at promoting low carbon growth by developing a voluntary Green Code.
- Helping implementation of BEE- Perform Achieve and Trade (PAT) scheme for energy intensive sectors through facilitation activities, detailed energy studies, measurement and verification, etc.
- Facilitated in bringing 40 Swedish cleantech



Suresh Prabhu, the then Minister of Railways, presenting GreenCo plaque to officials from Integral Coach Factory, Chennai in New Delhi

companies. Several of the companies could initiate business activities in India under the banner of the Indo-Swedish Innovations Accelerator programme.

- A competitive challenge, supported by BEE- UNIDO, aimed at identifying and promoting low carbon innovations for industrial applications in the areas of Waste Heat Recovery (WHR) pumps and space conditioning.
- Facilitating development of eco-industrial parks in Andhra Pradesh and Telangana.
- Development of Life Cycle Inventory Datasets for India, enabling lifecycle assessment with India-specific data for more accurate analysis.
- Facilitation of clean technologies and finance for MSMEs in India.
- Other initiatives with MSMEs, including promotion of resource efficiency and cleaner production, development of local service providers for clusters, amongst others.

### GreenPro Certification

Green Product Certification, GreenPro, was launched in 2015 with the objective of facilitating green product market transformation in the country. Assessing the

greenness of a product based on a holistic life cycle approach, GreenPro certifies a product as Green. As on March 2018, over 350 products under 18 product categories are GreenPro certified.

The Global Ecolabelling Network (GEN), a global organisation with over 25 leading Ecolabels as members, has accredited GreenPro Certification. The accreditation confirms that GreenPro certification methodology and standards are at par with international standards.

### Green Power Market Development Group-India

GPMDG-India is an industry-led initiative to scale up the Indian green energy market by devising innovative procurement methods. The aim is to rapidly increase the share of renewable energy in the overall energy consumption of commercial and industrial establishments. GPMDG-India has facilitated 320 MW of RE power. Encouraged by the success in Karnataka and Tamil Nadu, GPMDG-India was spread to the States of Maharashtra and Telangana.

### Other Initiatives

The Centre also created various platforms to bring stakeholders together to deliberate and discuss energy efficiency and greening of businesses. Some major platforms included - Green Building Congress, GreenCo Summit, Energy Efficiency Summit, Green Power, Conference on GreenPro and Green Cementech. The National Awards for Excellence in Energy Management were also conferred on companies that excelled in this area.



From L to R: M Ponnuswami, Vice Chairman, CII Tamil Nadu State Council; Ramesh Kymal, Chairman, Renewable Energy Council, CII-Godrej GBC; Vikram Kapur, IAS, Principal Secretary, Department of Energy, Government of Tamil Nadu; Karnam Sekar, Deputy Managing Director & Chief Credit Officer, State Bank of India and K Krishan, Chairman - Bioenergy Sub-committee, RE Council, CII-Godrej GBC at Green Power 2017 in Chennai

## CII-SURESH NEOTIA CENTRE OF EXCELLENCE FOR LEADERSHIP



As India continues to grapple with a rapidly changing economic, political and social landscape, leadership and people development have been identified as key drivers of an organisation's success. To cope with such a dynamic environment, organisations need a strong pool of talent with well-developed leadership abilities and acumen. A successful leader is a combination of a natural predisposition and the way in which an organisation nurtures an individual's leadership skills. The presence of leadership pipeline is what sets apart companies with successful bottomlines.

The CII Suresh Neotia Centre of Excellence for Leadership (CII-SNCEL) was conceived on the core belief that the quality of leadership will play a vital role in enabling India to succeed in its Mission for inclusive growth and excellence, and towards becoming a frontrunner in the global economy. CII-SNCEL envisages for itself a major role in driving leadership development across businesses and socio - cultural demographics through interventions focused on people and process transformations. During the year, the Centre continued to catalyze leadership development through a range of initiatives.

### LEADERSHIP DEVELOPMENT FOR FIRST GENERATION ENTREPRENEURS

#### The National Leadership Conference for First Generation Entrepreneurs - Entrepreneur to Enterprises: Strategies for Scaling up and Growth

The New India that has emerged over the last two decades following liberalisation, globalization, and technology led disruptions, has seen an influx of First Generation Entrepreneurs and Start-ups. Often vulnerable to higher levels of failure, this group of entrepreneurs are increasingly seeking solutions to not allow their past success to become a deterrent to scaling up and growth strategies.

With a mandate to facilitate leadership development to First Generation Entrepreneurs and Start-ups including new businesses within traditional family businesses, the Centre organised the National Leadership Conference for First Generation Entrepreneurs with the theme - Entrepreneur to Enterprises: Strategies for Scaling up & Growth. Young entrepreneurs from various industries seeking knowledge and information to drive their companies to the next level of success benefited



From L to R: Vikram Duggal, Start-up Investor, Mentor and Advisor and Managing Partner, Ekle Advisory Services; Meena Ganesh, Co-founder, Portea Medical Pvt Ltd; Kalyan Kar, Co-founder and Director, InQube Innoventures Private Limited; Sagar Daryani, Co-founder & CEO, Wow! Momo Foods Pvt Ltd and Raghav Kanoria, Founder and Partner, Neoleap Business Ventures LLP during the National Leadership Conference for 1<sup>st</sup> Generation Entrepreneurs in Kolkata



Harshvardhan Neotia, Chairman, Ambuja Neotia Group and Chairman, CII-SNCEL addressing the session during the National Leadership Conference for 1<sup>st</sup> Generation Entrepreneurs in Kolkata

from the conference as eminent speakers shared excerpts from their own entrepreneurial journeys. The topics discussed during the conference ranged from policy and future of entrepreneurship In India, Insights into an Entrepreneur's Journey, Getting the Strategy Right, Finding the Opportunities in the Marketplace, Role of Digital Media in Brand and Accessing Growth Capital.

## STRATEGIC LEADERSHIP

### StrategyEdge

In continuation of the 1<sup>st</sup> Edition of StrategyEdge, Professor Vijay Govindarajan, Coxe Distinguished Professor at Dartmouth College's Tuck School of Business and a leading global expert on strategy and innovation, led the 2<sup>nd</sup> Edition in Bengaluru this year. The day-long Masterclass session saw 200 senior management officials from diverse functions learn his world famous concept of the Three Box Strategy. Participants were enlightened on the concepts of creating a future based on non-linear ideas, while maintaining excellence in the present. This concept also highlights the need for steps to avoid inhibiting traps of past success.



Professor Vijay Govindarajan, Coxe Distinguished Professor, Tuck School of Business, Dartmouth College delivering a Thought Leadership Masterclass at the second edition of StrategyEdge in Bengaluru



Professor Jean-François Manzoni, President, IMD, Lausanne during the CEO's Round Table in Mumbai

## Leading Transformation: Your Role as a CEO

In pursuit of the commitment of introducing world class leadership concepts to India in association with international knowledge institutions, a CEO's Round Table was convened in collaboration with the IMD, Lausanne, Switzerland. Professor Jean-François Manzoni, President, IMD Lausanne, an expert on the multidimensional aspects of change management and the role of leaders therein, was the keynote speaker. While sharing insights on the ways in which CEOs can sustain the energy and momentum for carrying through large scale transformations, the personal role of a leader and ways to process the learnings from intended and unintended outcomes, he spoke about how one can engage their top teams and ground crews. CEOs and top management of companies from across the country participated in the Round Table discussions focusing on rewards and challenges unique to this level.

## FUNCTIONAL LEADERSHIP

### Marketing Leadership Summit

From technology to globalisation, the changing business environment is impacting businesses like never before. Today, the marketing function is more indefinite than the last decade because of the way consumer behaviour and preferences have changed owing to greater options and information. Organisations must make the transition from monologues to dialogues with personalised content, customised marketing solutions and social media engagement. In this context the Centre organised the 1<sup>st</sup> Edition of the Marketing Leadership Summit themed Customer Engagement in the Age of Personalisation. Over a 100 marketing leaders and members of the industry heard a host of eminent speakers and thought leaders on strategic leadership focusing on emerging trends in the marketing function, evolving business



From L to R: Subhrangshu Neogi, Director - Group Marketing & Brand, Religare Enterprises Limited; Maneesha Khanna, Associate Director - Media & Consumer Engagement, PepsiCo India; Smita Jha, Group Head - Strategy, HT Media Limited and Sumanta Ray, Chief Marketing Officer, Narayana Health at the Marketing Leadership Summit 2017 in Kolkata

models and why marketing leaders need to rethink their strategy to achieve their goals.

## TRAINING AND CAPACITY BUILDING

### PEOPLE TRANSFORMATION

#### Young Leadership Development Digital Programme

Presence of a leadership pipeline is crucial for an organisation to remain steadfast on its path to success. The Centre thus initiated and organised two editions of the Young Leadership Development Digital Programme (YLDP), designed to impart leadership and management skills in cross functional areas to High Potential Young Leaders (HPYLs) with 5 to 10 years experience in a leadership role. With a commitment towards ease of learning, participants utilized the benefits of a unique 2-way interactive, real-time learning platform spread over 4 months (100 hours) with live faculty interaction. The programme was designed to allow access from anywhere outside of work hours, thereby balancing the learning and development needs of HPYLs with their demands of work and delivery. In-built in the YLDP programme is a robust and continuous assessment process designed to enable organisations to get an independent assessment of nominated participants on their ability to learn new skills relevant for assuming future leadership roles.

#### Leadership Webinar Series on Talent Management

The ability to draw, enthuse, develop, and retain talent has emerged as a key factor for an organisation's competitive advantage. Talent Management is cited as a key strategic priority in today's fast-paced, global business environment. On the belief that better talent

leads to better corporate performance, the Centre organised a comprehensive 5 module Leadership Webinar Series on Talent Management. Enabling convenience of learning through the digital mode industry stalwarts delivered the practitioner's perspective to professionals involved in talent management. Participants gained valuable insight on topics ranging from Elements of a Talent Acquisition Strategy, Keeping Employees Engaged and Enabled, Key Retention Strategies to Rethinking Performance Management and The New Age Digital HR over a period of five weeks.

## PROCESS TRANSFORMATION

### The Goldratt TOC Holistic Management Programme

Business process transformation comprises an overhaul of current processes in the light of swift shifts in business strategies and eliminating duplicate or redundant steps by adopting automation. In the backdrop of competitiveness as a key challenge faced by businesses and industries, the Centre collaborated with the Goldratt School, USA to bring leadership training on The Theory of Constraints (TOC).

Through this association the Centre institutionalized a new classroom training program: TOC Holistic Management Program to be conducted through a six-module integrated program which combines knowledge and practical application to the concepts learnt. Theory of Constraints has proven to be successful in achieving breakthrough performance at little or no cost. Participating CXOs, senior level managers and functional heads gained in-depth understanding of TOC through both classroom learning followed by real life projects that the participants undertook after each module.



Session on the Goldratt TOC Holistic Management Programme at CII-SNCEL in Kolkata

## CII-TRIVENI WATER INSTITUTE



Water scarcity and pollution present a significant risk to companies with the potential to disrupt their operations. Even companies that have managed the resource within their fence through various improved water efficiency measures face the risk of closure due to challenges from outside the fence in their respective watersheds. Cognizant of this growing challenge, likely to worsen in the future, the CII-Triveni Water Institute (CII-TWI) provides integrated water management solutions through the use of innovative state-of-the-art digital analytic tools and frameworks—WATSCAN and WatSmart. These tools can assess water risks and guide decisions for prioritising investments.

Set up with the vision of enabling India make substantial progress towards water security by 2022, the Institute transforms water conservation and management practices by changing mindsets and behaviours of stakeholders, resulting in effective and sustainable water management practices at the grassroots level.

### ADVOCACY

With a view to facilitating a conducive policy framework for treated wastewater and promoting new modes of financing for implementing PPP projects, CII-TWI continued to engage with the Central and State Governments and relevant departments. Interfacing municipality and industry as well as municipality and agriculture formed a key area of the Institute's advocacy efforts. Facilitating an efficient framework for water

usage for sustainable Smart Cities and stakeholder sensitization on water use efficiency remained the focus through the year.

CII's National Committee on Water provided recommendations on the Guidelines for issuance of No Objection Certificate (NOC) for groundwater withdrawal issued by the Central Ground Water Authority (CGWA). Some key recommendations included:

- Exemption on drawing ground water through non energised means could be based on quantity of water extraction and not on pump capacity.
- To dis-incentivize over exploitation of groundwater, the water conservation fee should be set at par with cost of an alternative source of water or water supplied by an industrial development agency.
- Pricing of groundwater should be based on the condition of groundwater in the aquifers rather than a uniform rate.
- CGWA should undertake mapping of all groundwater abstraction structures to enable proper monitoring, control and regulation as directed by the NGT.

CII-TWI inputs to the Ministry of Water Resources, River Development and Ganga Rejuvenation on the National Mission for Clean Ganga (NMCG) included:

- Mandatory audit of all major water users (municipalities, urban local bodies, industry) in the Ganga basin.



From L to R: N K Ranganath, Member, Advisory Board, CII-TWI and MD, Grundfos Pumps India Pvt Ltd; S Raghupathy, Deputy Director General, CII; Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Amitabh Kant, CEO, NITI Aayog; Karlene Maywald, Former Minister & Chair, National Water Commission, and International Adviser, South Australian Government; Dhruv M Sawhney Chairman, CII-TWI, Past President, CII and Chairman & MD, Triveni Engineering & Industries Ltd at the 3<sup>rd</sup> Water Innovation Summit 2017 in New Delhi



Haribhau Bagde, Speaker of Legislative Assembly, Maharashtra, speaking on the WATSCAN Aurangabad study at the CII WATSCAN Conference on Moving from Drought Prone to Drought Proof Villages of Maharashtra in Aurangabad



Naval Kishore Ram, District Collector, Aurangabad at the CII WATSCAN Conference on Moving from Drought Prone to Drought Proof Villages of Maharashtra in Aurangabad

- All developmental projects to be designed and approved using the integrated watershed approach (IWRM).
- Encourage ULBs to develop ownership of Special Purpose Vehicle (SPVs) established in the Ganga basin, and promote innovative concepts such as industry-municipal interface.
- Encourage subsidies and incentives for recovery of pollutants and recycling / reuse.

### ACTION

CII-TWI conducted water risk evaluation and planning using its WATSCAN tool, watershed and hydrological evaluations and implemented WatSmart, the Water Smart Rating System. The Institute's Water Pinch Analysis and water audits across sectors, municipality and buildings helped improve water management in the country. Benchmarking and baseline exercises were also undertaken for improving water use efficiency.

### WATSCAN: Evaluating Water Risks

WATSCAN, an integrated GIS driven and satellite based water risk evaluation tool was successfully applied across geographies to ascertain water risks and thereby design appropriate strategies for an improved water scenario. WATSCAN evaluation of water demand-supply gaps in 20 districts of India across Maharashtra, Rajasthan, Uttar Pradesh, Haryana and Jharkhand provided a quantifiable roadmap of moving from drought prone to drought proof.

WATSCAN was also successfully applied for various plant specific watersheds to evaluate water risks to plant operations and identify appropriate water management strategies. WATSCAN reports for water resource evaluation of 6 drought prone districts of Maharashtra and for water resource evaluation of 2 districts in Jharkhand were also released.

WATSCAN potentially helps to bridge water demand-supply gaps by digitally identifying critical zones and villages for intervention. By prioritizing investments and siting intervention slippages in delivery can be reduced by 40-50 %, thereby making investments effective, credible, and transparent. Through resource optimization, use efficiency, New Water (municipal interface), and Additional Water (soil moisture conservation) it is possible to improve per hectare water availability by 35 - 45%.

### WatSmart: Be Water SMART; Be Water Secure

The WatSmart Tool, launched in 2017, is a first of its kind water smart rating system applicable at plant level across industries. It captures elements both within the fence (plant level) and beyond the fence (plant's watershed level) and rates plants on their water smart quotient. A water smart unit is defined as one that is intrinsically related to 'its' watershed i.e. it recognizes plant water and wastewater efficiency in tandem with watershed health (resource availability and quality).



Awards Winners of the CII National Awards for Excellence in Water Management 2017 at the 3<sup>rd</sup> Water Innovation Summit 2017

### **Water Audits: What Gets Measured Gets Managed**

Working closely with Government, industry, public and private sector undertakings, the Institute undertook more than 150 comprehensive water audits across sectors. With such audits, a water saving potential of about 100 billion litres was achieved by 2017. This is equivalent to two days of drinking water requirement of the entire rural population of India.

Recommendations for enhancing water use efficiency were made based on water audits of three Railway Stations, one each in North Eastern, Southern and Central railways and one railway workshop. Key recommendations included monitoring and measurement at prominent locations in distribution network, promoting sewage recycling, installation of a water recycling plant at the train washing yard, installation of water efficient faucets and fixtures and rain water harvesting.

Guidelines for optimization of water and wastewater usage in coal-based thermal power plants were developed after audits of four such plants located in Rajasthan, Maharashtra, Gujarat and Bihar. The draft guidelines are based on key findings relating to water consumption patterns, identified water saving potential and various indicators for the TPPs.

### **Knowledge Sharing**

The 3<sup>rd</sup> Water Innovation Summit organised on 4<sup>th</sup> & 5<sup>th</sup> September 2017 focused on economic growth and human development in the context of water scarcity. It was organised in partnership with the Water Industry Alliance of South Australia and participation from the Australian Industry and Government. The Summit focused on identifying innovative solutions and strategies for water and wastewater management.

The CII National Awards for Excellence in Water Management 2017 were conferred upon 25 innovative, scalable and good water and wastewater management practices by industry after a rigorous 3 stage process.

To encourage sharing of best practices, debate and discuss the challenges facing the industry and to bring together experts, industry and the Government, the centre organised several thematic conferences. These included the International Conference on Water Security and Sustainability in the Blue World and a National Seminar on Promoting CSR initiatives for Water & Livelihood Security Building Partnerships & Bridging Gaps.

The 2<sup>nd</sup> National Conference on Moving towards Making Pulp and Paper Sector Water Secure and Sustainable was organised to deliberate upon concerns with regard to the importance of water in the pulp and paper sector.

## CII JUBILANT BHARTIA FOOD AND AGRICULTURE CENTRE OF EXCELLENCE



Agriculture and food processing are dominant sectors of the Indian economy. They have a critical role to play in sustainable growth of the economy. However, these sectors face several challenges. To become the force drivers of the country's growth, it is essential to reorient the outlook towards policy and enhance the sector's competitiveness. The CII Jubilant Bhartia Food and Agriculture Centre of Excellence (CII-FACE) works towards building efficiencies across the agricultural value chain from farm to fork by leveraging technology and innovation to improve agricultural productivity and strengthen post-harvest activities.

### ACTION

#### Research / Projects Portfolio

During 2017, a special project was launched to strengthen the post-harvest value chain management for the development of Mango industry in Andhra Pradesh. Driven under the stewardship of the CII Cold Chain Task Force, the project is initiated in partnership with the Department of Horticulture, Government of Andhra Pradesh. To design a replicable model for catalyzing investments in post-harvest infrastructure management, promoting value addition and developing a brand value for Andhra mangoes, the project will be piloted

with 100 farmers in Bhimavaram Village in Prakasham District. Farmers will also be supported with backward integration to enable scientific production of mangoes, and integrated post-harvest infrastructure facilities will also be developed.

To position North Bengal as an agribusiness hub, FACE released 6 sectoral reports at the Agro Business Synergy - Focus North Bengal in Siliguri. The sectors (Horticulture, Maize, Seed, Dairy, Meat & Poultry and Cold Chain) are identified based on their investment potential, received about 178 investment proposals totaling INR 1702 crore.

To identify operational challenges in the cold chain sector, a study on Ease of Setting up Cold Chain Infrastructure is being conducted in eight States across the four regions.

#### Capacity Building in the Food Ecosystem

In an endeavour to build capacity in the food ecosystem, FACE reached out to 3000+ participants and 1000+ Food Business Operators, with food safety trainings, assessments and in-company interventions. The key programmes were:



From L to R: Ravi Mathur, Chairman, Jury Panel, CII Award for Food Safety & CEO, GS1, India; M M Hoque, Chairman, Bangladesh Food Safety Authority; Suresh Narayanan, Chairman, CII National Committee on Food Processing and Chairman & Managing Director, Nestle India Ltd; Pawan Kumar Agarwal, CEO, Food Safety and Standards Authority of India; Dr Guilherme Antonio da Costa, Chairperson, Codex Alimentarius Commission; Mike Robach, Chair, Global Food Safety Initiative Board of Directors and Vice President-Corporate, Food Safety, Quality & Regulatory, Cargill, Inc, USA, and Piruz Khambatta, the then Deputy Chairman, CII WR and Chairman, Awards Committee-CII Awards for Food Safety and Chairman & MD, Rasna International at the release of Surakshit Khadya Abhiyan Newsletter at the 12<sup>th</sup> CII Food Safety, Quality & Regulatory Summit in New Delhi



Indian delegation at the 40<sup>th</sup> session of The Codex Alimentarius Commission (CAC) in Geneva, Switzerland



Workshop on Capacity Building of Stakeholders in the Cold Chain segment in Jammu

- The Food Safety and Standards Authority of India (FSSAI)'s newly launched Food Safety Training and Certification Programme (FoSTaC), Training of Trainers, Food Safety Supervisor training for SMEs on Advanced Manufacturing, Bakery and Catering conducted by CII under the aegis of Surakshit Khadya Abhiyan (SKA) were well received. CII - SKA was recognized as a Star Performer in the category of FoSTaC Training Partner and Trainer by FSSAI. Also FSSAI appointed four persons from FACE as National Level Resource Persons under FoSTaC.
- The CII-SKA Food Safety Quiz Contest for Colleges in partnership with FSSAI, aimed at developing a food safety culture in the country, was held in 68 colleges in 29 States. The finals were held on the side lines of the 12<sup>th</sup> Food Safety, Quality and Regulatory Summit. Around 10 participants from the contest have gained industry internships as well.

### Capacity Building in the Cold Chain Segment

Given the importance of the Cold Chain segment in making food and agriculture sustainable, 12 stakeholder awareness workshops were held on behalf of NCCD. Over 1500 stakeholders, including farmers, industry and entrepreneurs from 12 States were apprised of the Government schemes.

### Codex Update

CII was a member of the Indian Delegation at the 40<sup>th</sup> session of The Codex Alimentarius Commission (CAC) held in Geneva, Switzerland from 17 to 22 July 2017. The delegation was led by chairperson, FSSAI, Mr Ashish Bahuguna and included representatives from Indian Industry. Various emerging issues were discussed such as Anti-Microbial Resistance to examine the use of antibiotics as growth promoters/supplements in intensive farm practices like poultry industry, alignment

of codex work with SDGs and announced 7<sup>th</sup> June as World Food Safety Day.

### Promoting a Culture of Excellence

Given that a culture of excellence is key to India becoming a global food hub, the 12<sup>th</sup> Edition of the CII Food Safety and Quality & Regulatory Summit, organised in association with FSSAI, was themed Synergising Food Safety, Quality and Regulatory Dimensions for Excellence in the Food Ecosystem. Global food safety and quality professionals shared best practices and insights on the subject. The CII-GS1 Survey on Food Traceability in India was released at the Summit.

The CII Food Safety Award is aimed at stimulating best in class food safety and quality practices in the country. In 2017, the companies that were recognised for Outstanding Performance in Food Safety included Abbott Healthcare Pvt Ltd, Metro Cash & Carry DC 11, Bangalore, North East Nutrients Private Limited, United Breweries Ltd., Nanjangud and Varun Beverages Limited, Bazzpur. This year, the award applications saw an 11 fold increase since inception, with over 70% being from the small and medium food sector.

### Encouraging Best Practices in Cold Chain Segment

With a view to encouraging best practices in Cold Chain sector, CII institutionalized the National Cold Chain Awards. In the 2<sup>nd</sup> Edition, the companies recognised for their outstanding performance included Mother Dairy Fruits & Vegetable Pvt Ltd, Keventer Agro Limited, Ecofrost Technologies Pvt Ltd, Sahyadri Farmers Producer Co. Ltd, Savla Foods & Cold Storage Pvt Ltd, FIL Industries Ltd, Gati Kausar India Ltd, Promethean Spenta Technologies Pvt Ltd and B Y Agro & Infra Ltd.



Geetu Verma, Executive Director – Foods, Vice President Foods-South Asia, Hindustan Unilever Limited, speaking at the FSSAI-CHIFSS Public Lecture on Integrated Predictive Models and Sensors in Food Supply Chain to Enhance Food Safety in New Delhi. From L to R: Dr Nimish Shah, Co-Chairman, CHIFSS Scientific Advisory Panel and Program Director-Strategic Science Group Safety & Environmental Assurance Centre Hindustan Unilever Limited; Pawan Agarwal, Chief Executive Officer, Food Safety and Standards Authority of India; Ashish Bahuguna, Chairperson, Food Safety and Standards Authority of India and Professor Mark Tamplin, Centre Leader, Food Safety Centre, University of Tasmania, Australia

The awards were conducted alongside the 7<sup>th</sup> Edition of the Cold Chain Summit focused on the theme of doubling farmers incomes. FACE partnered with the Ministry of Food Processing Industries, Ministry of Agriculture and NCCD for this Summit.

## New Initiatives

### Promoting Science Behind Food Safety

The CII-HUL Initiative on Food Safety Sciences (CHIFSS) was set up to drive science based food safety to strengthen consumer protection and a healthy growth of food sector while ensuring an innovation friendly environment. FSSAI and CHIFSS signed a MoU to support this objective. The initiative made much progress during the year, with two FSMS Guidance documents being released, two public lectures, a technical workshop on predictive microbiology and food borne illnesses and a bakery training package being released.

### CII-IADSA Resource Centre for Health Supplements & Nutraceuticals

A Resource Centre for Health Supplements & Nutraceuticals (ReChaN) was launched in partnership with the International Alliance of Dietary/Food Supplement Associations, (IADSA). The Centre will drive science based food safety inputs on nutraceuticals and health supplements for ensuring consumer food safety. The activities will be aimed at fostering an innovation



Simon Pettman, Executive Director, IADSA with Meetu Kapur, Executive Director, CII during signing of MoU between CII and International Alliance of Dietary / Food Supplement Associations (IADSA) for the Resource Center for Health Supplements and Nutraceuticals in New Delhi

friendly environment and a culture of food safety and quality among manufacturers, businesses, consumers and regulators. Apart from pursuing science based approaches to regulation and implementation, efforts will also be made to build capacity in the sector. This initiative is supported by Amway, Herbalife, Sun Pharma and DSM.

### Cold Chain Knowledge Hub

The recently launched Cold Chain Knowledge Hub (Cool Idea) will work to overcome the challenges facing the sector through innovation, development, exploration and by catalyzing investment through the State and producing specific interventions.

A MoU for an integrated cold chain pilot at Pune was signed with Covestro India Ltd.

# Building Competitiveness

## COMPETITIVENESS DEVELOPMENT SERVICES

Over the past three years, responding proactively to the increasingly competitive global environment, the Government of India has given a strategic thrust to the manufacturing sector through initiatives such as Make in India and Skill India.

CII's Competitiveness Development Services (CDS) department, staying a step ahead, is supporting businesses to become future ready through its breakthrough and transformational initiatives such as Visionary Leaders for Manufacturing (VLFM), 1000 Visionary SME Programme, Village Buddha Project and Good to Great initiative. Over the last decade, the Champions for Societal Manufacturing (CSM), erstwhile VLFM programme, has nurtured over 5000 graduates, impacted over 1000 companies and documented more than 250 success stories. With value creation as the underlying theme, these sustained efforts align with the Government's moves to transform and facilitate business growth.

### ADVOCACY

Evolving as a manufacturing breakthrough initiative between 2007 to 2013, CSM expanded its scope to include societal contribution from 2013. Apart from a focus on developing strategies and workable models to support the next generation of industry, CSM is building on the concept of co-creating value to take India towards the overarching goal of global manufacturing leadership. CII's CSM initiative, in partnership with Japan International Cooperation Agency (JICA), is an attestation of a strong partnership between India and Japan, built on the foundations of a decade long engagement. Declared a success by the Japanese and Indian Governments, the programme features in the Joint Statement of the Prime Ministers of the two countries.

### ACTION

CSM has revolutionized the Indian manufacturing systems and practices by leveraging Japanese manufacturing managerial excellence and promoting



From L to R: Professor M P Poonia, Vice-Chairman, All India Council for Technical Education (AICTE); C S Patel, Managing Trustee SNS Foundation; Takeyuki Furuhashi, Chief Faculty VSME Programme; Dr Jayant K. Kittur, KLS Gogte Institute of Technology Belagavi; Neelesh Chougule, Chairman & Managing Director, Creintors Teknsol Pvt Ltd and Professor Shoji Shiba, Chief Advisor, CSM at the VSME Convention in New Delhi

Graduates from VLFM's Senior Manager's Programme (2007-2017)												
Years	Session											Total
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	
Senior Manager's course	48	48	48	51	60	80	55	59	59	60	66	634

a culture of design led manufacturing. The highlights of the initiatives during 2017 are as follows:

### Senior Manager's Course

- 66 participants from 34 companies (including 10 new companies) from 28 cities joined batch 11 with the largest ever participation of women.
- Industry wide representation of Batch 11 includes sectors like auto components (30.3%), auto OEM (25.9%), engineering products (15.2%), capital goods and finance (9% each) followed by office furniture (6.1%) and domestic appliances (4.5%).
- The 59 participants of Batch 10 conducted Self-Initiated Research (SIR) in Japan to gain insights into Japanese Society and the manufacturing eco-system. They also learnt from visits to Toyota Commemorative Museum of Industry and Technology, Yokkaichi Pollution and Environmental Museum for Future Awareness, Amada Co. Ltd, the Sony Archive Museum and attending a Breakthrough Innovation Workshop by Mr Yuji Akaba, an international expert on management productivity.

At the 11<sup>th</sup> Anniversary CSM Learning Convention in Mumbai, participants interacted with Mr Takema Sakamoto, Chief Representative, JICA India; Mr Ryoji



Felicitations to Central Electronics Limited (CEL) and Shriram Axiall project teams at the 2<sup>nd</sup> Meeting of the CII Task Force on GTG (Good to Great) in New Delhi

Noda, Consul General, Consulate of Japan Mumbai; Professor Shoji Shiba, Chief Advisor, CSM; Mr Jamshyd N Godrej, Chairman, VLFM Initiative and Past President (CII), Professor Saibal Chattopadhyay, Director, IIM Calcutta and Mr Chandrajit Banerjee, Director General, CII.

During his special visit to Module 2 of the Programme, Mr Toshitaka Ooka, Member of Japan's House of Representatives emphasized the need to focus on education and human resource development to leverage India's unique demographic dividend for the country to become a world class manufacturing hub.

### CSM Gurukuls

The concept of Gurukul is derived from India's ancient traditions of learning from role model gurus who are the epicenter of experiential wisdom. CSM's newly conceptualized Gurukuls create unique learning environments, based on a decade of experience, perfected through the VLFM system. The aim is to develop a unique Indian way of capability building for conceptual and seamless execution skills coupled with breakthrough competencies to create value. With Gurukuls being piloted for PGPEX-VLM students at IIM Calcutta, IIT Madras and NITIE Mumbai, several more are planned in the year ahead.

### Visionary SME Programme

The Visionary SME Initiative became increasingly sustainable by creating the New Indian Way of VSME. Two Original Equipment Manufacturers, TAFE and Godrej Tooling, demonstrated VSME's impact by introducing flow manufacturing across their plants and suppliers. TAFE has defined a two year roadmap for transformation and alignment of their 500 suppliers along with their own plants to 'Flow' and 'Quality'. While TAFE introduced VSME with 10 suppliers in Bhopal and Alwar, the New Indian Way provided a blue print to utilize internal experts, developed under JICA experts, in TAFE's plants

in Madurai, Bengaluru and Chennai. Godrej Tooling started the VSME journey in September 2017.

### **Visionary Learning Community of India (VLCI)**

VLCI, launched in 2015, is a positive outcome of the VSME programme. Through partnerships between local engineering colleges and SMEs, this initiative addresses the societal issue of improving student employability, especially those hailing from smaller towns. This has been achieved through a virtuous ecosystem of community-based learning involving industry, academia and engineering students to create the next generation of manufacturing change leaders. Parwanoo /Solan and Bhiwadi/Faridabad were added to the VLCI fold this year with a tie-up of 14 SMEs with two local universities.

A total of 34 persons with VSME/VLCI skills underwent teacher training aimed at sustaining VSME Skills in India to meet future needs of industry and academia.

### **VSME Convention**

A VSME Convention themed Skilling Indian SMEs Together with Engineering Colleges was organised in partnership with JICA in New Delhi. The convention showcased successful results and directions that Indian manufacturing can pursue through scalable models to the industry and academia. Building on CSM's twin offerings, the VSME and its offshoot the VLCI, the sessions saw participation from industry and local engineering colleges.

### **Village Buddha**

Launched in 2014, Village Buddha is a unique capacity building initiative aimed at community development

and building a strong win-win relationship between businesses and society. A robust foundation was built based on insights gained from training modules, participation of 25 companies and ongoing research comprising a set of publications and course manuals. The finer elements of Village Buddha will be integrated into the Emerging India Camp, an innovative learning platform to address historical, social and technological foundations. With modules planned both in India and Japan, this Camp hopes to build a larger global view.

### **Good to Great (GTG) Initiative**

The GTG Initiative aims to identify growth drivers and address growth challenges of India Inc, by impacting top line growth. Having gone from strength to strength, GTG seeks to identify, recognize and support high growth companies that aspire to align and contribute into becoming a significant contributor to India's GDP growth. The key deliverables and outcomes of the 14 projects undertaken in 2017-18 include:

- Strengthening of a production planning process led to capacity increase in a new automated assembly line from 6 MWs to 28 MWs, with a more competitive cost to manufacture capability.
- Re-layout of an assembly and system testing division released close to 8500-square feet space for new business application use.
- Supporting a new product introduction concept in a company through prototype sample development, proof of concept and customer initiation.
- Standardization of productivity measuring system for production, quality, maintenance and dispatch led to setting up of a new automated line without disturbing the existing setup.



From L to R: Rajesh Kakkar, President-Excellence in Manufacturing, Anand Group; Yoshiki Ehara, Representative JICA India; Takeyuki Furuhasi, Chief Faculty VSME Programme; Sandhya Satwadi, Senior Director, CII; Toshitaka Ooka; Dr Sarita Nagpal, Technical Advisor CII; Professor Shoji Shiba, Chief Advisor, CSM; Kenichiro Toyofuku, Representative, Jetro India and Hideki Taguchi, Senior Advisor, Maruti Suzuki India Ltd during the visit of Toshitaka Ooka, Member of Japan's House of Representatives to Module 2 of VLFM Batch 11 in Gurugram

## DESIGN

To be at the forefront of global competition, economies need the ability to constantly tap into new ideas and innovate. By bringing together considerations of form, function, aesthetics, culture, engineering and lifestyle, the design process helps solve problems and create new value and markets. Governments around the world, including India, have thus recognised the importance of design to national competitiveness. CII's Design Division addresses challenges encountered by industry in the pursuit of design for competitiveness. Competitions, workshops and conferences in partnership with India Design Council (an autonomous council on design under DIPP) and Institutions like National Institute of Design, Indian Institute of Technology, etc., create awareness on institutional support. During the year, CII focused on design incubation with the theme The New Narrative. As the Indian industry moves away from an almost apologetic positioning of design to consider it as a core company requisite and an important industry segment, the changing narratives are pointing towards a newer relationship between design and stakeholders.

### ACTION

Design, with its ability to understand users, redefine problems and create systemic, human-centered solutions, can help companies better understand their customer's daily lives, and lead directly to valuable (and valued) offerings that are effectively tailored to their

market. However, in an intensely competitive market, companies, especially MSMEs struggle to integrate design into their business plans. The Industrial Design Conclave, held in partnership with IITs in Hyderabad, Guwahati, Bombay, Delhi and Indian Institute of Science (IISc), Bangalore guided MSMEs and Start-ups in creating new industrial products and developing global brands.

In its ongoing pursuit to establish design as a tool for national competitiveness, CII initiated the Design Excellence Awards in 2011. Celebrating the very best of Indian Design and endorsed by the India Design Council, these Awards seek to demonstrate the value of design to the Indian industry. In 2017, the 7<sup>th</sup> Edition of the Awards were presented at the 17<sup>th</sup> India Design Summit.

The 17<sup>th</sup> India Design Summit, organised in partnership with the National Institute of Design (NID) and with Telangana as the Partner State, explored a wide spectrum of design disciplines. It addressed contemporary challenges concerning manufacturing, new product development, Start-ups and smart cities. Over the last 17 years, the Summit has become a platform to create an enduring partnership between design and organisations, leading to innovation and increased economic competitiveness.



From L to R: Srinu Srinivasan, President-Elect 2017-19, World Design Organization & CEO, Lumium; Professor Pradyumna Vyas, Director, National Institute of Design & Member Secretary, India Design Council; Jayesh Ranjan, IAS, Principal Secretary, Government of Telangana; Priya Paul, Chairperson, CII National Committee of Design and Chairperson, The Park Hotels; K T Rama Rao, Minister of Industries, MA&UD, IT&C, Mines & Geology, Public Enterprises and NRI Affairs, Government of Telangana; Dr Naushad Forbes, Immediate Past President, CII and Co-Chairman, Forbes Marshall; V Rajanna, Chairman, CII Telangana and Vice-President, Tata Consultancy Services; Rajshree Pathy, Past Chairperson, CII SR and Chairman & Managing Director, Rajshree Sugars & Chemicals Limited; Professor Uday Desai, Director, IIT Hyderabad at the 17<sup>th</sup> CII-NID India Design Summit in Hyderabad

## INNOVATION

Known for its science and technology prowess, India has made steady progress in encouraging innovation in several areas of importance both at the firm and the country level. The Government's increased thrust on creating an enabling innovation ecosystem has contributed immensely to this growth trajectory. CII's efforts, that have been aligned to this objective, were focused on forging Government partnerships and galvanizing industry resources and expertise towards designing an enabling national policy and encouraging innovation.

Apart from continued policy advocacy, several firm level interventions and industry initiatives were carried forth in 2017. These include the CII Industrial Innovation Awards, the India Innovation Initiative (i3) and the Innovation Summit.

### Industrial Innovation Awards

The Industrial Innovation Awards were instituted with the objective of building firm level innovation capability and encouraging Indian companies to remain competitive in domestic as well as global markets. An Enterprise Innovation Maturity Framework, designed by CII, assesses companies on four innovation parameters of innovation culture, innovation management, inputs to innovation and results of innovation. Firms applying for the Awards thus get a 360 degree perspective of their organisation's innovation capability. Based on the feedback and sharing of industry best practices,



From L to R: Rajan Navani, Chairman, CII Council on Future Businesses and MD, Jetline Group; Kris Gopalakrishnan, Chairman, CII Start-up Council and Chairman, Axilor Ventures and Co-Founder, Infosys; team from the Hi-Tech Robotic Systemz Ltd.; Dr C Muralikrishna Kumar, Senior Adviser, NITI Aayog; Dr Naushad Forbes, Immediate Past President, CII and Co-Chairman, Forbes Marshall and Dr Sacha Wunsch - Vincent, Co-Editor, Global Innovation Index & Senior Economist, WIPO at the 4<sup>th</sup> Edition of the CII Industrial Innovation Awards ceremony in New Delhi

firms can benchmark themselves to other innovative organisations in India.

In 2017 more than 200 companies, including Start-ups and industry registered of which 112 enterprises were selected for the next phase. The two level screening consisting of an Onsite Jury Assessment and First Level Jury assessments shortlisted the top 26 for the Grand Jury. The Hi-Tech Robotic Systemz won the Grand Award for being the Most Innovative Company of the year 2017. The top 10 most Promising Start-ups were also recognised at the CII Industrial Awards Ceremony. PathShodh Healthcare was awarded the Grand Award for the Most Innovative Start-up of 2017. A detailed Feedback Report to help these companies identify their innovation strengths and weaknesses was also shared.

### DST-CII-AICTE India Innovation Initiative

The DST-CII-AICTE India Innovation Initiative (i3) is focused on equipping select innovators with necessary knowledge in defining a business problem, carving a solution, conducting market research and creating a business plan. The objective is to enable innovators to launch their enterprises and seek incubation and funding support.

The efforts at creating entrepreneurs under this initiative included four regional fairs and entrepreneurship training workshops across India. These initiatives were platforms for invited innovators to gain insights on best practices and entrepreneurship, scale up, do's and don'ts, industry/market expectations.

In an endeavour to build the entrepreneurial ecosystem, a Training of Trainers workshop was organised. The objective was to equip the Start-up ecosystem stakeholders with the latest knowledge, tools and skills to identify potential entrepreneurs and take them through to project implementation including commercialization, new enterprise creation and investment pitch preparation.

The 9<sup>th</sup> Edition of the India Innovation Initiative (i3) recognised the 23 best innovations in healthcare, agriculture, food technology, electronics, education. The Awards Ceremony was held at the i3 National Fair, the culmination of the annual flagship national



2017 Awards Jury for i3 in New Delhi. From L to R (Standing): Ajay Batra, Director - Centre for Innovation & Entrepreneurship, Bennett University; Sanat Mondal, Senior Manager, Indian Angel Network; Captain Muthu Krishnan Iyyappan, Managing Director and Chief Executive Officer, Eka Academy Private Limited; Professor Lalit Awasthi, Director, NIT-Jalandhar; Professor Kurien Issac, Senior Professor, Department of Aerospace Engineering; Dean, Intellectual Property Rights and Continuing Education, Indian Institute of Space Science & Technology; Professor Ranjan Maheshwar, Rajasthan Technical University, Kota; Professor Sunil Joshi, Professor & Head, ECE, MPUAT University, Udaipur and Dr Rajasekhar, Director - CIIE, K L University, Vijayawada. From L to R (Sitting): Dr Hashim Hussein, Head, United Nations Industrial Development Organization (UNIDO) ITPO-Bahrain; Dr Rajani Gupte, Vice-Chancellor, Symbiosis International (Deemed University); Dr Suneet Tuli, Dean - College of Engineering, Bennett University; Anupam Jalote, CEO, Icreate; Anupam Lavania, Head - TBI, Icreate and Samir Kumar, DGM, SIDBI

innovation competition organised in partnership with the Department of Science and Technology and AICTE. This year 40 best-in-class innovation entries, selected from amongst a 1000 entries, competed for the top awards. The online Jury comprised of academics from some of India's top science and engineering colleges, industry experts from some of India's most well-known companies, serial entrepreneurs and mentors and angel networks.

### Industrial Innovation Summit

The 7<sup>th</sup> Industrial Innovation Summit highlighting the innovations and growth opportunities for Indian industry was themed Future Business Driven by Innovation. The efforts were directed at showcasing Indian solutions based on cutting-edge technology and disruptive innovations/ business models and having the potential to shape future businesses. Organised under the Road to Global Entrepreneurship Summit (GES) Series banner in partnership with NITI Aayog, the institutional partners for the Summit included Cornell University and World Intellectual Property Organization (WIPO). The Summit also hosted the launch of the Global Innovation Index 2017 India.

## INTELLECTUAL PROPERTY RIGHTS

Intellectual Property (IP) is becoming increasingly critical for sustained growth of companies, making it important to create as well as protect IPRs. While the Indian industry has stepped up their investments in this

area, the Government is making every effort to develop a conducive environment through policy level changes. With an idea to boost the IP culture in the country to help enhance the intellectual capital vital for the nation's economic development, CII has actively led both policy advocacy and awareness activities in this area. Over the last 20 years CII conducted sensitization workshops, training sessions, undertook policy advocacy, prepared special reports and filed IP applications on behalf of the industry, especially MSMEs. Engagement with the Government in various policy making exercises has been a key area of focus in these two decades.

### ADVOCACY

Several policy level recommendations were drafted in consultation with the State and Central Governments. While writing these recommendations, policy positions, action plans and advocacy plans CII kept in mind the contours of Indian laws, Government policies and the rules to be followed in policy making.

Following these tenets, a number of policy level issues were taken up with the Government, during 2017-18. In 2016-17 DIPP constituted a Committee to review its Guidelines on Computer Related Interventions, based on initial comments submitted by CII. Concerns regarding the possible negative impact on Start-ups and SMEs were emphasized in various communications. Continuous consultation and engagement with the Government resulted in the New CRI Guidelines being issued by DIPP in July 2017.



Rajiv Aggarwal, Joint Secretary, DIPP; Nirmala Sitharaman, the then Minister of State for Commerce & Industry; Dr Naushad Forbes, the then President, CII and O P Gupta, Controller General of Patents Designs and Trademarks, along with Awardees of the 9<sup>th</sup> National Intellectual Property Awards in New Delhi

## ACTION

While working closely with the Government on developing an IPR framework in the country, several other measures were taken to create awareness and build capacity in the area of IPR. Apart from advance workshops on IPR held in partnership with USPTO, EUIPO, JPO, the UKIPO and WIPO, police and custom officials underwent a series of sensitization programmes too. IPR best practices, laws and IPR enforcement were discussed with officials of South East Asian countries in association with the USPTO.

Several awareness programmes were organised alongwith IPO, a longstanding partner of CII. The World IP Day was celebrated with the National IP Awards 2017, held jointly with DIPP and IPO.

Outstanding innovators, organisations and companies in the field of Patents, Designs, Trademarks and Geographical Indications were honoured with these awards at the National IPR Conference themed Expanding IP Ecosystem in Industry. Government bodies, IP lawyers & attorneys, legal counsels, industry and academia deliberated on issues related to protection of intellectual property and enforcement in the face of Industry 4.0 at the 3<sup>rd</sup> Edition of the International IPR Conference. Organised jointly with the IPO and DIPP, it was a platform for discussions on artificial intelligence and IPRs in software and devices, manufacturing, human resources.

The IP Awards are conferred upon companies that have excelled in patents, trademarks and design. It is part of the endeavor to promote and encourage a culture of

IP protection amongst Indian companies. For 2017, an eminent jury evaluated process, conferred this Award on Tata Consultancy Services and Samsung R&D Institute in the large companies' category. In the SME category the winners included Apex Laboratories and Optimus Drug Pvt Ltd. Tata Chemicals Ltd, Tata Steel Ltd and Resil Chemicals Pvt Ltd were recognised for being Trademarks driven companies.

## SCIENCE AND TECHNOLOGY & R&D

India needs to build a conducive policy framework and offer incentives to the industry to substantially increase investment in R&D from the current 0.3% of GDP to the global average of 1.5% of GDP. CII works with the Government on matters related to science and technology and R&D with a view to building an ecosystem to spur R&D investments. While leading national and international engagements in technology and R&D, State Governments are encouraged to develop policies for attracting investments in industrial R&D and efforts are made at stimulating industry's investment in R&D.

## ADVOCACY

During the year, the CII National Committee on Technology lead policy advocacy initiatives considering the goal of pushing R&D investments. To promote PPP Technology Development initiatives, a MoU was signed with the Council of Scientific and Industrial Research (CSIR) to establish a Make in India Technology Venture. The Technology Venture will leverage CSIR's strengths for industry collaborations in developing



From L to R: Chandrajit Banerjee, Director General, CII; John Knubley, Deputy Minister of Innovation, Science and Economic Development, Government of Canada; Shobana Kamineni, President CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Navdeep Bains, Minister of Innovation, Science and Economic Development, Government of Canada; Dr Harsh Vardhan, Minister of Science & Technology and Earth Sciences; Professor Ashutosh Sharma, Secretary, Department of Science & Technology; Vikram Kirloskar, Chairman, Technology Summit 2017; Dr Arabinda Mitra, Adviser & Head, International Cooperation (Bilateral) Department of Science & Technology at the DST-CII India Canada Technology Summit in New Delhi

critical technologies based on a risk-sharing model. Joint R&D projects in energy, chemicals, water, healthcare, pharmaceuticals, biotechnology, construction, metals, materials and manufacturing, will be initiated to increase industry engagement.

The need for vehicles such as the Technology Venture to promote joint research was also emphasized to Dr V K Saraswat, Member, NITI Aayog through a presentation. Having been invited to join the exercise of Ranking and Rating of R&D Labs in the country, CII is developing a framework in consultation with NITI Aayog and various stakeholders.

A representation was made to the Director General of Civil Aviation (DGCA) on the release of CAR-Requirements for Operation of Civil Remotely Piloted Aircraft System (RPAS), to work with them on additional permissions required for aerial agricultural spraying.

### **ACTION**

In addition to continuous stakeholder engagement on building an enabling ecosystem, several platforms were created to encourage sharing of good practices and further national and international partnerships in technology and R&D.

In a rapidly transforming technology landscape, nanotechnology is expected to deliver significant benefits across the manufacturing sector as well for the society. The Nanotechnology Conclave, organised jointly with the Science & Engineering Research Board, thus brought together technologists, scientists, academicians and



From L to R: Dr S S V Ramakumar, Director (R&D) and Board Member, Indian Oil Corporation; Dr Rajiv Sharma, Secretary, Science & Engineering Research Board, Department of Science & Technology; Deep Kapuria, Chairman, CII National Committee on Trade and Trade Policy, Director, Global Innovation & Technology Alliance and Chairman, The Hi-Tech Group of Companies and Dr Vijaymohan K Pillai, Director, Central Electrochemical Research Institute at the Nanotechnology Conclave in New Delhi

users to deliberate on the developments and explore possible collaborations in nanotechnology.

In its 23<sup>rd</sup> Edition, the annual Technology Summit focused attention on new technologies, including artificial intelligence and robotics for healthcare systems, defence systems and rural innovation. Organised in partnership with the Department of Science & Technology, this year the Summit explored possible collaborations for leveraging the strengths of the Partner Country, Canada and those offered by India.

The largest ever high-level delegation from Canada to India, comprising Government officials, academicians and over 50 companies participated in the Summit. Mr François Philippe Champagne, Minister of International Trade, Mr Navdeep Bains, Minister of Innovation, Science & Economic Development, and Mr Marc Garneau, Minister of Transport led the delegation. The Expo, held parallel to the Summit, showcased the best technologies in advanced manufacturing, defence and aerospace, intelligent transport systems, life sciences and healthcare and clean technologies offered by India and Canada.

The technologies used in the construction of the longest road tunnel recently inaugurated by the Prime Minister of India, Shri Narendra Modi symbolize the depth of India's science and technology knowledge. Developed in the CSIR's labs, they further strengthen the Government's faith in India's scientific capability that has been developed since the country's independence. The Government also appreciates CII's support in its endeavor to develop India as a science and technology prowess. The CSIR Leadership Meet 2017, the occasion

for CII signing the MoU with CSIR for the Make in India Technology Venture, highlighted these aspects. Dr Harsh Vardhan, Minister for Science & Technology and Earth Sciences while inaugurating the Summit emphasized the Prime Minister's commitment to the initiative. The session also saw Directors of CSIR labs, Members of the Industry and academicians engage in discussions on industrial research.

A study on MNCs R&D in India - A Glimpse supported by DST, focuses on understanding and suggesting ways to improve India's R&D ecosystem. Through a primary survey as well as a series of Round Table discussions, the study attempts to capture the current context of MNC R&D in India. Suggestions have been made for policies with the potential to effect positive spillovers on the economy for long-term sustainable economic growth.

## START-UPS

The Start-up ecosystem in India has begun to gain momentum ever since the Government defined the Start-up Action Plan and a Start-up India Policy. While these initiatives have encouraged the launch of many Start-ups, a more enabling policy framework needs to

evolve. As a thought leader, CII continued to engage with the Government and other stakeholders on the policy framework, building capacity and creating awareness in this area.

## ADVOCACY

The CII Council on Start-ups made a series of recommendations to the Government with respect to funding, taxation, ease of doing business and IPRs. Suggestions on improving the utilization of Government's Fund-of-Funds included amendment of guidelines to permit Alternative Investment Funds (AIFs) to invest only 1.5X the amount raised in certified Start-ups or in follow-on investments. In addition, it was suggested that SIDBI invite participation from existing SEBI-registered funds interested in tapping FFS capital, remove additional approval for tax benefits for certified Start-ups and identify a unified central body for fund allocation. Given the potential of the impact that start-ups with social objectives can have, a submission was made to consider investment of 20% of the Fund of Funds and allow companies to direct their CSR regulatory liability to such initiatives.

## GLOBAL SILICON VALLEY HALL OF FAME



CII Start-up Mission at the GSV Labs in San Francisco, USA



From L to R: Jagdish Mitra, Chief Strategy and Marketing Officer - Head Growth Factories, Tech Mahindra; Dr Anil Wali, MD, Foundation for Innovation and Technology Transfer (FITT), Indian Institute of Technology, Delhi; Vijay Thadani, Chairman, CII National Committee on Higher Education & Vice Chairman & Managing Director, NIIT Limited; Kris Gopalakrishnan, Chairman, CII Start-up Council and Co-founder, Infosys & Chairman, Axilor Ventures; Sudipto Ghosh, Executive Director, Lenovo; Arnab Kumar, Manager, Atal Innovation Mission at the CII-NITI Aayog Programme on Start-up - Corporate Business Connect in New Delhi

With a view to ease funding of these initiatives, a proposal was compiled to extend, to Start-ups, the coverage of Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). Providing flexibility to foreign investors with respect to convertible promissory notes, relaxing Companies Act 2013 for issuance of additional funding instruments, allowing stock options for advisers and changing the taxation methodology for ESOPs were few key submissions made to the Government.

Since Start-ups experience tight liquidity in their formative years, the Government was requested to consider amending the complex rules related to Tax Deducted at Source (TDS), Minimum Alternate Tax (MAT) and also consider conditional exemption from several penalties in case of non-compliance. To attract risk capital to Start-ups, the tax regime should treat their shares at par with publicly listed shares for computation of Long-Term Capital Gains (LTCG) and apply a common capital gains tax rate.

To build an enabling ecosystem the Government was encouraged to establish a single window clearance for approvals and licenses, reduce frequency of labour and tax laws filings, provide innovative services and products at low costs and consider exempting Start-ups from requirements under regulations such as PF, ESI, etc. To further bolster the Start-up ecosystem, it was suggested that the panels of facilitators meant to help Start-ups in filling an IP application under the Start-up India Action Plan (SIAP) be merged into the Legal Advisory Panel (LAP). The importance of nurturing non-tech enterprises was highlighted to the Government given that the



CII Start-up Mission with the Ambassador of India to the US, Navtej Sarna in Washington, DC

successful ones would contribute to employment generation in the country.

### **ACTION**

The CII National Start-ups Council and the CII National Council on Future Businesses engaged with Start-ups to provide them the much needed handholding and guidance with a larger vision to encourage entrepreneurship. Various international and domestic platforms were provided to the stakeholders to achieve this objective.

The Mission on Start-ups to USA (Silicon Valley and Washington DC) was an opportunity for industry, incubators, investors, universities and Start-ups to gain first-hand experience of the world's leading Start-up hub and ecosystem for high-tech innovation and scientific development. Apart from visiting successful Start-ups such as Facebook, Uber and Infosys, the delegation also interacted with Mr John Chambers, Executive Chairman, Cisco and Chairman, US-India Strategic Partnership Forum as well as Mr Joe Matal, Under Secretary of Commerce for Intellectual Property and Director of US Patent & Trademark Office (USPTO) and the US Chamber Technology Engagement Centre. A public panel titled Creating a New Silicon Valley in India was presented in partnership with TiE Silicon Valley. A series of 12 events were organised in partnership with NITI Aayog as a part of the Road to Global Entrepreneurship Summit (GES) Series. These events focused on unique themes including intellectual property, corporate connect, transforming innovators, future businesses, and innovation.

A series of interactive entrepreneurial events, organised under this initiative, provided insights on possibilities of improving the Start-up – corporate connect and facilitating commercialization of Start-up solutions and building Government, industry, institutions and academia networks. The innovative solutions showcased by Start-ups ranged from solutions for managing the ecology and sustainability to IoT based platforms such as those that predict vehicle failure in real time, health focused self-cleaning filter technologies and solutions for using common email addresses as an alternate to regular phone numbers.

### Pitch@Rashtrapati Bhavan

CII's Pitch@Rashtrapati Bhavan is an initiative in partnership with Rashtrapati Bhavan to give a fillip to the ongoing Start-up movement in India. The programme connects VCs/Investors with Start-ups in a bid to help potential entrepreneurs secure funding and mentoring support. Held in the august presence of the President of India, this year the Pitch witnessed 12 VCs and Investors exchanging funding agreements totalling INR 85 crore. The 12 funded Start-ups are engaged in automobile, healthcare, medical devices, fintech, e-commerce, human resource management, unorganised retail, and life sciences. This event will continue to be an invaluable knowledge sharing platform and endeavour to encourage the creation of a wide network of entrepreneurs and Start-ups in India.

## WASTE TO WORTH

The Swachh Bharat initiative was launched by the Prime Minister of India Shri Narendra Modi in 2014. Since then individuals, companies, NGOs and the civil society have taken up the mission in their own way. The CII Task Force on Waste to Worth was constituted to facilitate the Prime Minister's vision of a Clean India by developing and implementing Sustainable Municipal Solid Waste (MSW) Management systems for Indian cities and towns in the PPP mode.

### ADVOCACY

During the year efforts were focused on encouraging private sector investors to partner with city authorities/ State Governments by creating an enabling ecosystem. CII, in consultation with the Government and industry worked on the following:

- Development of a Public Private Participation (PPP) structure for MSW management.
- Development of a Model Request for Proposal (RFP) and Concession Agreement acceptable to Urban Local Bodies (ULBs) and the private-sector.
- Enabling market development for city compost, green power and Refuse Derived Fuel (RDF).

A broad framework for the PPP model for Indian Urban Waste Management was presented to Shri Rao Inderjit Singh, the then Minister of State, Ministry of Housing



From L to R: Ajay Shiriram, Chairman, CII Task Force on Waste to Worth, Past President, CII, and Chairman and Senior MD, DCM Shiriram Ltd; Vinod Kumar Jindal, Joint Secretary, Ministry of Housing and Urban Affairs; Dr Bindu Dey, Secretary, TDB; Mahesh Babu, Co-Chair, CII Task Force on Waste to Worth, and MD, IL&FS Environmental Infrastructure & Services and Rumjhum Chatterjee, Chairperson, CII Mission on Cities and Group MD, Feedback Infra Pvt Ltd at the International Conference on PPP Model for Waste to Worth Projects in New Delhi



Arun Bharat Ram, Past President, CII and Chairman, SRF Ltd and Hardeep Singh Puri, Minister of State (I/C) of Housing and Urban Affairs at the International Conference on PPP Model for Waste to Worth Projects in New Delhi

and Urban Affairs (MoHUA) under the leadership of Mr Ajay S Shriram, Past President, CII. The model is aimed at attracting credible investors to this sector. Based on consultations with the MoHUA, CII selected cities/towns from Jharkhand, Chhattisgarh, Telangana, Rajasthan and Maharashtra in the initial stage.

On the suggestions of the then Minister, the prospective locations for setting up Waste-to-Energy (WtE) projects were explored under the guidance of Mr Praveen Prakash, the then Joint Secretary, MoHUA. As advised by the Ministry, the CII Task Force visited the above locations to understand the status and explore possibilities of setting up WtE projects. During these visits interactions with State Mission Directors and Smart City Directors were also organised and a site visit report was submitted to MoHUA. The potential cities suggested included Raipur in Chhattisgarh, Mira Bhayandar and Kalyan Dombivli as clustered in Maharashtra; Dhanbad in Jharkhand; Aurangabad in Maharashtra and Kota in Rajasthan.

On 5 January 2018, a broad framework of the PPP Model for Integrated Municipal Solid Waste Management was presented to Shri Hardeep Singh Puri, Minister of State (I/C) for Housing and Urban Affairs. Based on the Minister's inputs, a draft Model RFP will be submitted for his consideration followed by a public hearing and discussion with State Governments for implementation. This Model RFP will be promoted jointly with MoHUA across the country as well as overseas to attract investments in this area.

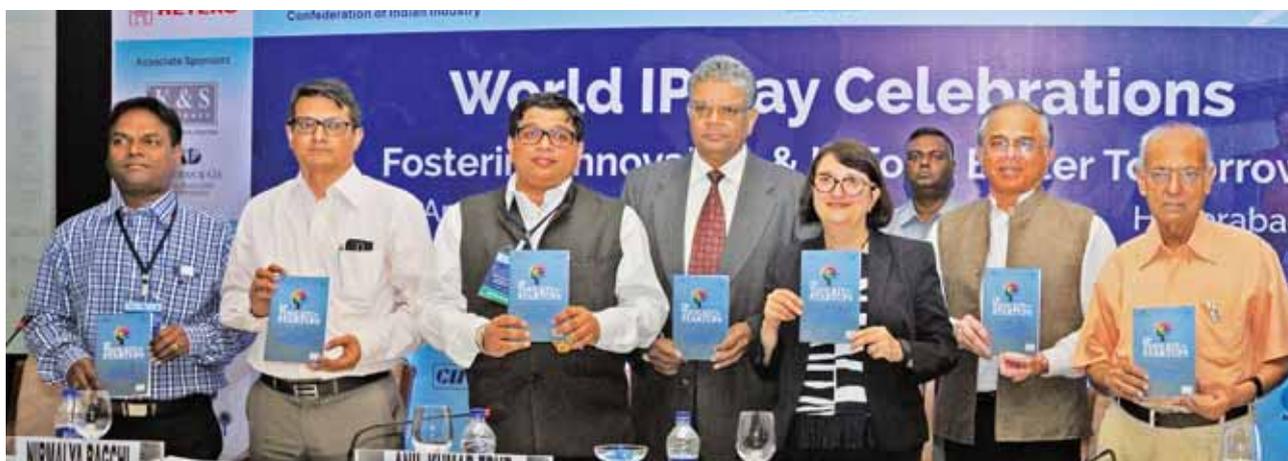


From L to R: Vanitha Datla, Chairperson, Indian Women Network (IWN); Subhajit Saha, Head - APTDC & Senior Counsellor - CII and Dr S Chakravarthy, IAS(R), Former Adviser, APTDC at GIFT 2017 in Hyderabad

## ACTION

To pursue private sector investors and technology providers to invest in India's MSW management, a study was undertaken along with Konrad Adenauer Stiftung (KAS). Titled Realigning Indo-German Cooperation with the Initiatives of the Indian Government - A Case of Waste Management, the report provides an overview of the current status of MSW in India. It has also outlined key policies and programmes for solid waste management in India, incentives available for Waste-to-Energy (WtE) projects, and waste-to-energy incineration technology. Support provided by several international agencies such as KFW and GIZ is also detailed in this report which captures waste management case studies of Ranchi, Nagpur, Chandigarh and Visakhapatnam.

The International Conference on PPP Model for Waste to Worth Projects was organised in partnership with the Technology Development Board (TDB). The forum brought together domestic and international technology providers, investors, and municipal authorities to discuss and suggest techno-business solutions for keeping cities clean in a sustainable manner. Shri Hardeep Singh Puri attended the Ministerial Session. Dr Bindu Dey, Secretary, TDB and Mr V K Jindal, Joint Secretary, MoHUA also interacted with the delegates. Apart from sharing PPP models operational in Indian cities and towns, this was an opportunity to hear global players as well as the experiences of the Urban Local Bodies (ULBs) on MSW Management.



From L to R: K Varaprasad, Assistant Controller of Patents & Design, IPO, Chennai; Dr Nirmalya Bagchi, Dean of Research Studies, ASCI; Dr Goutam Bhattacharyya, Partner, K&S Partners; Anil Kumar Epur, Past Chairman, CII SR; Katherine B. Hadda, Consul General, US Consulate, Hyderabad; Dr Ajit Rangnekar, Director General, Research and Innovation Circle of Hyderabad (RICH) and Dr S Chakravarthy, IAS (R) & Adviser, APTDC at the release of the IP Toolkit for Start-ups during the World IP Day Celebrations in Hyderabad

## PUBLIC PRIVATE PARTNERSHIP TECHNOLOGY CENTRES Andhra Pradesh Technology Development & Promotion Centre

To promote a culture of competitiveness and innovation driven growth, Andhra Pradesh Technology Development and Promotion Centre (APTDC) focused on creating an effective intellectual property ecosystem and emphasized on key emerging technologies. During the year various platforms were created to sensitize the industry on IP in emerging technologies such as IoT, renewable energy and healthcare. The Centre expanded its IP services to include search, analysis, drafting, filing and prosecution of Patents, Trademarks, Industrial Designs, Copyrights, Geographical Indications (CGI) amongst others.

### ADVOCACY

APTDC continued its engagement with several Government departments as well as national and international agencies such as Intellectual Property Office, India World Intellectual Property Organization, US Patent & Trademark Office-Global Intellectual Property Academy (USPTO-GIPA), European Union Intellectual Property Office (EUIPO). Workshops, training programmes and conferences organised during the year deliberated on institutional and policy issues and

provided an opportunity to share global best practices in IP management.

### Intellectual Property Rights

APTDC facilitated over 300 IPR Service requirements including search, analysis, drafting, filing and prosecution, both in India and internationally. Apart from enabling registration of 32 Patents and 53 Trademarks, the Centre also helped to register Durgi Stone Carvings, Etikoppaka Toys, Udayagiri Wooden Cutlery and the Pochampally Ikat logo.

To showcase the unique crafts of the State and to create awareness about GI's role in protecting and promoting these crafts, a first of its kind- Geographical Indication Festival of Telangana (GIFT - 2017) and a Telangana Utsav, were organised in association with the Department of Tourism, Government of Telangana.

Work on sensitizing stakeholders on how intellectual property system supports innovation was driven through the World IP Day Celebrations. Best innovative products, latest technologies and the role of IP in attracting investments was also highlighted at these celebrations themed Fostering Innovation & IP for a Better Tomorrow. The IP Toolkit for Start-ups aimed at empowering Start-ups to generate and manage IPR was released on this Day. To build a strong IPR ecosystem and sensitize industry stakeholders on its importance, the Centre signed a MoU with Osmania University for conducting IPR certificate courses. A satellite office was set up at the Innovation and Incubation Center in KL University, Vijayawada

with an aim to support MSMEs and Start-ups in the Amaravati Region.

MIPCON 2017 offered new perspectives on managing Intellectual Property Rights for fuelling business competence as well as the emerging technological landscape and its implications for IPR holders. APTDC, TNTDPC together with the United States Patent and Trademark Office-Global Intellectual Property Academy (USPTO-GIPA) organised the 3<sup>rd</sup> Edition of LITCON 2017, a one day conference on IP Litigation. The importance of special forums and special treatment for IP litigation were the focus of discussion. A report on Evolving Landscape of IP Litigation in India and the Way Forward developed in association with Anand & Anand as knowledge partners was also released.

Focused programmes to empower Start-ups included a series of six Roving Programmes organised in association with USPTO-GIPA and a specific workshop for Start-ups in Electronics & IT Enabled Industries in association with Ministry of Electronics & Information Technology. These programmes, attended by over 300 Start-ups, highlighted the centrality of IP and its exploitation for achieving competitiveness.

Another series of Roving Programmes, focused on the Madrid Protocol, organised along with the European Union Intellectual Property Office (EUIPO), Intellectual Property Office (IPO), Ministry of Commerce & Industry, was focused on steps being taken towards Trademark registration via the Madrid Route.

### Emerging Technologies

In the area of emerging technologies, the Centre focused on building capacity in healthcare, information technology and renewable energy. Awareness about advanced medical technologies for better healthcare and innovations in the industry were highlighted through Meditech Conclave 2017. Apart from discussions on latest technologies and solutions in healthcare, opportunities for Start-ups were also in focus. With Artificial Intelligence, IoT and Big Data disrupting the information technology space and transforming businesses, stakeholder sensitisation on opportunities and challenges is critical. This objective was achieved by the IoT-AI Summit, themed Disruptive Technologies for Transforming Business in a Digitally Integrated World.



From L to R: K Pradeep, MD, ProdyoVidhi; Mehdi Sheikerz, Partner, Staas & Halsey LLP, USA; O P Gupta, IAS, Contoller General of Patents, Designs & Trademarks, Department of Industrial Policy & Promotion, Ministry of Commerce & Industry; K Nanda Kumar, Chairman & MD, Chemtrols Industries and Aseem Gupta, IAS, Principal Secretary, Skill Development and Entrepreneurship Development, Government of Maharashtra at IPCON in Mumbai

Solar & Renewable Expo, an exhibition and conference, stressed the potential of this emerging area. The need for a regulatory framework, the state of financing and solutions to challenges in expanding production capacities to meet the national renewable energy mission were the focus of discussion.

## Intellectual Property Facilitation Centres

The Intellectual Property Facilitation Centres (IPFC) at Ahmedabad, Indore and Mysore have been set up with the support of the Ministry of Micro, Small & Medium Enterprises (MoMSME) to boost the IP culture among MSMEs/Technopreneurs/Start-ups.

### ADVOCACY

During the year, these Centres continued to handhold innovators by enhancing awareness on Intellectual Property Rights (IPRs) and helping them take measures to protect their unique ideas and business strategies. The IP Ecosystem was further strengthened through counseling, advisory and facilitation services including drafting, filing and prosecution of patents, trademarks, industrial designs, copyrights, and other related services. In alignment with the CII Centres of Excellence/ Technology Development Centres, the IPFCs endeavour to become a single window system for protection, incubation and commercialization of technologies, advisory on IPR infringements and opposition suits.

## ACTION

Having facilitated 425 IPRs service to MSMES/ Technopreneurs/Start-ups/individual innovators, these three Centres are together leading the way in creating an IPR ecosystem in the country. They assisted in filing of over 155 national patents and 21 international patents through PCT. In addition to filing more than 563 Trademark, 51 Copyrights Application(s) and three GIs to their credit, they also managed 1500 Industrial Designs, including the in-house CII brand registration. The Centres continue to maintain IP portfolios of industries/corporates, undertake Office Action Response and conduct in-house IPR trainings.

During the year, the IPFCs also brought together stakeholders to discuss IP awareness, IP protection and enforcement and help develop strategies for accelerating development and eliminating barriers to a thriving innovation landscape in the country. One such platform was the IPCON 2017, themed Changing IP Landscape in India and held in partnership with the Government of Maharashtra & MoMSME.

The IP AWAKE: Awareness Seminar was aimed at building awareness on how MSMEs can leverage the various forms of IPRs to enhance their competitiveness.

## Global Innovation and Technology Alliance

Global Innovation & Technology Alliance (GITA) is a Public Private Partnership (PPP) company



MoU signing between DRDO and GITA in the presence of M H Rahaman CC R&D (TM) and Dr Bindu Dey, Secretary, TDB for the implementation of the Technology Development Fund Programme in New Delhi

promoted jointly by the Technology Development Board (TDB), Department of Science & Technology (DST), Government of India (GoI) and CII. An innovative platform, GITA encourages industrial investments in innovative technology solutions by mapping technology gaps, evaluating globally available technologies and forging techno-strategic collaborative partnerships appropriate for Indian economy. GITA technically and administratively manages Government Funds through transparent evaluation of projects and offering flexible funding mechanisms to catalyze innovation and investment in Science & Technology. To this end, GITA launched several programmes during the year 2017 -18.

### Technology Partnerships

GITA has forged partnerships with various countries to encourage development of new technologies, R&D and innovation. Several technology funds instituted by the Government in partnership with other countries are managed by GITA. During the year several new funds were launched in this direction.

### Technology Development Fund Scheme

The Technology Development Fund (TDF) Scheme promotes self-reliance in Defence Technology under the Make in India initiative of the Government. Implemented by DRDO on behalf of the Ministry of Defence, this Fund meets the requirements of Tri-Services, Defence Production and DRDO. The Scheme encourages participation of public/private companies, especially MSMEs to create an ecosystem for enhancing India's capabilities in developing cutting edge technologies for defence application. The Scheme is focused on development of technologies or prototype of products that form the kernel of components /assemblies for developing defence equipment systems/sub-stems/ platforms. Earlier this year GITA signed a MOU with DRDO for implementation of the TDF Scheme.

### India-Israel Industrial R&D and Technological Innovation Fund

India and Israel have set up a joint fund of US\$ 40 million to encourage co-development and commercialisation of innovative technologies in agriculture, Information Communication Technologies (ICT), energy, healthcare and water. The fund called the India - Israel Industrial R&D and Technological Innovation Fund (I4F), is a cooperation between the Department of Science and Technology (DST), Government of India, and the

National Technological Innovation Authority, Israel to promote, facilitate and support joint industrial R&D projects between companies from the two countries.

### **The India-Canada Collaborative Industrial Research & Development Programme 2018**

With the objective of fostering and supporting collaborative R&D projects, the India-Canada Collaborative Industrial Research & Development Programme will bring together companies, research organisations, academics and other collaborators from both countries. The focus of this programme will be on joint development of innovative products or processes in advanced materials/advanced manufacturing, cleantech, Smart Cities, food & agro technologies and affordable healthcare.

### **India-Republic of Korea Joint Applied R&D Programme 2017**

The DST, Government of India and the Ministry of Science and ICT (MSIT), Republic of Korea have together created funding mechanisms for supporting joint R&D projects of companies. The India-Republic of Korea R&D programme is one such mechanism that brings together companies, research organisations, academics and other collaborators from both countries for joint development of innovative products and processes. The endeavour is to support technologies, especially Renewable Energy & Cleantech, that can be commercialized and localized within 2 years through joint cooperation between the two countries. In India, this bilateral programme is technically and administratively managed by GITA on behalf of DST.

### **India-Spain Programme of Co-Operation on Industrial Research & Development 2017**

India-Spain Programme of Co-Operation on Industrial Research & Development 2017 encourages joint R&D projects between the two countries. To encourage R&D and innovation in cleantech, smart and sustainable cities, advanced manufacturing & materials and agro and food technologies the fund gives a grant of upto INR 1.5 crore to Indian companies. This bilateral programme is technically and administratively managed by GITA.

### **Italy-India Collaborative Industrial Research & Development Programme 2017**

Department of Science & Technology (DST), Government of India and Ministry of Foreign Affairs and International Cooperation of the Italian Republic,



Launch of the India-Israel Industrial R&D and Technological Innovation Fund (I4F) 2018 by Prime Minister Narendra Modi and Israeli Prime Minister Benjamin Netanyahu during the India Israel Business Summit in New Delhi

have created funding mechanisms through which companies may seek support for joint Italy-India research and development (R&D) projects. The objective of this programme is to foster and support the industrial collaborative R&D projects that bring together companies, research organisations and academics from India and Italy for joint development of innovative products, processes or services.

## **Gujarat Knowledge Application And Facilitation Centre**

The Gujarat Knowledge Application and Facilitation Centre (GKAFC) is CII's technology and innovation initiative focused on enhancing the industry's R&D capabilities and creating a conducive environment for Start-ups/ entrepreneurs to scale up. Aligned with the Government of India's Make in India and Start-up India initiatives, the Centre also works to enhance India's manufacturing competitiveness. During the year GKAFC designed and implemented projects focused on enabling companies to adopt world class manufacturing practices and pursued projects under four categories: Research & Development, Start-Up Facilitation & Business Advisory Services, Workshops & Seminars and Government of India Initiatives.



CII Start-up Delegation Interaction with Business France, Paris - La French Ticket Season 3 (International Start-up Programme)

## **ACTION**

### **Research & Development**

With a view to encouraging Indian companies to institutionalise R&D, GKAFC endeavoured to create awareness about pre-requisites of setting up in-house R&D centres, documentation and infrastructure required and incentives available for in-house R&D. The Seminar on in-house R&D and policies and incentives schemes to encourage innovation through R&D also focused on creating awareness in these areas. As a result three companies availed advisory services of the GKAFC for obtaining DSIR recognition and enhancing their R&D capabilities.

### **Business Advisory Services/Start-up Facilitation Services**

GKAFC extends handholding services to Start-ups/entrepreneurs with an aim to support technology, innovation and sustainable development. The Centre's diverse experience of the Indian industrial market comes to bear in streamlining and scaling up Start-ups, by rooting techno-market analysis, risk assessment, competitor landscaping, standardizing the product and ensuring sustainability of the Start-up in a competitive world. In pursuit of this objective, GKAFC provided techno business advisory services to Start-ups in clean tech, corrosion protection and energy management. A market entry strategy study was undertaken for a DIPP recognized Start-up engaged in providing Smart Home Solutions.

An interactive session with Tech Start-ups and SMEs was organised in collaboration with Business France of the Embassy of France in India. The session provided information on offerings that enable soft landing in France as well as prospective collaboration opportunities. A technology and innovation led Start-up business



Sarjeet Soodan, IFS, Head of Economic and Commercial Wing, Embassy of India in Paris with CII Start-up Delegation at Embassy of India, Paris

delegation visited France and UK, interacted with stakeholders of the Start-up ecosystem and participated in the Hello Tomorrow Global Summit. GKAFC in collaboration with the Embassy of India, Paris hosted a session to discuss opportunities and possibilities for Indian Start-ups across sectors in France.

### **Workshops and Seminars**

In an environment where open competition, globalization and liberalization rule, companies are in continuous search of increasingly effective ways of addressing the challenges of product development, quality assurance, cost reduction and profit enhancement. In an ever changing business scenario, there is a growing need for an extensive range of new ideas for solutions. The Centre thus focused on addressing these challenges through workshops and seminars.

Given that 5S goes a long way in supporting companies to improve competitiveness, a workshop on improving quality through 5S was organised. The 5S concept and implementation strategies was communicated through Case Studies.

In line with the Government of India's objective of enhancing India's global competitiveness an Awareness Programme on Zero Defect Zero Effect (ZED) Certification Scheme was organised. The Workshops were conducted with the objective of providing ZED certifications that are expected to be useful for companies to access loans and improve their global competitiveness by aligning them with manufacturing best practices

### **Government of India Initiatives**

My Waste My Responsibility campaign was launched in collaboration with the Ahmedabad Municipal Corporation. Over 230 corporates, schools, colleges,



From L to R: Anil Kumar, General Manager Engine Factory, Avadi; Vice Admiral Bhagavatheswaran Kannan, Managing Director & CEO Larsen & Toubro Shipbuilding; Sanjeev Chopra, IAS, Principal Secretary, Industries Department, Government of Odisha; Jayakar Krishnamurthy, Conference Chairman and Chairman & Managing Director, UCAL Fuel Systems Ltd; Sathish Raman, Senior Director, CII SR and B Elangovan Managing Director, Tidel Park Limited at the Conference on Aerospace & Defence Manufacturing Technologies in Chennai

hotels and hospitals from the city contributed to the Swachh Bharat Mission through this initiative. The objective was to inculcate the culture of reduce, recover, recycle and reuse and create awareness about cleanliness and waste segregation at source.

## Tamil Nadu Technology Development & Promotion Centre

Technology has been the cornerstone of economic development and widespread industrialization of developed countries including Japan, Germany and USA. Even today, technology is a critical driver of economic growth of a nation. As India remains one of the fastest growing economies in the world, the pace of technological development needs acceleration, not only amongst large companies but also by MSMEs.

Since 2005, Tamil Nadu Technology Development & Promotion Centre (TNTDPC) has encouraged and supported technology development, innovation and IPR creation by MSMEs, entrepreneurs and the academia. A series of initiatives as well as policy advocacy at the State level have helped create an ecosystem for R&D and innovation.

### Automotive Sector

The automotive sector is at an inflection point with advanced and disruptive technologies defining the future. As these disruptions throw up new challenges, TNTDPC works across the automotive value chain to understand the key challenges and propose possible solutions and

interventions. The Conference on Aerospace & Defence Manufacturing Technologies thus deliberated on how the manufacturing technologies in these sectors could be indigenized with support of key stakeholders.

The Central Government's plan of Faster Adoption and Manufacturing of (hybrid) and Electric Vehicles faces several challenges. The session on Future of Electric Vehicles organised in association with the Technology Development Board provided an opportunity to understand the challenges, growth drivers and areas for capacity building with specific reference to MSMEs and organisations focused on Electric Vehicles.

The Conference on Automotive Design & Styling for the engineering Sector themed Design & Styling in India was a platform to convene potential ideas for the Make in India programme. The unique drivers for next generation technologies in automotive electronics and their impact on India were discussed at the Conference on Automotive Electronics.

### Conference on Automotive R&D Trends

The aim of the conference was to help stakeholders understand the current scenario of automotive R&D, challenges ahead, technologies involved and share their expectations. The conference attempts to project the future of the Automotive R&D in comparison with global level and to bring in stakeholders views for matching this growth with the global standards. More than 400 participants attended the initiative from various parts of the country.

### Food and Agriculture

TNTDPC's Foodpro 2017 was a forum to share information on trends in the food processing and packaging sector. The opportunities in food processing technology, trends in food processing and packaging, food safety and consumer awareness were discussed with a view to encouraging entrepreneurship in the sector. India's cold chain sector is a thriving area for investment with an increasing need for cold storage infrastructure and post-harvest management. The ColdStore 2017 brought to the fore these and other opportunities in cold chain technologies. Global best practices in industrial waste management and technologies for reducing and recycling industrial wastes, a key to sustainable development, were discussed at a conference on Industrial Waste Management.



From L to R: Anup Sable, CTO, KPIT Technologies Limited; Harish Lakshman, Vice Chairman, Rane Group; Philip Dalidakis, Minister for Trade and Investment, Innovation and Digital Economy and Small Business, State Government of Victoria, Australia; Balasundaram Radhakrishnan, Member, CII Tamil Nadu State Council & Executive Director (Manufacturing) Ford India Pvt Ltd and Gautam Dutta, Senior Director, Siemens Industry Software India at the 10<sup>th</sup> Conference on Automotive R&D Trends in Chennai

### AgriCon 2018: Conference on Precision Agriculture Technologies

The conference focused on key growth parameters like technology innovation, new products, new markets, next-generation technology and implications for allied industries. The conference with research and development in productivity and farm engineering focused on addressing new concerns for doubling the farmer's income which included methods like smart farming, effective utilization of agricultural inputs and post-harvest management by applying modern engineering concepts. The programme benefited around 180 participants including industry leaders and senior executives of agriculture machinery companies, crop protection companies, seed and fertilizer manufacturers, pumps and sprayer manufacturers, ICT companies, fresh produce exporters, progressive farmers, retail chains, consultants, bankers, financial service providers and investors, tech and communication experts and Government agencies.

### Intellectual Property Rights

Intellectual property rights have become a strategic asset that predict a nation's technological development. With considerable growth in innovation and technology development in India, IPR creation is a natural outcome. Despite a strengthening of the IPR regime in the country, MSMEs continue to find it difficult to manage and protect their IPRs. TNTDPC has, over the years, emerged as a one stop solution provider for MSMEs, academia and stakeholders. Apart from assisting MSMEs and entrepreneurs in intellectual property assessment & filing of patents, trademarks, designs and copyrights, the



From L to R: Nancy J Anabel, Director, M S Swaminathan Research Foundation; A Padmasingh Isaac, Chairman & Managing Director, Aachi Group of Companies; Thiru K Pandiarajan, Minister for Tamil Official Language and Tamil Culture, Government of Tamil Nadu; S Chandramohan, Vice Chairman, CII Tamil Nadu & President & Group CFO, TAFE Ltd at the 6<sup>th</sup> Edition of AgriCon 2018: Conference on Precision Agriculture Technologies in Chennai

Centre offers a range of IP services and builds capacity in IP.

In a bid to build an IP Culture in the State of Tamil Nadu, TNTDPC works closely with the Government, industry and academia to sensitize and train their staff, faculty and students on IP protection. These include Certificate Courses held alongwith the Centre for Intellectual Property Rights of Anna University, one on IP Best Practices and Procedures and another one on Patent Drafting (PATDRAFT). The courses provided hands on training to participants from the industry and academia on Indian IP and Patent drafting laws. With a view to encouraging Start-ups and entrepreneurs to innovate, the World IP Day Celebrations were marked by a seminar on IPR Opportunities for Innovative Upstarts and Start-ups.

### IT Sector

In an increasingly connected world, cyber security is a key challenge. The next generation of Cyber Defenders needs to build skills to be prepared to combat the growing cyber related threats. TNTDPC continued its efforts to build an ecosystem for enhanced cyber security across sectors through the Conference on Cyber Security- Enhancing the Threshold to Combat the Threats .

# Skill Development

In the recent past, Skill Development initiatives have witnessed a tremendous shift in direction – instead of being focused only on skilling the youth, they also strive to proactively link talent to industry. Ministry of Skill Development & Entrepreneurship (MSDE) and Ministry of Labour & Employment (MoLE) have taken several progressive steps in this direction. From incentivising industry to hire apprentices through the National Apprenticeship Promotion Scheme (NAPS) to introducing the Indo-Japan Technical Intern Training Programme (TITP), to add an internationally-trained workforce into the ecosystem or creating a new avatar of the Model Career Centres to facilitate industry linkage with the youth, the initiatives are being steered in a pragmatic direction. CII has played a pivotal role by way of policy advocacy, aligning its on-ground initiatives to the overarching policy framework and enabling greater industry participation.

## ADVOCACY

The apprenticeship system serves as a critical talent pool for the Indian industry. Apart from supporting the Government in bringing about positive Amendments to the Apprenticeship Act 2015, a series of workshops and webinars were held in partnership with MSDE to percolate these down to the industry. To support MSDE's efforts, industry was encouraged to hire skilled and certified workforce and build an aspirational brand for vocational education. Initiatives to reskill and upskill

employees were taken up to address the dynamic shift triggered by Industry 4.0. Volunteerism of employees as counsellors, trainers and assessors became a channel to enhance industry participation in skill development.

A 360-degree model was designed to assist industry engagement in the Apprenticeship Programme. The model manages a company's registration on the NAPS Portal and helps in on-ground mobilisation, training and assessment of apprentices. Design and approval of new curriculum to support Optional Trades was also facilitated during the year.

The Central and State Governments are working towards establishing Training of Trainer and Assessor Institutes, based on a CII proposal of establishing such institutes to leverage the pool of India's retired and experienced personnel. Another recommendation considered favourably by MSDE is to map their existing infrastructure to be used for various initiatives instead of creating new infrastructure.

Plans are being discussed with Central and State Governments to roll out Vocational Courses in schools and educational institutions to address the challenge of school dropouts. A programme to benchmark and skill the youth on international standards to make them globally employable is also being developed.



Venkaiah Naidu, Vice President of India addressing the Conference on Jobs and Livelihood in New Delhi. From L to R: Yaduvendra Mathur, Additional Secretary, NITI Aayog; Chandrajit Banerjee, Director General, CII; Narendra Singh Tomar, Minister of Rural Development, Panchayati Raj & Mines; Dr Rajiv Kumar, Vice Chairman, NITI Aayog; Giriraj Singh, Minister of State (I/C), Micro, Small & Medium Enterprises and Rakesh Bharti Mittal, President Designate, CII and Vice Chairman, Bharti Enterprises



From L to R: Chandrajit Banerjee; Dharmendra Pradhan, Minister of Petroleum & Natural Gas and Skill Development & Entrepreneurship; Piyush Goyal, Minister of Railways and Coal and N Venkatram, Managing Partner and CEO, Deloitte India at a Session on Skills hosted by CII and supported by Deloitte in Davos

## ACTION

While India's rich demographic dividend presents an opportunity, it also poses numerous challenges – most critical being fruitful engagement of youth through an enabling ecosystem that provides for jobs and livelihood. While the Government has laid the foundation for such an ecosystem at the policy level, it is imperative to understand how these can be leveraged to scale-up livelihood creation. A conference titled Jobs & Livelihood Creation – Critical Growth Enablers was thus organised in partnership with NITI Aayog to trigger a dialogue on the subject and outline scenarios that could guide policy and business strategy actions.

During the year, two Model Career Centres (MCCs) were launched in Chennai and Bareilly in addition to the ones in Gurugram and Mumbai. The Chennai Centre, set up in partnership with Titan Industries, provides counselling, soft skill training, psychometric assessments and placement services, like all other MCCs. Over 110,000 youth were impacted by these Centres that create a linkage between job seekers and the industry through regular drives and Job Fairs. More than 30 job fairs, organised in partnership with States and Institutes, placed over 40,000 people.

In the 30<sup>th</sup> year since inception, the CII Regional and National WorkSkills Competition saw 700 youth from 35 Trades compete. This was followed by 28 of India's competitors in 26 Trades being fielded in the 44<sup>th</sup> WorldSkills International Competition, Abu Dhabi, that saw participation of 77 countries in 51 Trades. Members supported MSDE and NSDC by mentoring competitors in 9 Trades. The Indian team won a Silver and a Bronze and 9 Medallions of Excellence.

Efforts were made to upskill talent and enhance India's global competitiveness with support from Panasonic



Santosh Gangwar, Minister of State (I/C) for Labour & Employment, inaugurating the CII-Model Career Centre in Bareilly in the presence of M Sathiavathy, Secretary, Ministry of Labour & Employment

Welding System Co Ltd. Three technical seminars and workshops, organised in partnership with the Association for Overseas Technical Cooperation and Sustainable Partnerships and Kansai Economic Federation, under the aegis of the Japanese Ministry of Economy, Trade and Industry were a part of this effort. Participating MSME clusters, companies in heavy manufacturing, fabricators, welding institutes also visited Maruti, Gurugram, FTI Bengaluru and COEP, Pune for demonstrations.

The 22 Skill Training Centres set up in partnership with Pan IIT Alumni Reach for India (PARFI) continued to follow a self-sustainable model with 100% placement.

## New Initiatives

JP Morgan Skill Project for Advanced Skilling for Banking, Financial Services & Insurance: The initiative, supported by JP Morgan, and in partnership with BSE Institute Ltd., is training and facilitating placement of the marginalised youth. In the first phase training was launched in Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai, Pune and Thane.

Indo-Japan Technical Intern Training Programme (TITP): As a Sending Organisation, CII supported MSDE in identifying and training youth from ITIs or Polytechnics eligible to join the up-skilling programme in Japan for 1-5 years. All 15 interns of the first batch at the CII Chennai Centre, hailing from rural Tamil Nadu, bagged internship contracts.

The 5<sup>th</sup> Edition of the India Skills Report was launched at the Conference on Jobs and Livelihood. The Report presented an analysis of employability of youth, expectations of employers, the Government initiatives and their impact on economic growth.

# Human Resource Development

In a rapidly changing global milieu, where technology is taking an extraordinary leap and disruptive business practices are determining growth strategies, businesses today are dependent, more than ever, on their workforce to keep pace. A deep dive into the top 100 Fortune companies shows that the Human Resource Management (HRM) function plays an important role throughout the employee life cycle, especially in nurturing future leaders. While the top management must continue to inspire, motivate and empower existing leadership teams, companies must also recruit and train new employees who would potentially succeed as a new generation of leaders.

At a time where roles and functions are getting redefined, HR is no longer relegated to a support function. With its knowledge on how human capital impacts organisational success, a competent HR function contributes directly to a company's bottomline. Corporate HR managers

today participate in corporate decision-making, involving financial success and growth strategies.

## ADVOCACY

In this rapidly evolving business scenario, the overarching theme of the CII National Committee on Leadership and HR is to enable organisations and their leadership to succeed by the creation of a framework of HR excellence and innovation. Through various interventions the Committee propagates the following:

- Facilitate strengthening of people processes by enabling HRM within organisations to imbibe suitable and appropriate HR and Leadership practices for attaining scale and competitiveness and in this context, creating a national framework that will enable companies to adopt practices for achieving excellence in HR.
- Develop leadership capabilities within the HR fraternity through focused programmes for enabling



T V Narendran, Chairman, CII National Committee on Leadership & HR and CEO & Managing Director, Tata Steel Limited and B Santhanam, President and MD, Flat Glass South Asia, Egypt and Malaysia, Saint-Gobain India Private Limited at the 7<sup>th</sup> National HR Conclave in Mumbai



From L to R: Charlie Lang, CXO Coach – Progress U; Madhvi Lall, MD & CHRO, Deutsche Bank; Avijit Bhattacharya, CHRO, Tata Capital Ltd; Rajesh Padmanabhan, Director, Member - Group Council and Group CHRO, Welspun Group; Sonali Roychowdhury, HR Director, Procter and Gamble and Vipul Mathur, General Manager – Laundry, Hindustan Unilever Ltd at the 7<sup>th</sup> National HR Conclave in Mumbai

them to become Business Partners of organisations.

- Help Membership in addressing critical leadership and HR challenges of new age India through training, capacity building and by creating platforms for sharing information and experience on best practices.
- Help catalyse adoption of technology in HR processes for facilitating employee engagement, competitive compensation, talent retention, and developing organisational leaders for tomorrow.
- Create a body of knowledge on successful HR strategies, processes and insights.

## **ACTION**

### **7<sup>th</sup> CII National HR Conclave 2017**

In recent years, there has been a steady rise in the demand for the HR function to enable profound transformation in organisations and deliver significant and sustained value to help their colleagues stay ahead of the business challenges. In this context CII, with its mandate of developing Leadership capabilities within HR for creating strategic partners and building a forum for exchange of information on best practices in HR, organised the CII National HR Conclave 2017 focusing on Co-Creating HR Next – Challenges, Transformation &

New Age Thinking. In its 1<sup>st</sup> initiative, the conclave saw an interesting mix of CEOs' and HR's perspectives on drawing out-of-the-box answers for critical people issues through innovative formats of audience interactions and sessions based on Design Thinking approaches. CEOs shared their perspectives on business cyclicity, people growth and challenges for future readiness for Global HR leadership, the new age talent aspirations amid changing employer expectations, integration of technology in HR and human capital risk management.

### **Creating a Body of Knowledge**

With a commitment to conduct research and studies to create a body of knowledge on successful HR strategies, processes and insights, a study on Organisational Structures in India was undertaken in association with Willis Towers Watson. The study revealed that 31% companies in India are considering a different organisational structure. The top 5 drivers for this change include creating a performance driven culture, meeting changing customer demands, supporting change in strategy, the changing behaviour and mindset of the workforce and cutting costs.

## THE CII HR EXCELLENCE MODEL - PAVING THE WAY FOR EXCELLENCE IN HR

Companies across industries, location and size in the new age India are confronted with challenges that require building newer capabilities. In this lies HRM's opportunity to play a leadership role by driving organisations towards success through excellence in HR, for coping with competitive challenges.

In line with the committee's mandate to enable organisations to navigate towards accomplishing excellence in HR by facilitating strengthening of people processes, a National Framework model has been developed. The model comprises a three pronged method of awards, assessments and assessor training workshops.

### Awards and Assessments - Achieving Excellence in HR Processes

The CII National HR Excellence Awards recognize organisations that achieve exemplary HR performance and practices. The highly rigorous industry acclaimed HR Assessment Process includes assessment of organisations on an HR Excellence Model where in organisations do not compete against each other, instead they strive to achieve distinction within the Framework of their own goals of process improvement. In 2017, the Prize for Leadership in HR Excellence was conferred on Tata Consultancy Services. Commendation Certificates were awarded to organisations under the categories of Significant Achievement in HR Excellence and Strong Commitment to HR Excellence.

### Assessor Training Workshops

In an effort to catalyze development of an ecosystem for facilitating adoption of the HR Excellence Model, senior managers from the industry are selected to undergo training on CII National HR Excellence Award Model Assessment Process. These workshops enable assessors to understand the award criterion, the assessment process and also help in development of internal facilitators for adoption of the Excellence Model. During the year, four Assessor Training Workshops were held in Delhi, Mumbai and Kolkata.

### 8<sup>th</sup> CII National HR Excellence Award Confluence 2017-18 - Learn From the Winners

The Annual HR Excellence Award Confluence included an insightful seminar on the theme: Learn from the Winners. The objective was to share perspectives and assimilate knowledge of best practices from previous HR Excellence Award Winners and Assessors who are senior HR leaders of organisations that have been an integral part of the HR Excellence Award process. The seminar aimed at enabling organisations to strengthen their HR capability to build, create and sustain a culture of HR excellence. The sessions focused on four aspects of Leadership Development, HR Strategy, Learning and Development and Employee Well Being and Engagement.

The Seminar also included a panel discussion by senior assessors who highlighted the importance of the process of assessment in the entire course of the HR Excellence Award. Drawing from their personal experiences they emphasized on how this not only helps organisations to bridge gaps but also enriches assessors in the process towards becoming ambassadors of HR excellence within their respective organisations.



T V Narendran giving away the Prize for Leadership in HR Excellence to Tata Consultancy Services at the 8<sup>th</sup> CII HR Excellence Award Confluence 2017-18 in New Delhi

# Industrial Relations

Industrial Relations (IR) play a pivotal role in establishing and maintaining industrial democracy. For establishing harmonious industrial relations, it is crucial to maintain good human relations, organised labour movement, fair management dealing with the workers and joint consultation at all levels. No industry can flourish in the absence of industrial peace and co-operation. Keeping this in view and with the objective of evolving and perpetuating sound industrial relations, CII through the National Committee on Industrial Relations and Industry-Trade Union Dialogue Forum aimed at bringing consensus amongst the Trade Unions, industry and Government on various Labour Laws and issues.

## ADVOCACY

During the year, CII engaged with key stakeholders including the industry, trade unions, senior Government officials as well as Ministers at the Central and State level.

Recommendations on Fixed Term Employment (FxTE) across all sectors were submitted to the Ministry of Labour and Employment taking into account the needs of both the employee and employer, to provide fair working conditions, encourage job creation and ensure equitable wages. A notification in this regard, issued by the Government on 8 January 2018, will enable direct relationship between employer and FxT employee with



From L to R: Harsh Juneja, Representative, BMS; Vijay Padate, DG-EFI; M S Unnikrishnan, Chairman, CII National Committee on Industrial Relations and MD & CEO, Thermax Ltd; Sudha Pillai, Former Secretary - Labour & Employment and Chairperson of FICCI Task Force on Labour Reforms, Women on Corporate Boards Mentorship Programme for 2016-17 and Ajay Shankar, Mentor, Industry-Trade Union Dialogue Forum and Chairman, Expert Committee on Regulatory Affairs at the Industry Trade-Union Dialogue Forum Meeting in New Delhi

social benefits being made available to permanent workers. This is a positive step in enhancing ease of doing business.

The Code on Wages Bill, recently cleared by the Cabinet and tabled in the Parliament, seeks to amalgamate four laws — Payment of Wages Act 1936, Minimum Wages Act 1948, Payment of Bonus Act 1965 and Equal Remuneration Act 1976. It is expected to further empower the Central Government to fix a Minimum Wage for all States to match or exceed. Keeping in view its impact on all sectors, inputs were collated from all sectoral verticals and recommendations shared with the Government.

The Industry - Trade Union Dialogue Forum was created as a platform for continuous dialogue between the Industry and Trade Unions on issues pertaining to industrial relations. While CII hosts the secretariat for the Forum it remains a neutral body facilitating direct engagement between Employer Organizations and Trade Unions. While promoting best practices and addressing the interests of all stakeholders, the Forum acts as a catalyst for enabling change. The joint recommendations on FxTE made in consultation with the Forum, supported the Government's efforts to issue the notification of FxTE for all sectors.

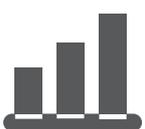


Pradeep Bhargava, Co-Chairman, CII National Committee on Industrial Relations and Director, Cummins India Ltd and M S Unnikrishnan, Chairman, CII National Committee on Industrial Relations and MD & CEO, Thermax Ltd at the Meeting of CII National Committee on Industrial Relations in New Delhi



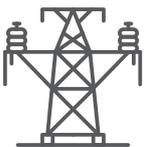
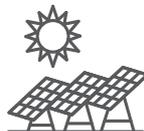
# Connecting with Society

- Affirmative Action
- Backward Districts
- CII Foundation
- Development Initiatives
- Education
- India@75
- Swachh Bharat Mission





- Sports
- Youth Power
- ~ Young Indians
- ~ Bharatiya Yuva Shakti Trust
- Indian Women Network



# Affirmative Action

Affirmative Action is defined as a voluntary commitment by Indian companies to help the Government and civil society in the national endeavour to ensure equal opportunity to members of the Scheduled Castes and Scheduled Tribes. Taking this inclusive agenda forward, CII makes concerted efforts to ensure inclusivity of these communities with a definite focus on the 4 Es - Employability, Education, Employment, and Entrepreneurship.

Responding to the Government's call to Indian industry to take Affirmative Action for the economic and social inclusion of these communities, CII has spearheaded collective industry action. Over the years, the number of people and companies that have benefitted from this focus has risen, leading to more equality and inclusion in the socio-economic landscape of the country.

## ADVOCACY

Policy Advocacy on inclusion of SC/ST community was furthered through initiatives in collaboration with the National Small Industries Corporation Ltd. The Ministry

### CII's Affirmative Action Guiding Philosophy

- All stakeholders - Government, Industry, Society and SC/ ST community need to work together.
- Affirmative Action needs to be voluntary and transparent.
- Competitiveness and Inclusiveness are twin objectives.
- High economic growth is a precondition for success of Concrete Steps.
- Industry's interventions need to encompass all socially and economically backward - the Concrete Steps refer to the socially and economically backward among the SC/ST.
- Industry would be encouraged by Government recognition of exemplars.

of Micro, Small and Medium Enterprises prepared a documentary film and an Action Plan Book to mark the launch of the National SC-ST Entrepreneurship Hub by the Prime Minister. The Hub is supported by CII for the outreach programmes with SC/ST entrepreneurs.

## ACTION

The CII Code of Conduct for Affirmative Action is a voluntary commitment by companies that relate to



From L to R: D Shyam Babu, Senior Fellow, Centre for Policy Research; Chandra Bhan Prasad, Mentor and Entrepreneur, Dalitfoods.com; Sandhya Chokerwal, Young Dalit Entrepreneur; Dharmendra Pradhan, Minister for Petroleum & Natural Gas and Skill Developments and Entrepreneurship; Rajiv Mehrishi, Comptroller and Auditor General of India and Dr Arun Kumar Panda, Secretary, Ministry of Micro, Small and Medium Enterprises at the launch of Dalit Enterprise Magazine in New Delhi



Meeting of the CII National Task Force on Affirmative Action being Chaired by Farhad Forbes, Chairman, CII National Task Force on Affirmative Action and Co-Chairman, Forbes Marshall in Mumbai

non-discrimination, assistance and transparency with respect to employees' applicants/ vendors from the SC/ST communities with focus on the 4E's identified. Over the years, the 4E approach has provided a thrust to the overall effort of upliftment of the SC/ST community through a series of initiatives:

- **Employability:** Skill development initiatives for SC/ST youth were implemented through Skill Hubs, Pan-IIT Skill Gurukuls, Finishing Schools and Training Centres. Skill Gurukuls, set up in association with PanIIT Alumni Reach for India Foundation (PARFI), continued to benefit SC/ST youth in backward districts with 100% placement.
- **Education:** Mentorship and financial support was provided to SC/ST students for undergraduate studies in India in partnership with the Foundation for Academic Excellence and Access (FAEA). Over the years, Members have provided scholarships to such students and adopted several schools. The CII Model Career Centres continued to offer career counselling, soft-skills training and placement linkages to the youth.
- **Employment:** Apart from conducting the Manpower Mix Surveys to assess the composition of SC/STs in the workforce of Member companies, employment tracking which commenced in 2011 was sustained. Sensitization workshops and webinars were also conducted throughout the year.
- **Entrepreneurship / Supplier Diversity:** Buyer Seller Meets in Bengaluru, Pune, Bhubaneswar and Delhi held under the Supplier Diversity Model linked Dalit entrepreneurs to Member companies in partnership with the Dalit Indian Chamber of Commerce (DICC). Capacity building training programmes for SC/ST entrepreneurs were conducted in IIM-Raipur, IIM-Kolkata, IIM-Lucknow and IIM-Lucknow (Noida campus) in partnership with the National SC/ST Entrepreneurship Hub.



From L to R: Vivek Prakesh, Co-chair, CII Northern Region Sub-committee on Affirmative Action; S Chakraborty, Chief Executive Officer, Innovative Financial Advisors Pvt Ltd; Manoj Joshi, Joint Secretary (SME), Ministry of MSME; Kartik Bharat Ram, Chairman, Regional Committee on Affirmative Action, CII NR and Deputy Managing Director, SRF Ltd and S P Singh, GM, SIDBI at the Regional Summit on Affirmative Action and Buyer Seller Meet in New Delhi

The Conference on Tender and Banking Reform to Boost Financial inclusion of Dalits and Adivasis, organised in association with the Centre for Study of Caste and Capitalism, witnessed the launch of India's first monthly Dalit business magazine, Dalit Enterprise.

# Backward Districts

For India to become a truly global nation, inclusive growth with improved quality of education, health, sanitation and people empowerment are critical. CII's Backward District Development Committee thus focused its efforts on encouraging Members to bring about holistic development of villages.

The possibility of a group of companies working together for villages in Uttarakhand, Gujarat and Telangana is being explored. Interventions on literacy and education, health, sanitation, water management, amongst others, are being planned.

CII Members will be encouraged to participate in the socio economic development of the NITI Aayog identified 115 aspirational backward districts. Under Mission Antyodaya, a State level initiative for rural transformation, continuous efforts are being made to better the lives of 1 crore households in 5000 rural clusters (50,000 gram panchayats) in 1000 days.

The Seminar on Empowering the Poor and Marginalized Tribal Communities in Central India: Public-Private Partnership for Up-scaling Civil Society Action was organised in partnership with Bharat Rural Livelihood Foundation (BRLF) of the Ministry of Rural Development to encourage public private partnerships in improving

agricultural livelihoods and water sustainability. Efforts were also made to mobilize financial and technical resources for implementation of a comprehensive development project through a BRLF- CII Partnership.

In addition to these, CII also worked towards water management in backward districts through a specially constituted Water Group. A major achievement of the Water Group was the successful demonstration of the use of high resolution Geographical Information System (GIS) for basin level planning for sustainable management of water and land resources and agricultural livelihoods.

This GIS enables assessment of water balance and modelling of the best sustainable option for water and land use thus enabling higher incomes for farmers while reducing the water consumption. Developed as part of the planning exercise for a 360,000 Ha Ghod river basin in Pune district, it is the first of its kind in India.

The quantification of water losses of over 25% of the total rainfall in the basin highlight the applicability of the state-of-art RS/GIS technology for sustainable management of water resources, improving agricultural livelihoods and protecting allocation to industrial and urban uses.



From L to R: Amarjeet Sinha, Secretary, Ministry of Rural Development; Marina Walter, Country Director, UNDP India; Dr Mihir Shah, President, BRLF; Sudhir Deoras, Chairman, CII National Committee for Backward District Development and Vinayak Damle, Senior Advisor, Special Projects Department at the Workshop on Empowering the Poor and Marginalized Tribal Communities in Central India: Promoting Public-Private Partnership in New Delhi

# CII Foundation

Set up in 2011, the CII Foundation (CIIF) endeavours to infuse inclusive development by becoming a meaningful bridge between the marginalised communities and donors, specially corporates, by providing strategic guidance on Corporate Social Responsibility (CSR) and developing and managing high impact programmes. The Foundation continued to expand its footprint in education, sanitation, skills and livelihoods, women empowerment and disaster relief and rehabilitation by engaging with corporate donors and a variety of grassroots implementation partners.

## ACTION

The CII Foundation undertook several new initiatives apart from implementing the existing on-ground projects thus enhancing the impact and outreach. Various projects in Uttarakhand, Bihar, J&K and Tamil Nadu were handed over to the beneficiaries on successful completion. Through the Woman Exemplar Programme, some of the women exemplars and shortlisted women leaders from grassroots were linked with mentors to help them upscale their initiatives.

## EDUCATION

The Foundation continued to refurbish infrastructure and help underprivileged children gain access to new tools and technologies to enhance learning and enable quality education.

## Digital Literacy

The E-Connect project, aimed at bridging the digital divide by connecting school children with digital literacy, reached out to over 5000 students in 25 schools in Bihar, Rajasthan and Uttarakhand. A part of CISCO's CSR project, E-Connect facilitates basic computer and navigation skills through the Get Connected Course.

## Supporting Quality Education

The efforts to bolster the learning environment in eight primary and upper primary schools in the villages of Sinjal, Mulaya, Satagad, Hadiyada, Pangaria, Anthwalgaon and Bagwan of Tehri District, Uttarakhand continued throughout the year. With support from industry, infrastructure in these schools was strengthened and student capabilities enhanced. Sensitization of teachers and parents were aimed at addressing issues of school dropouts, low enrollment and absenteeism.

## Adarsh Vidyalaya

Under the Adarsh Vidyalaya project solar and RO plants were handed over to three Government schools in Saharsa, Bihar benefiting over 3500 students. Taking forward the objective of making an increasing number of Government schools sustainable, infrastructure support will also be provided to select schools in Allahabad, Uttar Pradesh.



From L to R (standing): CII Foundation Women Exemplars 2017 - Jayamma Bhandari, Manika Majumdar and Kamal Kumbhar. From L to R (sitting): Rumjhum Chatterjee, Chair, Steering Committee, CII Foundation Woman Exemplar Program 2017 and Group Managing Director, Feedback Infra Pvt Ltd; Chandrajit Banerjee, Director General, CII; Dr Naushad Forbes, then President, CII; Pranab Mukherjee, then President of India; Rahul Bajaj, Past President, CII and Chairman, Bajaj Auto Ltd; Shobana Kamineni, then President Designate, CII and Rakesh Bharti Mittal, then Vice President, CII



Children of Dalit Ekta Camp, Delhi during Walk of Pride, an event organised by CII Foundation to celebrate open defecation free status of the slum



Shakeela, a widow and mother of three children at her Provisional store in Shahgund village, Bandipora district, J&K

## WOMEN EMPOWERMENT

### Recognising Women at Grassroots

The Woman Exemplar Program is CIIF's initiative to identify, recognise, empower and support extraordinary women working at grassroots. Thirty-eight women exemplars, who have, against all odds, excelled and contributed significantly to the development of their communities in education, health and micro-enterprise have been recognised and empowered under this initiative. In 2017, 25 women exemplars and shortlisted candidates were mentored by sector experts to help them scale their initiatives. Bringing unsung heroes to the limelight, some of the women exemplars are being recognized by NITI Aayog through the Women Transforming India Award.

## PUBLIC HEALTH AND SANITATION

CIIF continued to encourage industry participation in national programmes such as Swachh Bharat Abhiyan and Integrated Child Development Services (ICDS).

### Mission Sanitation in School (SoS)

In response to the Prime Minister's call to action on Swachh Bharat, CIIF launched the Mission SoS in 2014. Engaging companies and communities, both in urban and rural India, the Mission undertook construction, operation and management of toilets. Several WASH training and behaviour change interventions, aimed at ending open defecation, were also delivered.

### Model Anganwadi Centres

The Anganwadi Adoption programme provides support for infrastructure, equipment and capacity building

of anganwadi workers and ensures early childhood education. With continued support of the corporate sector, technical partner, UNICEF and the Department of Women and Child Development, Government of West Bengal, the programme strove to create 52 model Anganwadi Centres in Metiabruz, Kolkata. Additional nutritional supplements and immunization of pregnant women and infants were also ensured under this initiative.

### Surakshit Khadya Abhiyan

Food safety was promoted through awareness campaigns, training programmes and capacity building initiatives delivered jointly with the CII Food and Agriculture Centre of Excellence. Food SMEs, food vendors and midday meal suppliers in schools, farmers and consumers benefitted from this initiative, supported by GSK India and Kellogg.

## SKILL DEVELOPMENT AND LIVELIHOOD

### Enhancing Employability

The CIIF Finishing School programme being conducted in Pune, Maharashtra, has trained 37 batches comprising 1290 students from SC/ST communities. They have received training in soft skills to improve their communication and employability.

### Alternate Livelihood Support

The Alternate Livelihood Support project, supported by Godrej & Boyce, enabled 130 vulnerable families in 27 villages of Baramulla and Bandipora districts of Jammu and Kashmir to resume life as it was prior to the 2014 floods. Apart from new/ alternate livelihood, support



Laptop distribution ceremony organised by CII Foundation under its E-Connect Programme in Uttarakhand

was also provided to strengthen and develop existing livelihoods.

## DISASTER REHABILITATION AND RESPONSE

Under the Godrej & Boyce and DCM Shriram funded Jammu and Kashmir rehabilitation initiatives, efforts to build post disaster medical preparedness capability were continued. CIIF is ensuring medical preparedness and quick response post disaster, by providing well-equipped ambulances available especially at night, organising health awareness camps and distributing free medicines to 300 households in Baramulla and Bandipora districts. Another initiative in 3 villages of Bandipora district reaching out to 500 households aims at developing capacity of health care providers and the Village Response Committee.

Quality education was also supported by up-scaling infrastructural facilities in three Government schools in Ghat Thalhalan and Ghat Gopalan villages of Baramulla. CII Foundation promoted disaster preparedness, healthy lifestyle and cleanliness among 3500 students in 100 schools and colleges of Augustmuni and Ukhimath blocks in Rudraprayag district, Uttarakhand.

To facilitate convergence of humanitarian aid and relief efforts for efficient and quick response to natural disasters in any part of the country, CII Foundation developed a Disaster Response Platform- [www.disasterresponse-ciifoundation.in](http://www.disasterresponse-ciifoundation.in). The online real time inventory platform maps corporate sector resources ranging from drinking water and food to emergency transportation and communication that can be supplied

or donated by companies during disasters.

A sensitisation and training programme was organised along with Tata Sustainability Group for companies in Coimbatore and Gurgaon. The programme, focused on disaster preparedness and response, helped companies understand social realities, need to build equity principle in planning disaster response and life saving resources such as shelter, water, sanitation, food and health. The overarching principles, management cycle during response and the focus on addressing needs of the vulnerable groups such as women, children, specially abled, and elderly were highlighted through this programme.

### Water Resource Mapping, Planning and Conservation for Drought Prone Districts Using WATSCAN Tool

The water resource mapping, planning and conservation programme for 13 districts was continued in partnership with CII-Triveni Water Institute and support of Dow Chemicals, Honda Motorcycle and Scooter India, Standard Chartered Bank, Volkswagen and Vertiv.

### Restoration of Water Bodies

A project to restore water bodies in Chennai and its peripheral regions was launched with the support of local administration and companies including Grundfos under the Tamil Nadu disaster rehabilitation initiatives. According to various studies, degradation of existing water bodies and drainage channels due to rapid and unplanned urbanization are some major factors causing the floods. In 2018, CIIF will work towards restoring 11 water bodies in Chennai, Thiruvallur and Kanchipuram districts.

# Development Initiatives

A key concern for policymakers and industry is to include Indians from all strata of society in the country's impressive growth story. With a vast majority of India's population remaining at the periphery of development, India has a long way to go. While there are disparities amongst Regions, States, sectors, and communities, each segment of the society also has competencies that can enable another segment to achieve its development goals. With this backdrop, CII engages with Government, industry and civil society organisations to take forward the agenda of inclusive and sustainable growth. Social development aspirations of Members are supported by integrating businesses with social development. CII also brings together industry, Government and civil society including NGOs to deliver programmes aimed at social upliftment.

## ADVOCACY

New and innovative initiatives are designed to redefine the concept of Corporate Social Responsibility (CSR) and promote and facilitate CSR. Industry engagement

towards inclusion, especially of the vulnerable sections of society, is encouraged through a series of projects.

## ACTION

### Promoting and Facilitating CSR

India has a long history of demonstrated CSR commitment ranging from philanthropic to strategic to compliance-based interventions. The CSR legislation and notification of CSR Rules further accelerated the CSR engagement with companies setting up mechanisms, developing policies and programmes and undertaking specific interventions.

The National CSR Summit 2017, in partnership with the Ministry of Corporate Affairs, endeavoured to promote and strengthen the CSR movement. With the CSR Legislation completing three years, the Summit was themed CSR - The Next Leap. The Summit focused on introspecting on existing models and identifying new and unconventional approaches and analyzing game-changing trends in CSR. Going forward CII will develop



From L to R: Santosh Desai, Author and MD & CEO, Futurebrands; Henriette Arhens, Deputy Representative - Programmes, UNICEF India and Pritam Singh, Additional Secretary, Ministry of Corporate Affairs at the National CSR Summit 2017 in New Delhi



Raghupati Singhania, Chairman & Managing Director, JK Tyre & Industries Ltd and P P Chaudhary, Minister of State, Ministry of Corporate Affairs at the National CSR Summit 2017 in New Delhi

more platforms to bring together NGOs/ Foundations and companies to facilitate collaboration for sustainable and large scale impact.

At another high level interaction with UNICEF in Delhi, stakeholders deliberated on how companies can be engaged beyond the 2% CSR expenditure by adopting a larger view of social responsibility.

Some recommendations on corporate governance and CSR compliance made to the Parliamentary Standing Committee included not treating CSR as mandatory, building capacities of SMEs' to understand the legislation, establishing an ongoing process for companies to seek guidance and clarifications on CSR rules, monetising in-kind services and developing frameworks to facilitate public-private partnerships. Information on innovative CSR projects and collaboration between companies in implementing sustainable CSR projects was also shared with a larger audience.

### **Industry Engagement to Promote Inclusion**

Empowerment of Persons with Disabilities (PwDs) is an important part of CII's agenda for promoting and enabling inclusion. CII has been working towards mainstreaming PwDs into the workforce, by sensitizing Members and challenging the stereotypes.

Efforts are made to build champions from within the industry and promote barrier free workplaces to enable access to services and facilities. To further the agenda of enabling inclusion, a series of sessions on Creating Inclusive Workplaces for PwDs: Interaction with Experts were organised along with the Skill Council for Persons with Disability (SCPwD) in 2017. At a special session, Mr Sandip Sen, Chairman, CII National Committee on Special Abilities and a select group of industry leaders addressed the concerns of employers and recruitment managers of companies in this regard. Significance of top management commitment, physical and social barriers limiting inclusion; empathy and equal opportunity policy; customized job roles, skills and innovation were discussed at these sessions. The potential game changing role of Rights of Persons with Disabilities Act in enabling inclusion was also discussed with various stakeholders.

# Education

## SCHOOL EDUCATION

The foundations of a good academic and professional career are laid at the school level. The importance of quality education at the primary level can thus hardly be undermined. While the Right to Education Act has made education accessible to every child between 6 and 14 years of age, its quality needs drastic improvement, especially from the point of view of learning outcomes. CII's work in school education is focused on enhancing learning outcomes and improving the quality of the school education to ensure a strong foundation of the nation's education ecosystem.

### ADVOCACY

With more than 250 million children enrolled in schools, the quality of education is a major area of concern for the Government as well as industry. Taking the industry perspective to the Government, CII made several recommendations for developing a robust policy framework for school level education. Deliberations with Dr Kasturirangan, Chairman of the Committee on Drafting of New Education Policy revolved around

resolving the challenges of poor learning outcomes in schools, having a level playing field for schools run by NGOs as well as the private sector, poor quality of B.Ed degrees and the need for vocational centres in schools.

### ACTION

CII's work in the area of school education is focused on influencing policies, sharing best practices and interaction of the school ecosystem with the rest of the ecosystem. This agenda is driven through several initiatives, including meetings with Government officials, conferences, seminars, training programmes and industry-academia interactions. This year, at the CII School Conference, deliberations centred around important issues such as how to improve learning outcomes, use of technology in teaching-learning and the very recent challenges of student safety and fee increase. Building up on the policy recommendations already made to the Government, the Conference recommended that the Government consider making minimum learning outcomes by Class IV a National Mission



From L to R: Anil Kher, Co-Chair, CII National Committee on School Education and Managing Director, Micro Interconnexion; Vijay Thadani, Chairman, CII National Committee on Higher Education and Vice-Chairman, NIIT Limited; Narayanan Ramaswamy, Partner & National Head - Education, KPMG releasing the report on Improving Learning Outcomes by raising in-class teacher effectiveness during the CII School Conference in New Delhi

in Education. Recommendations on the subject of enhancing effectiveness of learning by increasing teacher effectiveness included in-service training. A CII-KPMG Report on Improving Learning Outcomes by Raising In-class Teacher Effectiveness, released this year, identified ways of providing quality education in India.

## HIGHER EDUCATION

The transformation of India's higher education system is essential for the country to become competitive in a global market. Deeper industry-academia engagement is key to improving the quality of education, increasing employability of graduates and industry relevant research. In this backdrop, CII endeavoured to promote industry-academia linkages for achieving excellence in higher education, aligning research outputs to industry benefit and building a pool of high-calibre human resource. Over the last few years, efforts to bridge the industry-academia gaps have yielded substantial results.

### ADVOCACY

Over the years, policy advocacy efforts of the CII National Committee on Higher Education have been directed at improving India's higher education system. Internationalization of higher education, improving the quality of research and encouraging industry-academia linkage have formed the cornerstone of CII's engagement with the Government.

A compilation of recommendations on the New Education Policy was submitted to Dr Kasturirangan, Chairman of the Committee on Drafting of New Education Policy. CII's Committee on Higher Education,



Professor Ashutosh Sharma, Secretary, Department of Science & Technology speaking at the Higher Education Summit in New Delhi

comprising senior leaders from both industry and academia, deliberated with Dr Kasturirangan on the need to provide more autonomy for institutions, concept of University Social Responsibility akin to Corporate Social Responsibility, increased flexibility and freedom for academic institutions to raise funds and enhancement of Government expenditure on R&D in academic institutions to 0.4% of GDP, up from 0.04% at present.

### ACTION

There have been several reforms in India's higher education over the last decade. While the Government has refined the policy framework, the industry and academia have begun to collaborate too. Much work has been done on the internationalization of Indian higher education as well. CII works to bring industry and academia closer together through several initiatives.

One such initiative - the University-Industry Congress (also known as Higher Education Summit), discussed the importance of enhancing investments in R&D as well as collaborative research between industry and academia. Awards based on the AICTE-CII Survey of Industry-linked Technical Institutes and the India Innovation Awards were also announced at the Summit.

CII offers Prime Minister's Fellowship for Doctoral Research, a public-private partnership (PPP) with Science & Engineering Research Board (SERB), Department of Science and Technology (DST), Government of India. This scheme is aimed at attracting science and engineering talent for doctoral research, nurturing leadership qualities in scholars, providing exposure to international best practices and innovations and encouraging industrial research in academic institutions. The scheme has the provision to award up to 100 new scholarships every year, of up to INR 8.7 lakh per annum per PM Fellow for a maximum period of four years. 50% of this scholarship comes from the Government and 50% from the partner company. The scheme is open-ended and applications are submitted through the portal [www.primeministerfellowshipscheme.in](http://www.primeministerfellowshipscheme.in) throughout the year. The first batch of PM Fellows received scholarship in 2013. Over 140 fellowships amounting to roughly INR 15 crore have been conferred since then. Over 60 institutes and over 100 companies support the scheme. PM Fellows have received 19 awards at prestigious platforms and five patents have been filed as a result of research work done under this scheme.

# India@75

India@75, a CII initiative, has its genesis in the vision of the late Professor CK Prahalad. The initiative envisions an inclusively and collaboratively developed India by the 75<sup>th</sup> year of its independence through economic strength, technological vitality and moral leadership. India@75 is an aggregator and facilitator to accentuate the implementation of various mission mode schemes and initiatives that are in sync with its vision objectives. Technology and volunteerism are the key tools for outreach and connect to people from across the social spectrum to weave the aspirations of people in creating an inclusively developed India by 2022.

## ADVOCACY

India@75 symbolizes the nation building agenda of CII with a focused approach to facilitate convergence of stakeholders to synergize their efforts. Various Councils, Committees and Task Forces besides dedicated resources have endeavoured to achieve the India@75 vision objectives. The exercise of generating internal alignment with sharper focus on deliverables by 2022 has since been completed with clarity of a roadmap for the intervening period of the next five years.

## ACTION

Various innovative initiatives were undertaken in the endeavour to achieve the vision:

- The India@75 week was celebrated in August 2017 with week-long activities to sensitize the masses about the vision of the initiative. The theme for the 3<sup>rd</sup> Edition resonated with the Prime Minister's vision of a New India by 2022. The India@75 Week was preceded by India@75 Freedom Ride 2017, organised in partnership with the Municipal Corporation of Gurugram.
- The National Volunteer Week (NVW) 2017 focused on the theme I For India. A part of the National Volunteering Grid (NVG), it was organised for the fourth year in succession. During NVW 2017, India@75 continued to make inroads into rural India with the Mera Gaon Swachh Gaon campaign across 1401 villages from 21 States, involving over 200,000 people. Similar activities across major Tier I and Tier II cities generated more than 250,000 hours of volunteering. Advocacy has been taken up by India@75 for the formal declaration of the National Volunteer Week culminating with a National Volunteer Day.



From L to R: Rajan Navani, Immediate Past Chair, CII Council on India@75 and Vice Chairman & Managing Director, Jetline Group of Industries; Adi Godrej, Past President, CII & Chairman, India@75 Foundation; Kritika Saxena, CNBC TV18 Anchor; Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Ninad Karpe, Chairman, CII WR and Director, APTECH Limited during the Conference on India@75: A New India by 2022 in Mumbai



Vijay Goel, the then Minister of State for Youth Affairs & Sports, addressing the India@75 National Volunteering Week concluding ceremony in New Delhi. Also on the stage, Rajan Navani

- The 5<sup>th</sup> Edition of the National Volunteering Week celebrated in January 2018 saw participation of corporates, non-profits, students, professionals, communities in over 300 activities across 75 cities. The objective was to showcase and bring volunteerism to the centre stage of public discourse.
- At a Hackathon during the International Engineering and Technology Fair (IETF), participants used mobile and cloud technologies to develop ingenious apps to promote Swachh Bharat, Make in India, agriculture, food security, healthcare, good governance and other India@75 themes. Twenty five teams comprising 90 participants developed and presented to the jury working demonstrations of the developed apps over two days of the competition.
- Three conclaves focused on the theme India@75: A New India by 2022 were held in Bengaluru, Mumbai and New Delhi.



From L to R: Kamal Bali, Chairman, CII Karnataka State Council and Managing Director, Volvo India Pvt Ltd; Gayatri Prahalad, wife of Late Professor C K Prahalad; Dr Naushad Forbes, Immediate Past President, CII and Co-Chairman, Forbes Marshall; Priyank Kharge, Minister for Information Technology, Bio-technology, Science and Technology & Tourism, Government of Karnataka; Chandrajit Banerjee, Director General, CII; Rajan Navani at the Conference on India@75: A New India by 2022 in Bengaluru



Jayant Sinha, Minister of State for Civil Aviation and Dr Mukund Rajan, Chairman, CII Council on India@75, Chairman, Tata Global Sustainability Council & Chief Ethics Officer, Tata Group at the Conference on India@75: A New India by 2022 in New Delhi



Volunteers during a cleanliness and road safety awareness campaign in New Delhi during the India@75 National Volunteering Week 2017

- Shri Priyank Kharge, Minister for Information Technology, Bio-Technology, Science and Technology & Tourism, Government of Karnataka addressed the Bengaluru conclave.
- CNBC TV-18 telecast a special plenary on India@70 – Setting the Agenda for India@75 with senior CII Leadership sharing insights on the way forward.
- Smt Meenakshi Lekhi, Member of Parliament, Lok Sabha, Shri Jayant Sinha, Minister of State for Civil Aviation and Dr Mukund Rajan, Chair, CII Council on

India@75 deliberated upon the role of stakeholders to achieve the India@75 vision which echoes with the Prime Minister's vision of a New India.

- With a view to create greater awareness, the India@75 vision was shared with students attending the Harvard Model United Nations (HMUN) India 2017 Annual Conference. Young students and educators were encouraged to play their role in achieving the vision of a New India.



Mera Gaon Swachh Gaon rally during the India@75 National Volunteering Week 2017

# Swachh Bharat Mission

In 2014, the Prime Minister of India launched the Swachh Bharat Abhiyan. While urging all stakeholders to participate, he especially called upon the corporate sector to give priority to the provision of toilets for the masses as part of their initiatives under corporate social responsibility. CII has always responded to the needs of the nation, accorded priority to the issues of national concern, and taken concrete steps to address the same. CII, therefore, continued to build support for the Swachh Bharat Abhiyan through a number of interventions.

## ENDING OPEN DEFECATION

### Construction of Public/ Household Toilets

The CII Foundation (CIIF), in the second phase of Mission Sanitation in Schools (SoS), is engaging with community, industry and Urban Local Bodies (ULBs) to construct public and community toilets. Over 20 public toilets are being constructed in and around Delhi NCR in collaboration with Mitsubishi, DCM, Mahindra & Mahindra, J.K Tyres and JCB.

To address the sanitation challenge in select locations of flood hit Jammu & Kashmir, toilets were constructed in 128 household in three villages of Bandipora. Two of these villages were declared Open Defecation Free (ODF) for the first time ever in Bandipora.

A MoU was recently signed with the Government of Uttar Pradesh to facilitate construction of toilets and support behaviour change interventions in Fatehpur and Gorakhpur Districts.

### Awareness and Behaviour Change

CIIF launched various pilot projects with an aim to bring behavioural change in communities and encourage use of toilets.

A one year showcase project was implemented along with Feedback Foundation to sustain behaviour change on open defecation and improve solid waste management in JJ Bandhu and Dalit Ekta Camp in Delhi. Awareness campaigns reaching out to 879 households included door to door visits, defecation mapping, waste segregation training, Lota collection drive and formation of a Nigrani Committee to monitor and eliminate instances of open defecation. Leveraging community participation, the project integrated technical support and engagement of South Delhi Municipal Corporation (SDMC) and Delhi Urban Shelter Improvement Board (DUSIB), leading to SDMC declaring the two slums ODF. A WASH project was initiated in Kith and Kund villages of Tehri Garhwal district, Uttarakhand in partnership with the Himmat Society of the Tata Trusts. In the



India@75 and Yi organised a Car-Bin distribution in Vadodara in the presence of Irfan Pathan, Indian cricketer



Volunteers at the Juhu Beach cleaning drive in Mumbai

quest to make the villages ODF, the project has brought potable water and 100% sanitation to the villages benefitting around 118 households and 789 individuals. Similar community led interventions were initiated in three villages of Bandipora district of J&K to address the sanitation needs of the community. The project set systems and processes to develop sustainable health practices and enable WASH facilities reaching out to over 500 households.

### PROMOTING CLEANLINESS DRIVES

The India@75 Foundation, a CII initiative, continued to organise cleanliness drives and awareness campaigns to promote the mission of a clean India. The Mera Gaon, Swachh Gaon campaign, initiated during the India@75 National Volunteering Week 2017, impacted 1401 villages in 47 districts. More than 193,000 residents of these villages, including children and the elderly, contributed close to 250,000 volunteer hours to clean their surroundings. They also pledged support to the swachhta movement.

India@75 recorded more than 5000 hours of volunteering towards Swachh Bharat Abhiyan through a series of initiatives. During the India@75 Week 2017, more than 1500 volunteers participated in over 75 cleaning drives for beautifying public spots across Pune. Volunteers from member companies and CII joined hands with IIT Mumbai to demonstrate solidarity with the Swachh Bharat campaign through a clean-up drive at Juhu Beach in October 2017. RUN4LAKE campaign was organised by India@75 to raise awareness on cleanliness of Vibhutipura Lake, Bengaluru.



Drawings by children from Dalit Ekta Camp in New Delhi

The Phenk Mat initiative launched by CIIF in partnership with the Municipal Corporation, Mumbai and the State Government, is leveraging digital technology to engage youth and stir citizen action for behaviour change in the city. The year-long social awareness campaign encourages Mumbaikars to maintain cleanliness and sanitation by bringing about behavioural change. CII State Offices and the Young Indians (a CII initiative) Chapters also engaged industry members and other stakeholders in the cleanliness drives, swachhata pledge and other activities towards Mission Clean India.

### Swachh Bharat: A Business Opportunity

CII, together with International Toilet Board Coalition catalyzed a coalition of private players in sanitation in India to build a robust business sector in delivering universal access to sanitation. The objective is to facilitate private sector engagement in mentoring sanitation businesses and entrepreneurs serving low income markets and build awareness around the opportunities in the sector.



A public community toilet in Manesar, Gurugram. The construction was facilitated by CII Foundation

# Sports

With a view to bringing alive the vision of India becoming a sporting nation, the Government and the industry have begun to evangelize sports. CII is working towards achieving this mission by catalyzing the forces of both policy-making and private enterprise. The CII National Committee on Sports is pursuing the target of seeing 300 million children playing sports 60 minutes daily by:

- Making physical education a mandate in school curriculum.
- Changing mindsets towards sports through a year round campaign.
- Generating investments for sports through CSR.

## ADVOCACY

A proposal was submitted to the Ministry of HRD to make physical education a mandate in 1000 Central Government run schools. A draft MoU on these lines will be shared with the Ministry of Human Resource Development (MHRD). Efforts were also directed at reaching out to State Governments, given that education is a concurrent subject. Following a meeting with the State Governments of Assam and West Bengal,

proposals were submitted for implementing physical education in 200 and 100 schools respectively.

## ACTION

The Global Exhibition on Services, 2017, where sports was a focus sector, provided an opportunity to showcase India's strengths in sports services, interaction with State Government officials and global counterparts and building synergy with related sectors such as education and skill development. Knowledge sessions for sector leaders and businessmen aimed at future development of sports services.

Stakeholders came together to collaborate with management organisations, educational institutes, infrastructure companies, marketing, advertising, brand managers and manufacturers in sports at the 3<sup>rd</sup> Edition of the International Conference on Sports - CII Scorecard 2017. Sports education, channeling CSR funds, building a robust sports ecosystem, enhancing business opportunities and career and livelihood opportunities in sports were some of the areas of focus at the Conference.



From L to R: Jalaj Dani, Co-Chairman, CII National Committee on Sports & Co-promoter Asian Paints Pvt. Ltd; Chandrajit Banerjee, Director General, CII; Injeti Srinivas, the then Secretary Sports, Ministry of Youth Affairs and Sports; Vijay Goel, the then Minister of State & Independent Charge, Ministry of Youth Affairs and Sports; Ratan P Watal, Principal Advisor - Social Space, NITI Aayog; Sanjay Gupta, Chairman, CII National Committee on Sports and Managing Director, Star India Pvt. Ltd; Shigeru Aoyagi, Director of the office & UNESCO Representative to India, Bhutan, Maldives and Sri Lanka during the release of studies on Mapping of Local Sporting Brands and Local Sporting Properties in the State of Maharashtra and Opportunities for CSR Partnerships in Sports in New Delhi



Jalaj Dani and Sanjay Gupta at the first meeting of the CII National Committee on Sports in Mumbai

The local sporting brands, properties and sports infrastructure in the State of Maharashtra were mapped in a study. The local sports events in the State were also studied to establish the Return on Investments (RoI) metrics and benchmarks for brands to evaluate performance of participation in sports.

A whitepaper on Establishing National Curriculum Standards for Sports Education in India was compiled during the year. The paper provides a reasoning to adopt leading practices in developing a sports curriculum, which is substantiated by the Government and in turn

adopted, executed and monitored at the school level. A study was conducted to identify the role of corporate innovations and opportunities for CSR partnerships in sports for inclusive development. The study also makes a case for outlining a roadmap for CSR spends to achieve the objective of nurturing a sporting culture in the country. The three publications were released at CII Scorecard 2017.

A Sports Forum, organised in partnership with the Queensland Government, Australia, was aimed at exchanging knowledge and opportunities towards the Commonwealth Games 2018. Subjects such as athlete/coach training and development, sports science, sports governance/integrity along with grassroots development and participation were explored.

In line with CII's vision of encouraging India Inc. to adopt sports and inculcating a healthy life style, Tata Steel Kolkata 25K was promoted amongst the Eastern Region Membership. Mass participation sports, especially running, as a way of life and its health benefits were highlighted. The Tata Steel Kolkata 25K, the first officially accredited 25Km race in India, was certified by the Association of International Marathons and Distance Races (AIMS) and conducted under the auspices of the Athletic Federation of India. Sporting legends including Sourav Ganguly and Mike Powell flagged off the races and engaged with runners. World record holding athletes participated and India's best national athletes joined over 15,000 amateur runners.



From L to R: Michael Kasprowicz, Australia India Council Board Member and former Australian Test Cricketer; Deep Mukherjee, CEO, CII National Committee on Sports and Senior Vice President, Star India Pvt Ltd; Shaun Star, Assistant Professor & Assistant Dean, Jindal Global Law School and Executive Director, Centre for India Australia Studies, O P Jindal Global University; Chris Elstoft, Acting Australian High Commissioner to India; Yasmahne Hanel, Director of Industry Engagement, Office of the Commonwealth Games; Craig Rowsell, Business and Investment Attraction Officer, City of Gold Coast; The Honorable Robert Borbidge AO, Chair, Embracing 2018 Legacy Advisory Committee and Chair, Study Gold Coast addressing the Sports Forum India and Queensland: Partnering for a Competitive Future in New Delhi

# Youth Power

## YOUNG INDIANS

Young Indians (Yi), a CII initiative, encourages young entrepreneurs, business leaders, policymakers, professionals and students to participate in and contribute towards building India a developed nation. Yi's 2300 direct members in 40 chapters and about 15000 students are engaged in this drive which is more of a movement than an organisation. Working on three pillars of Nation Building, Thought Leadership and Youth Leadership, Yi's activities annually impact almost 2.4 million people pan India. Under Nation Building, Yi's projects include Masoom, Gift an Organ, Swachh Bharat and Horn Not Ok Please (HNOP). Project Masoom was conceived with the goal of keeping children safe and preventing child sexual abuse by creating awareness amongst young children, parents and other stakeholders, while Gift an Organ addresses the myths attached to organ donation and encourages people to donate organs and the Swachh Bharat Mission aims to sanitize and sensitize India. HNOP is a campaign to avoid unnecessary honking on the roads. Activities under the broad categories of education, environment, healthcare, employability and rural initiatives contribute positively to the ecosystem and the nation.

Yi drives international engagements through several initiatives such as the G20 Young Entrepreneurs' Alliance (G20 YEA), a collective of leading entrepreneurially-minded organisations representing the G20 countries and the Commonwealth Alliance of Young Entrepreneurs (CAYE), a network of young entrepreneurs from the Commonwealth Asia Region and the organisations that support them. Several international learning missions were organised during the year with a view to understand and learn global best practices and cultures.

Youth Leadership is promoted by developing leadership skills of Members through learning programmes and missions to companies of global excellence; various summits on themes related to the leadership role of the youth and engagement with the State and Central level Governments to create an ecosystem for Members to become effective leaders with a vision for the future were held.

### ACTION

Over the last 15 years, Yi has integrated a youth oriented thinking and approach to become the voice of Young



Dignitaries such as Prahlad Kakar, Ad Guru; Rajiv Bajaj, Chairman, Bajaj Capital; Nilesh Shah, MD, Kotak Mahindra; Pratish Nair, Co-founder and Director of PKSBE; Ghanshyam Dholakiya, Founder, HK Exports; Achal Bakeri, CMD, Symphony; Arjun Handa, VC & MD, Claris Lifesciences; Sangeeta Jani, Spiritual Coach; Rajat Sethi, Principal Advisor to Chief Ministers of Jharkhand and Manipur; Sudhir Chaudhary, Business-head and Editor, Zee News; Jaxay Shah, President of CREDAI; Harshvardhan Lunia, Co-founder and CEO, Lendingkart Technologies at the Yi Summit PathBreakers 2017 in Ahmedabad



From L to R: Vivek Oberoi, Bollywood Actor; Srikanth Joshi, MD, L&T Realty; Madhur Deora, Senior VP and CFO, Paytm; Kailash Satyarthi, Founder, Kailash Satyarthi Children's Foundation; Vivek Gambhir, MD, Godrej Products Ltd; Abanis Nayak, Chair - Projects, CII-Young Indians at the launch of the Bharat Yatra website in Mumbai

Indians globally. Conscious efforts are driven towards making a meaningful contribution to the nation's constructive and competitive growth. TakePride, the annual flagship Yi National Summit is an effort to celebrate achievements, getting motivation from listening to great visionaries, collectively mulling over the future roadmap and sharing of best practices across 40 chapters in diverse projects. It is a platform for both sung and unsung heroes to inspire young leaders in the interest of the organisation as well as their personal-professional growth trajectory.

The Young Indians Summit themed PathBreakers 2017 was a groundbreaking event showcasing the journey of diverse individuals who have contributed to the nation. Held in Ahmedabad, the event saw a range of speakers from ad gurus to leading businessmen, spiritual coaches, and senior Government officials sharing their insights. Experiential learning visits to places such as ISRO and Dandi Kutir enhanced the learning experience of the delegates.

The G20 YEA was founded as a movement to engage the G20 leaders in the cause of youth entrepreneurship,

share best practice across borders, affect positive policy change and create a global network of young entrepreneur advocates while building a collaborative entrepreneurial environment worldwide. Being an active member of the Alliance since inception, Yi led a delegation to G20 YEA Summit held in Berlin, Germany in June 2017. Apart from driving the YEA agenda, the Summit made recommendations to drive youth entrepreneurship in the Member countries which were put forward to leaders at the B20 and G20 Summits. The CAYE and China Young Entrepreneur Association (CYEA) jointly organised a four-day Summit in Suzhou, China. CAYE works to strengthen and support the ambitions of young entrepreneurs in Commonwealth regions by presenting a combined voice at forums that influence policy on youth entrepreneurship. Apart from Yi, the Summit saw participation from youth organisations in Australia, Brunei, Canada, Ghana, Mozambique, Malaysia, Singapore, Sri Lanka, Thailand, Nepal, Nigeria, Pakistan, Philippines, UAE, and UK. The Curtain Raiser for the Bharat Yatra website launch was held at BSE in August 2017. With support from Yi and other organisations such as BSE, Paytm, Godrej and L&T, Nobel Laureate Shir Kailash Satyarthi vowed to

re-awaken the slumbering consciousness of the nation on the issue of child sexual abuse. Bharat Yatra was undertaken across the country to sensitise citizens and incite mass mobilisation to push for a country where sexual abuse and child trafficking are treated as severe aberrations and not a casual crime. An update on Project Masoom aimed at curbing the social bane of child sexual abuse was also shared at this forum.

With fifteen years of glorious past and many promising decades ahead, Yi intends to become a larger movement promoting the We Can, We Will attitude.

## BHARATIYA YUVA SHAKTI TRUST

It is estimated that India has a demand for 12-15 million new jobs every year with another 5 million leaving agriculture to join other sectors, adding up to a total demand for 17-20 million jobs per annum. While the Government is making concerted efforts to create jobs for millions of Indians, efforts to encourage entrepreneurship development is one way of ensuring social stability. Bharatiya Yuva Shakti Trust (BYST), a non-profit organisation established in 1992, helps disadvantaged Indian youth to develop their business ideas into viable enterprises. BYST provides financial assistance through partner Banks and mentoring support to the selected young entrepreneurs. CII has continued their unstinting support to BYST since its inception.

## ADVOCACY

BYST has, over the years, created awareness and counselled 510,000 youth and set up 6600 ventures with a success rate of 95%. Supported by 4700 mentors, the entrepreneurs have created 250,000 jobs. BYST has an international footprint in 45 countries through networks and its entrepreneurs have won 82 national and international awards. Over the years BYST has driven collaboration and built linkages with local grassroots communities in Delhi NCR, Tamil Nadu, Telangana, Maharashtra, Odisha and Assam. In 2017 BYST started a programme in the tribal belt of Rayagada, in partnership with JK Paper to promote entrepreneurship in Odisha.

## ACTION

Celebrating 25 years of service to the country in 2017-18, BYST focused on evolving the Mentor Movement to transform youth in India and around the world. With an aim to support employability initiatives in the country and encourage youth to take up entrepreneurship, BYST organised a series of International Mentoring Summits. The silver jubilee celebrations were inaugurated at the Summit themed Mentoring Grassroots Entrepreneurs in Smart Grams for Inclusive Growth by the then President of India Shri Pranab Mukherjee. Shri Venkaiah Naidu, the then Minister of Urban Development, Shri Suresh Prabhu, the then Minister of Railways, and several dignitaries encouraged the international mentors, BYST mentors and entrepreneurs at the event.



Shanmugadevi from Chennai awarded the BYST Hall of Fame Award for Highest Employment Generation at the International Mentoring Summit at Rashtrapati Bhavan, New Delhi in the presence of Pranab Mukherjee, the then President of India



Venkaiah Naidu, Vice President of India and HRH The Prince of Wales Prince Charles presenting the BYST Hall of Fame Award - Business Excellence to Siddharth Salunke from Pune during a special event in New Delhi

The International Mentoring Summit held in November 2017 themed Mentoring Young Grampreneurs™ for Inclusive Growth saw the presence of Shri Venkaiah Naidu, the Vice President of India and HRH Prince Charles, The Prince of Wales. An exposition of select rural entrepreneurs, the release of a White Paper on Mentoring Grampreneurs™, the BYST Silver Jubilee Hall of Fame Awards for best performing Start-up Grampreneurs™ were some of the other highlights of this Summit.

A High-Flyers Club featuring top performing dynamic micro-entrepreneurs and the Mentoring India™\* programme were launched last year. Mentoring India will be the most important component in the current entrepreneurial ecosystem - to increase the viability and success rate of young, first generation entrepreneurs in underserved communities. A pool of mentors at every touch point such as financial and Government/private institutions will undergo an accredited mentorship course to empower them to guide potential entrepreneurs. For mentor training of officials/trainers/faculties of relevant departments or schemes. MoUs were signed with the Ministry of Skill Development & Entrepreneurship and State Bank of India (SBI) and Letter of Intent was signed with the Ministry of Railways and BYST.

The Business Idea Contest (BIC) Awards followed by handholding support were given to the best entries in the Rashtrapati Bhavan's Smart Grams Initiative carried out in Haryana by BYST. Mentoring as the key to enhancing the efficacy of skilling and sustainability of the

entrepreneurs was discussed at a Round Table attended by senior industrialists, officials of the Government of India and a range of stakeholders.

#### **Awards and Accolades**

The BYST entrepreneur Sadashiv Mhaskale received the Youth Business International Entrepreneur of the Year Award in Geneva, Switzerland for providing integrated solar energy solutions contributing to rural infrastructure and industrial areas. He has covered over 100 villages in tribal and remote areas, creating jobs for over 200 people.

One of the senior most and highly experienced BYST mentors, Mr T L Viswanathan, was handed over the prestigious National Entrepreneurship Award 2017 for the Mentor Category by Shri Arun Jaitley, Minister of Finance.

The I Volunteer Awards certification as a Finalist Leader in Volunteer Engagement-2017 was conferred on BYST by Shri Vinod Tawde, Minister of School Education, Higher and Technical Education, Sports and Youth Welfare, Government of Maharashtra.

The top performing Entrepreneurs were felicitated with BYST Silver Jubilee Awards for highest employment generation, highest annual turnover and woman achiever.

# Indian Women Network

The CII Indian Women Network (IWN), an exclusive organisation for career women, envisions enabling them to become better professionals and achievers in their respective fields.

Launched in 2013, it is a forum for career women to engage in learning, sharing, networking and mentoring in a workplace that is increasingly competitive, and where gender parity continues to require attention and focus to bridge the gender gap in opportunities and remuneration.

## ADVOCACY

The Network's interventions are focused on learning and development, health and well-being of women. Policy advocacy is undertaken exclusively for women professionals in the corporate sector, entrepreneurs, faculty and students in higher educational institutions with the aim of strengthening the role and ability of women to contribute across sectors.

Currently, the membership base is spread across 13 States, one Union Territory and five zones across the nation.

## ACTION

Discussions were undertaken with industry members to collate their views on the Draft National Policy for Women 2016 and share feedback with the Government. A series of workshops were organised across regions to sensitize the industry, especially the Internal Complaints Committees on The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

To encourage participation of women in the workplace and recognise companies and educational institutions with noteworthy initiatives on parity, the Network launched its 1<sup>st</sup> Edition of Gender Parity Awards in June 2017 in Chennai.



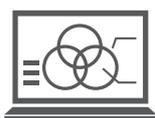
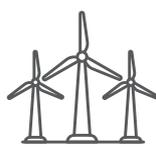
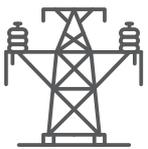
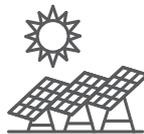
From L to R: Anu Sriram, Chairwoman, CII IWN Southern Region & Co-Founder & Joint Managing Director, Integra Software Services Pvt Ltd; Vikram Kirloskar, Chairman, CII Southern Region & Vice Chairman, Toyota Kirloskar Motor Pvt Ltd; Suchitra Ella, Chairwoman, CII IWN National & Co-Founder & Joint Managing Director, Bharat Biotech International Ltd and Anu Madgavkar, Partner, McKinsey Global Institute at the release of the IWN Compendium Scaling with Parity at the First Edition of CII IWN Southern Region Gender Parity Awards & Conference on Bringing Parity at the Workplace in Chennai



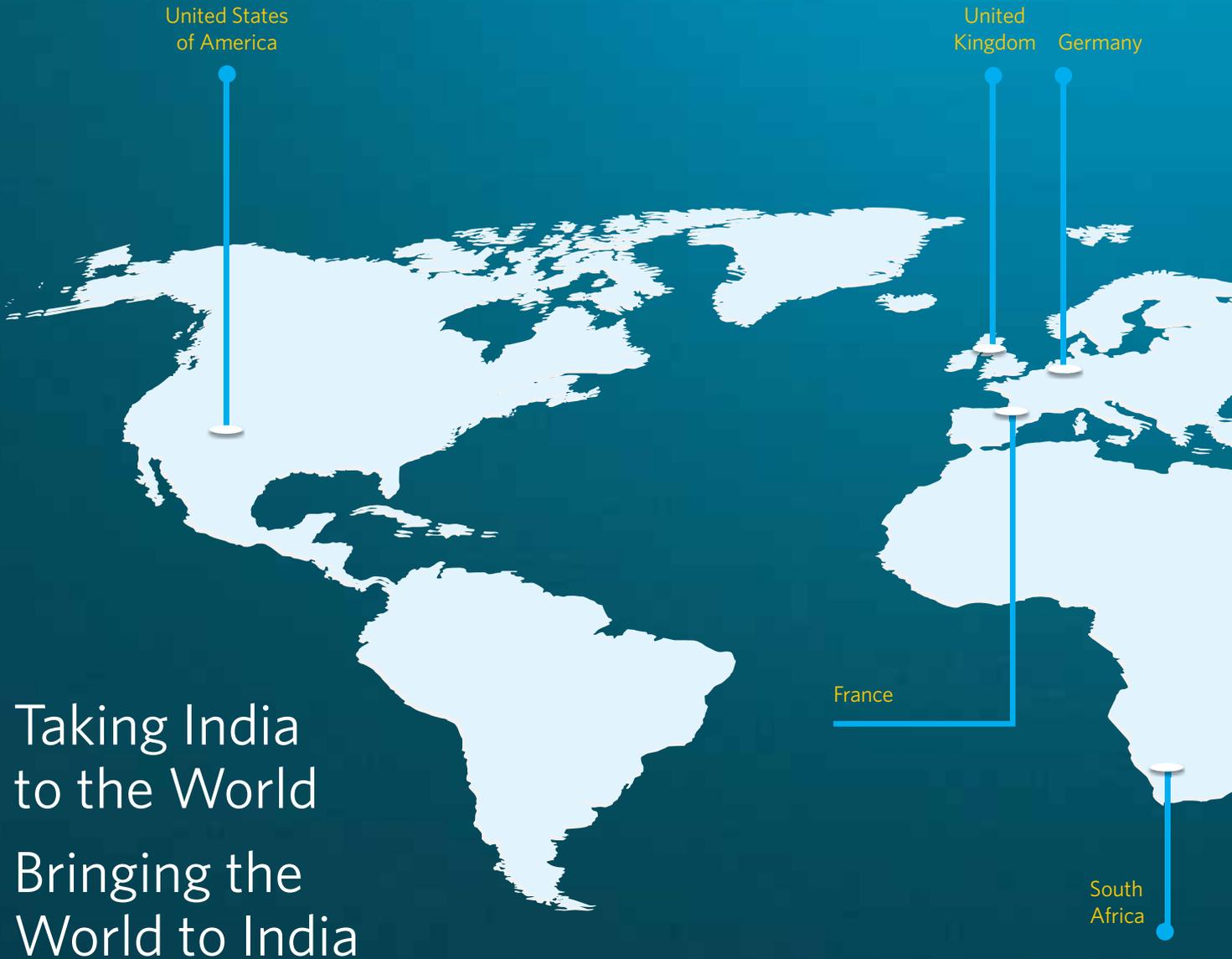
# International and Business Development

- India and the World
- Multilateral Forums
- CII-FBN India Chapter
- Promoting Brand India
- Trade Policy and Exports
- Trade Fairs





# CIJ's Global Footprint and International Initiatives in 2017-18



Taking India to the World  
Bringing the World to India

**100**

Inbound Missions

**56**

Outbound Missions

**11**

Overseas Offices

# 06

CEOs Forums  
Coordinated in 2017

- INDO-FRENCH CEOs FORUM
- INDIA-MALAYSIA CEOs FORUM
- INDIA-UK CEOs FORUM
- INDIA-JAPAN BUSINESS LEADERS FORUM
- INDIA-AUSTRALIA CEOs FORUM
- INDIA-SWEDEN BUSINESS LEADERS ROUND TABLE



# 06

Operational  
India Business Forums

- CHINA
- CARIBBEAN (LAC)
- EGYPT
- LATIN AMERICA
- UNITED KINGDOM
- UNITED STATES OF AMERICA

# India and the World

As India continues to integrate with the global economy, CII endeavoured to connect Indian industry with global industry, policymakers and other stakeholders. Working closely with counterpart international organisations, think tanks and foreign Governments, efforts were made to enhance multilateral and bilateral cooperation to further the interests of Indian industry.

## India Business Forum

The CII India Business Forum (CII-IBF) brings together a group of leading Indian companies having operations in a certain country. The primary objective of the IBF is to maintain a constant flow of information among Indian industry members regarding their activities in that country. The Forum provides an opportunity to Members to raise their issues with both local and Indian Government officials. The India Business Forum also focuses on building Brand India.

CII-IBF China promotes Indian businesses in China through a collective and consensual approach beneficial to all Members. In 2017, CII-IBF China, along with the Embassy of India in Beijing and the Consulate General of India in Shanghai and Guangzhou, convened a series of seminars on India-China Business and Investment Forum across China. Interactive sessions for India's central level ministries such as the Ministry of Textiles and the State Governments, including that of Andhra

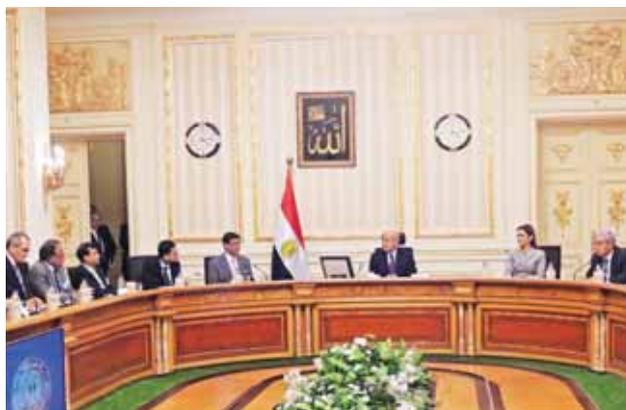
Pradesh, Haryana, and Maharashtra were also organised. A Seminar focused on strengthening India-China partnership in services sectors promoted India as an attractive investment destination during the visit of the Joint Secretary, Ministry of Commerce and Industry, Government of India coinciding with the 3<sup>rd</sup> meeting of the India-China Joint Working Group on Trade in Services in Xiamen. The quarterly briefing with the Ambassador included a broad range of topics including latest trends, challenges and opportunities that will shape India-China Economic Relations in the future.

A closed-door session with the Top 500 company CEOs was an opportunity to understand how international brand companies make their businesses successful in China by navigating the prevailing challenges. The objective was to provide an opportunity for Indian companies in China to learn the best way to operate. Continuous dialogues with Chinese Government officials, think tanks, academics, as well as economists helped Indian industry to comprehend the latest economic scenario, regulations and rules in China.

A number of meetings and visits with IBF Members, Government departments, think tanks and Chinese companies were held during the visits of the service delegation, the RCEP study mission and the ACMA delegation. The BRICS countries' complementary



CII IBF members during the quarterly briefing with the Ambassador at the Embassy of India in Beijing



CII CEOs Delegation call on Sherif Ismail, Prime Minister of The Arab Republic of Egypt

advantages in terms of industrial structure and resource endowments were highlighted to the delegations that participated in the BRICS Minister Level Meeting and BRICS Business Forum. The participation also helped the delegation gain a better understanding of the business environment of BRICS and other countries; become fully aware of market opportunities and potential cooperation in each country on trade and investment, finance, connectivity, the blue economy and other areas.

CII-IBF Egypt held meetings with various Government officials including advisors from the Ministry of Investment and International Cooperation, Chairman of the largest Egyptian Public Bank and Secretary General of the Federation of Egyptian Chambers of Commerce. Interactions with prominent business persons and consultancy firms including the Managing Partner of KPMG Egypt, Managing Partner of BDO Egypt were also organised. CII-IBF Egypt was represented at the Business for Africa Forum held in Sharm el Sheikh in December 2017, the Egypt Investment Forum in February 2018 and the CII EXIM Bank India Africa Conclave in March 2017. The CEOs delegation visiting Cairo met with the Prime Minister, several Ministers and prominent Egyptian businessmen.

The IBF for Latin American and Caribbean (LAC) Region focused its efforts on highlighting opportunities for cooperation with Indian companies available in countries such as Peru, Chile and Mexico.

Dr David Landsman, Executive Director, Tata Limited took over as the chair of CII-IBF UK at the beginning of the year. Under his leadership the forum convened Indian companies in the country to understand the economic



CII India Business Forum meeting welcomed Y K Sinha, the new High Commissioner of India to the UK

and political landscape, held BREXIT workshops and Trade Review Consultations with the UK Department for International Trade and the High Commission of India. Members participated in a CII-KPMG BREXIT Survey that assessed the level of understanding and preparedness in dealing with the BREXIT process. In keeping with the regional outreach agenda, CII collaborated with agencies for business promotion across the UK and Europe. The Smart Cities seminar with SDI in Scotland explored partnership opportunities in the infrastructure sector. Led by Dr Aman Puri, Consul General, Consulate of India in Birmingham, a Make in India Week was organised across the Midlands Region in cities including Leicester, Nottingham, Coventry, Warwick, Birmingham, Wolverhampton, Manchester and Leeds.

The first of its kind historic showcase of high-growth UK based Indian companies in Westminster was an opportunity for Parliamentarians to interact with CII-IBF Members. Developed in collaboration with the Indo-British All Party Parliamentary Group (APPG), the programme was supported by Grant Thornton and launched the Manchester India Partnership (MIP). A walkthrough exhibition of Indian companies such as Tata, Tech Mahindra, HCL Technologies, ICICI, Union Bank, Hero Cycles, Air India and Varana World represented the diversity of sectors where Indian companies operate.

In 2017, CII-IBF USA strengthened its outreach with the new US administration and relevant stakeholders to highlight the positive contributions of Indian companies to the US economy and community. One-on-one meetings with Members of Congress - Senator John Cornyn (Republican - Texas), Congresswoman



Congressmen Ted Yoho, Ami Bera, Raja Krishnamoorthi, Darren Soto and David Price; Congresswoman Karen Handel; Mani Iyer, Chairman, CII-IBF and President, Mahindra N America with Navtej Sarna, India's Ambassador to the US at the launch of the CII report Indian Roots, American Soil: A Survey of Indian Companies' Investments and Operations in the United States in Washington DC

Tulsi Gabbard (Democrat - Hawaii) and Congressman Jason Smith (Republican - Missouri) as well as with Ambassador Navtej Sarna, Ambassador of India to the United States triggered meaningful dialogues. Members also had the opportunity to engage with Ambassador Frank Wisner, Former Ambassador of US to India as well as the Former Speaker of the House of Representatives, John Boehner.

The bi-annual survey report, Indian Roots American Soil, released during the year revealed that 100 Indian companies have invested US\$ 17.9 billion in the US and created 113,423,000 jobs. The surveyed companies are also spending US\$ 147 million on Corporate Social Responsibility (CSR) and US\$ 588 million on research and development expenditures. The launch event at the US Capitol took place in the presence of 15 Members of the Congress and representatives of over 20 prominent Indian companies operating across the US. Congressional legislators across party lines, who attended the reception, underscored the importance of FDI from India as well as the overall importance of the US-India bilateral and commercial partnership. The Ambassador of India to the US also graced the occasion, as did a cross section from the Washington DC policy, business and Government community.

Key stakeholders came together through a series of initiatives to build CII-IBF in Singapore as the pioneer forum of Indian industry in the country. Investment promotion seminars/ visits of the State Governments

of Haryana, Maharashtra and Kerala were held in partnership with the High Commission of India. The visits of Shri Nitin Gadkari, Minister of Roads, Highways and Shipping, Government of India and Shri Arun Jaitley, Minister of Finance, Government of India were coordinated along with the High Commission. As a strategic partner of the ASEAN India Pravasi Bharatiya Divas, CII-IBF organised several industry track sessions that attracted over 5000 delegates from across the world. Indian industry's concerns, especially with respect to issuance of work visas of Indian IT firms, were raised with the Ministry of Trade and Industry and Ministry of Manpower, International Enterprise of the Government of Singapore.

## AFRICA

India's relations with African nations are time-tested and historical. Given the country's geographic proximity, cultural affinity, IT/engineering talent, entrepreneurship and low cost operating models, India offers a special value proposition to partner in Africa's development. Building on these strengths, CII strove to develop a new approach where Indian industry can act as a solutions partner for business and developmental challenges, and benefit from the resultant business opportunities.

Towards this end, the 3<sup>rd</sup> Edition of India - Africa Health Forum 2017 was organised with the support of the Ministry of Commerce and Industry (MoCI) and Ministry of External Affairs (MEA), Government of India. The Forum coincided with the 3<sup>rd</sup> Edition of the Global Exhibition on Services (GES) held jointly with the MoCI and Services Export Promotion Council (SEPC). Since its



Yuweri Kaguta Museveni, President of Uganda; Rita Teatota, Commerce Secretary of India and Sanjay Kirloskar, Chairman, CII Africa Committee and Chairman & Managing Director, Kirloskar Brothers Limited at the CII-EXIM Bank Conclave on India and East Africa in Kampala, Uganda

inception, GES has served as a platform to enhance trade in services and develop synergies between competitive players of the services sector in the global market. It was an opportunity for leaders from the Government, civil society and the private sector from India and Africa to discuss specific collaborations in the health sector. While India's world class healthcare services, diagnosis, medical technology and medical research were showcased at the GES, African companies highlighted investment opportunities in healthcare and related sectors.

The multi-faceted India-East Africa partnership was strengthened through the CII-EXIM Bank Regional Conclave on India-East Africa in Kampala, Uganda. India's 100 plus business delegation representing sectors such as agriculture, infrastructure, power and energy, trade, ICT, financial services, manufacturing, mining, healthcare and pharmaceuticals, education and skill development, interacted with more than 500 delegates from East Africa, Japan and multilateral bodies. The President of the Republic of Uganda Mr Yoweri K Museveni, outlined the potential for the India-East Africa partnership to scale new frontiers. Prime Minister and Leader of Government Business, Republic of Uganda, Rt. Hon'ble Dr Ruhakana Rugunda, and Ms Rita Teotia Commerce Secretary, Government of India as well as Ministers from Burundi, Ethiopia, Mozambique, South Sudan and Uganda shared their thoughts on the way forward. Several business front-runners from East Africa, as well as from India, presented their vision on ways to enhance the partnership between the two Regions. To further strengthen bilateral cooperation with Africa, CII Business Delegations visited Namibia, Zimbabwe and

Ethiopia coinciding with the visit of President of India, Shri Ram Nath Kovind. The CII office in Johannesburg, South Africa, which reopened in 2017, will work to promote trade and investment linkages between India and South Africa.

## ASIA

### East Asia

Recognizing the growing importance of the East Asia Region for India's economic and foreign policy landscape, activities in the Region were stepped up through several initiatives, including Business Forums, ministerial interactions and participation in trade and investment events.

### JAPAN

Two Investor Outreach Forums focused on attracting investment from Japan to India, especially in the manufacturing sector, were addressed by Smt Nirmala Sitharaman, the then Minister of State for Commerce and Industry. At the India Conference in Nagoya, Chubu, co-organised with the Nagoya Chamber of Commerce and Industry, the Chubu Economic Federation, the Japan External Trade Organization (JETRO), the Japan Bank for International Cooperation, and Tokai Tokyo Financial Holdings, Smt Nirmala Sitharaman emphasized India's improved Ease of Doing Business rankings. The India Investment Seminar in Tokyo was held in partnership with JETRO, the India Foundation, and the Embassy of India in Japan.

The 10<sup>th</sup> meeting of the India Japan Business Leaders' Forum (IJBLF) held in Gandhinagar, Gujarat on 14 September 2017 saw strong CEO participation from both



Prime Minister of Japan, Shinzo Abe and Prime Minister of India, Narendra Modi with the members of the India Japan Business Leaders Forum in Gandhinagar, Gujarat

Japan and India. The India Secretariat, hosted by CII, is co-chaired by Mr Baba Kalyani, Chairman, Bharat Forge Ltd. The India-Japan Economic Forum, organised along with JETRO on the same day, saw the IJBLF Co-chairs present a joint statement to the Prime Minister of India, Shri Narendra Modi and the Prime Minister of Japan, Mr Shinzo Abe.

### SOUTH KOREA

The Asian economies are facing several challenges in the areas of free trade agreements, climate change/ energy efficiency, innovation and technology and infrastructure development. The 8<sup>th</sup> Asian Business Summit, inaugurated by the Prime Minister of the Republic of Korea, Mr Nak-yon Lee, brought together representatives of 14 Industry Chambers from 10 Asian economies to deliberate on these challenges. Ms Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited and Mr Chandrajit Banerjee, Director General, CII led India's delegation in a free exchange of ideas with Asia's top business leaders. A joint statement reflecting the outcomes of the Summit was also released. CII will host the 9<sup>th</sup> Asian Business Summit scheduled for 2018, in New Delhi.

The Prime Minister of India, Shri Narendra Modi invited Korean companies to invest in India, while opening the India-Korea Business Summit as well as at the closed door Round Table of CEOs of leading Korean companies. He also urged the companies to combine India's software and Korea's technology strengths to emerge as strong partners in Asia. The Summit was organised in partnership with Ministry of Commerce and Industry (MoCI), Government of India, Invest India, Chosun

Ilbo and KOTRA. Mr Paik Un-Gyu, Minister of Trade, Industry and Energy, Government of Korea appreciated increased collaboration between the two countries as a result of India's reforms process. He emphasised the need to re-negotiate the India-Korea Comprehensive Economic Partnership Agreement (CEPA) to expand its scope and to step up cooperation in manufacturing and infrastructure development. The Minister was accompanied by Members of Parliament of the National Assembly of Republic of Korea, representatives of Korean industry bodies and CEOs of top Korean companies.

### Central Asia

Holding tremendous opportunities for expanding bilateral economic relations, Central Asia is a strategically important Region for India. CII thus actively pursues business opportunities in the CIS Region, by exchanging business delegations and strengthening partnerships through MoU agreements.

### IRAN

CII mounted a series of Business Delegations to Iran including one to the Iran Expo 2017 and another to Dushanbe, Tajikistan. A 12-member CEOs delegation witnessed the opening of CII's Tehran office by the Ambassador of India to Iran, Mr Saurabh Kumar and Mohammad Reza Bakhtiari, Deputy for International Affairs of the Tehran Chamber of Commerce, Industries, Mines and Agriculture (TCCIMA) and Mr Mostafa Nazeri, Vice President, India-Iran Business Council. The new office will help engage businesses, serve as a focal point for bilateral trade and investment queries and promote new opportunities between businesses in India and Iran.



From L to R: Chandrajit Banerjee, Director General, CII; BANG Sang-Hoon, President & CEO, The Chosunilbo; Ramesh Abhishek, Secretary, DIPP, India; PAIK Un-Gyu, Minister of Trade, Industry and Energy, Government of Korea; Narendra Modi, Prime Minister of India; Suresh Prabhu, Minister of Commerce & Industry, Government of India; SONG Young-Gil, President, India-Korea Friendship Association of National Assembly of Korea; Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Ltd and PARK Yong-Maan, Chairman, Korea Chamber of Commerce and Industry at the India-Korea Business Summit in New Delhi



From L to R: Dr Naushad Forbes, Leader of the CII CEOs Delegation to Iran, Immediate Past President, CII and Co-Chairman, Forbes Marshall; Saurabh Kumar, Indian Ambassador to Iran and Amb. Mohd Reza Bakhtiari, Deputy President, Tehran Chamber of Commerce, Industry, Mines and Agriculture (TCCIMA) inaugurating the CII office in Tehran

## UZBEKISTAN

At the India-Uzbekistan Business Forum in New Delhi, Mr Elyor Ganiev, Minister of Foreign Trade, Uzbekistan invited Indian industry to invest in Uzbekistan. He outlined the structural economic and political reforms underway in the country, while highlighting the untapped potential in energy and gas industry, textiles, chemical products and fertilizers.

## South Asia

South Asia has immense potential to be the source of global growth in the 21<sup>st</sup> century, given that it is home to a quarter of the world's middle-class consumers. Witnessing a whopping 6% GDP growth over the last two decades, the Region also boasts of the largest working-age population, the right culture for fostering entrepreneurship, a dynamic industry sector and geographical proximity of member countries.

The CII Business Delegations to Bangladesh and Sri Lanka helped to strengthen and forge closer B2B linkages with these countries. A business meeting with the Prime Minister of Nepal, Mr Sher Bahadur Deuba, was organised in New Delhi. On his first foreign visit after being re-elected for the fourth time, the Prime Minister emphasized the new generation economic reforms being restarted in Nepal. Assuring Indian businesses of all support to their investments in Nepal, he also highlighted the improvement in trade facilitation measures, enactment of laws and policies for foreign investments, public-private partnerships, special economic zones, industrial enterprise, labour, mining, banking and intellectual property.

## ASEAN

The ASEAN Region, demonstrating steady economic growth, has functioned as the growth engine for global prosperity. In this backdrop, the ASEAN Region continues to move ahead with negotiations to form a pan-Indo-Pacific economic community involving the ten ASEAN States and six dialogue partners – Australia, China, India, Japan, South Korea and New Zealand, known as the Regional Comprehensive Economic Partnership (RCEP). The RCEP is expected to weave India into a much-needed and broader web of economic integration.

Spurred by the Government of India's Act East Policy, CII continued to strengthen its engagement with the ASEAN Region with regional connectivity as a major plank. With the ten Heads of States from the ASEAN countries visiting India for the Republic Day celebrations, CII organised the ASEAN-India Business and Investment Meet and Expo in cooperation with the Ministry of External Affairs and Ministry of Commerce and Industry in New Delhi. Addressed by a galaxy of ASEAN Trade Ministers, as well as 6 Ministers from India, the session marked the 25<sup>th</sup> anniversary of India – ASEAN relations. The meet sought to explore ways to boost trade between India and ASEAN and identify new areas of cooperation.

## MALAYSIA

The CEOs delegation to Malaysia led by Dr Naushad Forbes, Immediate Past President, CII and Co-chairman, Forbes Marshall Ltd., met with Datuk Seri Mustapa Mohamed, Minister of International Trade & Industry, YB Datuk Seri Dr S Subramaniam, Minister of Health; Dato' Sri Haji Fadillah Haji Yusof, Minister of Works and Dato' Seri Mohamed Azmin Ali, Chief Minister of Selangor. Senior officials of MaTrade, MITI, Ministry of Works of Malaysia and CEOs of Malaysian companies interacted with Indian delegates at the Business Round Table held in partnership with Malaysia India Business Council in Kuala Lumpur. The Round Table was an opportunity to showcase opportunities for Malaysian and Indian companies to collaborate in oil and gas, IT& ITeS, healthcare and infrastructure sectors.

## SINGAPORE

The Singapore Symposium, themed India, Singapore & ASEAN: Shared History, Common Future Global, was hosted along with the Institute of South Asian Studies of the National University of Singapore. Addressing the Symposium, Dr Vivian Balakrishnan, Minister for Foreign



CII Core Group on Singapore with Lee Hsien Loong, Prime Minister, Republic of Singapore in Singapore

Affairs, Republic of Singapore urged India to further integrate itself with South East Asia to take advantage of the changing nature of value chains in the Region.

CII Core Group, led by Ms Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited interacted with the Prime Minister of the Republic of Singapore, Mr Lee Hsien Loong. Meetings were also held with Mr Goh Chok Tong, Emeritus Senior Minister; Mr Tharman Shanmugaratnam, Deputy Prime Minister and Coordinating Minister for Social and Economic Policies; Mr S Iswaran, Minister of Trade & Industry (Industry) and Dr Vivian Balakrishnan, Minister of Foreign Affairs. The delegation participated in the Singapore India Business Dialogue and the Regional Pravasi Bharatiya Divas.

### INDONESIA, PHILIPPINES AND CAMBODIA

The ASEAN focus was further strengthened and pursued with the India Indonesia Business Forum and the India Philippines Business Forum. A joint business event marked the visit of the Prime Minister of the Kingdom of Cambodia, Samdech Akka Moha Sena Padei Techo HUN SEN.

### AUSTRALIA & NEW ZEALAND

The substantial scope for growth in terms of India's economic engagement with Australia and New Zealand is widely recognised. CII thus continues to work towards tapping this potential and strengthening bilateral economic linkages with this Region. The India-Australia CEOs Forum convened in New Delhi, forged a dynamic bilateral relationship between the two countries. The Forum was co-chaired by Mr Gautam Adani, Chairman,



Sitting From L to R: Arlinda, Director General, Directorate General of National Export Development (DGNE); Sidharto Raza Suryodipuro, Indonesian Ambassador to India; Udit Raj, Member of Parliament; Enggartiaso Lukita, Minister of Trade, Republic of Indonesia and Pradeep Kumar Rawat, Indian Ambassador to Indonesia. Standing From L to R: Nikhil Sawhney, Co-Chairman, CII National Committee on Capital Goods and Engineering and Vice Chairman & Managing Director, Triveni Turbines Limited; Iman Pambagyo, Director General - International Trade Negotiations, Ministry of Trade, Indonesia; Rosan Perkasa Roeslani, Chairman of Indonesian Chamber of Commerce; K J Kumar, Honorary Council of Republic of Indonesia, Chennai India and Gaurav Sahni, CEO & Owner, Nanson Overseas (P) Ltd at the Indonesia - India Business Forum in New Delhi

Adani Group and Mr Mark Vaile, former Deputy Prime Minister of Australia and Chairman, Whitehaven Coal Australia.

## MIDDLE EAST, WEST ASIA AND NORTH AFRICA

Having strong bilateral ties with all Middle Eastern countries, India remains a key source of investments, technology, knowledge resources and manpower and also a large market for their semi-finished and finished goods. India continues to draw much of its crude oil requirement from the oil producing Middle Eastern Region, which is gaining critical importance as the country shores up on long-term energy security. CII has been at the forefront of Indian industry's initiatives to deepen ties with the Middle Eastern Government bodies, public enterprises and private companies. Over the last year, several business delegations to Middle Eastern countries paved the way for increased joint ventures and project partnerships.

### TUNISIA

The exclusive session with Mr Khameis Jhinaoui, Foreign Minister of the Republic of Tunisia, coincided with the 12<sup>th</sup> India -Tunisia Joint Commission in New Delhi. The

session was chaired by Mr Shreekant Somany, Chairman, CII National MSME Council and Chairman and Managing Director, Somany Ceramics Ltd.

## UAE

A high level CEOs delegation to UAE interacted with the Emirati leadership, the Emirati sovereign funds such as Mubadala and the Abu Dhabi Investment Authority. The visit led to the constitution of a CII Task Force that would work towards facilitating investments in specific projects in India. Efforts will also be directed at facilitating innovation related linkages in select sectors to help develop a knowledge economy in UAE. A CII office will soon be set up in Dubai.

The Abu Dhabi Week in India 2018 held in New Delhi and Mumbai, aimed to enhance UAE-India interaction and promote Abu Dhabi's investment opportunities in energy, tourism, healthcare, infrastructure and financial services. Organised in coordination with the Department of Economic Development (DED) of UAE, Embassy of UAE in New Delhi and the UAE India Business Council, the event showcased the Emirate's prowess in diversified sectors through multi-city Road Shows, B2B Meetings and the Abu Dhabi Investment Forum. The 120 Member delegation from UAE participating in the Abu Dhabi Week had representations from Etihad Airways, the Higher Specialized Economic Zones (Zonescorp), Abu Dhabi Chamber of Commerce and Industry, Abu Dhabi Systems and Information Centre (ADSIC), Department



Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited with Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum, Deputy Ruler of Dubai and Chairman, Dubai Media Incorporated in Dubai

of Health, Abu Dhabi Water & Electricity Authority, Emirates Global Aluminium, Al Dar, Emirates Steel, Mubadala, Miral, Abu Dhabi Businesswomen Council, Abu Dhabi Ports, Al Ain Zoo, and Abu Dhabi Sports Council (ADSC).

A CEOs delegation to the World Government Summit (WGS), led by Ms Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited coincided with the visit of the Prime Minister of India, Shri Narendra Modi. India being the guest country at the WGS, an initiative of the UAE Federal Government, the Prime Minister delivered the guest country address.

## EUROPE

India is a strategic partner for the EU, representing a sizable and dynamic market. The EU remains India's number one trading partner with trade in services almost tripling in the past decade, increasing from € 10.5 billion in 2005 to € 28.1 billion in 2015. EU investment stocks in India amounted to € 51.2 billion in 2015, increasing from € 44.2 billion in the previous year. In this backdrop, EU and India remain committed to further increasing bilateral trade and investments through negotiations on Free Trade Agreements launched in 2007.

The Annual India Economic Summit, held in cooperation with the World Economic Forum, brought insightful perspectives on India's growth experience and provided new ideas for future development. India's genomics revolution, urbanisation and civic life, economic reforms, waste management, road safety, food, manufacturing, science and technology, finance, start-ups, infrastructure development and health were amongst the topics deliberated upon. With participation of over 600 Indian and international delegates, the Summit also played host to 8 Central Ministers, a Chief Minister, a State Minister and several senior officials of the Government of India.

The India - European Union Business Forum, held in association with the Ministry of External Affairs, Government of India in New Delhi marked the visit of the President of the European Commission, Mr Jean-Claude Juncker. In a one-on-one meeting, Ms Shobana Kamineni discussed the possibility of resumption of talks for the India-EU FTA. The overall economic situation in Europe and areas of cooperation between India and EU were also deliberated upon.

The Horasis Global India Business Meeting is the foremost annual meeting of Indian business leaders and their global counterparts in Europe. A 20-member delegation explored the rise of Indian firms to global eminence while engaging the Horasis Global Visions Community for dialogue and impact. While discussing the roadmap for India's economy to grow rapidly and sustainably, the 300 delegates also examined how Europe could become a springboard for globalisation.

### **BELGIUM**

CII hosted His Majesty, The King of the Belgians in New Delhi who was addressing the India-Belgium Business Forum focused on Innovation. Of the 90-member business delegation accompanying His Majesty to India, 35 participated in the Forum.

### **BRITAIN**

The India-UK CEO Forum that met in London interacted with Rt. Hon. Liam Fox, Secretary of State for International Trade, UK. CII hosts the Forum's secretariat along with the UK India Business Council. The Indian industry's commitment to strengthening the overall strategic, economic and business relationship between India and UK was reinforced by the CEOs Mission. Trailing the UK's election outcome and coming on the heels of its negotiation to leave the EU, the 16-member delegation met with diverse stakeholders, including Government, industry bodies and academia at a critical time in UK's history.

### **FRANCE**

CII hosted a high-level CEOs delegation from MEDEF in September 2017. At an interactive session with Shri Arun Jaitley, Minister of Finance, Government



From L to R: Chandrajit Banerjee, Director General, CII; Alexandre Ziegler, Ambassador Extraordinary and Plenipotentiary, Embassy of France; Pierre Gattaz, Chairman, MEDEF and Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited in New Delhi

of India, the French CEOs expressed their interest in cooperating with Indian companies in renewable energy, development of Smart Cities and education and research.

### **GERMANY**

President, CII led a CEO Delegation to Germany coinciding with the visit of the Prime Minister of India, Shri Narendra Modi. While Members had an opportunity to express their business interests in Germany and highlight issues in doing business, they had several occasions to hear Prime Minister Modi and Chancellor Merkel. The Inaugural Session of the Indo-German Business Summit (IGBS), organised in partnership with the APA-BDI, was also addressed by both the leaders.

A report titled Indian Investments in Germany, released this year, revealed that approximately 80 Indian companies have generated combined revenues of € 11.4 billion in Germany and employ a total workforce of 27,400.

### **ITALY**

Business leaders from Italy and India highlighted opportunities for enhancing bilateral trade and investment in a meeting with senior Ministers held in the presence of the Prime Minister of Italy, Mr Paolo Gentiloni Silveri and the Prime Minister of India, Shri Narendra Modi.

### **SWEDEN**

Success stories of Swedish companies in India, presented at the Make in India Sweden event in Stockholm, helped to build confidence amongst potential investors. The 2<sup>nd</sup> Meeting of the India-Sweden Business Leaders' Round Table (ISBLRT) in Stockholm was held in the presence of Mr Mikael Damberg, Minister of Enterprise and Innovation of Sweden and Shri Suresh Prabhu, Minister of Commerce and Industry, Government of India. The Prime Minister of Sweden, Mr Stefan Löfven delivered the special address on the occasion. The India Secretariat of the ISBLRT, hosted by CII, is co-chaired by Mr Baba Kalyani, Chairman, Bharat Forge Ltd.

## **LATIN AMERICA AND THE CARIBBEAN**

India and Latin America and the Caribbean (LAC) share a cordial and close relationship despite being separated by large distances. While maintaining strong dialogues with regional mechanisms such as Community of Latin



Indian and Italian CEOs interact with the Prime Minister of Italy, Paolo Gentiloni Silveri and Narendra Modi, Prime Minister of India  
Photo credit: Ministry of External Affairs, India

American and Caribbean States (CELAC), Mercosur (the Southern Common Market), Caribbean Community (CARICOM) and Central American Integration System (SICA), amongst others, India also enjoys warm bilateral relations with each of the LAC countries.

India's commercial ties with the LAC Region have risen steadily since the turn of the 21<sup>st</sup> century, increasing from approximately US\$ 2 billion in 2001 to around US\$ 30 billion in 2016-17. More interesting, however, is the growing relationship in investments and joint projects. India and LAC have begun to collaborate through joint ventures in various sectors, including but not limited to mining, petroleum, pharmaceuticals, automobiles and information technology. Today, Latin America is more important for India's exports than some neighbouring countries and traditional trade partners.



Melba Pria, Ambassador of Mexico to India interacting with industry participants in New Delhi at the Breakfast Session with Jaime Rodríguez, Governor of the State of Nuevo Leon, Mexico

In this backdrop, CII continued to engage with the Region to strengthen the relationships through interactions at various levels. Interactive Sessions with Governor of the State of Nuevo Leon, Mexico, a Session on India Colombia Strengthening Enhanced Trade and Investment Ties with the Minister of Trade, Industry & Tourism and the Minister of Foreign Affairs, Government of Columbia were some efforts in this direction. Market Facilitation Services Webinars focused on market access and export opportunities with Mexico and Brazil.

## NORTH AMERICA

With total bilateral goods and services trade standing at US \$115 billion in 2016, India is currently the 9<sup>th</sup> largest goods trading partner for US, and remains amongst the top ten fastest-growing sources of FDI for the nation. Indian companies are funding community workforce skills training and engaging in CSR in the U.S. These facts were corroborated by the biennial Survey Report titled Indian Roots American Soil.

A high level Indian delegation interacted with US investors and corporate representatives at two programmes hosted for Shri Arun Jaitley, Minister of Finance and Corporate Affairs, Government of India in New York City. A closed-door interaction with investors held in partnership with the Bank of America and a public panel discussion organised in collaboration with the US-India Business Council, focused on India's Market Reforms: The Way Forward. At these forums, the Minister highlighted the reforms being undertaken by the Government of India and the opportunities emerging as a result of these actions.

A MoU was signed with the American National Standards Institute (ANSI) in the presence of Minister of Commerce and Industry, Shri Suresh Prabhu and the U.S. Secretary of Commerce, Mr Wilbur Ross to convene six workshops in India for US and Indian industry and Government representatives to discuss standards and conformity assessment practices. Funded by a grant from the United States Trade and Development Agency (USTDA), the workshops will comprise the second phase of the U.S.-India Standards and Conformance Cooperation Program (SCCP), and focus on clean energy, smart and sustainable cities and water and sanitation. The signing took place during the US-India Commercial Dialogue, following an interactive discussion with US and Indian industry leaders on the opportunities of bilateral standards cooperation in the aforementioned sectors.

A closed-door Round Table with Shri Suresh Prabhu and Members of Indian and US industry was hosted in partnership with the US-India Strategic Partnership Forum (USISPF) in Washington DC. Chaired by Mr Rakesh Bharti Mittal, President Designate, CII, and Vice Chairman, Bharti Enterprises and Dr Mukesh Aghi, President, USISPF, the Round Table discussed bilateral trade in both countries.

## RUSSIA

Historically, India and Russia have been strong economic partners with Russia having assisted India in taking the first steps towards industrialisation. In the early years of

cooperation, trade targets were continuously achieved. However, over the last decade or so, bilateral trade has registered a decline. There is scope for much greater engagement, given the size of the two economies and the convergence of economic objectives. In 2014, the two countries proposed the setting up of a Joint Feasibility Study Group to outline the contours of the proposed Comprehensive Economic Cooperation Agreement (CECA) under which the details of a Free Trade Agreement (FTA) are also being outlined. Prospects for stepping up trade are expected to brighten considerably through special relations likely to emerge following the formation of the Eurasian Economic Union (EEU).

In 2017, the St Petersburg International Economic Forum (SPIEF) marked the 70<sup>th</sup> year of commencement of the India and Russia diplomatic relations. A 54-member CEOs Delegation, including 12 members of the India Russia CEOs Forum, participated in SPIEF. India being the Guest Country, the Prime Minister of India, Shri Narendra Modi was the Guest of Honour at SPIEF 2017.

A Business Delegation also participated in INNOPROM, Russia's largest Industrial Trade Fair held in July 2017 at Ykaterinburg.



From L to R: Chandrajit Banerjee, Director General, CII; Sandeep Chakravorty, Consul General of India, NY; Daniel Schulman, President and CEO, Paypal; Ambassador Navtej Sarna, Ambassador of India to US; Arun Jaitley, Minister of Finance and Corporate Affairs; Subhash Garg, Secretary, DEA; Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Myron Brilliant, Executive Vice President and Head of International, US Chamber of Commerce at the CII-USIBC event Powering India's Economy: The Next Generation of Market Reforms in New York

# Multilateral Forums

Multilateral institutions have become a beacon for innovative and clear views on constructive, consistent and effective policy proposals in the evolving and complex economies. Platforms such as G20/B20, African Development Bank (AfDB), Global Business Coalition, Association of Southeast Asian Nations (ASEAN), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Brazil, Russia, India, China and South Africa (BRICS), Indian Ocean Rim Association (IORA), Organisation for Economic Co-operation and Development (OECD)/ Business Industry Advisory Committee (BIAC), South Asian Association for Regional Cooperation (SAARC), are some forums that have associated with the private sector for key policy advocacy discussions and acknowledged the role and contribution of the industry in building the most effective development strategies.

Working closely with key multilateral agencies and regional groupings, CII brought together policymakers, industry players, think tanks and other significant stakeholders, in an effort to arrive at the right strategies and identify effective ways to meet the goals of the development agenda.

## MOVING AFRICA UP THE VALUE CHAIN

India and Africa share a long and rich history of interaction marked by cultural, economic and political exchanges based on South-South cooperation and common developmental challenges. Total trade between India and Africa, increasing almost five-fold between 2005-06 and 2015-16, stood at US\$ 52 billion in March 2016-17. Keeping in mind the increasing trade and to further enhance the existing relationship, the Knowledge Sessions on Africa-India Cooperation were organised under the aegis of the Ministry of Finance, Government of India and in close cooperation with EXIM Bank and African Development Bank (AfDB). The sessions sensitized Indian industry about the Bank's High 5s Agenda, especially to help build a roadmap on how Indian industry can industrialise Africa and help it move up the Global Value Chains (GVCs) as well as deliberate on how India and Africa can collaborate for investment-led trade for mutual economic development in key areas such as agriculture and education. Heads of States from Benin and Rwanda and other African countries, Vice Presidents and Ministers from countries such as Comoros and Cote d'Ivoire and the President of the AfDB addressed various Sessions.



From L to R: David Rasquinha, Managing Director, EXIM Bank; Rakesh Bharti Mittal, President Designate, CII and Vice Chairman, Bharti Enterprises; Charles Boamah, Senior Vice President, African Development Bank; Arun Jaitley, Minister of Finance and Corporate Affairs; Daniel Kablan Duncan, Vice President, Republic of Cote d'Ivoire; Shaktikanta Das, the then Secretary, Department of Economic Affairs, Ministry of Finance, and Chandrajit Banerjee, Director General, CII at the Interactive Session on Africa India Cooperation

## NEW DEVELOPMENT BANK

The need for infrastructure development for integration and economic prosperity of the world is a key aspect in encouraging foreign and domestic investment. Realizing the importance, BRICS economies are in the process of evolving an effective regulatory framework for infrastructure sectors and long term financing of projects in this sector. The formation of New Development Bank (NDB) for the upgradation of BRICS nations is a step to ease infrastructure financing to these emerging economies.

In an effort to align the agenda of building competitiveness in India and across borders, CII has identified possible areas of collaborations with NDB with a focus on India. An implementable roadmap with such a focus is thus being outlined. The agenda was deliberated upon at an exclusive closed door interaction with Mr K V Kamath, Past President CII and Chairman, NDB and senior officials of NDB, held as a precursor to the 2<sup>nd</sup> Annual Meeting of NDB scheduled in New Delhi.

### BCIM Economic Corridor Joint Study Group

The BCIM Forum for Regional Cooperation, founded in 1999 brings together Bangladesh-China-India-Myanmar. A Joint Study Group of the BCIM Partners was constituted to develop a BCIM Economic Corridor (BCIM-EC) by strengthening economic, trade and people-to-people linkages in the Region. The proposed establishment of the BCIM-EC linking Kolkata in India to Kunming in China through Bangladesh and Myanmar is an initiative that promises huge developmental gains for the entire sub-region. From India's perspective, the BCIM-EC will mark another important dimension of the country's Act East Policy, which has been energetically pursued since the early 1990s. India's North Eastern Region has opened up to trade, commerce and cultural engagement with countries in its neighborhood, a long-term aspiration for the Region's development.

The 3<sup>rd</sup> BCIM Economic Corridor Joint Study Group Meeting, organised in close coordination with the Ministry of External Affairs and the Institute of Chinese Studies in Kolkata, was a platform for Track 1.5 Dialogue for G2G and B2G interactions. Deliberations focused on the conceptualization of the Economic Corridor, building integrative strategies and identifying opportunities of sectoral collaboration in areas such as energy,

infrastructure, technology, tourism, MSMEs and policy advocacy amongst Member countries. The meeting was represented by experts from industry, Government and institutions from all four countries.

## ASEAN-INDIA INITIATIVES

The Year 2017 marked 25 years of ASEAN India dialogue partnership, 15 years of summit level interaction and 5 years of strategic partnership. Celebrating 25 years of partnership, India and ASEAN organised the following key initiatives for collaborations in textiles, MSMEs, infrastructure, manufacturing, agriculture and services.

### Conference on ASEAN-India Cooperation on Textiles

The Conference on ASEAN - India Cooperation on Textiles, held in association with MEA, was convened under the aegis of the Textiles India Summit 2017 in Gandhinagar, Gujarat. It was the first in the series of CII initiatives in commemoration of the 25 Years of the ASEAN - India Dialogue Partnership. Business leaders, senior Government officials and Ministers from India, Myanmar, Indonesia addressed the Conference. Participation of Cambodia, Lao PDR, Myanmar, Vietnam, Malaysia and Thailand made this initiative a landmark start to CII's commemoration of the ASEAN-India relationship.

### Policy Dialogue on Mekong-Ganga Cooperation (MGC)

A Policy Dialogue on Mekong-Ganga Cooperation (MGC) on the theme Stronger Connectivity, Enhancing Ties was organised in collaboration with ASEAN-India Centre (AIC) at Research and Information System for Developing Countries (RIS) on behalf of the Ministry of External Affairs (MEA). The dialogue aimed at learning from the experience of India and Mekong countries in new initiatives. Ideas to help formulate an actionable



From L to R: Dilip Gaur, Managing Director, Grasim Industries Ltd; U Khin Maung Cho, Minister of Industry, Government of Myanmar and Smriti Irani, Minister of Textiles, Government of India at the Conference on ASEAN- India Cooperation: Weaving Synergies for Enhancing Trade and Investment in Textiles in Gandhinagar



From L to R: Rita Teatota, Secretary - Commerce, Ministry of Commerce and Industry, Government of India; Cao Quoc Hung, Vice Minister of Industry and Trade, Socialist Republic of Vietnam; Nora Kakilala Terrado, Under Secretary (Deputy Minister) Trade and Investment Promotion Group (TIPG), Department of Trade and Industry, Philippines; Dato Lim Jock Hoi, Secretary General, ASEAN; Enggartiaso Lukita, Minister of Trade, Republic of Indonesia; Suresh Prabhu, Minister of Commerce and Industry, Government of India; Lim Jock Seng, Minister at the Prime Minister's Office and Second Minister of Foreign Affairs and Trade, Brunei Darussalam; U Khin Maung Cho, Union Minister of Industry, Republic of the Union of Myanmar; Chhuon Dara, Secretary of State, Ministry of Commerce, Kingdom of Cambodia; Chutima Bunyapraphasara, Deputy Minister of Commerce, Kingdom of Thailand; V K Singh, Minister of State for External Affairs, Government of India; Rakesh Bharti Mittal, President Designate, CII and Vice-Chairman, Bharti Enterprises at the ASEAN-India Business and Investment Meet and Expo in New Delhi

policy agenda for strengthening the MGC through connectivity and how Indian industry can catalyse trade and investment were also discussed.

#### **ASEAN at 14<sup>th</sup> Global MSME Business Summit**

ASEAN countries took the pride of place, representing the partner Region, at the 14<sup>th</sup> CII Global MSME Business Summit held in association with MEA. The Special Plenary Session on ASEAN highlighted the institutional framework for promoting collaborations in MSME between India and the ASEAN nations. Representatives of the Government, industry, especially MSMEs and the ASEAN leadership from India, Indonesia, Philippines, Thailand, Lao PDR and Cambodia laid down the policy advocacy agenda to provide a filip for opportunities in MSMEs between India and ASEAN.

#### **Session with Committee of Permanent Representatives (CPR) of ASEAN**

The changing global economic architecture over the past few years has set the foundation for a new economic partnership between India and the ASEAN. A multifaceted and long-term India-ASEAN partnership, encompassing trade in goods and services, cross border investments, manpower synergies, and technological exchange, is continuously evolving and growing steadily. While ASEAN is India's fourth largest trading partner and there is substantial scope of increasing trade, both Regions are yet to realize the true potential of the partnership.

To enhance engagement with India and leverage the possible potential, the Committee of Permanent

Representatives (CPR) of ASEAN visited India on the occasion of the 25<sup>th</sup> ASEAN Commemorative year. The CPR supports ASEAN's Community-building efforts by coordinating with the three Community pillars, namely the ASEAN Political-Security Community, the ASEAN Economic Community and the ASEAN Socio-Cultural Community. In this backdrop, CII organised a Closed Door Interactive Session with CPR of ASEAN, to identify areas of mutual cooperation and develop strategies to enhance economic, industrial and trade relations.

#### **ASEAN-India Connectivity Summit**

Connectivity is the pathway to shared prosperity and acts as a catalyst for strengthening ASEAN-India relations. For emerging economies, it is linkages established through seamless physical and digital



From L to R: Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; V K Singh; Nitin Gadkari, Minister of Road, Transport and Highways, Shipping and Water Resources, River Development and Ganga Rejuvenation, Government of India; Phan Tam, Deputy Minister of Information and Communications of Vietnam and Preeti Saran, Secretary East, Ministry of External Affairs, Government of India at the ASEAN India Connectivity Summit in New Delhi

connectivity which will unlock the potential opening the gateway to greater stability across continental relationships giving way to added economic prosperity. The world has been witnessing the development of several mega corridors, and India has taken the lead in building corridors such as the North-South Transport Corridor and the Asia-Africa Growth Corridor. ASEAN-India connectivity has been one of the pillars of such mega corridors. However, development of mega corridors is not so easy. It needs vast technical, financial and institutional support.

The ASEAN-India Connectivity Summit themed Powering Digital and Physical Linkages for Asia in the 21<sup>st</sup> Century was organised in association with MEA and ASEAN-India Centre (AIC). The Summit endeavoured to encourage cooperation between ASEAN-India, to accelerate connectivity, evolve suitable policy recommendations, encourage enhanced trade, business alliances, technology transfers and financing of infrastructure projects. Key stakeholders from the region deliberated upon several aspects of ASEAN Connectivity Master Plan, India's plans on connectivity and the inter-linkages between them to be adopted between the Governments to build infrastructure linkages between India and ASEAN countries. The Summit witnessed participation of around 250 delegates with over 25 representations from ASEAN Countries.

### **ASEAN-India Business and Investment Meet & Expo**

Strengthening India's economic relations with the countries in the East is one of the main objectives of the Act East Policy of the Government of India. Over 50% of India's foreign trade now goes to the East. With India's bilateral trade with ASEAN standing at around US\$ 71 billion in 2016-17, the two sides are aiming to scale it up to US\$ 200 billion by 2022. India is also part of ASEAN's fresh initiative to negotiate a Pan-India and Asia Pacific economic integration known as Regional Comprehensive Economic Partnership (RCEP) involving ten ASEAN states and five other dialogue partners – Australia, China, Japan, South Korea and New Zealand. This will have tremendous impact on trade and investment in the Region.

To give a fillip to the ASEAN – India relations, a Business and Investment Meet and Expo, with the theme Promoting Mutual Trade & Investment for Shared



ASEAN students with Dato Lim Jock Hoi, ASEAN Secretary General; J S Mukul, Dean FSI; Lim Jock Seng, Minister at the Prime Minister's Office and Second Minister of Foreign Affairs and Trade, Brunei Darussalam; Lim Thuan Kaun, High Commissioner of Singapore to India; U Khin Maung Cho, Union Minister of Industry, Republic of the Union of Myanmar and Suresh Reddy, Indian Ambassador to ASEAN

Prosperity, was organised in association with Department of Commerce, Ministry of Commerce and Industry and the MEA. The two day event witnessed deliberations on key facets such as regional value chains and connectivity, adding value to agriculture and the blue economy and accelerating trade and investment in the Region.

Over 70 exhibitors from India and ASEAN participated in the exhibition that also included a virtual showcase of India@2022. The exhibition also provided a platform for buyer-seller meets, business networking and technology assessments. Over 125 international delegates from Brunei, Indonesia, Thailand, Malaysia, Myanmar, Laos, Vietnam and Philippines joined the meet.

### **ASEAN-India Students Exchange Programme**

The ASEAN-India Students Exchange Programme, now in its 11<sup>th</sup> year, hosted 230 students from all ASEAN countries. The two groups that arrived in Mumbai and Bengaluru on 14 January, 2018 also visited Pune, Hyderabad, Delhi and Agra. CII organises this exchange programme at the request of the Ministry of External Affairs. Students from Myanmar, Philippines, Singapore, Thailand and Vietnam experienced the emerging India through interactions at Educational institutions such as IIM, ISB, Symbiosis, Whistling Woods Institute, IES Management College Research Centre and Amity University. They were also received by the manufacturing plants of Godrej & Boyce, Volvo, Maruti, JCB, Sona Koyo, Hero MotoCorp, Zigma Steel Plant and Sigma. Visits to historical sites, Electronic and Science Museums and Handicraft expos provided insights into India's heritage and culture. Apart from meeting some NGOs,

the students also interacted with the Secretary General, ASEAN, Trade Minister of Brunei, Trade Minister of Myanmar & Officials/Ambassadors from MEA.

## **IORA CONFERENCE ON WATER SECURITY AND SUSTAINABILITY**

Indian Ocean provides a substantial portion of the population with food and livelihood, as well as transportation for trade. The Region comprises of poorer, underdeveloped countries and faces some of the world's most difficult security challenges. Being highly susceptible to natural disasters, it is likely to be at the forefront of future food and water security issues. The Region is expected to be most severely affected by consequences of climate change, such as rising sea levels and warming ocean temperatures.

The 2010 Indian Ocean Rim Association (IORA) Charter thus outlined its primary objective to include promotion of sustained growth and balanced development of the Region and its member states, and to create a common ground for regional economic co-operation. In September 2015, the 1<sup>st</sup> Ministerial Blue Economy Conference, hosted by IORA identified priorities that converge with Goal 14 of the UN's Sustainable Development Goals (SDGs). There is now a need to develop these convergences into action with water playing a discreet role.

As India integrates its flagship programmes such as Make in India, Smart Cities, Skill Development and Swachh Bharat with regional growth and sustainability, opportunities also exist for cooperation in the Blue Economy at the regional level. Water is a promising area of cooperation and aligns well with the IORA's principles of equality, integrity, coexistence and mutual benefit. Sharing of learnings and best practices need to potentially emerge and be scaled up amongst Member countries, especially for the benefit of the IORA Least Developed Countries.

The IORA Conference on Water Sustainability and Security initiated a dialogue on optimizing tools, techniques and technologies for improving efficiency in fresh water use, waste water recycling, application of state-of-the-art decision support systems and technology for water resource planning at local scales as well as for building capacity in developing countries,

Small Island Developing States (SIDS) and Least Developed Countries (LDCs).

## **BRICS BUSINESS FORUM**

The BRICS grouping, that has evolved over time, offers tremendous potential and avenues for economic cooperation amongst businesses. The significance that India attaches to this grouping was reflected in a series of engagements, programmes and workshops during the country's BRICS Presidency in 2016. With a view to building closer economic linkages with the Region by assisting businesses from the BRICS nations in their economic engagement with India, CII participated in the various BRICS business forums. Bilateral engagement was also pursued with all BRICS member nations to leverage opportunities in each other's growth, including through agreements with partners such as CCPIT.

Given the importance of the 9<sup>th</sup> BRICS Summit themed Stronger Partnership for a Brighter Future, held in Xiamen under China's BRICS Chairmanship, CII led a 14 Member industry delegation to the Summit. It was an opportunity to interact with stakeholders from Government, industry and leading industry associations from the BRICS Nations.

## **GBC CONFERENCE ON RESOURCE EFFICIENCY**

India being a part of G20 plays a key role in formulating the global agenda for action on SDGs that aim to ensure development of people in the wake of global challenges such as climate change, hunger, poverty and unsustainable lifestyles. As the world geared up for the 23<sup>rd</sup> Conference of Parties (CoP23) held under United Nations Framework Convention on Climate Change in Germany, it was also imperative to consider Resource Efficiency as a key enabler in meeting the climate objectives and the SDGs.

CII, along with Global Business Coalition (GBC), is engaged in informing the G20 policy-makers of the forward trends within the industry, with the perspective of supporting the development of an integrated international policy framework. With an objective to discuss key enablers and challenges associated with the integration of resource efficiency into mainstream business planning and national policy framework, CII and GBC organised an international conference on Resource Efficiency in New Delhi.

# CII-FBN India Chapter

Family businesses across the world account for a large part of the business of a country. India ranks the third highest in the world in terms of having family owned businesses. It is, therefore, important to strengthen their ability to manage their unique challenges. In a highly disruptive global business environment, smaller family owned businesses often struggle to keep their businesses afloat.

The CII-FBN India Chapter has charted a roadmap to enhance knowledge sharing among family owned businesses. The Chapter plays a key role in establishing deeper linkages between the India Chapter and FBN Chapters across the globe, promotes leadership development programmes for NextGen family members, and encourages family businesses to become Chapter members.

## ADVOCACY

- Enhance knowledge sharing amongst peer family businesses on critical subjects such as succession planning, induction of non-family members in management of the business, adoption of a family

constitution, and working alongside each other to overcome clashing ideologies between the old and new generations.

- Encourage family enterprises to engage with external consultants and subject matter experts to set the ground for change management.
- Promote leadership development programmes for NextGen family leaders to prepare for key roles in their enterprise

## ACTION

### Next Gen Leadership Development and Knowledge Sharing

Young business leaders look for an understanding of several issues that impact their businesses. These include governance of business and family, dealing with inheritance and taking up the business as Next Generation owners.

### FBN 13<sup>th</sup> NxG International Summit

CII FBN India Chapter in collaboration with FBN International organised the 13<sup>th</sup> International Next Gen Summit in April, 2017. The Convention witnessed



Ajay Shriram, Chairman, CII FBN India Chapter, Past President, CII and Chairman & Senior Managing Director, DCM Shriram Ltd and Farhad Forbes, Vice Chairman, FBN International Board and Co-Chairman, Forbes Marshall at the FBN 13<sup>th</sup> NxG International Summit in Goa



Participants enjoying the Carnival Evening at the FBN 13<sup>th</sup> NxG International Summit in Goa

participation of young family business leaders within the age bracket of 18-40 years from 26 countries around the globe. The Convention proved to be a powerful platform for the next generation family business leaders to discuss and share some of the most pressing issues concerning their role in business. The event directed attention on diverse themes of interest to young business leaders such as bringing on the Next Generation of owners.

A powerful platform for Next Generation family business leaders, the Summit shared examples of the steps taken by family businesses to ensure the advancement of their businesses and safeguarding the environment we all live in. Sessions on building sustainability into businesses also drove this agenda.

Young business leaders got insights into ways to build strong brands while strengthening family ties, using family strategy to manage expectations and skills of family members, identifying new avenues to ensure the perpetuity of a family's legacy.

An environment of constant uncertainty and rapid change characterized by disruptive technologies and new large players from emerging economies have thrown several challenges to the industry. Family businesses are no exception and must also navigate these new territories while managing their traditional and distinct cultures. In this backdrop, the XIX International Convention on Family Business held in December 2017, focused on what separates success stories from failures. Industry experts as well as family business owners shared their perspectives on every day challenges faced by family-owned businesses.

The 2017 summit addressed cases on how the Next Gen will change the game of business and showcased examples of family businesses which have taken steps to ensure not only the advancement of their businesses but also the safeguarding of the environment we all live in. There were workshops based on fun exploratory exercises and games that helped the Next Gen leaders learn about themselves and helped develop emotional quotient skills for the long-term benefit of self, family and the business.

#### Key Learnings:

- The importance of giving space to creativity
- Faith is what moves the deepest being
- The strengths of the values are consistent across family businesses and generations. Nevertheless, every family's value system is highly individual
- Gravity management is family management. Develop the family network, create space for interaction among family members, involve them into business topics, get them integrated and interested in the business.
- A family constitution needs to be based on family values. You will be surprised how much you and the other members of your family might have in common. Ask them!
- You cannot trick family members into a family strategy process. The right time must come for them to embrace the process.
- The way to make elder leaders listen to your opinion and follow your advice is to take credit and responsibility for any change you want to do. Don't be afraid to fail because if you're determined to go through that wall you will do it in the end.



Arjun Chowgule, Executive Director, Chowgule and Company and Vice President NxG Leadership Team and Swami Sadyojathah, Art of Living at the FBN 13<sup>th</sup> NxG International Summit in Goa

- Have one voice as a family when discussing with the management of the company and don't disagree in public.
- Take into account the individual personalities of family members when assigning them jobs and accept differences in characters.
- Values & beliefs: identify them, work on them, communicate them and remember to refresh with Next Gens. Commit and stay committed.
- The involvement of next gen in Family Business is key in regeneration of the family branding. Remember to enjoy the process.
- Value diversity: bio-diversity, human interchange – Build an inclusive business with nature and people
- Relationship and unity allow new forms and perceptions to emerge; business is part of an open system.
- Use what is right there in your immediate environment. Usually the things found in the surroundings are related to the materials you are doing, helping you find better ways to use it.
- Adding sustainability to the innovation equation is now a must, not an option!
- Follow kitchen table rules when talking about the business at family meetings. Everyone is there, at least make it comfortable with rules to follow.
- Demand succession and prepare for it.
- Involve everyone even if they're not shareholders. Emotions and lack of information will have influences even if not involved.

### **XIX International Convention on Family Business**

We live in a world of constant uncertainty, disruption and rapid change. The past decade has also been challenging for many industries in the face of disruptive technologies and new, large players from emerging economies. Family businesses must also navigate these new territories along with managing their traditional and distinct culture.

With this background, CII-FBN India Chapter organised its XIX International Convention on Family Business in December 2017. The Convention is the annual flagship event of CII-FBN India Chapter. A dynamic line up of panelists shared their real-life examples of what separates success stories from failures. This networking / interactive convention offered perspectives both from industry experts and actual family business owners to address the issues which the family-owned businesses face every day. The eminent guest speakers at the convention shared some of their firsthand experiences as business families on how they worked around those issues.



From L to R: Professor Gonzalo Jimenez, Partner at PROTEUS & Director of the Centre of Enterprising Families at Universidad Del Desarrollo, Chile; Farhad Forbes and Ajay Shriram at the XIX International Convention on Family Business in Chennai

The key speaker at the convention was Dr Gonzalo Jimenez. Dr Jimenez is the Said Chair Professor of Corporate Strategy, Corporate Governance, Strategic Entrepreneurship and Family Business, and Director of the Centre of Corporate Governance & Enterprising Families at Universidad del Desarrollo (UDD) – the top ranked business school in innovation and entrepreneurship of Latin America, based in Chile. Dr Jimenez conducted interactive workshops, where participants were introduced to the concept of building resilience – in families, businesses and society. Using

examples and practical advice of various families that he has worked with in the past, he showed the participants how to focus on relationship building between the professional management and the family.



Farhad Forbes with Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited interacting with the Family Business Network Members at the XIX International Convention on Family Business in Chennai

# Promoting Brand India



From L to R: Shobana Kamineni, President, CII, and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Chandrajit Banerjee, Director General, CII; Dharmendra Pradhan, Minister of Skill Development & Entrepreneurship and Petroleum & Natural Gas, Government of India; Piyush Goyal, Minister of Railways and Coal, Government of India and N Venkatram, Managing Partner and CEO, Deloitte India at the CII - Deloitte Breakfast Session in Davos

## CII EVENTS IN DAVOS

The 48<sup>th</sup> Meeting of the World Economic Forum in Davos, Switzerland marked a milestone in India's participation. The Indian contingent was not only the largest, but was for the first time in 21 years, led by the Prime Minister of India. The 3<sup>rd</sup> Indian Prime Minister to address the Annual Meeting, Shri Narendra Modi is the first ever to have opened the Meeting. It was also the first time when the Prime Minister's participation coincided with a major campaign on India at Davos. The previous two campaigns, India Everywhere in 2006 and



Prime Minister of India Narendra Modi at the 48<sup>th</sup> Meeting of the World Economic Forum in Davos, Switzerland

### The Firsts in 2018

- Largest ever delegation to Davos - 138 registered members; largest delegation from the Government of India and largest representation by States.
- Opening Plenary addressed by the Prime Minister of India for the first time.
- Most sessions on India in the official programme and on the sidelines.
- An Indian Co-chair among an all-women cast of 7 Co-chairs of the Meeting, the first in 48 years.
- Welcome Reception for over 1500 guests hosted by India
- Yoga training sessions held every day.

India Inclusive in 2011, had put the spotlight on a rapidly emerging India across various platforms. Held between 23-26 January 2018, the meeting was convened under the theme Creating a Shared Future in a Fractured World, with the aim of identifying ways for humanity to work collectively once more in the face of urgent global and regional challenges. India's multi-pronged participation at the Forum comprised 5 Ministers, several key officials responsible for policy reforms and major flagship campaigns, 2 Chief Ministers



From L to R: Chandrajit Banerjee; Shobana Kamineni; Ashok Gajapathi Raju, the then Minister of Civil Aviation, Government of India; N Chandrababu Naidu, Chief Minister of Andhra Pradesh; M Venkaiah Naidu, Vice President of India; Suresh Prabhu, Minister of Commerce and Industry, Government of India; Ramesh Abhishek, Secretary, Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce and Industry, Government of India and Gautam Adani, Chairman, Adani Group at the Partnership Summit 2018 in Visakhapatnam

and 3 Ministers from 3 States, CEOs of some of the largest Indian companies, start-ups and technology pioneers, the senior-most media leaders, cultural leaders and social activists.

## THE PARTNERSHIP SUMMIT 2018

Taking cue from the emerging economic landscape and the advent of a new India phenomenon, the 24<sup>th</sup> Edition of the Partnership Summit was convened under



MoU Exchange in the presence of N Chandrababu Naidu at the Partnership Summit 2018 in Visakhapatnam

the theme Charting New India's Global Integration Strategy. The Summit saw the New India actively engage in inspiring and stimulating discussions with key stakeholders - policymakers, institutions, businesses, media and academia - from within the country and rest of the world. Myriad scopes of the global economy took centrestage. The Summit directed sharp focus on business opportunities that stem from the Government's thrust on Industry 4.0, accelerated physical infrastructure development, integration of Indian industry with the global value chains, skill development for the future and Start-ups promotion, among other key areas.

The Partnership Summit, organised in association with the Department of Industrial Policy & Promotion (DIPP), Ministry of Commerce and Industry, Government of India and the State Government of Andhra Pradesh was held in February 2018, in Visakhapatnam. It witnessed the convergence of over 4,253 delegates from India and 50 other countries.

Launched in 1995 to commemorate CII's centenary year, the Summit has encouraged India's active engagement and collaboration at a global level, attracting over 40% participation from overseas.

# Trade Policy & Exports

The CII National Committee on International Trade Policy and Exports worked on making Indian exports globally competitive in a challenging scenario and engaged with the Department of Commerce and Industry towards this end. The Committee is a representation of trade associations, trade policy experts and major industry sectors such as textiles, metal, mining, chemicals, engineering and automobiles, telecommunication, IT & ITeS and business services.

## ADVOCACY

In the backdrop of a rise in mega regional Free Trade Agreements (FTAs) and the recent WTO Ministerial, possible implications for India were analysed and the Indian Industry's stance articulated. Deliberations were held on key issues impacting the growth of Indian exports, the impact of the RCEP Agreement and the other FTAs India is negotiating currently. Extensive work was also undertaken on the Foreign Trade Policy (FTP), trade related Standards, mega-FTAs, particularly the RCEP and other FTAs.

Detailed suggestions and representations were made to the Government on various issues impacting exports. Inputs on mid-term review of the FTP included increasing the MEIS rates to procedural issues which impact Indian exports. Industry shared with the Government its recommendations on the RCEP, India Korea CEPA, the proposed India Sri Lanka ECTA and the proposed India EAEU FTA, amongst others.

The RCEP Business Stakeholders' Consultations & Dialogue with the RCEP Trade Negotiating Committee was held on the sidelines of the 19<sup>th</sup> Round of Trade Negotiations of RCEP held in Hyderabad, India. The CII delegation to the 11<sup>th</sup> WTO Ministerial in Buenos Aires, Argentina, led by Dr Naushad Forbes, Immediate Past President, CII and Co-Chairman, Forbes Marshall, had an opportunity to press the Indian Industry's point of view with several stakeholders. An Interactive session with WTO Director General, Mr Roberto Azevedo, organised on the sidelines of the informal WTO Mini Ministerial in India focused on the main concerns of the Indian Industry and a possible roadmap for future trade talks at Geneva.

On the Standards front, CII supported the Department of Commerce's initiative to draft a National Standard Strategy on the lines of other countries. During the year, the draft Indian National Strategy for Standards (INSS) document was released for public comments. In addition, representations on Sanitary and Phyto-sanitary (SPS), Technical Barrier to Trade (TBT) and domestic regulations impeding India's exports were also made. A roadmap to reduce the gaps in existing procedural, administrative, regulatory or legislative processes to work towards a stronger standards regime was suggested. The National Standards conclave in Delhi and a series of Regional Standard Conclaves in different Indian cities provided a platform for deliberations on the subject.



From L to R: Chandrajit Banerjee, Director General, CII; Adil Zainulbhai, Chairman, Quality Council of India; Rita Teatota, Secretary, Department of Commerce; Nirmala Sitharaman, the then Commerce & Industry Minister; R V Deshpande, Minister for Large & Medium Industries and Infrastructure Development, Government of Karnataka; Rakesh Bharti Mittal, President Designate, CII and Vice Chairman, Bharti Enterprises; Alka Panda, Director General, Bureau of Indian Standards at the 4<sup>th</sup> National Standards Conclave held in New Delhi

# Trade Fairs

With new technologies, innovations and products emerging globally, CII's fairs, expositions and exhibitions are an important business service for Members and other stakeholders to get exposure to new innovations and technologies and also a platform to showcase their strengths to international business communities.

## Objectives

- Deliver and maintain leadership position through continuous innovation.
- Build and deliver value to Membership.
- Deliver a high quality business generating environment.
- Focus and encourage SME participation.
- Standardize quality of CII's shows to be at par with global standards.
- Build new sector specific brands.
- Leverage existing brands by expanding scope and venture into new areas.

## GES 2017

The 3<sup>rd</sup> Edition of the Global Exhibition on Services was a global platform to encourage trade in services, enhance strategic cooperation and strengthen multilateral relationships amongst stakeholders to explore new business avenues. Organised in association with the Ministry of Commerce and Industry and the Services Export Promotion Council (SEPC), the exhibition

was inaugurated by Shri Pranab Mukherjee, the then President of India. GES 2017 saw participation of 573 exhibitors, 450 overseas delegates from 73 countries, over 5000 B2B meetings, covering 20 sectors. About 30 seminars were also conducted in parallel to the exhibition.

## Textiles India 2017

In keeping with the goal of making India's development inclusive and participative, the Government's central focus has been on increasing textile manufacturing by building the best-in-class manufacturing infrastructure, upgradation of technology, fostering innovation, enhancing skills and traditional strengths in the textile sector. The Textiles India 2017 held in Gujarat was thus a global platform to encourage trade in textile, enhance strategic cooperation and strengthen multilateral relationship amongst manufacturers, investors and buyers to explore new business avenues. Inaugurated by Shri Narendra Modi, the Prime Minister of India, along with Smt Smriti Irani, Minister of Textiles and Shri Ajay Tamta, Minister of State for Textiles, the event hosted over 1500 exhibitors from 30 countries, 1500 buyers from 105 countries, 15000 visitors, and over 5000 B2B/B2G meetings. While Gujarat was the host State, Andhra Pradesh, Maharashtra, Assam were Partner States and Jharkhand, Karnataka and Telangana were the focus States.



Pranab Mukherjee, the then President of India along with other dignitaries at GES 2017 in New Delhi



Narendra Modi, Prime Minister of India at Textiles India 2017 in Gandhinagar

### International Railway Equipment Exhibition 2017

Having steadily grown in importance since inception, IREE has become Asia's mega rail transportation event, and the second largest rail transportation show in the world. Spread across 25000 sq. mts, the 12<sup>th</sup> Edition of IREE saw participation from 20 countries with exhibitors showcasing their latest products and technologies. Organised in association with the Ministry of Railways, the exhibition was inaugurated by Shri Piyush Goyal, Minister of Railways. The 3<sup>rd</sup> Edition of UMTE – Urban Mass Transit Expo, a concurrent show for Metro and Light Rail, offered a platform for the sector to explore and source future technologies and products. The International Rail Conference (IRC) was well attended by over 750 delegates.

### World Food India 2017

India's largest international event in food processing and allied sectors, World Food India, debuted in New Delhi in 2017. The event was aimed at doubling farmers' income by establishing India as a preferred investment destination and a manufacturing hub for the global food processing industry. Shri Narendra Modi, Prime Minister of India and Mr Maris Kucinskis, Prime Minister of Latvia & Mr Serzh Sargsyan, President of Armenia inaugurated the exhibition. Shri Ram Nath Kovind, President of India addressed participants at the Valedictory Session. With 61 countries, 7 international ministers, 9 ministerial delegation, 15 business delegations and 11 international business chambers, World Food India brought together global stakeholders in the food sector on one platform.



From L to R: Ravindra Gupta, Member Rolling Stock, Railway Board; Kenji Hiramatsu, Ambassador, Embassy of Japan; Piyush Goyal, Minister of Railways and Coal; C P Sharma, Chairman, CII Rail Transportation and Equipment Division and Managing Director, Daulat Ram Engineering Pvt Ltd; Rajeev Jyoti, Chairman, CII Task Force on Railways and Chief Executive - Railway Strategic Business Group, L&T Limited; Anand Chidambaram, Vice Chairman, CII Rail Transportation and Equipment Division and Managing Director, EMD Locomotive Technologies Pvt Ltd at the 12<sup>th</sup> IREE 2017 in New Delhi

### International Construction Equipment and Construction Technology Fair

India's mission-mode strategy for infrastructure and urban rejuvenation is slated to drive the construction equipment and component sector. In this backdrop, EXCON is a platform to connect infrastructure stakeholders, including policymakers, investors, and developers, with the exciting growth story of India's infrastructure. The 9<sup>th</sup> Edition of EXCON, South Asia's largest exhibition for construction equipment, was spread across 260,000 square meters. With 927 exhibitors representing 21 countries, it saw participation of 40987 business visitors. The Government of Karnataka being the host State, the exhibition was held in Bengaluru.

### Industrial Maintenance Expo 2017

Maintenance being the backbone of manufacturing industry, CII plays a developmental role in building internal competitiveness of Indian manufacturing. The Industrial Maintenance Expo is thus aimed at spreading awareness about maintenance solutions to reduce breakdown and enhance productivity. It also demonstrates the latest maintenance tools and techniques to showcase the impact of better maintenance processes on profitability. The 6<sup>th</sup> Edition of the Industrial Maintenance Expo focused on Zero Defect Zero Effect. Held in Pune, it was supported by the Ministry of Heavy Industries & Public Enterprises.

### India Gaming Show (South)

Last year CII launched an effort to enable global companies to access the young gaming market.



Anant G Geete, Minister for Heavy Industries and Public Enterprises and Amitabh Kant, CEO-NITI Aayog at Excon 2017 in Bengaluru

Continuing that effort, the India Gaming Show South 2018, was an international gaming, animation and infotainment exhibition and conference that encompassed all segments of Gaming. The event, held in Bengaluru, was supported and endorsed by the Ministry of Electronics & Information Technology and the Government of Karnataka. The CII India Digital Gaming Society was also launched at The Indian Digital Gaming Landscape Conference. The new elements included M-sports and a Cosplay Competition by IGS.

### Auto Expo 2018

The auto components sector is India's largest manufacturing sector. The 14<sup>th</sup> Edition of the Auto Expo, now in its 32<sup>nd</sup> year highlighted this fact. Like its last edition, the Auto Show was held at two locations - the Auto Expo Motor Show at Greater Noida and the Auto Expo Components show at New Delhi. More than 1200 companies from 20 countries including Canada, China, Germany, Japan, South Korea, Taiwan, UK etc. participated in the Auto Components Show spread across 60,000 sq. mtrs. The Components show was attended by over 115,000 visitors while the Motor Show attracted around 600,000 visitors.

### India Pavilions in Overseas Shows

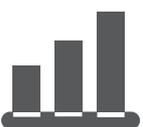
With a view to building India's brand image and to showcase the country's strengths across sectors, CII regularly organises India Shows across the globe and also participates in global shows. In 2018, the following India Pavilions were organised at various international shows:

- Middle East Electricity, Dubai
- Xiamen Stone Fair, China
- The Big 5 Saudi, Saudi Arabia
- Power & Electricity World, South Africa
- Infra Oman, Muscat
- Korea Automotive Industry Exhibition, Korea
- Ferret Expo, Mexico
- Metalex Show, Thailand
- Phil Construct Manila, Philippines
- Nepal Buildcon, Nepal
- Bauma Conexpo Africa, Johannesburg



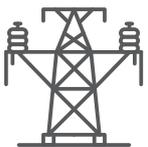
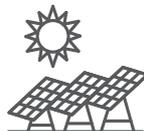
# Sectorscape

- Agriculture, Food Processing and Dairy and World Food India
- Manufacturing
- Infrastructure
- Defence & Aerospace
- Energy
- Fast Moving Consumer Goods
- Retail
- Services
- ~ Financial Sector
- ~ Information and Communication Technology





- ~ Media and Entertainment
- ~ Tourism and Hospitality
- Health
- ~ Healthcare
- ~ Medical Technology
- ~ Public Health
- ~ Ayurveda
- ~ Health Insurance
- Life Sciences
- ~ Pharmaceuticals
- ~ Biotechnology
- Micro, Small & Medium Enterprises



# Agriculture, Food Processing and Dairy

The CII National Council on Agriculture aligned its agenda for agriculture with the Government's vision of doubling farmers' incomes. The key issues related to agriculture and food processing were pursued actively with the Government, policymakers, think-tanks and industry and significant contributions were made to policy reforms.

## AGRICULTURE

### ADVOCACY

An interactive session with Dr Ashok Dalwai, CEO, National Rainfed Area Authority (NRAA), Ministry of Agriculture and Farmers Welfare and Chairman, Inter Ministerial Panel on Doubling Farmers Incomes was organised to understand the Government's blueprint on doubling farm incomes and the perceived role of the private sector. The importance of policy reorientation towards post production to help farmers make informed marketing decisions, rethinking a new model to make agricultural growth sustainable, treating agriculture as an enterprise, strengthening post production infrastructure and increasing private participation in agriculture were deliberated upon.

CII made submission to the Baram Committee on industry concerns around proposed price control mechanism and import restrictions on pesticides. Subsequently, implementation of the public notice proposing price control has been withheld until further orders. Also the Gazette notification regarding import restriction is made available to the public for objections / suggestions and further action on this is awaited. CII also made a submission to the Government to reorient the Draft Contract Farming Act. Key concerns were raised with regard to creation of a multi-tier regulating structure and dispute settlement mechanism proposed in the draft.

A pre-requisite for doubling farmers' incomes will be the development of the agriculture and food processing sectors. Hence, it is essential that agriculture related inputs and food products costs are reasonable and processing is not taxed disproportionately. CII thus proactively advocated for rationalization of GST rates on agriculture and the food processing industry. This would facilitate income growth of farmers, give a fillip to the rural economy by ensuring that farmers receive a better price for their crops, while fruit and vegetables are processed instead of post harvest wastage.



From L to R: Samir Shah, the then Managing Director & CEO, NCDEX; S Sivakumar, Chairman, CII National Council on Agriculture & Group Head -Agri & IT Business, ITC LTD and Dr B B Pattanaik, Member, Warehousing Development & Regulatory Authority (WDRA) at a CII Round Table on Connecting Farmers to Regulated Markets in New Delhi

Detailed inputs on Agricultural Price and Marketing Policies - Strengthening Private Sector Engagement in Staples and Horticulture were submitted to the Inter Ministerial Panel on Doubling Farmers' Income. CII also constituted an Expert Group on the agenda of Doubling Farmers' Incomes that identified increasing capital formation and strengthening access to technology and market linkages as key pre-requisites for enhancing farmers' incomes. A set of actionable recommendations, including these key aspects, will be presented to the concerned policymakers.

## FOOD PROCESSING

The CII National Committee on Food Processing worked towards catalyzing investments in infrastructure, creating an enabling environment for innovation, strengthening farmer industry linkages with a view to reducing post-harvest losses and increasing farmer incomes while building Brand India.

### ADVOCACY

Rationalization of GST rates for food processing industry was proactively deliberated upon with the Government. To ensure that GST on the food segment does not lead to increased inflation, the harmonization proposal was based on the principle of maintaining GST at par with the current indirect taxes regime.

It is well established that fortification enriches the nutritional quality of food and has emerged as an effective complementary strategy to combat malnutrition. In an effort to encourage fortification



From L to R: Harishanker Subramaniam, National Leader on Indirect Taxes, EY India; Ashwini Malhotra, Co-Chair, CII National Committee on Food Processing Industries and Managing Director, Weikfield Foods; Suresh Narayanan, Chair, CII National Committee on Food Processing Industries and Chairman & Managing Director, Nestle India Ltd at the 2<sup>nd</sup> Meeting of the CII National Committee on Food Processing Industries in New Delhi

of food products, the Food Authority of India operationalized standards for staple food fortification.

The National Consultation on Staple Food Fortification, organised along with the Ministry of Food Processing Industries, aimed to ascertain the industry readiness in this area. The key challenges to be addressed for fortifying salt, oil and wheat flour include technology, cost, need for consumer awareness and education, testing and monitoring infrastructure, and lack of research on impact assessment.

## DAIRY

Despite achievements in production and policy support at different levels, the Indian dairy sector faces issues related to sourcing and logistics. Milk prices remain a challenge in meeting the rising demand. Given this background, a session on promoting exports of dairy and value added dairy products from India organised alongwith APEDA emphasised the sector's potential for promoting exports, issues to meet the productivity challenge as well as steps to minimize the cost of milk production.

The key action items from the discussion include developing a concrete action plan for the sector, bilaterally negotiating standards acceptable to the international markets, enhancing Government support to promote dairy exports, generic campaigns for promotion, product development building on strengths and customizing value added products for specific countries.



From L to R: Siva Nagarajan, the then Chairman CII National Committee on Dairy and the then Managing Director, Mother Dairy Fruit and Vegetable Pvt. Ltd; Vinita Bali, Chairperson, CII National Committee on Nutrition and Chair, Board of Directors, GAIN; Dr Rajesh Kumar, Joint Secretary, Ministry of Women & Child Development; Ashish Bahuguna, Chairperson, FSSAI; Anuradha Prasad, the then Joint Secretary, Ministry of Food Processing Industries; Siraj Chaudhry, Chairman, Cargill India; Hemant Malik, CEO - Food Business, ITC Ltd and Richa Arora, COO, Consumer Product Business, TATA Chemicals Ltd at the National Consultation on Staple Food Fortification in New Delhi

## World Food India

World Food India 2017 manifested the country's commitment to move the food processing industry higher on the global value chain, leveraging its huge potential to generate employment, boost the rural economy and promote inclusive growth.

World Food India 2017 was organised by the Ministry of Food Processing Industries, with CII as the National Event partner. Themed Transforming the Food Economy, World Food India was India's largest international event in food processing and allied sectors. It effectively set in motion the transformation process of India's food processing industry, giving the sector much-needed boost. Inaugurated by Shri Narendra Modi, Prime Minister of India, the event took significant steps towards achieving two critical goals of the Government - doubling farmers' incomes by 2022 and reducing post-harvest losses by bringing together global and Indian leaders to collaborate and co-develop solutions across India's food value chain.

The three-day mega event brought together 7000 delegates, 800 exhibitors and representatives from over 60 countries and 28 Indian States to showcase their successes, discuss challenges and prepare a strategy roadmap for the sector's future. Apart from the 35 Knowledge Sessions, it was also a platform for stakeholders to network and explore business opportunities. An exhibition, spread over 40,000 sqm, showcased the best flavours of global food industry, spanning the entire value chain in the food sector.



Harsimrat Kaur Badal, Minister of Food Processing Industries addressing the delegates at the World Food India 2017

The event also saw the launch of Nivesh Bandhu, an Investors' Portal, which offers a first-of-its kind district level resource tool to guide investment decisions. A Digital Theme Pavilion showcased the vast opportunities in the food processing sector through the use of digital technologies. A big draw was the Great India Food Street, curated by Chef Sanjeev Kapoor, where a Guinness World Record was set with the preparation of 918 kg Khichdi in a single vessel.

Seven sectoral publications were released by the Prime Minister. These presented opportunities in various sectors besides listing finance options and details on Foreign Direct Investment (FDI). A special coffee table book and a commemorative stamp were also released during WFI.

While the Ministry of Food Processing Industries signed 50 MoUs worth about US\$ 11 billion, the participating States signed MoUs worth about US\$ 2.5 billion. The investments from these MoUs are being followed up.



Narendra Modi, Prime Minister of India addressing the World Food India 2017 in New Delhi

# Manufacturing

Manufacturing has emerged as a high growth sector for the Indian economy with the potential to generate a large number of jobs and accelerate the country's economic growth. The Prime Minister's Make in India initiative has gathered momentum over the last four years backed by a continuously improving Ease of Doing Business. CII partnered the Government, industry and other key stakeholders to facilitate growth, build manufacturing competitiveness and enhance efficiencies in the sector.

The National Manufacturing Council focused its policy advocacy efforts based on the CII Study on Champion Manufacturing Industries 2025. This Study, through a detailed consultative process, identified 28 champion industries where India has the potential to be global number 1 or 2, drive double digit manufacturing growth and generate substantial employment. Consultations and deep engagement with various line Ministries led to the approval of some of the recommendations made in the Study such as:

- New General Financial Rules (GFR) for addressing Government procurement related issues; it makes inclusions / provisions for life cycle cost of ownership, removal of prior track record, domestic purchase preference and encourages domestic value addition.
- New National Policy on Steel which has endorsed CII's suggestions of creating a transparent and uniform countrywide mechanism for sale of iron ore, steel purchase preference policy, encouraging production of specialized steel in automobiles and electrical and defence sectors.
- Maintaining advantage for domestic manufacturing of key electronic items/components via customs duty differential.
- Phased manufacturing programme to promote manufacturing of cellular mobile handsets, goods sub-assemblies and components.
- Government focus on setting up a multi-modal transportation network.
- Allowing fixed term employment to select sectors.

The CII Recipe for Excellence Tool was developed in 2016 to help bolster firm level competitiveness. This was followed up with State level webinars in 2017-18 to disseminate the functioning and benefits of the Tool. Given the high logistics cost negatively impacting manufacturing competitiveness, a Working Group on Logistics was constituted to focus on creating an



From L to R: Dr Jan Mrosik, CEO, Digital Factories, Siemens AG; Amitabh Kant, CEO, NITI Aayog and Sunil Mathur, Chairman, CII Smart Manufacturing Council and CEO & MD, Siemens India at the release of the Compendium on Creating a Smarter Future in New Delhi

enabling and competitive transport and trade logistics environment. The Working Group is also undertaking a study on logistics to identify opportunities for improvement.

**Smart Manufacturing: Industry 4.0 or smart manufacturing** is becoming increasingly relevant in today's context. CII believes that with this trend firmly here to stay, companies will be compelled to understand the challenges and opportunities posed by this transformation. A Smart Manufacturing Council constituted in response to this development is endeavouring to drive economic growth through the right model for smart manufacturing. The 3<sup>rd</sup> Edition of the CII - DHI Smart Manufacturing Summit focused on identifying how smart manufacturing is creating champions and policy implications for the Government to support proliferation of smart and competitive firms in India. *Manufacturing in India - Creating a Smarter Future*, a compendium capturing cases of how companies benefited from the deployment of smart manufacturing at their firm was also released.

With the increasing use of Robotics for activities such as design and manufacturing, the demand and innovation of industrial robots has accelerated considerably. The first exclusive Summit on Robotics thus focused on creating an enabling ecosystem for adoption of Robotics and digitization of manufacturing, both key to realising the Make in India aspirations.

Advanced materials are being increasingly used in manufacturing. While globally the adoption of composites has taken place at a rapid pace, in India the adoption has been muted. The composites market in India has been growing faster than the global average over the last few years, but the base is very small (US\$ 300 million).

Given the critical benefits such as higher efficiency / lower operating costs, lower emissions, enhanced safety, better aesthetics / ergonomics delivered by this advanced material, CII focused on promoting composites and technical textiles in sectors of national interest such as aerospace and defence, railways, transportation, building and construction, marine and energy to support Make in India. To tap the potential of composites, the Indian industry committed to developing a raw material supply chain to manufacture world class interiors for



From L to R: Amar Kaul, Member, CII National Committee on Capital Goods and Engineering and Chairman & Managing Director, Compression Technologies and Services, Ingersoll Rand India Ltd; Anant G Geete, Minister for Heavy Industries & Public Enterprises and Atul Sobti, Chairman, CII National Committee on Capital Goods & Engineering and Chairman & Managing Director, Bharat Heavy Electrical Ltd at the Capital Goods Summit in New Delhi

railway coaches. To chart the roadmap to achieve a Winning Leap for composites in India, CII conducted a study titled *Growth Approach for Composites in India*, advocating putting in place regulations as well as strategic investments for realising the techno-commercial and strategic benefits of composites.

## CAPITAL GOODS

The capital goods sector is considered the mother of all manufacturing. With a clear objective of increasing the sector's contribution from 12% to 20% of total manufacturing by 2025, the National Committee on Capital Goods worked closely with the Department of Heavy Industry (DHI) on technology led innovation through adoption of Smart Manufacturing / Industry 4.0 and implementation of the National Capital Goods Policy. Discussions with Secretary, DHI on the impact of GST on the sector and with Secretary Steel on possibilities of leveraging synergies between steel and capital goods sector yielded positive results. While regional workshops helped build capacity in industry, the CII-DHI Capital Goods Summit deliberated on strategies to enable India's capital goods companies to become truly multinational.

## CHEMICALS

The Indian chemical industry is expected to double its share in the global chemical industry to 5-6% by 2021, registering a growth of 8-9% over the next decade. Considering that a booming chemical sector can place India amongst the front runners in manufacturing, technology and innovation and contribute to the achievement of national priorities such as Swachh

Bharat, Smart Cities and Make in India, CII's National Committee on Chemicals under its signature campaign Chemistry Everywhere undertook perception building activities for the sector. A compendium on the Indian chemical sector titled Chemistry Everywhere: In pursuit of Sustainable Development providing a perspective into the positive aspects of chemistry was released.

Rigorous follow ups with Government on the renewal and issue of new permits for imports of biocides, challenges related to titanium dioxide, developing standards for the chemical industry and preparing pre-budget representations defined CII's policy advocacy work in the sector. Interactions were also organised with Government on trade policy issues including goods negotiation under BIMSTEC, India-Japan Comprehensive Economics Partnership Agreement (CEPA), Regional Comprehensive Economic Partnership (RCEP) and India-Mercosur PTA.

## ICT AND ELECTRONICS MANUFACTURING

India is one of the fastest growing markets for electronics with demand projected to reach US\$ 400 billion by 2020. The CII National Committee on Information Communication Technology and Electronics (ICTE) manufacturing took several initiatives towards enabling demand creation, making investments competitive and encouraging Make in India. A uniform GST rate across the ICTE value chain and retaining the existing incentives enjoyed by domestic manufacturers and exporters in EOU/EHTP were suggested to the Government.

Suggestions were made to the Government on the Review of the National Policy in Electronics with a view to making it investor friendly and market driven. Representation were made to the MeitY and Department of Industrial Policy & Promotion (DIPP) on:

- Implementation of Preferential Market Access (PMA) provision in Government initiatives and for purchases by State Governments for domestically manufactured LED lighting.
- Attracting investments in and encouraging domestic manufacturing for components of Champion products through Developing Phased Manufacturing Programmes (PMP) in consultation with industry.
- Removal of Surety clause from the revised Import of Goods at Concessional Duty (IGCD) procedure.
- Raising BCD to 20% on non-ITA-1 product.



From L to R: V Thangapandian, Director (Power), NLC India Limited; S K Chowdhary, Vice Chairman- South East Asia Centre, World Mining Congress & Former Chairman, Coal India Ltd; Arun Kumar, Secretary (Mines), Ministry of Mines and Sunil Duggal, Co-Chairman, CII National Committee on Mining and CEO, Hindustan Zinc Ltd at the Mining Summit in New Delhi

- Exemption from payment of GST on inputs by units in EOU and EHTP.

Policies, standards and regulatory framework for adoption of inverterization were discussed at the National Seminar on Inverterization for Energy Efficiency: Technology, Applications and Opportunities. The interactive session on Making India a Manufacturing Hub for LED Lighting helped take the energy efficiency agenda forward.

## MINING

The mining sector contributes about 2.4% to India's GDP and is the financial backbone of the mineral-rich states. The CII National Committee on Mining worked towards enhancing the competitiveness of the sector to further increase its contribution to the GDP.

Several suggestions were made to the Ministry of Mines on streamlining of mineral concession rules, enabling seamless transfer of mining leases and auction of non-coal mineral blocks. Representations with respect to the Minerals (Evidence of Mineral Contents) Rules 2015 and Mineral (Auction) Rules, 2015, Minerals (Transfer of Mining Lease Granted Otherwise than through Auction for Captive Purpose) Rules, 2016 and National Mineral Policy were submitted to the Government. A review of Rules impacting the sector was sought. These include allowing a captive block holder to sell mined mineral in the open market, allowing the industry, apart from State Governments, to also auction blocks and setting up a single window clearance system to expedite clearances. Other areas of concern raised with the Government include increasing the area limit of PL and ML from 25 sq. km to 100 sq. km and 10 sq. km to 100 sq. km

respectively for scale and scientific mining; providing a proper definition of transfer by way of distinguishing intra-group transfer and transfer to third parties in the Rules and exempting transfer charges for transfer of captive mining leases within group companies with the same effective control and management.

## OFFICE AUTOMATION AND IMAGING

The CII Office Automation & Imaging (OA&I) Division engaged with the Government on enforcement of regulations such as e-waste and Compulsory Registration Order (CRO) to safeguard the industry's interest. Other platforms created during the year included a consumer awareness session on Compliance to E-Waste (Management) Rules (2016) and the impact of GST on OA&I sector.

## RAIL TRANSPORTATION AND EQUIPMENT

The Rail Transportation and Equipment Division (RTED) focused on policy advocacy around technology adoption for transforming security, operations, customer services and access to railway services for Indian railways. Extensive engagement with the Government and other stakeholders emphasized the need for accelerating the upgradation and modernization of existing rail systems and adoption of technology systems such as Mobility 4.0.

The industry's concerns and constructive ideas on streamlining contractual processes, procurement process and vendor development were highlighted through interactions with Director General, Railway Stores and Director General, Research Designs and Standards Organization (RDSO), Minister of Railways, Chairman, Railway Board and Member, Rolling Stock.

Working closely with DIPP, Railway Board, National High-Speed Rail Corporation (NHSRC), Japan External Trade Organization (JETRO) and other stakeholders, efforts were made to encourage technology transfer and Make in India under the Mumbai-Ahmedabad High Speed Rail (MAHSR) project, while exploring opportunities for Indian industry. Meetings with the Principal Economic Adviser, DIPP, Mr Anjum Pervez, OSD, National High-Speed Rail Corporation Ltd, Executive Director and the Director, Railway Board further facilitated these efforts.

The series of initiatives taken to encourage collaborations between Indian and Japanese companies under MAHSR included capability assessment of Indian industry, workshops on Transfer of Technology and setting up a web page under the Trade Tie Up Promotion Programme (TTPP). The latest technological advancements and global best practices in the rail sector were deliberated upon at the International Rail Conference.



From L to R: Anand Chidambaram, Vice Chairman, CII Rail Transportation and Equipment Division and Managing Director, EMD Locomotive Technologies Pvt Ltd; Ravindra Gupta, Member, Rolling Stock, Railway Board; Kenji Hiramatsu, Ambassador, Embassy of Japan; Piyush Goyal, Minister, Railways and Coal; Rajeev Jyoti, Chairman, CII Task Force on Railways and Chief Executive - Railway Strategic Business Group, L&T Limited; Pavel Krtek, CEO and Chairman of Board, Czech Railways; C P Sharma, Chairman, CII Rail Transportation and Equipment Division and Managing Director, Daulat Ram Engineering Pvt Ltd and Tilak Raj Seth, Past Chairman, CII Rail Transportation and Equipment Division and Executive Vice President, Siemens Ltd at the International Rail Conference in New Delhi



From L to R: Seshagiri Rao M V S, Co-Chairman, CII National Committee on Steel and Joint Managing Director, JSW Steel Limited; Dr Aruna Sharma, Secretary, Ministry of Steel; Chaudhary Birender Singh, Minister of Steel and P Madhusudan, Chairman, CII National Committee on Steel and Chairman and MD, Rastriya Ispat Nigam Ltd at the Conference on Steeling India 2017 in New Delhi

## STEEL

India is amongst the largest steel manufacturers in the world. The sector is also amongst the biggest contributors to the country's manufacturing output. Yet it faces challenges of demand creation, capacity augmentation and raw material security. The CII National Committee on Steel endeavoured to address these challenges. Many of CII's recommendations on the new National Steel Policy to Ministry of Steel found resonance in the Policy announced in May 2017. These included creating a transparent and uniform country-wide mechanism for sale of iron ore; mandatory BIS certification for all steel products and encouraging production of specialized steels for automobiles, electrical and defence sectors. The Seminars themed Make in India, Make in Steel and Steeling India 2017

showcased the advantages of using steel for various applications.

## TEXTILES

A sector of national importance, the textiles and apparel sector comprises of over 90% MSMEs. As the second largest employment provider, the sector employed nearly 51 million people directly and 68 million people indirectly in 2015-16. The National Committee on Textiles and Apparel worked extensively to build competitiveness of the Indian textiles and apparel industry and to position the country as a preferred global source.

Measures to boost the textiles and apparel industry's competitiveness and protect its exports were discussed with the Ministry of Textiles, DIPP, Ministry of Commerce and Industry, and the Parliamentary Affairs Committee. Suggestions made to Smt Smriti Irani, Minister of Textiles, Information and Broadcasting included creating a mechanism for refund of Duty Drawback and Rebate of State Levies (ROSL) and consideration of impact of WTO Regulations. Based on CII's recommendations, the GST on sale purchase of MEIS scrips was reduced from 5% to 0%. Other inputs under consideration include reduction of GST on MMF filament yarn, MMF spun yarn and filament sewing thread, removal of entry slips by the State Government.

The Investors' Round Table with Smt Smriti Irani and Shri Anant Kumar Singh, Secretary, Ministry of Textiles was a platform to bring together global investors, manufacturers and buyers with Indian manufacturers.



From L to R: Anant Kumar Singh, Secretary, Ministry of Textiles; O P Lohia, Chairman & Managing Director, Indo Rama Synthetics; Piruz Khambatta, Deputy Chairman, CII WR and Chairman & Managing Director, Rasna Pvt Ltd; Smriti Irani, Minister of Textiles; Gautam Nair, Co-Chair, CII National Committee on Textiles and Apparel & Managing Director, Matrix Clothing Ltd and Sushil Kapoor, Chairman, CII Core Group on Technical Textiles and President & CEO, SRF Ltd at the Investors' Round Table at Textile India 2017 in Gandhinagar



From L to R: Ajay Kumar Bhalla, Secretary, Ministry of Power; Manish Mohnot, Vice Chairman, CII Transmission Line Division and MD & CEO, Kalpataru Power Transmission Ltd; I S Jha, Chairman & Managing Director, Power Grid Corporation of India Ltd (PGCIL); Yaduvendra Mathur, Additional Secretary (Knowledge), NITI Aayog; Vimal Kejriwal, Chairman, CII Transmission Line Division and Managing Director & CEO, KEC International Limited at the Conference on Transmission Line Industry in New Delhi

To tap the vast untapped potential of new value-added segments such as technical textiles and to facilitate higher technology into textile manufacturing, the CII National Division on Technical Textiles worked extensively on standards and increasing the adaptability and acceptance of products. The growth potential and uses of technical textiles in sectors such as roads, construction, defence etc were deliberated upon at a conference organised on the sidelines of Textile India 2017. The need for creating an enabling ecosystem and deepening R&D in the sector was also emphasized.

## POWER TRANSMISSION

India's transmission sector, a critical link in the power sector value chain, has witnessed robust growth over the past five years. The Government's impetus to promote the power sector, aided by the ambitious plans to achieve 175 GW of Renewable Energy capacity by 2022, with equal distribution of power across the country has augured well for the sector. CII's Transmission Line Division actively took forward issues on Terminal Excise Duty (TED) refund benefit for projects under International Competitiveness, revised tax structure of GST and E-Reverse auction. At the conference on Driving Infrastructure Growth: Challenges and the Way Forward stakeholders discussed how India's vision of Power for All could be achieved.

## VALVES & AUTOMATION

The US\$ 2 billion Indian valve industry, with exports of around 35% of domestic production, forms a big proponent of the Make in India initiative. The CII

Valves & Automation Division worked extensively to further build India's competitiveness and to position India as a preferred global source of industrial valves with an export potential of US\$ 1.2 billion by 2020. Quality benchmarking with global majors, adhering to commitments and creating universally accepted international standards were emphasized as being key to building global competitiveness. BIS thus agreed to revise the standards and specifications for valves. The Valves Conference 2017 themed Shifting Market Dynamics and Global Opportunities - The Road Ahead for the Indian valve industry provided insights into the opportunities and challenges facing the sector. The CII- Industrial Info Resources Report on Global Energy Infrastructure Project Spending Outlook charts a roadmap for the sector and outlines global investment trends for 2018-19.



From L to R: Ramesh Babu, Chairman - CII Valves and Automation Division & Managing Director, Velan Valves India Pvt Ltd; N Sivanand, Joint Secretary, Department of Heavy Industry (DHI); A K Chaudhary, Executive Director, Engineers India Ltd and K Nandakumar, Vice Chairman, CII Valves and Automation Division and Chairman & Managing Director, Chemtrols Industries Ltd at the Valves Conference 2017 in New Delhi

## Associations' Council

The CII Associations' Council (ASCON) comprising of more than 100 national level associations is an important forum of CII which brings together national level sectoral associations on a common platform. ASCON regularly reviewed performance of industry sectors, took stock of issues that affect growth and represented relevant policy recommendations.

Apart from discussions on the current state of the industry and economy and the growth outlook, deliberations also focused on steps required to support the growth. To boost the performance of the economy and industry, CII strongly advocated for:

- Smooth implementation of GST.
- Expanding the GST base and having seamless credit, inclusion of petroleum, real estate, electricity and alcohol in GST; revisiting the 28% rate list for classifying products other than demerit goods in the 18% category. Considering items of mass consumption in the range of 12-18%, while goods used by the poor be exempt or taxed at 5%.
- Addressing the procedural issues in GST- automation of refund process; avoiding filing multiple returns every month. Allowing filing of return quarterly while tax may be paid monthly.
- Facilitating Ease of Doing Business.
- Enhancing export competitiveness and developing a robust ecosystem for exports.
- Resolving issues on Inverted Duty Structure (IDS).
- Revisiting FTAs, tackling the issue of cheap imports.

The Council also actively engaged with Members on the smooth implementation of GST. The issues and concerns

of the associations were represented to the GST Council. In a special interaction Mr Rajeev Jalota, Commissioner of Sales Tax, Mumbai addressed various queries of the associations on GST. A number of CII recommendations on GST for various sectors have found place in the recent announcements by the Government.

The Council also took up the sectoral cases on IDS with the Tariff Commission for consideration in the study of IDS on manufactured items to be done by the Tariff Commission during 2017-18. An interaction with Mr Govind Krishna Dixit, Commissioner, Central Board of Excise and Customs (CBEC), Ministry of Finance was also organised.

To create awareness about new developments, special interactive sessions were organised on the Industrial Information System (IIS) portal. Dr Vandana Kumar, Joint Secretary, DIPP discussed in detail the various benefits of the IIS portal. The Council also engaged with DIPP on the Ease of Doing Business (EoDB). An interaction on Ease of Doing Business with Mr Ravinder, Joint Secretary, Department of Industrial Policy and Promotion (DIPP) was also organised to discuss the industry issues related to EoDB.

To help MSMEs leverage FTAs to boost their growth and increase market share, a Masterclass on Understanding and Leveraging FTAs/RTAs was also organised.

The ASCON Quarterly Reports/Surveys of industry performance and the growth outlook were also released during 2017.



From L to R: Chandrajit Banerjee, Director General, CII; Shobana Kamineni, Chairperson, CII Associations' Council and President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Ratika Jain, Executive Director, CII; Govind Krishna Dixit, Commissioner, Central Board of Excise and Customs (CBEC), Ministry of Finance at the third meeting of the CII Associations' Council in New Delhi

# Infrastructure

Over the last few years, the Government has stepped up infrastructure development given its role in propelling India on a new growth trajectory, enhancing competitiveness and boosting ease of doing business. An enabling policy framework has been created to ensure time bound development of world class infrastructure. CII, too, has been working closely with all relevant stakeholders towards facilitating an action oriented infrastructure development plan.

## ADVOCACY

Of the several challenges facing the infrastructure sector, the following were taken forward towards resolution:

- Revival of stalled projects to release resources and potentially boost investment demand.
- Resolving disputes in a timely manner to infuse liquidity in the system.
- Renegotiation of Public Private Partnership (PPP) contracts by setting in place an institutional mechanism to reset terms of contract in a dynamic economic scenario.
- Amendments to the Concession Agreement for doing away with a lopsided risk sharing mechanism.

- Creation of an Alternate Funding Mechanism to help infrastructure projects access credit from multiple sources and at competitive rates.
- Implementation of the decisions announced by the Cabinet Committee on Economic Affairs (CCEA) to revive the country's construction sector which has been reeling under severe stress.

## CIVIL AVIATION

The recent policy initiatives of the Ministry of Civil Aviation have been directed to ensure sustained growth momentum in the sector. For this momentum to be further leveraged, the procedural and policy issues facing the sector need resolution. A roadmap towards resolving these challenges was deliberated upon at a series of CEO Round Tables with Shri Jayant Sinha, Minister of State for Civil Aviation. Robust harmonization between Directorate General of Civil Aviation (DGCA) and other international bodies, adoption of a global template for airport development, safety and governance were some other topics of discussion. The debates on Regional Connectivity Scheme (RCS), impact of GST on the sector, prospects of MRO and the push for aerospace



From L to R: Pon Radhakrishnan, Minister of State for Road Transport, Highways & Shipping; Sultan Bin Sulayem, Chairman and Chief Executive Officer, DP World; Suresh Prabhu, Minister of Railways; Ram Vilas Paswan, Minister of Consumer Affairs, Food and Public Distribution; P Ashok Gajapathi Raju, the then Minister of Civil Aviation; Nitin Gadkari, Minister of Road Transport, Highways & Shipping; Rajiv Pratap Rudy, the then Minister of State for Skill Development and Entrepreneurship at the India Integrated Transport and Logistics Summit held in New Delhi



From L to R: Julian Michael Bevis, Senior Director, Maersk Group; Sudhir Hoshing, Joint Managing Director, IRB Infrastructure Developers Ltd; Hari Sankaran, Chairman, CII National Committee on Infrastructure and PPP and Vice Chairman & Managing Director, IL&FS; Soma Banerjee, Executive Director, CII and Debashis Ghosh, EVP - Karnataka, Infrastructure Development Corp Ltd at the Infrastructure Summit in Bengaluru

manufacturing under Make in India initiative led to meaningful recommendations to the Government.

## CONSTRUCTION

The construction sector has been facing severe systemic challenges across the project life-cycle including difficulties in project financing, liquidity constraints, debt realignment, issues with the formation of Special Purpose Vehicles, State Governments not abiding to CCEA Guidelines and inequitable contract clauses.

The CII National Committee on Construction undertook a range of initiatives for the revival of the sector, especially in response to the CCEA Guidelines issued in August 2016. Several suggestions were made that aimed at arbitration of disputes with PSUs/Departments, management of claims, speedy disposal of pending or new cases and the adoption of the Model EPC contract for construction work.

As a result of the representations made to the Principal Secretary to Prime Minister, the NITI Aayog, various line Ministries, the Reserve Bank of India, the Chief Economic Advisor and the Central Vigilance Commissioner, some of these issues were clarified by the NITI Aayog. The decisions, taken with the intent of injecting liquidity in the construction sector, have been made applicable to PSUs, Departments and those SPVs created jointly by the PSUs or the State and Central Government.

During the year, CII continued to engage with the Government on issues pertaining to the submission of Bank Guarantee on the interest portion of the 75% pay-out of the Arbitral Awards; need to eliminate one-sided



From L to R: Phee Teik Yeoh, the then Chairman, CII National Committee on Civil Aviation and the then CEO, TATA SIA Airlines Limited; Jayant Sinha, Minister of State for Civil Aviation and R N Choubey, Secretary, Ministry of Civil Aviation at the CEOs Round Table on Aviation in New Delhi

and inequitable clauses in public contracts; appointment of a nodal officer for administration of finance related issues and evolution of a one-time strategic debt restructuring scheme. A note on the instruction to States and Union Territories (UTs) to follow the CCEA guidelines was submitted to the Department of Financial Services for RBI's consideration.

The Government of India recently initiated significant steps to give a fillip to infrastructure investments and revitalize PPPs. Deliberations at the Infrastructure Summit held coinciding with the biennial construction equipment exposition Excon 2017 were focused on encouraging PPPs and enhancing financing to the infrastructure sector. Shri Anant G Geete, Minister for Heavy Industries and Public Enterprises emphasized the Government's increased attention to the infrastructure sector, especially smart urban infrastructure.

## REAL ESTATE AND HOUSING

The positive outlook of India's real estate and housing sector is dampened by the multiple challenges in terms of time taken for project approvals by the various Ministries and Regulators such as the Ministry of Environment Forests & Climate Change (MoEFCC), the National Green Tribunal and the Coastal Regulation Restrictions. These issues were raised with Dr Harsh Vardhan, Minister of Science & Technology, Earth Sciences and Environment, Forest and Climate Change and Shri Narendra Singh Tomar, the then Minister of Housing and Urban Affairs. Concerns regarding validity period of NOC and height restrictions at Airports were also discussed with the Ministry of Civil Aviation.



Signing of Memoranda of Understandings (MoUs) in the presence of Vasundhara Raje, Chief Minister of Rajasthan; Nitin Gadkari, Minister of Road Transport, Highways & Shipping and Manohar Lal, Chief Minister of Haryana at the India Integrated Transport and Logistics Summit in New Delhi

With a view to create an enabling policy environment for the real estate sector, CII submitted a representation to the Ministry of Housing and Urban Affairs (MoHUA) on issues related to Section 20 of the Urban Land Ceiling (ULC) Act, RERA, increase in stamp duty/ready reckoner rates, defence airports, land records and the MCGM.

A proposal for extension of Sunset date (withdrawal of tax deductions u/s 10AA) on SEZ was submitted to the Ministry of Commerce and Industry. The submission also sought permissions for DTA units to operate from Non-Processing Areas of SEZ and for SEZ units to undertake rupee denominated service related businesses in DTA.

The complexities in the application of GST in the real estate sector were brought up with the GST Council. Several suggestions were made on indirect tax provisions relating to transfer of immovable property by way of long lease GST implication, assignment of lease / grant of development rights, input credit of construction against output of renting, resale of flats before completion / occupation and cancellation of under-construction flats.

To facilitate the creation of a stronger marketplace for REITs and InvITs, a seminar on REITs and InvITs Institutional Investors was organised along with the

Asia Pacific Real Estate Association Limited (ARPEA) which focused on market opportunities relevant to these Trusts. Investor perspectives on asset allocation priorities were also explored apart from sharing best practices on governance, stakeholder engagement and fund management.

## ROADS AND HIGHWAYS

An effort was made to create awareness and enable a safer living environment for Indian citizens. The Seminar on Road Safety was organised with the Ministry of Road Transport & Highways (MoRTH) to explore how the corporate sector could spearhead this endeavour.

An integrated multi-modal transport system has the potential to reduce logistics costs in India to globally competitive rates and ensure sustainable and balanced growth. This would, however, require alternative routes for cargo movement, appropriate storage facilities and logistics infrastructure. These were discussed at the Summit on India Integrated Transport and Logistics held in partnership with the MoRTH. The possibility of setting up multi-modal logistics parks was also discussed. Investments worth INR 2 lakh crore were committed through 34 investment MoUs on port connectivity, Integrated Check Posts (ICP) and multi-modal logistics parks.

## Smart Cities Mission

The CII National Mission for Smart Cities engaged with stakeholders across the value chain, including Central, State and local Governments as well as industry and think tanks to create a conducive environment for developing 100 Smart Cities by 2020. The Mission aims to bring global experiences and solutions, including fresh approaches to procurement of service providers customized to local context. Discussions with key industry stakeholders brought clarity on the roll out plan for Smart Cities, adoption of Public Private Partnership (PPP) framework and the user charges for urban utilities.

Over the last three years, CII has signed MoUs on Smart Cities with 16 Cities and 8 Country consortiums, the latest being with the Belgian consortium led by Tractebel Engineering Private Limited. Some of these consortiums have begun to explore opportunities: the Swedish Consortium approached Panaji and Kanpur for waste management and the Australian Consortium discussed urban planning for Bhopal. The Indian consortium and the Urban Living Labs with Swedish consortium have also begun dialogue with various cities. Pursuant to the MoU with Cities a procurement framework has been shared with Pune, Chandigarh, Panaji and Tirupati.

At a Round Table organised in partnership with the Australian High Commission, the Australian companies accompanying Mr Steven Ciobo, Minister for Trade, Tourism and Investment, Government of Australia, were apprised of the business opportunities offered by the Indian Smart Cities Mission.

Finnish companies that visited India along with Mr Petri Peltonen, Deputy Minister, Ministry of Economic Affairs and Employment, Finland shared their cutting edge innovative and sustainable solutions in energy and smart grid for India's Smart Cities. They interacted with stakeholders of the Indian Smart Cities Mission at a session on Smart and Clean Cities held in partnership with the Embassy of Finland.

Sustainable transport is going to be key to the success of a Smart City. The huge emphasis on efficient and sustainable mobility, being placed by the 90 Smart Cities, is evident from the INR 40,914 crore worth of intelligent transport management projects identified by them. A Round Table on Smart Urban Mobility addressed the critical challenges pertaining to institutional, information and infrastructure integration in Urban Mass Transport and opportunities offered by Metro and Light Rail domain.

CII City Connect is a platform to discuss the way forward on development areas such as infrastructure, public utilities, public transportation, traffic management and waste disposal. Taken forward under the Mission on Cities, the initiative saw projects on clean energy, clean transportation and waste management being implemented across 15 cities.

# Defence & Aerospace

With the opening of defence manufacturing for private participation, India's emerging defence and aerospace industry is gearing up to tap opportunities in the sector. Continuous engagement with the Ministry of Defence (MoD), Defence Research and Development Organisation (DRDO), Armed Forces and Defence PSUs/OFB was undertaken to encourage defence research, manufacturing, supply chain sourcing, software development, and offsets which will strengthen India's defence capabilities and spur industrial development.

## ADVOCACY

CII endeavoured to create an enabling environment for a vibrant domestic defence manufacturing sector by taking up pertinent issues such as the Defence Procurement Policy, enhancing transparency, competitiveness, and creating a level playing field for Indian industry. During a special session, Members interacted with Smt Nirmala Sitharaman, Minister of Defence on possible actions for strengthening defence manufacturing in India.

## ACTION

### Armed Forces-Industry Interaction

Indian and foreign Original Equipment Manufacturers (OEMs) explored joint venture opportunities at various platforms such as the Defence and Aerospace Session at the Partnership Summit, organised along with the Government of Andhra Pradesh.

The defence industry stakeholders including investors, Armed Forces, policymakers and SMEs came together at the Aero India Show, DEFCOM India, AMICOM 2017 as well as the Regional AMICOMs at Bengaluru, Kolkata, Pune and Jabalpur. The Make in India Seminar for Indian Air Force focused on innovation and indigenisation and the Army Seminar organised along with the Army design Bureau explored the Make Projects.

Concerted efforts were made to promote defence manufacturing in India. Special events to highlight the opportunities in various segments included the International Conference on Energising Indian Aerospace Industry in partnership with the Centre for Air Power Studies (CAPS) and Indian Air Force, the Indian Maritime Environment and Capability Requirement-Imperatives with the Naval War College, and the Seminar on Industry Partnership for Vendor Development and Outsourcing by Ordnance Factories with the Ordnance Factory Board.

### Technology Development

Given the critical role of technology in enhancing the capabilities of the Armed Forces, focused efforts were made at building a long term sustainable relationship between industry and DRDO. The DEFTECH 2017 was one such platform where Indian industry showcased their capabilities and DRDO shared their requirements and technologies available for commercialization. This was



From L to R: Dr Gulshan Rai, National Cyber Security Coordinator; Lt Gen J S Cheema, AVSM, VSM, DCOAS (IS&T), Indian Army; Lt Gen A R Prasad, AVSM, VSM, ADC, SO-in-C and Senior Colonel Commandant, Corps of Signals, Indian Army; Maj Gen Harvijay Singh, ADG SS, Corps of Signals, Indian Army and Col Nidhish Bhatnagar (Retd), Program Director, Tactical Systems, Larsen & Toubro Ltd at the DEFCOM India 2017 in New Delhi



From L to R: V S Noronha, Chairman, CII Military Vehicles Sub Committee & Head - Defence, Tata Motors Ltd; Lt Gen R R Nimbhorkar, Master General of Ordnance, Indian Army; Lt Gen Sarath Chand, Vice Chief of Army Staff, Indian Army and Satish Kaura, Chairman, CII NR Committee on Defence and Chairman, Samtel Group at the AMIGOM 2017 in New Delhi

one of the many actions under the MOU with DRDO to facilitate Transfer of Technology (ToT) to industry.

### Defence Acquisition Management Course

Defence Acquisition Management Courses (DAMC), being implemented since 2003, continued to strengthen the industry's understanding of the amendments in procurement and acquisition procedures of defence establishments. A new session on strategic partnership models was added to the course that already covers procedures and revenue procurements by defence services, DPSUs / OFB.

### Defence and Aerospace Consultancy Services

The Ministry of Defence continued to make efforts to expand the defence industrial base and indigenous capacity under Make in India. The Defence and Aerospace Consultancy Services (DACs) is aimed at enhancing Indian industry's participation in the defence sector. In pursuit of this objective the competence, capabilities and potential of over 25 Indian companies was mapped enabling them to enter India's defence sector and also forge alliances, joint ventures and technology tie-ups with foreign OEMs.

### International Cooperation

A number of international delegations were hosted, to strengthen global business networking and bilateral cooperation in defence. Meetings with Heads of Defence, decision makers and business delegations were coordinated to enable Indian defence businesses to develop international partnerships, access technologies and build people-to-people contacts with other countries. Delegations to and from Russia and Israel as well as incoming delegations from UAE and Switzerland



From L to R: Pratyush Kumar, Past Co-Chairman, CII Sub-Committee on Defence Offsets; T Suvarna Raju, Chairman, CII National Aerospace Committee & Chairman and MD, Hindustan Aeronautics Ltd; Air Marshal (Retd), Director General, Centre for Air Power Studies (CAPS); Air Marshal SB Deo, Vice Chief of the Air Staff, Indian Air Force and Sukaran Singh, Past Co-Chairman, CII National Committee on Defence and CEO & Managing Director, Tata Advanced Systems Ltd at the 12th International Conference on Energising Indian Aerospace Industry in New Delhi

were also hosted. Interactions with the Swedish defence sector were enhanced through the India-Sweden Defence Industry Day coinciding with the visit of the Swedish Defence Secretary to India and hosting a delegation comprising of the Swedish defence industry.

### Online Directory of Capability Matrix

Given the growth potential of the Indian aerospace and defence industry and large defence acquisitions in the pipeline, an Online Directory of Indian Manufacturing Capabilities for Defence and Aerospace was launched in 2016. This database was further reinforced by capturing the competency and capability of Indian companies in this sector. This directory is developing as a one-stop shop for both manufacturers and end users.

Additionally, various technical journals, compendiums and a directory were compiled during the year to build on the information on the defence sector.

- The 3<sup>rd</sup> Edition of the OLIVE Pages, contains five-year requirements of currently imported items to be indigenised, contact details of defence procurement agencies and procedures for submitting expression of interest for these items.
- DEFCON Journal is a compendium of technical articles from the industry, academia and Services personnel.
- A Compendium of Items for Indigenization / Outsourcing by OFs is a publication containing certain critical items/components that the OF's want the Indian Industry to indigenize. This will strengthen OFB-Industry cooperation and bring self-sufficiency in the defence manufacturing sector.

## Society for Indian Defence Manufacturers

The Society of Indian Defence Manufacturers (SIDM) is a not-for-profit association formed to be the apex body of the Indian defence industry. Supported by CII and backed by strong industry leadership, SIDM plays a proactive role as an advocate, catalyst, and facilitator for growth and capability building of India's defence industry, working together with Governments at the Centre and in the States, Armed Forces, think tanks, academia and research institutes. With close to 100 Members, SIDM is rapidly emerging as a key player in the defence sector.

### ADVOCACY

Since its inception in August 2017, SIDM proactively took up issues facing the Indian Defence industry, further shared them with the Ministry of Defence (MoD) and suggested solutions wherever possible.

- Simplification of Make II Procedure**  
 Based on a request made by SIDM, the MoD announced a simplified process for Make II, a sub-category under Make Procedure. Deliberations on the proposal over a three month period culminated in this announcement by Smt Nirmala Sitharaman, Raksha Mantri, at the Defence Industry Development Meet in Chennai.
- Offset Management and Disposal**  
 Based on recommendations of the industry and Foreign OEMs, suggestions were made to the MoD on improving the management of offsets to ensure better outcomes. The recommendations on introducing an online system for offset management, to help reduce unnecessary delays, streamline the feedback mechanism and bring about transparency was accepted by the Ministry.

### ACTION

- Industry Production Survey**  
 At the behest of Ministry of Defence, a quarterly survey on production data of Indian defence manufacturers has been initiated. This survey would help in the formulation of an actionable strategy and roadmap with specific policy recommendations.
- Collaboration with Foreign Counterparts**  
 SIDM is becoming a preferred partner of countries



General Bipin Rawat, Chief of Army Staff at ARTECH 2018 in New Delhi

looking for a single body to enable bilateral business to business connect. Discussions for collaboration and joint activities are underway with counterparts in Sweden, UK, USA and other countries.

- Indigenisation of Items of Russian Origin**  
 Coordination with Indian industry and their Russian counterparts i.e. ROSTEC will be undertaken to facilitate the indigenisation of 48 spares / components identified by the MoD.
- Compilation of Research Projects of Academia in Defence**  
 The 1<sup>st</sup> Edition of the Compilation of Research Projects of Academic Institutions on Defence Sector identifies 188 research projects that could potentially be commercialised by the defence industry. The dual benefits, if any, accruing to the civil society have also been highlighted in the compilation.
- Emerging Technologies and New Opportunities**  
 The Army Technology Seminar – ARTECH 2018, held in partnership with the Army Design Bureau (ADB), was the first ever platform for the private sector and academic institutions to showcase innovative solutions for armed forces. The seminar was attended by serving officers of the Indian Army, DRDO Scientists, representatives of Industry and academia.
- Online Resource**  
 The SIDM website offers an array of services and publishes curated opportunities in defence manufacturing from India and around the world for the benefit of the Indian industry.

# Energy

India's accelerated and exponential growth in recent years has led to a rapid increase in energy demand. The success of the Government's initiatives to drive economic growth such as Make In India, Digital India and Skill India depends on reliable and affordable access to power for public, industry and institutions. The Government has launched both, micro-level policy and regulatory changes as well as transformational programmes to rejuvenate the energy sector and make it sustainable, inclusive and empowering. Missions include the DDU Gram Jyoti Yojana for intense rural electrification; the Ujjwala Yojana to provide clean cooking fuel through LPG cylinders to 80 million poor women to safeguard the health of their families; the target to achieve 175GW renewable energy capacity by 2022, including 100GW solar; the UDAY scheme to address financial distress of discoms, and efforts to promote manufacturing, skilling and ease of doing business in all energy value chains. CII has worked closely with the Government on various initiatives and provided inputs on key issues across the energy spectrum - power, renewable energy and hydrocarbons.

## POWER

### ADVOCACY

Four Core Groups were constituted within the CII National Committee on Power to address the concerns of reopening of Power Purchase Agreements (PPAs), rising Non Performing Assets (NPAs), and continuing financial stress of discoms that are hampering the growth of the power sector. Each Group developed a report on crucial issues such as stressed assets, regulatory reforms, creation of power demand and distribution reforms, and reviving hydropower projects, with recommendations for policy reforms to address the challenges.

The report of the Core Group on Enhancement of Demand and Distribution Reforms explores ways to enhance demand while addressing issues such as low plant load factors, distribution reforms to lower AT&C losses, tariff revisions, time of day metering, etc. A range of stakeholders and opinion makers were engaged with, to help foster a change in perception.



From L to R: R V Shahi, Former Secretary, Ministry of Power, Government of India; Karma Penjor Dorji, Chief Engineer, Department of Hydropower and Power Systems, Ministry of Economic Affairs, Government of Bhutan; Anil Sardana, Chair, CII National Committee on Power and Managing Director & CEO, The Tata Power Company Ltd; Dr M K Iyer, Member, Central Electricity Regulatory Commission; Monowar Islam, Chairman, Bangladesh Energy Regulatory Commission and Rameshore Khanal, Former Finance Secretary, Government of Nepal at the Round Table on Cross-Border Electricity Trade in New Delhi



From L to R: Sunil Jain, Chief Executive Officer and Executive Director, Hero Future Energies Pvt Ltd; Anand Kumar, Secretary, Ministry of New and Renewable Energy at the launch of the CII-HFE Report titled Powering Your Rooftops: Phase I Summary of the Workshop Series on Accelerating India's Rooftop Solar Programme in New Delhi

India's power sector is not performing at its full potential due to the persistent lack of adequate resolutions to issues such as tariff compensation, long-term power purchase agreements, and clear and stable regulatory guidelines. The report of the Core Group on Regulatory Reforms seeks to help the Government address the macro aspects of key regulations to bring effectiveness, consistency and accountability into the sector.

Stressed power assets account for about 40% of the banking sector's NPAs of INR 10 trillion, including restructured assets. The report of the Core Group on Stressed Assets makes recommendations on developing mechanisms to either revive the increasing number of stranded / stalled projects, or to initiate takeovers of sick and stranded facilities.

The report of the Core Group on Hydropower brings on board stakeholders along the entire value chain to identify and discuss issues affecting India's hydropower sector, covering policy, market, financing and regulatory challenges, as well as common technical and project execution challenges.

CII raised various concerns involving the rollout of GST in the power sector with the concerned Ministries, including GST leading to 10-12% cost escalations, particularly in ongoing power projects; continuation of Sales Tax exemption; provision of equitable price increases due to change in law and the impact of GST on rural electrification projects.

## RENEWABLE ENERGY

### ADVOCACY

In line with the Government's mission to Make in India and decrease dependence on import of solar products, a Core Group has been constituted within the CII National Committee on Solar to suggest policy, skilling and standards interventions to promote domestic solar manufacturing in India.

CII has been a core member of the Working Group on Biofuels of the Ministry of Petroleum and Natural Gas since its inception in June 2015. Members of the CII National Committee on Bioenergy have represented the industry's viewpoints at this forum, especially with the challenges and solutions to attain the national biofuels mandate. This active participation is helping create a more conducive business environment for this struggling but economically important sector, especially in terms of keeping the entire biofuels value-chain within the purview of the Central Government for policies as well as taxation matters.

The CII National Committee on Wind Energy prepared a White Paper on Wind Energy, highlighting the challenges and possible solutions for the sector, and followed through with discussions with the Ministry of New and Renewable Energy (MNRE), NITI Aayog and the Prime Minister's Office (PMO). In response, the Government has issued the Guidelines for Tariff Based Competitive Bidding Process for Wind Energy to ensure planned capacity additions in 2017-18 and 2019, going up to the target of 60GW by 2022.

CII made numerous representations to the MNRE regarding the lack of clarity in the tax structure on solar components and power generating equipment such as modules and motors, raising concerns about the increased cost for solar projects, delayed completions and penalties on developers.

## HYDROCARBONS

### ADVOCACY

CII undertook a series of interactions between Government stakeholders and industry to facilitate the national effort to transition towards hub-based pricing for natural gas and the establishment of a gas-trading platform, and CII's role in these initiatives.

The exclusion of the oil and gas sector from the GST framework has raised major concerns for industry. CII has strongly represented to the concerned authorities including the Ministry of Petroleum and Natural Gas, Ministry of Finance (MoF) and the GST Council, as well as related tax authorities in Andhra Pradesh, Gujarat and Maharashtra for early inclusion of the sector under GST.

## ACTION

### Cross-Border Electricity Trade

The Ministry of Power announced the Guidelines on Cross-Border Trade of Electricity in December 2016 to promote greater transparency, consistency and predictability in regulatory approaches across jurisdictions and minimise risk perceptions. The CII Round Table on Cross-Border Electricity Trade, organised in partnership with the Ministry of External Affairs and Ministry of Power in July 2017 at New Delhi, brought together stakeholders from Nepal, Bhutan and Bangladesh to provide a cohesive overview of international concerns and facilitate avenues for cooperation on regulations.

### Powering Your Rooftops Workshop Series

The Government has set a target of 40GW Rooftop Solar (RTS) capacity in India by 2022; however, despite a strong policy push, financial incentives and publicity, the sector is struggling due to implementation-level issues. The Phase I of the Powering Your Rooftops Workshops: Accelerating India's Rooftop Solar Programme, was organised by CII in partnership with Hero Future Energies Pvt Ltd, across 4 states (Maharashtra, Karnataka, Punjab, Telangana) and the UT of Chandigarh between 2016-17. The Workshops provided a platform for discussion amongst Central and State Government and utility officials (State Electricity Boards, transmission and distribution companies), members of the entire RTS value chain (solar power developers, panel and ancillary equipment manufacturers, EPCs), financing companies, skills and social development organisations, and a range of consumers – retail (cooperative societies, RWAs), commercial and industrial. The National Conference of the Powering Your Rooftops Phase I was held in New Delhi, chaired by Mr Anand Kumar, Secretary, Ministry of New and Renewable Energy, and saw the launch of the Phase I Workshops Summary Report.



From L to R: Daanish Varma, Director - Sustainable Investment Banking, YES Bank; Neeraj Menon, Partner, Trilegal; Michael Satin, Director - Clean Energy and Environment Office, USAID India; Manoj Kohli, Co-Chair, CII National Council on Renewable Energy and Executive Chairman, Softbank Energy; B V Rao, Director, MNRE and Dhruva Purkayastha, Director, US India Clean Energy Finance at the Conference on India and the International Solar Alliance in New Delhi

### International Solar Alliance

CII has partnered closely with the International Solar Alliance (ISA) since its inception and has served as its primary industry connect, leveraging its national and international Member companies, offices and associations to host ISA outreach programmes, stakeholder Round Tables, and discussion forums across the world. CII is also the Chair of the ISA's International Corporate Committee, which has the mandate to create an integrated global solar market and support the ISA's fiscal roadmap. CII's Conference on India and the International Solar Alliance: Accelerating Global Solar Deployment organised in partnership with the ISA and WWF-India, provided a platform to explore the opportunities and challenges facing ISA Member Countries in financing and delivery of solar technologies and applications.

### CoP23

The annual Conference of Parties (CoP) is a global platform where CII helps promote the Government of India's achievements in renewable energy and climate sustainability. At the CoP23, held in Bonn, CII in partnership with the MNRE, hosted the Curtain Raiser for the Founding Ceremony of the International Solar Alliance (ISA) at the India Pavilion. CII also hosted the session on Market Evolution to Achieve 175GW Renewables, which saw the launch of NITI Aayog's report on State Renewable Energy Capacity Addition Roadmap Action Plan 2022 and Vision 2030, developed with CII as the Knowledge Partner.

# Fast Moving Consumer Goods

The fast moving consumer goods (FMCG) sector, the 4<sup>th</sup> largest in the Indian economy, is expected to grow at 20.6% to reach US\$ 103.7 billion by 2020. The sector has seen rapid growth in the last few decades, both in the urban areas as well as rural areas. For some sub-sectors, growth from rural areas has been faster than from urban areas. As media penetration grows, awareness has been growing by leaps and bounds, and aspirations have been rising. Lifestyles have been changing with a desire to acquire and own goods and services. What earlier was seen as a luxury is now seen as a necessity by many, leading to a new kind and level of consumerism.

In this backdrop, the CII National Committee on FMCG continued to work on addressing policy to create an enabling environment for this sector. CII also focused on strategy and growth related challenges of the industry. The aim is to help create enabling taxation policies, address regulatory concerns as well as find solutions to the plastic waste management challenge.

## ADVOCACY

With the GST regime being rolled out, the FMCG sector is faced with the withdrawal of certain taxation benefits under the Area Based Exemption Programmes. More particularly, these Programmes allowed exemptions to businesses in special-category states, such as Himachal Pradesh, Uttarakhand, J&K and the North East. Exemptions/refund benefits of central taxes such as excise duty and other state levies are now proposed to be compensated/refunded as budgetary support.

A representation on Area Based Exemptions in FMCG industry was thus made to the Ministry of Finance to consider granting equitable GST refunds at par with excise refunds under the pre-GST regime.

Similarly, several incentives, including fiscal incentives promised by the Central Government for setting up manufacturing facilities in States of Himachal Pradesh, Jammu & Kashmir, Uttarakhand, Assam have been curtailed substantially under the GST regime. This change has made manufacturing operations for many companies unviable/difficult.

A representation on Budgetary Support to Special Category States specifically highlighting the changes and their impact was submitted to the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce & Industry (MoCI). Suggestions on how the situation could be remedied were also made.

Key issues facing the Indian FMCG sector were taken up with Shri C R Chaudhary, Minister of State for Consumer Affairs. Plastic waste disposal, a major concern worldwide, is a big challenge for the sector in India as well, with only 60% of the daily waste of 15,342 tonnes being recycled.

Apart from submitting a representation on plastic waste management in the FMCG industry, efforts were made towards developing a policy on packaging waste management to promote a holistic packaging value chain and promote sustainable packaging.

# Retail

Over the last 20 years, India's retail sector has witnessed a tectonic shift. From an unorganised market, primarily ruled by kirana shops, it now boasts of large multi-format stores offering a global experience to local consumers. The tax reforms, the country's high economic growth and its strong positioning as an investment hub, urbanization, e-commerce and digitization are significant drivers of the retail sector. Today, retail is amongst the key sectors contributing to the growth of the Indian economy. The CII Retail Committee thus acts as a catalyst for growth and development of the sector by creating a platform to connect and engage with the industry and Government on key issues. Given the immense opportunities in retail, the focus is on strengthening the sector, creating downstream and upstream opportunities and linkages with other sectors.

## ADVOCACY

Over the last decade, CII has worked towards greater engagement with policymakers and advocated further reforms to the Government and Regulators to create an enabling environment and a robust standards ecosystem and conformity assessment platform. The need for a strong and modern National Policy on Retail and importance of a regulatory framework for the Indian

retail industry were highlighted to the Government. The focus was on developing a competitiveness roadmap implementation plan and scan, monitor and assess the impact of changes in regulations and policies.

## ACTION

The faster than ever acceleration in the cycle of change in India's retail sector and the role of technology in next generation retail were the focus of discussions at the National Retail Summit themed Future Telescope held in New Delhi. Deliberations on the future roadmap of retail, implications of GST and FDI on the sector marked the Summit.

The CII-JLL joint report on the retail sector identifies the challenges that may impede the growth and outlines how the available opportunities could be leveraged.

Shri Suresh Prabhu, Minister of Commerce and Industry emphasised the importance of the retail sector within India's growth story. Growth in retail will spur economic activity not in the sector alone but also in creating opportunities in many others including agriculture, manufacturing and services.



From L to R: Raghu Raj Gopalan, President- COO, Max Retail Division; Rahul Chadha, CEO, Fortis Healthworld; Sunaina Kwatra, Country Head, Louis Vuitton India; Pawan Aggarwal, CEO, FSSAI; Pankaj Renjhen, MD - Retail Services, JLL; Dinaz Madhukar, Executive Vice President, DLF Luxury Retail & Hospitality; Ajay Kapoor, President- Retail, Fabindia; Sameer Manglani, COO, Meena Bazaar and Swaminathan, Chief General Manager, GS1 India at the 4th National Retail Summit 2017 in New Delhi

# Services

The CII National Council on Services was constituted in 2017-18 with the objective of realising the vision - Serve India and the World. The Council aims to collectively strategize in a holistic manner on the policy framework and create an overarching Services' Policy with the potential to make a significantly favourable impact on the services ecosystem in the country.

## ADVOCACY

The transition to the GST regime, on a systemic level, for both goods and services sectors has been by and large smooth. However, few services sectors such as banking and finance, education, media and entertainment and tourism are facing growth challenges while transitioning to GST. A GST Representation on the Services Sector, prepared jointly with KPMG, was thus submitted to the Department of Revenue, Ministry of Finance. A set of key issues that could hamper the progress of the services sector in the long run have also been highlighted in a representation put together collectively with the stakeholders.

## ACTION

Globally, the services sector is emerging as an enabler of economic growth and inclusion. It contributes almost one third of the gross value added, half of the world's employment, one fifth of global trade and more than half of the world's FDI flows. In India, the services sector contributed to 62% of the gross value addition with growth of 7.7% in 2016-17.

Given this landscape, CII made efforts to identify and address key competitive differentiators for India's services sector, ideate on bridging the regulatory gaps in the key sub segments and work towards developing a holistic framework for an overarching Services Policy. One such initiative was the Services Conclave themed Serve India and the World organised with the support of the Ministry of Commerce and Industry (MOCI) and Services Export Promotion Council (SEPC).

A White Paper on Technology to serve 1.3 billion Indians: A Game Changer in the Services Economy was also released coinciding with the Conclave.



From L to R: Sudhanshu Pandey, Joint Secretary, Department of Commerce, Ministry of Commerce & Industry (MOCI); Vivek Nair, Chairman, Services Export Promotion Council (SEPC); Suresh Prabhu, Minister for Commerce & Industry; Uday Kotak, Vice President, CII & Chairman, CII National Council on Services and Executive Vice Chairman and Managing Director, Kotak Mahindra Bank Limited and Chandrajit Banerjee, Director General, CII releasing the whitepaper on Technology to Serve 1.3 billion Indians: A Game Changer in the Services Economy at the Services Conclave in New Delhi

## FINANCIAL SECTOR

For the India growth story to continue, it is essential to have a dynamic, strong and robust financial sector to support the multi-pronged reforms undertaken by the Government of India for the development of the economy. This year, CII continued to promote the development agenda with emphasis on accelerating and sustaining growth of all segments of the financial services sector. Efforts were directed at policy advocacy as well as on creating platforms for relevant dialogues and discussions.

### ADVOCACY

#### Financial Markets

During 2017-18, the CII National Committee on Financial Markets continued its endeavours of developing various segments of the financial markets including capital markets against the backdrop of an ever-changing financial landscape.

Various Working Groups were constituted to suggest measures for development of India's financial markets. Recommendations were submitted to the relevant Ministries with a view to encouraging development of a conducive taxation framework, the Bond Currency Derivatives (BCD) Continuum, the Commodities Market and Alternative Investment Funds. Amendments to SEBI regulations pertaining to Investor Advisory Guidelines, 2013 and on Delisting of Equity Shares Regulations, 2009 were also suggested. A representation for allowing a single Demat account for all financial products was made to the concerned authorities.

Apart from making recommendations, meetings were held with various policy makers to push forward the development agenda. Concerns of the market players on the Investment Advisers Guidelines were taken up with Mr G Mahalingam, Whole Time Member, SEBI and recommendations were made for the alignment of regulations with the needs of the market stakeholders. Concerns relating to the current delisting regulations, specifically in the light of the enactment of Companies Act 2013 and Insolvency and Bankruptcy Code 2016 were highlighted to Mr Amarjeet Singh, Executive Director, SEBI.

#### Insurance and Pensions

The CII National Committee on Insurance and Pensions, drove its agenda through four Working Groups. These Groups analysed critical issues impacting the insurance sector and recommended reformatory measures for its development. The Working Group on Life Insurance focused on mandatory life insurance, data sharing amongst insurance companies, stamp duty and TDS challenges for life insurance companies and solvency margin requirements for protection plans. The Working Group on Non-Life focused on taxation issues, Supreme Court judgment of PUC and recovery from State Governments. Separate Working Groups were also constituted on annuities and investment norms. A review of the Product Regulations (Linked and Non-linked) 2013 was undertaken on the advice of Member (Actuary) and a report was submitted. CII was the only industry body to be given this privilege.

Most CII representations on the Motor Vehicles



From L to R: Joydeep K Roy, Partner and Leader, Insurance and Allied Businesses, PwC; V K Sharma, Chairman, Life Insurance Corporation of India; T S Vijayan, Chairman, Insurance Regulatory and Development Authority of India (IRDA) and Sanjiv Bajaj, Chairman, CII National Committee on Insurance and Pensions & Managing Director, Bajaj Finserv Ltd at the Insurance Summit in Mumbai



From L to R: Ashishkumar Chauhan, Managing Director & CEO, Bombay Stock Exchange; M Rajeshwar Rao, Executive Director, Reserve Bank of India; Ajay Tyagi, Chairman, Securities & Exchange Board of India; Leo Puri, Chairman, CII National Committee on Financial Markets and Managing Director, UTI Asset Management Co Ltd releasing the report at the Financial Markets Summit in Mumbai

(Amendment) Bill 2016, submitted to the Ministry of Road Transport and Highways (MoRTH) and the Parliamentary Standing Committee on Transport Tourism and Culture have been accepted. CII has also been asked by MoRTH to draft rules for Motor Vehicles (Amendment) Bill for provisions pertaining to Motor Vehicle Third Party Insurance.

Some other recommendations made included suggestions to the National Housing Bank to make Life Insurance mandatory for all customers availing affordable housing loans under the Pradhan Mantri Awas Yojana. The Pension Fund Regulatory and Development Authority (PFRDA) was urged to consider all annuity providers approved by Insurance Regulatory and Development Authority of India (IRDAI) as Annuity Service Providers for the annuity payout for subscribers of National Pension System (NPS).

### Non-Banking Financial Companies

For holistic development of the sector, a National Committee was constituted under the Chairmanship of Mr Ajay Srinivasan, Chief Executive - Financial Services, Aditya Birla Group. Three Working Groups were formed to focus on Enforcement and Recovery Rights for NBFCs; Financial Inclusion: How to Achieve the Last Mile; and Liabilities Side: Issues and Recommendations. A detailed representation on relaxing norms for Enforcement and Recovery Rights for NBFCs was submitted to the Department of Financial Services, Ministry of Finance.

### Banking

Several policy and regulatory initiatives are necessary to enable the banking industry to meet the requirements of India's growing economy. The CII National Committee

on Banking, chaired by Ms Shikha Sharma, Managing Director and CEO, Axis Bank Limited and co-chaired by Mr Mahesh Kumar Jain, Managing Director & CEO, IDBI Bank and Ms Zarin Daruwala, CEO, Standard Chartered Bank, thus focused on the possible initiatives in this direction. Three Working Groups specifically deliberated upon possible policy recommendations in digital and cyber security; data infrastructure and big data, and asset resolution.

### Financial Inclusion

Fostering an enabling environment to aid Financial Inclusion with an increased focus on digitization of MSME sector found attention of the National Committee on Financial Inclusion during the year. Dr Janmejaya Sinha, Chairman, Asia-Pacific, The Boston Consulting Group led the deliberations on recommendations to be made to the Ministry of Finance and relevant regulators in this regard.

### ACTION

The 8<sup>th</sup> Edition of the Financial Markets Summit with Mr Ajay Tyagi, Chairman, SEBI as the Chief Guest was a key platform for policy advocacy. A Report on the Summit theme Re-engineering Indian Financial Markets for Attractiveness and Efficiency was also released. Mr T S Vijayan, Chairman, IRDAI inaugurated the 19<sup>th</sup> Edition of the Insurance Summit convened under the theme India Insurance Sector - Transforming Insurance and Pensions. Mr Hemant Contractor, Chairman, PFRDA delivered the valedictory address of the Summit that also saw the release of a joint CII-PwC report on the summit theme. The closed door interactive session with Mr T S Vijayan, held on the sidelines of Summit, outlined the reforms required for further strengthening the sector.

## INFORMATION AND COMMUNICATION TECHNOLOGY

India's information and communication technology sector continued to remain one of the fastest growing in the world. The Government has now set itself a goal of making India a US\$ 1 trillion digital economy by 2022. During the year CII aligned its initiatives to facilitate the achievement of this goal.

### ADVOCACY

CII made several policy recommendations to the Ministries and Government departments. Apart from recommendations on resolving the challenges to spur the sector's growth, representations on GST implementation in telecom, broadband, IT and e-Commerce were made, based on inputs from the Members.

### Telecom and Broadband

In the context of the Consultation Paper on Net Neutrality issued by the Telecom Regulatory Authority of India (TRAI), CII shared views with TRAI officials in closed door sessions. Several suggestions found place in the Net Neutrality recommendations released by the Authority.

A critical economic issue facing the country today is the significant deceleration of growth of the telecom sector due to massive financial stress, with reports indicating that the industry is burdened with total borrowings of about INR 8 lakh crore. In this context, recommendations based on inputs from the banking and telecom sectors were shared with the Ministry of Finance. The New Telecom Policy is a historic opportunity to work



Ravi Shankar Prasad, Minister for Law & Justice and Electronics & IT at the Telecom Convergence Summit in New Delhi

collectively with the Ministry of Telecom to design a workable policy. Members' views and suggestions were thus shared with the Ministry.

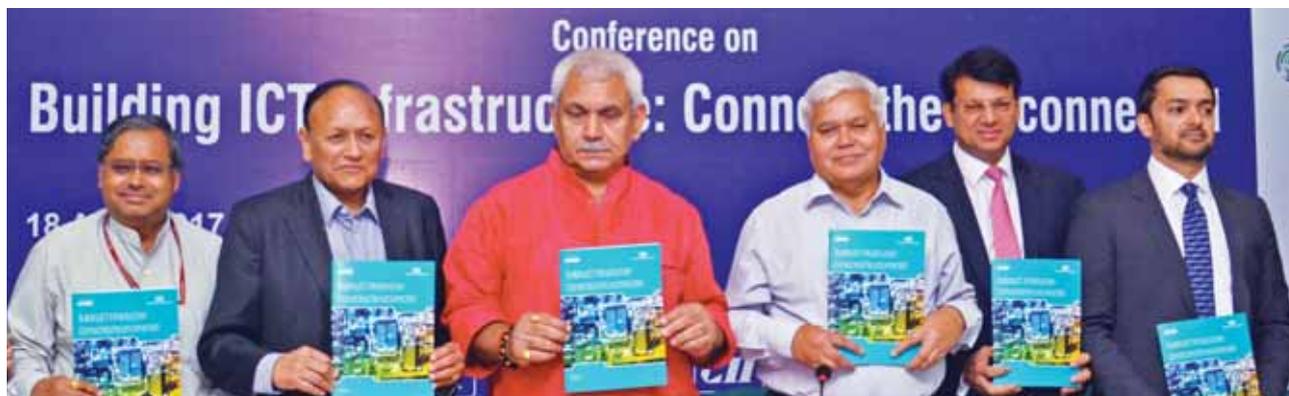
### Information Technology

Currently, the contribution of the ITeS industry is not considered when calculating the digital economy. It is thus important to launch appropriate interventions to add to the trillion-dollar economy quotient, not only for enumeration but also for leverage and growth. Opportunities to collaborate with the Government to achieve this objective were explored through interactions with the stakeholders. An area where CII proposes to support the Ministry is in building job specific skills.

### ACTION

#### International Engagements

At the 3<sup>rd</sup> Edition of the BRICS Communications Ministers Meeting in China, dialogues were convened on the Digital Economy with reference to ICT innovation and convergence development as well as on India's ICT opportunities and strengths.



From L to R: N Sivasailam, Additional Secretary (Telecom), Ministry of Communication; Umang Das, Chairman, CII Committee on Infrastructure; Manoj Sinha, Minister of State (I/C) for Communications and Minister of State for Railways; R S Sharma, Chairman, Telecom Regulatory Authority of India; Akhil Bansal, Deputy CEO, KPMG and Mritunjay Kapur, National Head of Risk Consulting, KPMG at the Conference on Building ICT Infrastructure in New Delhi



From L to R: Alphons Kannanthanam, Minister of State (I/C) for Tourism and Minister of State for Electronics & Information Technology; Suresh Kumar, Additional CEO, GeM; Shreekant Somany, Chairman, CII National MSME Council at the National Public Procurement Conclave 2017 in New Delhi

India and Israel have been working together to forge techno-business partnerships in cyber security between the industry, academia and research institutions. This agenda was taken forward at the 3<sup>rd</sup> Edition of the India Cyber Security Mission to Israel comprising technology professionals from user companies, senior scientists, professors, new age entrepreneurs, besides senior Government officials. An Indo-Israel Workshop coinciding with the Mission saw Indian and Israeli counterparts consider areas of cooperation.

### Project Workshops

CII undertook a research project on India's international e-commerce environment, with a special focus on promoting e-commerce linkages amongst SAARC nations supported by Friedrich-Naumann Stiftung für die Freiheit in New Delhi. A series of workshops on India's Cross-Border e-Commerce Readiness were held under this project aimed at studying India's digital platforms for facilitating international trade.

### India Focused Action

The concept of digitization has accelerated the growth of the telecommunications industry and has transformed the fundamentals of conventional network and business architecture with the help of technological advancements such as big data intelligence, Internet of Everything and Machine to Machine Communication etc. The new thought process has combined the key elements of people, infrastructure, processes and data to create an end-to-end digital ecosystem supported by reliable and sustainable ICT infrastructure. India being the home to the second largest subscriber base holds immense potential to connect the unconnected by providing a supporting framework of digitization, inclusion and sustainable development. These aspects were discussed

at the seminar on Building ICT Infrastructure in India which also focused on the crucial role of a collaborative approach between ICT industry and Government in developing a success model for digitization. Cyber security, a national priority for India, is also emphasised in the National Health Policy 2017. Thus as India works towards universal healthcare, CybSec' 2017 – Healthcare Seminar on Cyber Security, highlighted the need for cyber security as well as a National Digital Health Authority. The importance of developing the Mother and Child Tracking System (MCTS) and other citizen centric services was considered in the light of increasing integration of digital technologies in healthcare services and for seamless integration of Aadhar records.

To promote a culture of customer obsession in the Indian Industry, CII along with Microsoft India Pvt Ltd instituted the CII Award for Customer Obsession, which recognizes customer centric organisations for their practices and performance.

Given India's strengths in IT and Finance, the country has a unique opportunity to become the global Fintech hub. The Conference on Making India a Global Fintech Hub brought together stakeholders on leveraging Fintech for fostering inclusive and equitable growth.

Players in the IoT ecosystem have a largely unexplored opportunity to develop compelling IoT solutions to collect and analyse disparate data, in real-time and across time thus transforming businesses. The National IoT Summit, organised in this backdrop, in partnership with ERNET focused on how the transformation of the energy and power sector can become the driving force for IoT R&D and commercial applications.

Procurement of goods and services is a very important function for any Central or State Government agency. By setting up the Government eMarketplace (GeM), a state-of-the-art public procurement platform the Government ushered in a huge structural transformation of the public procurement machinery. The CII National Public Procurement Conclave, organised along with the GeM was a knowledge sharing platform and a platform for sellers to meet procurement managers from Government departments and PSUs.

## MEDIA AND ENTERTAINMENT

The Media & Entertainment (M&E) sector is witnessing digital disruption which is important to stay competitive. In this scenario, the need to align strategy is critical for companies to tap potential opportunities. There is also an urgent need to address the large talent and skill gap in the M&E sector, which has the potential to create 4-5 million new jobs over the next five years.

CII is working with the Government and industry stakeholders to define a sustainable way forward to address these issues and regulatory corrections by bringing the industry together on a single platform.

### ADVOCACY

Considering its employment and revenue generation potential, CII focused its policy advocacy efforts on the need for developing relevant infrastructure for the M&E sector. Engagement with the Ministry of Information and Broadcasting, NITI Aayog and the State Governments was intensified to highlight the importance of collaboration between the Centre and the States.

- Given the convergence between telecom and media, the need for grant of infrastructure status for media broadcasting and content distribution sector was further emphasized.
- The Shyam Benegal Committee report on the revamp of CBFC has asked for amendment of several sections of the Cinematograph Act of 1952 with a

view to making it contemporary and making the film certification process transparent and speedy.

- The Ease of Doing Business for M&E sector can be enhanced by creating an online, time-based, single window, transparent mechanism for receiving licensing and permissions for channels, film certification, satellite bandwidth and film shooting.
- Advocacy efforts were also focused on promoting Brand India in the international market/ film festivals to attract more business, foreign exchange and shooting in Indian locales.

Going forward, efforts to improve screen density, skill initiatives, digitization and paving the way for a Digital India will be taken in alignment and collaboration with the Ministry of I&B.

### ACTION

The Indian M&E industry, today a globally recognized market, is witnessing disruption of digital platforms as well as unconventional business models. The potential of this industry was highlighted through various activities.

At the Global Exhibition on Services 2017, more than 25 international buyers from USA, UK, Germany, Korea, Thailand, Iran, Mongolia, Ireland, Dubai and Austria, among others, participated in the M&E space. Post production companies outreach to global markets was also facilitated through B2B interactions.



From L to R: Sudhanshu Vats, Chairman, CII National Committee on Media & Entertainment and Group Chief Executive Officer, Viacom 18 Media Pvt Ltd; Amitabh Kant, CEO, NITI Aayog; Shashi Shekhar Vempati, CEO, Prasar Bharati; Amit Khanna, Advisor, CII Media and Entertainment Committee and Writer, Filmmaker, Media Guru; Ramesh Sippy, Indian Film Director and Producer at the Big Picture Summit in New Delhi



From L to R: Shaji N Karun, Indian Film Maker; Bhumii Pednekar, Indian Actress; Ashok Kumar R Parmar, Joint Secretary, Films, Ministry of Information and Broadcasting; Karan Johar, Indian Film Maker and Owner, Dharma Productions; Vani Tripathi Tikoo, Indian Actress and Film Maker and Jahnu Barua, Indian Film Maker at a Session on Indian Cinema: New Narrative and Global Footprint at the Berlin Film Festival 2018

A M&E delegation to Xiamen and Beijing explored business opportunities for Indian and Chinese companies within the present policy framework. A roadmap for sustainable engagement in exchange of content, pre and post production engagement, VFX and audio-visual was also drawn.

Indian M&E companies and several States of India participated in the CII lounge at the 70<sup>th</sup> Cannes Film Festival 2017. CII also participated at the Berlin Film



Karan Johar and Bhumii Pednekar during an Interactive Session on India Europe Film Collaboration at the EFM Buyers Lounge during the Berlin Film Festival 2018

Festival 2018. The aim was to promote cinematic tourism in India, showcase India's expertise in film making, editing, pre and post production services as well as integration of Indian Films (marketing and co-production) globally.

The CII Big Picture Summit 2017 brought together leading minds from the M&E sector to define a growth path at a time when digital transformation, convergence of technology and disruptive ideas are changing the rules of the game. The strong growth potential of the sector and the need to address large talent and skill gaps have been encapsulated in a CII-BCG Report titled Media and Entertainment: The Nucleus of India's Creative Economy, released at the Summit.

The Summit was an opportunity to deliberate on the sector's future direction and interact with key Government dignitaries such as Colonel Rajyavardhan Rathore, Minister of State (I/C) for Youth Affairs and Sports and Minister of State for Information and Broadcasting and Mr Amitabh Kant, Chief Executive Officer, NITI Aayog.

## TOURISM AND HOSPITALITY

Tourism, a key driver for economic growth, accounts for 6.6% of the world's exports, 1 in 10 jobs and 10.2% of the world GDP. This sector is one of the most promising sectors across the world with tremendous capacity for growth and revenue generation. In India, tourism has the potential to grow at a high rate, ensure infrastructure development and provide models for sustainable growth.

The CII National Committee on Tourism and Hospitality endeavours to promote tourism as a mainstream industry and a major driver for economic growth and employment. Efforts are made to resolve the challenges facing the sector while working in tandem with the Central Government, State Tourism Boards and other stakeholders.

### ADVOCACY

With a view to fostering an enabling environment for the sector, CII worked with the Government on several pertinent issues.

### GST Representations

With GST being rolled out during the year, some of the major issues pertaining to hotels, adventure tour operators and travel agents were taken up with the Government. These included:

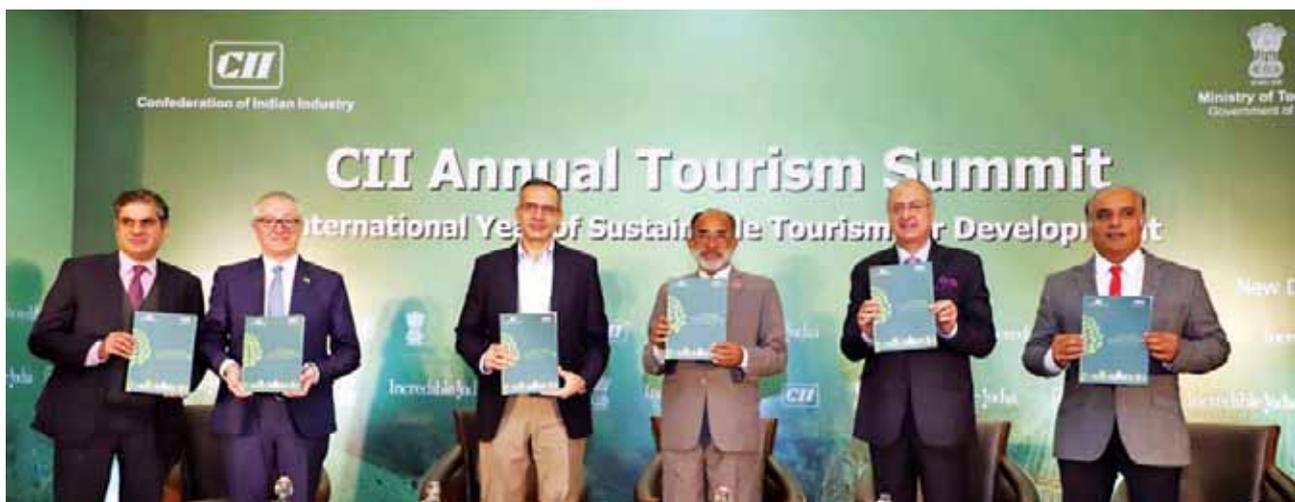
- A suggestion to treat tourism services provided to foreign tourists in India as Deemed Exports, when

foreign exchange was received, making them eligible to GST exemption similar to that available to export of goods.

- 5% GST be charged on supply of Tour Operators Services (No ITC), tour operators be charged GST at 18% only on the mark up to avoid cascading effect and be given the option to pay a composite tax in line of traders.
- GST slabs be determined and charged based on actual billing rather than on published tariff.
- Amendments to the Place of Supply Rules and IGST for immovable properties for tourism purposes such as hotels, cruises, campsites. Since place of supply for outbound tour services is deemed outside India, it was recommended that these not be taxed under GST in India.
- To encourage adventure tourism in the country it is suggested that this service be categorized under a separate accounting sub code under the exempted category or charge a maximum of 5% GST. A suggestion to exempt adventure tourism equipment from Customs Duty has also been made.

### Other Representations

- CII made a recommendation to declare capital expenditure of over INR 25 crore (excluding land) as infrastructure thus enabling the hotel industry to avail benefits available to airports, seaports and power projects amongst others.



From L to R: Nikhil Sahni, Group President - Government Banking and National Head -Branch Banking, YES Bank; Jožef Drogenik, Ambassador, Embassy of Slovenia; Deep Kalra, Founder & Chief Executive Officer, Make My Trip; Alphons Kannanthanam, Minister of State (I/C) for Tourism and Minister of State for Electronics & Information Technology; Dipak Haksar, Chairman, CII National Committee on Tourism & Hospitality and Chief Executive, ITC Hotels & WelcomHotels and Arjun Sharma, Co-Chairman, CII National Committee on Tourism & Hospitality and Managing Director, Select Group releasing the Report on Sustainable Tourism Practices in India at the CII Annual Tourism Summit in New Delhi



Vinod Zutshi, Secretary, Ministry of Tourism and Culture delivered the theme presentation on Converging Tourism, Culture and Sports and Creating Synergy between States and UTs towards building a Resurgent, Young India - Ideas for Ek Bharat Shreshtha Bharat and Beyond at the National Seminar on Adventure Tourism in New Delhi

## ACTION

An Action Plan for effective implementation of the theme Ek Bharat Shreshtha Bharat was drawn at the National Conference on Converging Tourism, Culture, Youth Affairs & Sports, where CII was the Knowledge Partner. The initiative was organised in partnership with Ministries of Tourism, Culture, Youth Affairs & Sports and Government of Gujarat. The objective was to create synergy and promote a deep and structured engagement between the key sectors of tourism, culture, youth affairs and sports through a planned engagement between Centre and States/ Union Territories.

The opportunities offered by adventure tourism were highlighted at a National Seminar held with the support of the Ministry of Tourism and the Adventure Tour Operators Association of India (ATOAI) as Knowledge Partner. Focused plans for the sector, global best practices from South Africa, Peru and Thailand were shared with officials from Ministry of Tourism (MoT), Ministry of Environment & Forests (MoEF), and other industry players. A comprehensive document on adventure tourism including guidelines for CRZ and safety is being drawn up for submission to the Government.

United Nations World Tourism Organization, UNWTO declared 2017 as the International Year of Sustainable Tourism for Development with a view to promote responsible, sustainable and universally accessible tourism. Opportunities for creating eco tourism destinations, catalyzing business opportunities, policy advocacy, promoting new and innovative tourism products such as cuisine tourism were highlighted at the Seminar.

A CII-Yes Bank Report on Sustainable Tourism in India: Initiatives and Opportunities outlined a business model based on the triple bottomline concept. It also highlights the need for a long term vision for encouraging sustainable tourism in areas such as homestays and wildlife tourism.



From L to R: Jorge Juan Castaneda Mendez, Ambassador, Embassy of the Republic of Peru; Swadesh Kumar, President, Adventure Tour Operators Association of India (ATOAI) and Managing Director, Shikhar Travels India Pvt Ltd; Dipak Haksar; Satyajeet Rajan, Director General-Tourism, Ministry of Tourism; Arun Kumar Mehta, Additional Secretary, Ministry of Environment, Forest and Climate Change and Arjun Sharma at the National Seminar on Adventure Tourism in New Delhi

# Health

## HEALTHCARE

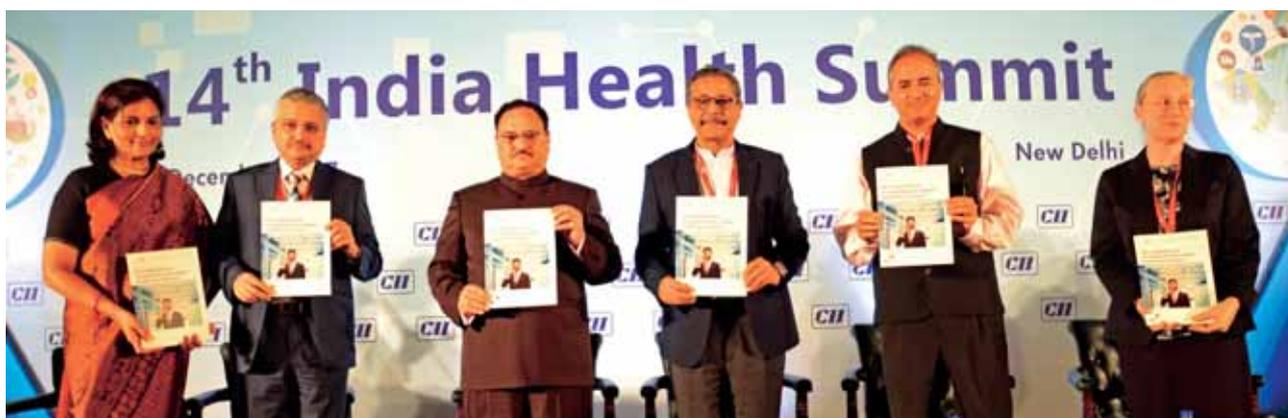
The last few years have seen an improvement in geographical and financial access to healthcare in India. With the changing economic environment and technology upgradation, the country's Healthcare Delivery System is at the cusp of transformation. This environment has also brought with it immense potential for collaborations between stakeholders by combining strengths, improving on weaknesses, exploring opportunities and managing threats. CII's work in the healthcare sector is focused on creating value for India's Healthcare Delivery System by increasing sustainable interactions with Governments at the Centre and State and catalyzing increased engagements among healthcare stakeholders towards improved patient care outcomes and health for all.

## ADVOCACY

The CII Healthcare Council actively engaged with the Government towards achieving framework modules to strengthen healthcare delivery in India. Work has begun towards protecting and promoting patient interests by advocating economic, efficient and effective healthcare services whilst maintaining and improving quality of healthcare delivery at care levels (Secondary and

Tertiary). CII has intensified its engagement with the Ministry of Health & Family Welfare (MoHFW), NITI Aayog and the State Governments towards bridging the trust deficit. Some of the advocacy related efforts were:

- Detailed representations on GST were made to the Ministry of Finance and the State Finance Ministers sitting in the GST Council. A representation for amending GST on healthcare services to zero-rated from the current exempt category was made to the GST Council and to all relevant decision makers.
- A draft of a model PPP concessionaire agreement was submitted to the MoHFW for primary, secondary, tertiary care, diagnostics and mobile health. The focus of the agreement is on increased participation of the private sector to strengthen the infrastructure, services and referral system at primary and secondary care centres.
- A detailed representation on facilitating Medical Value Travel was shared with the National Board on Wellness and Medical Tourism. To showcase India's strengths in healthcare delivery, a delegation participated in the Fiji-India- Pacific Islands Sustainable Development Conference at Suva, Fiji.
- A report to help define the levels of services and



From L to R: Dr Preetha Reddy, Vice-Chairperson, Apollo Hospitals Enterprise Limited; Dr (Professor) Randeep Guleria, Director, All India Institute of Medical Sciences (AIIMS); J P Nadda, Minister of Health and Family Welfare; Dr Naresh Trehan, Chairman, CII Healthcare Council and Chairman and Managing Director, Medanta - The Medicity; Dr Devi Shetty, Chairman & Founder, Narayana Healthcare; Professor Karen Eggsieston, Director, Asia Health Policy Program, Stanford University, USA releasing the study on How mHealth can Revolutionize the Indian Healthcare Sector at the 14<sup>th</sup> India Health Summit - Future of Healthcare in New Delhi



From L to R: Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Dr Rajiv Kumar, Vice Chairperson, NITI Aayog and Dr Naresh Trehan at an Interactive Meeting in New Delhi

specialties of critical services for select Non-Communicable Diseases (NCDs) such as oncology, cardiology and pulmonology was submitted to NITI Aayog. Suggestions were also made for the creation of a Central Nodal Agency for facilitating and resolving issues related to Public Private Partnership (PPP).

### **ACTION**

The healthcare sector faces several challenges such as high out of pocket expenditure, poor health insurance coverage, lack of scale in PPPs, stifling innovations through price capping. These challenges and strategies for response were discussed at several Closed Door Healthcare CEOs meetings throughout 2017. Exclusive closed door interactions were held between healthcare CEOs and Dr Rajiv Kumar, Vice Chairman NITI Aayog, Dr Vinod K Paul and Mr Alok Kumar, Advisor Health.

As the lead coordinator for convening discussions on viable PPP models, CII shared blueprint submission reports with NITI Aayog. Based on these reports, the Aayog identified three select NCDs [oncology, cardiology and pulmonology] to be delivered in the PPP mode at the district hospital levels.

CII convened training workshops and discussions between senior CGHS officials, private empanelled hospitals and UTI, the agency responsible for processing CGHS reimbursements. The objective was to ease the process of filing CGHS reimbursement claims. A circular for simplifying CGHS related reimbursement claims by employees was issued by MoHFW. With the advent of technology, healthcare delivery is rapidly transforming.

The discussions during the Technical Sessions at Health Tech 2017 helped to better understand the emerging landscape of digital Start-ups in health and the new disruptive trends.

A report titled How Health Can Revolutionize the Indian Healthcare Industry, prepared jointly by CII & PwC projects that mHealth (mobile health) can become crucial in improving healthcare accessibility in India. The report was released at the annual flagship event, the 14<sup>th</sup> India Health Summit 2017. The thought leadership forum themed Future of Healthcare was focused on trends in mHealth and other emerging areas in India's healthcare sector. The Summit was a platform for vibrant conversations between policymakers, industry leaders and global experts from Stanford University, Canada, Denmark and the USA.

## **MEDICAL TECHNOLOGY**

India's medical technology industry continued to grow at a steady pace in the backdrop of an evolving social and healthcare landscape. The sector also makes immense contribution to the improvement of healthcare delivery in India. CII thus works to catalyze recognition of the medical technology industry's contribution to healthcare and welfare delivery and to facilitate its growth through policies and promotion measures.

### **ADVOCACY**

Efforts were made to work with the Government for creating a transparent, globally harmonized regulatory framework appropriate for medical devices.

CII worked closely with the MoHFW in drafting, reviewing and suggesting amendments to the new Medical Devices Rules 2017 that came into force from January 1, 2018. Given that there is no alternative in India for PVC blood bags, the Ministry of Environment, Forest and Climate Change and MoHFW were urged to reconsider their ban under the Bio Medical Waste Rules.

Issues and challenges related to the Sub-Categorization and Ceiling Price Calculation for Coronary Stents were shared with the Central Drugs Standard Control Organization (CDSCO), National Pharmaceutical Pricing Authority (NPPA) and Department of Pharmaceuticals (DOP). A case was made for completely stopping the requirement of brand endorsement for every brand of generic device and the ADC and NoC process for export



From L to R: Dr Shubnum Singh, Director - Medical Education, Medical Research & Advisor - Health Care Framework, Max Healthcare Institute Ltd; Anupriya Patel, Minister of State for Health; Charu Sehgal, Leader - Life Science and Healthcare, Deloitte Touche Tohmatsu India LLP; Himanshu Baid, Chairman, CII Medical Technology Division and Managing Director, Poly Medicure Ltd; Suresh Vazirani, Chairman & Managing Director, Transasia BioMedicals Ltd and Prabal Chakraborty, Co-chairman, CII Medical Technology Division and Vice President & Managing Director, Boston Scientific India Pvt Ltd at the 10<sup>th</sup> Medical Technology Conference in New Delhi

shipment for all countries. A suggestion for Free Sales Certificate for non - notified devices was also made. The delays in clearance of medical devices at the port of entry due to GSR 690 E- labelling was highlighted to the Government.

Suggestions for attracting investments in the medical devices industry were made to NITI Aayog, MoHFW and the Department of Pharmaceuticals.

### **ACTION**

During the year, several platforms were created for the stakeholders to engage on India's healthcare infrastructure requirements and how these can be enhanced. Shri Siddharth Nath Singh, Minister of Health, Government of Uttar Pradesh shared his vision for the development of health and welfare in the State at a Closed Door Session with CEOs of medical technology companies. The Minister has set a goal of making UP a healthy State by upgrading the healthcare structure, with best-in-class facilities and services. An interaction session was also held with Mr K M Chandrasekhar, President and Former Central Cabinet Secretary and Vice Chairman Kerala State Planning Board, Sree Chitra Tirunal Institute for Medical Science and Technology.

The 10<sup>th</sup> Medical Technology Conference themed Medical Technology Shaping Healthcare for All in India was held in September 2017. Smt Anupriya Patel, Minister of State for Health and Family Welfare released

a report on the conference theme. A session to provide insights on moving towards value based healthcare was held during Health Tech India.

The SUGAM Portal, envisioned as an online application system for licensing of Medical Devices and In-Vitro Diagnostics, was launched during the year.

## **PUBLIC HEALTH**

India is in a state of transition with respect to access to and delivery of healthcare services. Within healthcare services, improving the quality of public health delivery is critical, given its fundamental purpose of the welfare of the most vulnerable sections of the society. Improved public health is also key to the country achieving the Sustainable Development Goals (SDGs). In this backdrop, CII catalyzed private sector engagement with the objective of creating a responsive Public Health System in the country.

### **ADVOCACY**

Following multi-stakeholder consultations, key areas for action at the policy and implementation level were defined with a focus on creating viable and sustainable PPPs.

Some of the key public health policy issues that were addressed include:

- Recommendations were submitted to MoHFW for strengthening the National Programme for Prevention



From L to R: Vivek V Kamath, Managing Director, MSD Pharmaceuticals; Vishal Phanse, Chief Executive Officer, Piramal Swasthya, Hyderabad; Dr Harpal Singh, Mentor and Chairman Emeritus, Save the Children; Dr Shamika Ravi, Senior Fellow, Brookings India; Alok Kumar, Advisor Health, NITI Aayog; Dr Niti Pall, Medical Director, KPMG's Global Health Practice, UK and Arvind Kumar, Head-PPP, USAID, India at the Public Health Conference in New Delhi

and Control of Cancer and Diabetes, CVD and stroke (NPCDCS).

- CII began work towards strengthening the Universal Immunization Programme (UIP) in 2015 by identifying challenges in the last mile delivery of vaccines. In partnership with Godrej, efforts were stepped up for creating a policy dialogue platform to identify the challenges in UIP implementation and areas where private sector can provide possible solutions.
- Gaps in India's Public Health Delivery system were outlined in an infographic report on Opportunities for Private Sector Involvement in Public Health. The report also identified the possibility of PPPs in certain areas becoming a game changer for public health delivery.

CII organised the 1<sup>st</sup> Public Health Conference in 2017 with the objective of bringing relevant stakeholders together to deliberate on some key barriers and enablers to effective Public Health Delivery in India. Some issues deliberated upon included financing and investments in primary healthcare, education and training facilities, medical and public health, making essential drugs available to all, expansion of universal health coverage, addressing health beyond healthcare.

## AYURVEDA

CII has constituted a Core Group on Ayurveda (CII CAG) chaired by Mr Rajiv Vasudevan, CEO, AyurVAID Hospitals, with the objective of consolidating industry action and mainstreaming the nascent Ayurveda sector. The group aims to establish Ayurveda's footprints both

in India and globally. CII CAG initiatives are aimed at supporting the Government in transforming India's Ayurveda sector and to lay the foundations of a robust, fast growing Ayurveda Industry in India.

### ADVOCACY

- Develop and include Ayurveda in public/community health with a focus on preventive and promotive aspects of healthcare.
- Include Ayurveda in mainstream system of health and medicine.
- Develop and promote high value, science based products and services in Ayurveda.



From L to R: Dr Rohit Sane, Founder Director, Madhavbaug Cardiac Rehabilitation Center; Roshan Jaggi, Joint Secretary, Ministry of AYUSH; Shripad Yesso Naik, Minister of State (I/C) for AYUSH; Ashwini Kumar Choubey, Minister of State for Health and Family Welfare; Dr Partap Chauhan, Chairman and Managing Director, Jiva Ayurveda; Dr Eknath Naik, Associate Professor, COPH Global Health, Division of Infectious Disease & International Medicine, University of South Florida at the Ayurveda Conclave in New Delhi



From L to R: A Vaidheesh, Conference Chairman and Vice President, South Asia & Managing Director, India GlaxoSmithKline Pharmaceuticals Ltd; Suresh Mathur Executive Director - Health, Surveyors, IMF and Reinsurance Centre for Health Policy Insurance Regulatory and Development Authority (IRDA); Anupriya Patel and Dr Naresh Trehan at the 11<sup>th</sup> Health Insurance Summit 2017 in New Delhi

- Build Ayurveda as the 1<sup>st</sup> choice for select medical conditions.
- Build brand Ayurveda.

To build a robust Ayurveda industry in India, CII CAG engaged with PMO, Ministry of AYUSH (MoAYUSH), MoHFW as well as industry players. Vision 2022: Roadmap to Achieve US\$ 9 billion was released during the 1<sup>st</sup> Ayurveda Conclave 2017 celebrated in conjunction with the Ayurveda Day. Another roadmap, prepared after stakeholder consultation and submitted to the PMO and MoAYUSH, highlighted strategic recommendations for the industry to transform and achieve a threefold increase in market size within 5 years. Creating the right policy and incentive framework, enabling insurance, building capacity, human resources and manufacturing are some growth imperatives emphasized in this submission.

The industry's views on positioning of AYUSH systems vis-à-vis the National Health Policy 2017 were presented during a closed-door interaction hosted by MoAYUSH.

A proposal was submitted to MoAYUSH for a strategic long term partnership towards facilitating a 360-degree approach for the private sector, to complement new and ongoing Government initiatives. A representation was

also made to the MoAYUSH and MoHFW on the Central Government Health Scheme (CGHS) for Ayurveda Medical Care-Provision of Ayurveda Care and for fixing rates for settlement of CGHS members' claims. Revised CGHS rates for Ayurvedic Treatments were announced by MoHFW in December 2017.

Going forward, regional conferences and international delegations will be organised to give a fillip to the sector. Efforts are also being made to expand the industrial and regional representation of CII CAG.

## HEALTH INSURANCE

During the year, CII worked towards building the prospects of India's health insurance sector and bringing in sustainability in utilization of care. The focus was on the need to build sustainable practices in light of increasing claims ratio, increasing medical costs leading to increased premiums and a high incidence of frauds.

### ADVOCACY

Given that only about 15% of India's population is covered under health insurance, follow up action was taken on the proposal for linking health insurance for Universal Health Coverage. The objective is to expand India's health insurance cover. Specific working groups were constituted to explore and define Standards of OPD and Wellness Policy, setting sustainable business practices and data standards.

Work is underway to develop a standard insurance product that caters to protection needs of the majority of India's population, is affordable, provides for basic in-patient hospitalisation and out-patient consultation coverage. Every insurance coverage defines coverage limits and a list of exclusions, which vary from company to company. Often the customer is not aware of the exclusions. Recommendations on a list of common exclusions across insurance companies is being worked on in partnership with IRDA.

### ACTION

The 11<sup>th</sup> Health Insurance Summit which focused on Future Readiness of Health Insurance Industry was held in November 2017 in New Delhi. Members of the health insurance industry met the IRDA Chairman in Hyderabad to highlight the issues facing the sector.

# Life Sciences

## PHARMACEUTICALS

The Indian pharmaceutical industry, one of the largest in the world, is breaking new ground in research globally. The industry is also working in lockstep with the Government to make quality drugs, especially life-saving medicines, at prices affordable to the common man. To this end, CII aims to boost the pharmaceutical sector so as to showcase India as the pharmaceutical destination for the world. CII has been working closely with the Government, industry and other key stakeholders to catalyze growth of the Indian pharmaceuticals industry by leveraging various opportunities, addressing the issues to build robust and actionable solutions, facilitate industry growth and ensure affordable and quality healthcare.

## ADVOCACY

To address the challenges facing the Indian pharmaceutical sector and to help create an enabling ecosystem, CII made several recommendations to the Government. These included recommendations on the various provisions in the Draft Pharmaceutical Policy 2017 circulated by the Department of Pharmaceuticals

in August 2017. The recommendations were based on the views and reservations expressed by Members of the CII National Committee on Pharmaceuticals and senior pharmaceutical industry leaders.

A thought leadership report titled Indian Bulk Drugs Industry- Regaining the Lost Glory was developed in collaboration with KPMG. The report captures various discussion points on the current state of the bulk drug industry in India, assesses key challenges and gaps as well as explores suitable recommendations to mitigate these challenges. Key recommendations highlighted in the paper are expected to help stakeholders in making well-informed decisions to achieve self-sufficiency and sustainability of India's bulk drug industry.

CII also joined hands with PwC to conduct a survey of senior quality leaders to identify a Quality systems roadmap for stakeholders to achieve the Pharma Vision 2020. The roadmap aspires to serve as a guideline along which the Indian Pharmaceutical industry can design and benchmark its progress.



From L to R: Dr Dinesh Dua, Vice Chairman, Pharmexcil, CEO & Director, Nectar Lifesciences Limited; Dr V G Somani, Joint Drug Controller, Central Drugs Standard Control Organization; Ravind Mithe, Partner, Strategy & Operations (S&O), Management Consulting, KPMG in India; Dr V M Katoch, NASI-ICMR Chair on Public Health Research and Rajasthan University of Health Sciences, Jaipur; Dr U Kamachi Mudali, Chief Executive, Heavy Water Board, Department of Atomic Energy and Gaurav Mathur, Managing Director, Teva India at the National Pharmaceutical Conclave in New Delhi

Addressing the issues pertaining to Ease of Doing Business in the pharmaceuticals sector was a key focus area in 2017-18. A report on Ease of Doing Business in the pharmaceuticals sector was put together to highlight two vital aspects - setting up a new manufacturing plant and obtaining marketing authorization for a new drug. These reports and the roadmap were released at the 14<sup>th</sup> CII National Pharmaceutical Conclave.

### **ACTION**

Notable speakers from the Government, the Regulator, policymakers, pharmaceuticals industry, healthcare industry, academia, and NGOs shared their insights on key pharmaceutical issues at the National Pharmaceutical Conclave organised in collaboration with the Department of Pharmaceuticals. The deliberations revolved around major issues impacting the pharmaceutical industry such as achieving excellence in quality, strengthening India's export/import competitiveness, enhancing ease of doing business in India, include fostering industry-academia interactions, and the potential and adoption of fourth-generation technologies in pharmaceuticals. The Conclave was a platform to present the opportunities and challenges as well as possible counter measures and to draw consensus amongst the stakeholders.

## **BIOTECHNOLOGY**

India's biotechnology sector accounts for almost 2% of the global biotech industry. Counting amongst the top 12 biotechnology destinations in the world, the sector is expected to experience phenomenal growth. Given the increasing economic prosperity and health consciousness of a nation of more than a billion people, India offers a huge market potential for this sector. To harness this potential in the future, the sector needs to stay innovation focused and quality compliant as well as build a pool of skilled workers. The CII National Committee on Biotechnology acts as an enabler to foster R&D and growth in the sector and works on the sector's issues with stakeholders to stay innovation-driven, globally quality-compliant and position India as a hub for affordable innovation in Biotechnology.

### **ADVOCACY**

During the year, efforts were directed at creating an enabling ecosystem for the biotechnology sector by advocating the following:

- Changes in vaccine approval procedures.

- Issues in Biodiversity Law and its compliance.
- Focus on Biotech Start-ups in India.
- Catalysing conducive policies for growth and development of the biotechnology sector.

Based on suggestions from Members, recommendations for guideline changes in Vaccine Approval Procedures-II were submitted to the Government in continuation of the recommendations submitted earlier to the Ministry of Health and Family Welfare and to the Drug Controller General of India's office. The recommendations are aimed at catalyzing policies for growth and development of the vaccine sector and to facilitate speedy access to markets.

A comprehensive report on biotech Start-ups in India and their global impact was prepared in consultation with Members and Sathguru Consultants. The paper highlights key focus areas to enlarge and effectively sustain innovation in the life science Start-up ecosystem.

A report on issues associated with Biodiversity Law and its compliance was put together with technical support from K&S partners. The paper suggests amendments to the Biodiversity Act to address the challenges associated with protection of intellectual property. These recommendations will be shared with the National Biodiversity Authority of India and the Department of Biotechnology.

These three reports were released at the National Biotechnology Conclave.

### **ACTION**

The 1<sup>st</sup> National Biotechnology Conclave 2017 with the theme Strengthening the Biotech Ecosystem in India was organised in partnership with the Department of Biotechnology. Dr Renu Swarup, Managing Director BIRAC and Senior Advisor, Department of Biotechnology found the theme of the Conclave covering all aspects of the biotech ecosystem. She mentioned that the scalability and sustainability of the biotech ecosystem is crucial for the success. The sessions focused on growth prospects for bio-similars, ease of doing business, public private partnership models and vaccines.

# Micro, Small & Medium Enterprises

The Indian Micro Small and Medium Enterprises (MSMEs) sector is the backbone of the national economic structure. Accelerated MSME growth is fundamental for India to achieve and sustain a high GDP growth. The CII National MSME Council is focused on taking forward the policy advocacy agenda of bolstering competitiveness of Indian MSMEs and by 2020, raising their contribution to the National GDP to 50%.

In the year 2017, the Council focused on policy advocacy and engagement with the Government to assess and make available affordable credit to MSME sector.

## ADVOCACY

In the last quarter of 2017, recommendations were submitted to the RBI's Standing Advisory Committee on Flow of Institutional Credit to MSME sector. The MSME council was also involved in the formulation of the New Industrial Policy of India, represented in the focus group on Manufacturing and MSME contribution, and submitted recommendations to DIPP and AS & DC (MSME).

## MSME Finance

Some of the key recommendations submitted to the Reserve Bank of India's Standing Advisory Committee are as follows:

- In response to RBI's concerns on NPAs, it was suggested that NPA norms for MSMEs be raised from 90 to 120 days, considering the unpaid or delayed bills and payment cycles prevalent in the sector.
- To improve the flow of funds to MSMEs, the Committee was urged to revive Banks' refinancing to NBFCs' at nominal rates, a norm revoked in 2011.
- The analytics and other scanning metrics, e.g., the SME sales and financial records, used by these Fintech companies can help in effective disbursement of loans within 48 hours and also enable Banks to expand their reach to SMEs. To facilitate loans to SMEs it was suggested that collaborations be encouraged between Public-Sector Banks and Fintech companies having significant online presence.
- Allowing highly rated, credible and large NBFCs access to schemes such as CGTMSE, CLCSS, and



From L to R: Vikram Golcha, Co-Chairman, CII National MSME Council and CMD, Associated Soapstone Distributing Co Pvt Ltd; Preeti Saran, Secretary (East), Ministry of External Affairs; Alphons Kannanthanam, Minister of State (I/C) for Tourism and Minister of State for Electronics and Information Technology; Giriraj Singh, Minister of State (I/C) for MSMEs; Shreekanth Somany, Chairman, CII National MSME Council and CMD, Somany Ceramics Ltd; Dr Arun Kumar Panda, Secretary, Ministry of MSME; Chandrajit Banerjee, Director General, CII at the 14<sup>th</sup> CII Global MSME Business 2017 in New Delhi



From L to R: Ashok Saigal, Member, CII National MSME Council and Managing Director, Frontier Technologies Pvt Ltd; Ravindra Nath, Chairman & Managing Director, National Small Industries Corporation Ltd (NSIC); S N Tripathi, Additional Secretary & Development Commissioner, Ministry of MSME and Shreekant Somany at the 4<sup>th</sup> CII National Vendor Development Programme for MSEs in New Delhi



Over 200 Buyer-Seller meetings held between PSUs and MSEs during the 4<sup>th</sup> CII National Vendor Development Programme for MSEs in New Delhi

to act as business correspondents for development bodies such as North-Eastern Development Finance Corporation Ltd., MUDRA Bank etc. was advocated for. The premise is that such access would improve the reach of various developmental schemes to MSMEs.

## ACTION

### Trade & Export-Import

The latest global industry trends and emerging business opportunities for gainful MSME partnerships were explored at the 14<sup>th</sup> Edition of the Global MSME Business Summit 2017 themed Fostering Growth through Partnerships. Organised in partnership with the Ministry of MSME and the Ministry of External Affairs, the Summit brought together participants from ASEAN, Latin America, Singapore, Portugal, France, Japan, the Gulf and MEWANA Region. A Masterclass on Understanding and Leveraging Trade Agreements enabled MSMEs attending

the Summit to understand how Free Trade Agreements (FTAs) can be leveraged to increase trade within the Region, and also the ways in which duty benefits can be utilized to enhance competitiveness.

### Market Linkages with Indian PSUs

The 4<sup>th</sup> CII National Vendor Development Programme (NVDP) for MSMEs facilitated PSUs in identifying MSME vendors for 20% compulsory procurement in their total annual products/services purchases. The NVDP also assisted MSMEs in strengthening their market access/linkage, building their capacities and seamlessly connecting them with various supply chains in the country.

### Competitiveness and Capacity Building

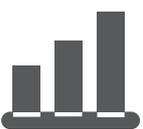
MSMEs were apprised about various finance and related services and products offered by Financial Institutions at the Financial and Technology awareness sessions. CII's Finance Facilitation Centre and Technology Facilitation Centre reached out to MSMEs in Tier II and Tier III cities to address their financing needs. Awareness sessions provided insights to MSMEs on latest energy solutions, emerging technology trends in IT, ITes & ICT, office automation and robotics.

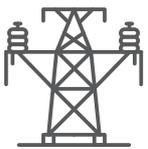
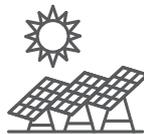
To enhance the production management techniques and competitiveness of Indian MSMEs, a CII-HIDA (The Overseas Human Resources and Industry Development Association) Training Programme was organised in Osaka, Japan.



# CII in the Regions

- Eastern Region
- North Eastern Region
- Northern Region
- Southern Region
- Western Region





# Eastern Region

Over the last three years, the Government of India has stepped up its efforts to promote economic development and job creation in India's Eastern Region comprising Bihar, Chhattisgarh, Jharkhand, Odisha and West Bengal. The Government's Look East Policy leading to enhanced engagement with countries in the Eastern part of the world has also created several opportunities for India's Eastern Region.

In line with the Government's efforts, CII Eastern Region (CII-ER) pursued the theme Rebuild East, Invest in Development in 2017-18. The theme, serving as a preamble, helped to define and drive the year's agenda and action plans. Greater emphasis was accorded to making industry globally competitive and propelling the region towards higher economic growth and creating more new jobs.

CII-ER's work is driven by five State Councils, three Zonal Councils, 15 Sub-Committees and 14 Task Forces. Taking all stakeholders - Government, industry, academia and the society - on board, CII-ER strives to offer implementable solutions to issues affecting business. To help spur economic growth in the Region, CII-ER focused on enhancing ease of doing business, making local industries future-ready towards the Government's Make in India vision and making businesses GST compliant.

## ADVOCACY

During the year, CII-ER's advocacy efforts centered on simplification, synergy and inclusion. Apart from sharing pre-Budget memoranda with State Governments, there was active engagement with Chief Ministers, Ministers and senior Government officials. Special efforts were made to get quick clearances for projects and sectoral parks.

Several reports and studies on sectors such as power, IT, agri and food processing, environment and waste management, banking and finance, CSR, amongst others, prepared during the year, provided insights on action required to create an enabling ecosystem.

Aligned with CII's overall policy advocacy agenda, CII-ER made several recommendations to State Governments and continued to contribute to policy formulation.

## West Bengal

- The Chief Minister of West Bengal acknowledged CII's recommendations on incentives to Start-ups, training incentives, inclusion of Start-ups in Government orders and activation of equity/debt funds for the State's upcoming IT/ ITeS and ESDM Policy.



Raghubar Das, Chief Minister of Jharkhand; Piyush Goyal, Minister for Railways and Coal; Susheel Kumar, Secretary, Ministry of Coal, Gopal Singh, CMD, Coal India Ltd; Dr Sarat Kumar Acharya, Co-Chair, CII National Committee on Mining, and CMD, NLC India Ltd; Rajesh Adani, MD, Adani Group; D K Hota, CMD, BEML Ltd; Avijit Ghosh, CMD, HEC; and Sandeep Singh, Chairman, CII ER Skill Development Sub-committee & MD, Tata Hitachi Construction Machinery Co Pvt Ltd and others at the Jharkhand Mining Show - Mining and Minerals Summit in Ranchi

- CII is the sole industry body entrusted with providing industry inputs for West Bengal's Comprehensive Tourism Policy 2018.
- A slew of recommendations were made for the draft policy on agro and food processing for Food Processing Industries and Horticulture, based on deliberations and interactions with Government officials, industry members, academics and researchers. Advocacy efforts were directed at fiscal incentives and subsidies on capital investment, exemption of market fee on finished goods and raw materials, further assistance for setting up mini food processing units, cold chain, value addition and logistics infrastructure, freight charges, manufacturing of traditional processed food products, quality certification and food testing laboratory.
- The pitch for financial incentives to encourage manufacturing of green products in West Bengal resulted in the benefits of West Bengal Industrial Promotion Scheme, 2010 being extended to green energy equipment manufacturers.
- The West Bengal Government acceded to CII's proposal for 10% additional FAR to help raise the green building footprints in the State.
- The proposal for VAT exemption on solar energy devices was accepted, though a formal notification is awaited.
- The West Bengal Government is actively considering CII's proposal to build an integrated rural marketing-cum-training centre for handicrafts, arts, painting and handloom.
- In a bid to promote tea industry in North Bengal, CII facilitated resolution of a dispute for Inland Container Depot and Tea Park at New Jalpaiguri.
- Based on policy suggestions submitted to the Land and Land Reforms and Refugee Relief and Rehabilitation Department, some changes were incorporated in regulations related to land mutation fee, contiguous land and post facto conversion of land. The State Government has made registration and mutation of property mandatory at the time of sale, to stop the same asset, particularly land, from being fraudulently sold multiple times.

### **Bihar**

- Recommendations were made for sub-leasing and transfer of units, third party inspection and formation of a managing committee responsible for upkeep of industrial clusters and food parks.
- A representation was made to the Bihar Government

for GST rate revision for the food processing sector in Jharkhand.

- Representations were made to seek faster disbursement of industrial subsidy, amendment to industrial land lease rules, digitization of land records and online land allotment, and ease of pollution norms, amongst others.
- A recommendation was made to set up a separate department for MSMEs. CII in Jharkhand is already working with the State Government in the MSME Policy formulation.
- The need for rationalising power tariffs was flagged to the State Government.

### **Chhattisgarh**

- In response to a notice issued by the State Government regarding establishment of fly ash brick plants by power producers, CII recommended that a group of industries be permitted to set up a common plant to match their power generation capacities. The issue is under consideration.
- A representation seeking modernization of resources and incorporating energy-efficient equipment without having to go through the long-drawn process of environment clearance was made to the State Government.

### **Odisha**

- A representation was made to voice the industry's disagreement to the 175% hike in electricity duty for captive power generators.
- The State Government was urged to take measures to rationalize the high cost of land in Government-led industrial parks.
- CII is working on the issue of scarce supply of coal for Odisha's metal sector.



Ravi Shankar Prasad, Minister for Law & Justice and Electronics & IT in conversation with Nitish Kumar, Chief Minister of Bihar at the IT and ITES Investors Conclave 2017

## ACTION

CII-ER created platforms for deliberations amongst stakeholders and encouraged action towards economic growth and development.

CII has long been the Government's trusted ally for drafting action plans and has been the National Partner for mega investment meets or sectoral seminars organised by the Governments in Jharkhand, Odisha, West Bengal and Chhattisgarh.

Through a series of initiatives delivered in partnership with the State Governments, CII showcased the region's strengths and potential for business. The Bihar IT & ITeS Investor Conclave-cum-Hackathon 2017, Krushi Odisha, Hill Business Summit, Darjeeling and Enterprise Odisha provided effective platforms to achieve this objective. Investors' Road Shows organised in Mumbai on behalf of the Bihar Government, and the Industry Round Table Consultations on IT, ITeS and ESDM in New Delhi and Bengaluru were also focused on attracting investments.

Jharkhand is one of the richest mineral zones in the world and CII-ER partnered the Government of Jharkhand to organise the first ever Jharkhand Mining Show and Global Mining and Minerals Summit.

Inaugurated by Shri Piyush Goyal, Minister of Railways and Coal, and Shri Raghubar Das, Chief Minister of Jharkhand, the initiative witnessed excellent participation and MoUs were signed between the Jharkhand Government and Coal India, MECL, Vedanta Ltd and Shree Cement Ltd.

CII accompanied Dr Raman Singh, the Chief Minister of Chhattisgarh, on various international delegations. A delegation to South Korea and Japan and another

one to Australia showcased the mineral-rich State as a rewarding investment destination.

Organised in conjunction with an Odisha Government Delegation led by the State's Finance Minister, P K Amat, a CII Business Mission to Japan and Thailand engaged in investment promotion Road Shows and one-on-one meetings with the local industry.

In an interaction with the Chief Minister of Bihar, Nitish Kumar, President Designate CII, Mr Rakesh Bharti Mittal along with Mr Umesh Chowdhary, Chairman, CII East reiterated the industry's keenness to promote investments in food processing and farm machinery in the State.

On various occasions, CII Members from the Regions interacted with Shri Raghubar Das, several Union Ministers, Members of Parliament from the Eastern Region as well as Vice Chairman, NITI Aayog, Mr Rajiv Kumar.

CII-ER endeavoured to promote the Central Government's flagship programmes such as Make in India, Skill India, Start-up India, Digital India, and also World Food India through a slew of mega conferences and Road Shows.

## Ease of Doing Business

While promoting ease of doing business and attracting investments across sectors topped CII's agenda, several interactions with the Government ensured quick clearances for projects and sectoral parks.

A series of seminars, workshops, training programmes organised across the region, in the run-up to the GST launch on 1 July 2017, enabled the smooth



From L to R: Sanjeev Chopra, Principal Secretary, Industries, Odisha; Jagi Mangat Panda, Deputy Chairperson, CII ER and MD, Ortel Communications Ltd; Prafulla Samal, Minister for MSME, Women & Child Development & SSEPD, Odisha; Naveen Patnaik, Chief Minister of Odisha; Aditya Prasad Padhi, Chief Secretary of Odisha; Dr Tapan Kumar Chand, Chairman, CII Odisha and CMD, NALCO; L N Gupta, Additional Chief Secretary, MSME and Arun Misra, Vice Chairman, CII Odisha & Vice President, Tata Steel (Gopalpur Project) and MD, Tata Steel SEZ Ltd, at the 21<sup>st</sup> Enterprise Odisha in Bhubaneswar



From L to R: Sushmita Basu, Partner, PwC; Umesh Chowdhary, Chairman, CII ER and Vice Chairman and MD, Titagarh Group and Avijit Mukerji, Vice Chairman, CII West Bengal and Regional Managing Partner and Assurance Leader, East, PwC at the Seminar on Tax issues of POEM, GAAR & GST Compliance in Kolkata

implementation of this historic legislation. CII Members also explained the details of the new tax regime on the electronic media.

### MSMEs

Given that MSMEs are the fulcrum of any emerging economy, special thrust was given to making MSMEs globally competitive through innovation, market linkages and resilience. While CII Finance Facilitation Centres (FFC) continued to provide advisory and credit facilitation support to MSMEs, CII-ER created dedicated platforms to align all stakeholders. Loan applications to the tune of INR 110 crore were made through CII-FFC, partner banks and MSME FinFest during the year.

The MSME Conclave, Conference on Doing Business with Indian Railways and RAMICOM East, Rail Connect East, Industry-Defence Symposium served as effective forums to drive CII's agenda of making MSMEs in the Region increasingly viable and competitive. These forums also provided an opportunity for MSMEs to interact with the top officials of Indian Railways, Indian Army, Ordnance Factories and DPSUs.

Biz Bridge 2017 saw participation of major players from the Indian Railways like Chittaranjan Locomotive Works, Diesel Locomotive Works, South Eastern Railway, RDSO - and leading players from defence manufacturing such as GRSE, HAL, Gun and Shell Factory, Metal and Steel Factory, etc. In as many as 261 B2B meetings with the MSMEs from the Region, senior officials from the Defence and Indian Railways explained their

procurement policies and clarified their quality and millennial future readiness expectations from MSMEs. CII-ER continued to work with the Reserve Bank of India on the issue of delayed payments and TReDS (Trade Receivable Discounting System). The Manufacturing Excellence 2017 was an effective forum to deliberate on the benefits of TReDS by A TReDS Ltd (a subsidiary of Axis Bank).

Dedicated sessions to attract investments in ancillary and downstream industries in aluminium and the plastic sector were organised in Odisha. The ICTE B2B linkages provided a platform for MSMEs in the sector to interact with companies such as Cisco India, Wipro, Capgemini, KPMG, Webel, DELL, PwC and HPE, as well as the Principal Secretary, Department of IT & Electronics, West Bengal.

### Agri and Food Processing

Revitalizing the farm sector, educating farmers in the use of fertilizers, post-harvest technology and machineries and equipment, and building a robust food processing industry dominated the plans and actions during the year. Thus CII alongside the five State Governments, took a series of initiatives such as Agro Bihar and Krushi Odisha. Apart from dedicated tutorials on latest farming practices and methods, these initiatives showcased the States' strengths in agriculture, farm equipment, emerging trends, techniques and markets.

Efforts were made to bridge policy gaps and provide inputs for stronger market linkages to create a mechanism for achieving stronger backward and forward linkage mechanism from farm to fork. With a focus on



From L to R: Ramesh Agrawal, Past Chairman, CII Chhattisgarh and Director, G R Mines & Mineral Pvt Ltd; Umesh Agrawal, Past Chairman, CII Chhattisgarh & MD, Real Power (P) Ltd; Pankaj Sarda, Vice Chairman, CII Chhattisgarh & Director, Sarda Energy & Minerals Ltd and Ramesh Agrawal, Chairman, CII Chhattisgarh & President, Real Power Pvt Ltd with Dr Raman Singh, Chief Minister of Chhattisgarh, in Raipur

organic food, food processing and other agro-based food retail sectors, some key initiatives included the Food Processing Conclave and Agro Business Synergy: Focus Siliguri.

CII-ER promoted World Food India 2017 as well as the Eastern Region's potential in this sector, through a series of Road Shows in Kolkata, Bhubaneswar, Ranchi and Raipur in partnership with the Union Ministry of Food Processing Industries. Special Sessions for Odisha, Bihar and West Bengal at World Food India 2017 in New Delhi provided an opportunity for Ministers and senior officials from the State Governments to address prospective investors.

### Special Initiatives

CII-ER created a range of platforms for stakeholders to come together, deliberate, debate and also learn from the global best. Retail brand expert, Mr Paco Underhill addressed more than 300 executives at the Brand Conclave 2017. Students exhibited prototypes of products developed at the CII Innovation Clubs during the Conference on Innovation 2017 - Next Big Ideas. These Clubs have been set up on campuses of leading education institutions such as Jadavpur University, IEST, JIS, MCKV Institute of Engineering, etc. Based on the business potential of the 75 such prototypes, 22 were shortlisted for further development.

Technology, innovation and disruptions remained the focus of Manufacturing Excellence, ICT East as well as Innovex, organised along with CII Odisha Yi Bhubaneswar Chapter at Enterprise Odisha.

The other flagship conferences included Banking Colloquium, Infra East, Healthcare East, Nursing Conclave, Energy Conclave, Logistics Colloquium and InsureInd. Organised in partnership with the West Bengal Government, Destination East 2018 for tourism stakeholders including over 100 buyers from 30 countries.

The other notable initiatives were the Safety Symposium and Exposition, Conference on Contractor Safety and Health Management, Conference on Sustainable Waste Management, Conference on Sustainable Real Estate, Green Industry Conclave in Kolkata, Green Conclave at Jamshedpur, Industry-Trade Union Dialogue in Kolkata, HR Conclave, Seminar on Future Cities, Family Business Conclave, IR Conclave, to name a few.

### International Networking

Business missions to South Korea, Japan, Thailand and Australia facilitated exploration of investment and business opportunities. CII-ER also hosted senior Ministers and diplomats such as Morocco's Minister for Transport and Logistics, Ambassador of Morocco to India, Ambassador of Norway to India, High Commissioner of Seychelles to India, Deputy Head of Mission, Canadian High Commission to India, Consul General of Russia and the Acting Minister (Commercial), Counsellor (Commercial) and Senior Trade Commissioner of Canada.

### Academia-Industry Collaboration

CII-ER created an Education Excellence Forum to provide industry exposure to engineering students and to make



From L to R: Anil Vaswani, Immediate Past Chairman, CII West Bengal and MD, Wesman Engineering Co Pvt Ltd; Pradip Kumar Mazumdar, Adviser to the CM on Agriculture & Allied Sectors, West Bengal; Umesh Chowdhary, Chairman, CII ER and Vice Chairman & MD, Titagarh Wagons Ltd; Abdur Rezzak Mollah, Minister for Food Processing Industry & Horticulture, West Bengal; B Sumant, Chairman, CII ER Agriculture & Food Processing Task Force & President - FMCG Businesses - ITC Ltd and Nandini Chakraborty, Secretary, Horticulture & Food Processing, West Bengal at the 2<sup>nd</sup> West Bengal Food Processing Conclave in Kolkata

them aware of new techniques. This year-long project aims to develop robust industry-academia collaboration to make students industry ready through interactive sessions with industry stalwarts, HR professionals, plant visits, grooming courses, etc. Approximately 600 students from 4 leading technical colleges of Kolkata have learnt through this project. CII-ER's Industry-University Collaboration initiatives in innovation and research included an interaction with Professor Alice Gast, President, Imperial College, and Professor David Gann, Vice President - Innovation - Imperial College, London.

### Education and Skill Development

With a strong focus on enhancing industry-academia collaboration for linking education to skilling, CII-ER took a slew of initiatives - from preparing a roadmap for educational institutions on the interventions required in resource and curriculum development to promoting innovation and entrepreneurship, employability and skill enhancement. Apart from a Skill Conclave in Kolkata and a seminar on Developing the Skill Ecosystem in Jharkhand, other initiatives included a project in partnership with IIM-Calcutta and IIM-Raipur. It saw 54 first-generation SC/ST entrepreneurs participating in a two-day residential training programme before joining a 6-month mentorship programme conducted by CII members. The training for 200 women Shitalpati artisans in West Bengal's Cooch Behar district was aimed at creating livelihoods by facilitating market linkage and making women self dependent.

CII and PwC are jointly executing a market assessment project for the Department of Women, Child Development and Social Security aimed at identifying high-potential wage and self-employment opportunities and skill requirements for youth aged 16-24 years in 24 districts of Jharkhand.

Making Students Future Ready, a project launched during the School Education Excellence Conclave will help to build capacity for administrators, teachers and even non-teaching staff to enable them to adapt to the changing environment and in turn build students' capacity.

### Indian Women Network

Indian Women Network (IWN) West Bengal Chapter was launched in commemoration of Women's Day.



From L to R: Umesh Chowdhary; Bruce Bucknell, British Deputy High Commissioner, Kolkata; Professor Alice Gast, President, Imperial College, London and Rajive Kaul, Past President, CII and Chairman, Nicco Corporation Ltd, at the Seminar on Innovation and Research: Industry-University Collaboration in Kolkata

### Beyond Business

Corporate support was mobilized to create 48 model Anganwadi Centres across Kolkata. Dedicated to the most vulnerable groups belonging to the poorest of poor families and living in urban slums, these centres support impoverished children and their mothers.

Along with UNICEF, Women and Child Development and Social Welfare Department in West Bengal, CII-ER provides nutritional supplements and ensures immunization of pregnant women and infants. Having impacted over 2,500 infants and pregnant mothers, this project has become a model of how to improve the delivery of Integrated Child Development Services (ICDS) under the CSR initiatives of corporates (in PPP mode).

A Conclave on Open Defecation Free Swachh Jharkhand was organised in association with the Department of Drinking Water and Sanitation. With Shri Raghubar Das as the Chief Guest, it was a forum for companies, including Tata Steel, to announce their plans to build toilets in support of the Swachh Jharkhand mission.

### Membership Engagements

At a meeting organised to facilitate interaction with the National leadership, Mr Rakesh Bharti Mittal, President Designate, CII shared the Confederation's core vision with Members. To further deepen engagements, CII-ER also organised 6 Member Meets, 17 Road Shows, 12 induction sessions and 11 interactions with local associations across cities.

# North Eastern Region

India's North Eastern Region (NER), the country's gateway to South East Asia, comprises the States of Assam, Meghalaya, Manipur, Mizoram, Nagaland, Arunachal Pradesh, Tripura and Sikkim. Over the last few years, the Government has made concerted efforts towards the development of this Region, with a specific focus on employment generation, infrastructure development and giving a fillip to the industry.

In this backdrop, CII North East Region (CII-NER) focused on four key areas during 2017-18: infrastructure, healthcare, tourism and hydrocarbons. The objective was to initiate the process of creating a roadmap for the Region in these critical segments.

While CII-NER spent considerable time on stakeholder consultations for policy advocacy, efforts were also made to create awareness, build capacity and attract investments in the Region through a series of investment Road Shows and conferences. Continuous interactions with Chief Ministers, Union Ministers, State-level Ministers and senior Government officials helped build strong ties with the leadership at the Centre and the eight State Governments.

## ADVOCACY

The year 2017-18 was a year to build on strengths, engage with stakeholders including the Government and contribute to policy formulation. The efforts were directed at creating a better and easier environment for businesses, which in turn would accentuate growth and generate employment in the Region. To leverage the opportunities created by the Central Government's heightened focus on the Act East Policy, in the Region, initiatives were focused on simplification, synergy and inclusion.

While aiming at achieving ease of doing business and attracting investments across sectors, initiatives were also taken to showcase the strengths and potential opportunities offered by the States in the Region. Specific actions were taken to ensure that quick clearances are given to projects and sectoral parks.

In a meeting with Shri Sarbananda Sonowal, Chief Minister of Assam, CII committed unstinted support to the State Government in its mission to make the State an attractive destination for investors across India and beyond. To promote North East as a thriving organic hub,



From L to R: Dr Jitendra Singh, Minister of State (I/C) for Development of North East Region (DoNER), Minister of State for Prime Minister's Office, Ministry of Personnel, Public Grievances and Pensions, Department of Atomic Energy and Department of Science; Pradeep Bagla, MD, Amrit Cements Ltd; Naveen Verma, Secretary, DoNER; Amit Gossain, Chairman, CII North East Core Committee on Infrastructure and MD, Kone Elevators Private Ltd at the North East Infrastructure Conclave in New Delhi



CII delegation led by Dr Naushad Forbes, then President, CII, during a meeting with Sarbananda Sonowal, Chief Minister of Assam in Guwahati

it was suggested that the Government facilitate organic certification of agricultural and horticultural produce. CII-IGBC's interventions in popularizing green buildings were also offered to the Government of Assam. To help build capacity of local entrepreneurs, construction contractors as well as to improve employability of youth across trades, CII suggested setting up of a Skill Centre in the State.

In an interactive meeting with Shri N Biren Singh, Chief Minister of Manipur, CII pledged support in attracting investments to sectors such as healthcare, where the State has potential.

Ways to promote eco-tourism and to collaborate with the State Government for attracting investments were discussed with Shri Lal Thanhawla, the Chief Minister of Mizoram. Of particular focus, amongst others, was the oil and gas sector. The Government was also urged to waive off duty on Aviation Turbine Fuel (ATF) to improve flight connectivity and flight traffic to the State.

Based on stakeholder consultations, suggestions were made for formulation of several progressive policies,



From L to R: G K Singha Roy, Executive Director, Assistant Manager, ONGC Ltd; Dr S K Panda, Chairman, Executive Committee, Tripura Skill Development Mission; M Nagaraju, Principal Secretary, Industries & Commerce and Finance, and N Gangopadhyay, MD, TNGCL, at a Round Table on North East Hydrocarbon Vision 2030 in Agartala

including the New Industrial Policy for North Eastern & Himalayan States, and the New Industrial Policy for Assam State.

### **New Industrial Policy for North Eastern & Himalayan States**

CII participated in a consultation forum organised by NITI Aayog in association with the Department of Industrial Policy and Promotion (DIPP) and the Government of Assam to get inputs from industry bodies and North Eastern State Governments. Recommendations on the Draft New Industrial Policy for North Eastern & Himalayan States were submitted to the Governments at the Center and at the State-level in Assam.

### **North East Hydrocarbon Vision 2030**

The announcement of North East Hydrocarbon Vision 2030 in February 2016 is an important step taken by the Union Ministry of Petroleum & Natural Gas towards the development of the Region. Two Stakeholder Forums were organised in an attempt to address issues facing some oil and gas PSUs and the private sector companies as well as to prepare a roadmap for the sector including the Oil & Gas Conclave 2017. As a follow up, a representation was made to the Union Ministry of Petroleum & Natural Gas, and also to the State Governments of Assam, Nagaland, Arunachal Pradesh and Tripura highlighting the issues pertaining to implementation of the North East Hydrocarbon Vision 2030.

### **ACTION**

The North East Healthcare Conclave 2017 showcased opportunities in the healthcare sector in the North East. Players in the sector from East and South India explored business and investment opportunities in the Region.

Issues pertaining to the infrastructure sector in North East were deliberated upon at the North East Infrastructure Conclave 2017. This Stakeholders' Forum saw interactions between senior representatives of the Ministry of Road Transport & Highways, Ministry of Railways, NHIDCL, Inland Waterways, NITI Aayog, Asian Development Bank and leading players from private sectors. The proceedings of the Conclave along with suggestions were submitted to the Union Ministry of Road Transport & Highways, Department of Economic Affairs, Ministry of Finance, Ministry of DoNER, besides all State Governments in the North East.



Atul Bora, Minister for Agriculture, Horticulture and Food Processing, AH & Veterinary, UDD and Town & Country Planning, Assam lighting the lamp at the North East Tea Conclave & Expo 2017 in Guwahati

The North East Tea Conclave & Expo 2017, organised in association with the Directorate of Tea, Government of Assam and the Tea Board of India, was a key initiative taken during the year. The conclave featured focused deliberations on topics such as market trends and generating price quality equilibrium for outsourced leaf. The platform brought together all stakeholders, including tea manufacturers and small tea growers to explore potential opportunities.

#### **Building Efficiency in GST in the North East**

A workshop on GST was organised in Guwahati with a view to assisting companies in smooth transition to the GST regime. Members in Aizawl also benefited from a GST Workshop held in association with the Government of Mizoram.



From L to R: Neisakholie Rupreo, MD, Clairvoyance Technology; Deepali Agarwal, General Manager, EXIM Bank of India; Dr Deo Nukhu, Parliamentary Secretary, Higher & Technical Education, Nagaland; Anirudha Barooah, Regional Head, EXIM Bank; M K Mero, ITS, Commissioner & Secretary Veterinary & Animal Husbandry, Nagaland and Former Joint DGFT, at a Seminar on Opportunities & Challenges in Foreign Trade in North East India in Dimapur

# Northern Region

India's Northern Region, having been a hub of business activity, remains a large contributor to the country's economic growth and development. The Region comprises of the Union Territory of Chandigarh and the States of Delhi, Haryana, Himachal Pradesh, Jammu & Kashmir, Rajasthan, Uttar Pradesh and Uttarakhand. Given the Region's challenges and opportunities for growth, CII Northern Region (CII-NR) adopted Building a Competitive North as the theme for 2017-18. Through its 12 offices in 8 States and a Union Territory, CII-NR worked on 6 key enablers to deliver on the theme: Enabling Policy Framework & Ease of Doing Business, Enhancing Industry Competitiveness, Efficient Physical and Social Infrastructure, Entrepreneurship Development & Start-ups, Expanding Reach-Exploring Horizons and Engaging Society - CSR/Affirmative Action.

## ADVOCACY

### Enabling Policy Framework and Ease of Doing Business

Policy advocacy and ease of doing business continued to be the key focus of CII-NR in 2017-18. Special efforts were made to build strong partnerships with State Governments, particularly with the Governments of Punjab, Uttarakhand, Uttar Pradesh and Himachal Pradesh, where new Governments assumed office this year. This partnership is aptly reflected in CII's contribution to drafting of the New Industrial Policy for Government of Punjab. A comprehensive set of recommendations was also submitted for Industrial Investment and Employment Policy of Government of

Uttar Pradesh and Inputs for tourism, ICTE, rice export and Start-up policies and Accreditation Guidelines for Tourism Service Providers of the Government of Uttarakhand. Accepting CII's recommendations on ensuring continuity of incentives for special categories, the Government announced a refund of 58% of CGST component to industry under area based exemption.

Playing a proactive role in voicing the concerns of the industry, CII made numerous representations to Central and State Governments and worked closely with policymakers at the highest level. Some of CII's recommendations that were favourably considered and accepted by the State Governments are as follows.

#### Punjab

- Equal incentives for expansion, modernization and upgradation of existing units as well as new investments in the State.
- Abolition of Truck Operators Unions.
- Amendment of building byelaws to allow higher Floor Area Ratio for textile and garment industry.
- Waive-off road tax on buses owned by companies for ferrying factory workers and staff.
- Removal of iron and steel industry from negative list.
- Reduce power tariff for industrial use to INR 5 per unit.

#### Haryana

- Allowing 10% additional FAR for green buildings.
- Reducing stipulated timeframe for processing CLU from 60 to 45 days.



Yogi Adityanath Chief Minister of Uttar Pradesh addressing a Special Session in Lucknow



Members of a CII delegation with Captain Amarinder Singh, Chief Minister of Punjab

- Haryana State Agriculture Marketing Board to consider maintaining status-quo of market and rural development fee of 0.8% on cotton.

#### **Himachal Pradesh**

- Allowing 10% additional FAR for green buildings.

#### **Rajasthan**

- Extending all existing mining leases of minor minerals to 90 years.
- Providing time-bound approvals for factories and boilers.
- Reconstituting and holding regular meetings of the MSME Facilitation Council.

#### **Uttar Pradesh**

- Setting-up Common ETP in Industrial Areas.

#### **Uttarakhand**

- Reducing VAT rates on diesel and natural gas to 5%.
- Allowing industries outside of SIIDCUL Industrial Area to use the CETP infrastructure.
- Stopping the issuance of notices to industry by the Uttarakhand Bio-Diversity Board for levy of Access and Benefit Sharing (ABS) cess, without due diligence.

#### **Recommendations Under Consideration**

While some recommendations enumerated above found place in the changed policies, several are under active consideration of the Central and State Governments. These include:

#### **Haryana**

- Removal of restrictions on Open Access Power to enable all types of industries, including MSMEs, to access the Power Exchange.
- Simplification of procedures for obtaining necessary clearances to apply for a new power connection from



Members of a CII delegation with Jai Ram Thakur, Chief Minister of Himachal Pradesh

- Haryana Power Generation Corporation Ltd.
- Recommendations on environment/pollution included:
  - Notifying a list of white category industries to be exempt from clearances from the State Pollution Control Board.
  - Clearly defining timelines mandated through the Public Service Delivery Guarantee Act or an equivalent legislation for approval of complete application forms under environment clearances and pollution control.

#### **Himachal Pradesh**

- To define enabling trade practices to be followed by Truck Unions in the State.

#### **Uttar Pradesh**

- A time-bound plan was suggested to overcome the challenge of availability and quality of power and to make Uttar Pradesh load-shedding free.
- Consider building a model industrial estate along the Lucknow-Kanpur highway in Uttar Pradesh.

#### **Uttarakhand**

- Build a multimodal logistics hub at Haridwar and connect it to the Dedicated Eastern Freight Corridor at Saharanpur through a dedicated feeder line to address the issue of high logistics cost borne by industries.

#### **Other Recommendations**

Other recommendations made to the Central and State Governments to enhance the ease of doing business included the following:

- Ministry of Railways to expedite work on linking Baddi (Himachal Pradesh) with Chandigarh.
- Design of a new robust Hill State Policy by the Central Government.
- Removal of Property Tax for Industrial Areas.



CII delegation meeting Rajpal Singh Shekhawat, Minister of Industries, Government of Rajasthan (3rd from right)

- Allocation of land by State Governments for setting-up low-cost housing facilities for industrial workers.
- Setting up ESI hospitals in Kala Amb industrial area in Himachal Pradesh, Selaqui in Uttarakhand and Samba in J&K.
- Making it easier for factories to obtain NoC from the Fire Department.
- Ease/amend various provisions under Labour Laws.
- A recommendation was also made to the NITI Aayog to consider extending the Delhi-Meerut Expressway to Dehradun.

### MSMEs

The Region continued to focus on making MSMEs globally competitive, providing them access to new markets, financial assistance and business development. Training programmes, learning missions, buyer-seller meets, specialized trade shows and sectoral conferences helped achieve this mission. Concerted policy interventions to build an enabling ecosystem for MSMEs and to facilitate ease of doing business formed a large part of the Region's endeavours.

### Some Recommendations Made for Developing an Ecosystem for MSMEs Include:

- Revising the definition of MSMEs and creating a separate vertical for micro enterprises within the Ministry. These will facilitate a comprehensive policy framework and Ease of Doing Business for MSMEs.
- Reconstituting the MSME Facilitation Council and ensuring that this Council meets at least once in two months to expedite the resolution of issues related to MSMEs.
- Revising the public procurement policy for SMEs.
- Suggestion for the Government of Delhi to set up an Innovation Incubation Centre to support potential entrepreneurs, helping them convert their business ideas/dreams into viable businesses.

### Policy Research

CII-NR's policy research work was shared in the form of 21 Sectoral Research Papers / Reports prepared either in-house or in collaboration with Knowledge Partners. The in-house publications included A Report on Investment Climate in the Northern Region, Comparative Analysis of State Industrial and Sectoral Policies and Comparative Analysis of State Renewable Policies, amongst others. In addition, drafts of Model Policies on Start-ups, MSMEs and tourism were shared with State Governments for their consideration.

### ACTION

To boost the policy advocacy efforts, deliberations and interactions between key stakeholders such as the Government and industry were facilitated through a number of initiatives.

### GST Preparedness and Hand-holding

CII continued to engage with the Government towards effective implementation of the GST regime, simplification of taxation laws and making the country's tax structure increasingly efficient and industry-friendly. Several representations on the industry's pain points were made to the GST Council. To help industry overcome the lack of preparedness for GST roll-out, 23 training workshops were organised in Tier II and III cities and a GST Helpline was set up to address Members' concerns/queries, particularly those raised by MSMEs.

### Fostering Growth: Building Competitiveness

Technical conferences and workshops on manufacturing excellence drove a culture of competitiveness and manufacturing excellence in the Region. Over 600 delegates from Member companies benefited from the 16 Missions organised with the objective of building a momentum towards excellence in manufacturing. Facilitating cross learning on industry best practices, these Missions visited the best of manufacturing facilities of companies such as Maruti Suzuki India Ltd, Honda Motorcycle & Scooters India Ltd, Escorts Ltd, Saint Gobain India Ltd, Daimler Commercial Vehicles India Ltd, Ashok Leyland Ltd, Sandhar Technologies Ltd, TagueTec, Volvo, Mercedes-Benz India Private Limited and Volkswagen India Private Limited.

More than 50 training programmes on quality, supply chain management, cost competitiveness and 12 Leadership Talks also helped companies enhance their



From L to R: Sachit Jain, Deputy Chairman, CII NR and Vice Chairman & Managing Director, Vardhman Special Steels Ltd; Shobana Kamineni, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Ltd; Ramesh Abhishek, Secretary - DIPP, Ministry of Commerce & Industry and Chandrajit Banerjee, Director General, CII

competitiveness. Conferences such as Next Stage Manufacturing, Manufacturing Innovation Conclave, Building World-class Manufacturing and the Automotive Industry Summit 4.0 highlighted the changing technologies and innovations sweeping the global manufacturing sector. The Region's skill development efforts were sustained through several Work-Skill Competitions, 12 Quality Circle Competitions and a series of Supervisory Skill Competitions.

### **Expanding Reach: Exploring Horizon - Investment Promotion**

More than 500 B2B/B2G Meetings, 44 conferences, 6 trade fairs and exhibitions brought stakeholders together on a common platform to explore investment and emerging business opportunities. Members were provided an opportunity to establish global linkages with companies that joined delegations from South Korea, Ireland, Belgium, United Kingdom and United States of America.

Direct and indirect business opportunities were provided to Members through a series of events such as Renewable Energy Summit, International Automotive Supply Chain Conclave, Conference on Digital and Cashless Economy Telecom Convergence, Sugar Tech, India Surface Coating Show - Industrial and Paints Application and a real estate sector conference, REALTY. At the 6<sup>th</sup> Invest North Summit, organised for the first

time in Mumbai, the States of Uttarakhand, Rajasthan, Uttar Pradesh, Punjab, Haryana and Himachal Pradesh highlighted their investment friendly policies and emerging business opportunities. Organised in partnership with the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry, the Summit saw the launch of a new Industrial Policy by Captain Amarinder Singh, Chief Minister of Punjab. The State Government's efforts at helping India climb up the Ease of Doing Business rankings were recognised by the Central Government. An exhibition and B2G meetings organised in parallel to the Summit were an opportunity to explore the business potential offered by these States.

Shri Manohar Lal, Chief Minister, Government of Haryana, accompanied by a high level business delegation, wooed investors in Singapore and Hong Kong. A delegation headed by Shri Om Prakash Dhankar, Minister of Agriculture & Farmers' Welfare, Government of Haryana, studied the best practices in agriculture, dairying and cattle-rearing methods in Australia, New Zealand and Fiji with a view to implementing these in the State.

### **Entrepreneurship Development and Start-ups**

Given the job creation imperative facing India, there is a growing need to foster Industry-Academia-Government partnerships to inspire young minds to become entrepreneurs. In an effort to enable States to create a



From L to R: K K Gupta, Director, Resurgent India Ltd; Deepak Kumar, Chief General Manager - Punjab, NABARD; D P S Kharbanda, Director - Industries & Commerce, Government of Punjab; Ashok Sangwan, Director - Industries & Commerce, Government of Haryana; Neeraj Munjal, Co-Chairman - Regional Committee on SMEs, CII NR and MD, Shivam Autotech Ltd and Nirmal Chand, Regional Director, Reserve Bank of India at the MSME Conclave in Chandigarh

strong ecosystem for Start-ups, a Model Start-up Policy was submitted to the Governments. To inculcate a culture of entrepreneurship amongst the youth, several industry leaders and Start-up founders shared their experiences with students through a series of Webinars, Guru Talks and Guru Gyan sessions. These sessions were also an opportunity for new entrepreneurs to get guidance on scaling up their businesses.

The CRIKC-CII (NR) Industry-Academia Board formed subsequent to a MoU being signed with the Chandigarh Region Innovation and Knowledge Cluster (CRIKC) of Punjab University. The Board will prepare a roadmap and design a governance model to promote partnership programmes between research and educational institutes in Chandigarh and companies represented by CII.

### **Engaging Society for a Better Tomorrow**

Recognising the need for economic and social inclusion of SC/ST communities CII, under its Affirmative Action vertical, spearheads collective action by Indian industry.

Pursuing the Affirmative Action Agenda, SC/ST entrepreneurs were connected with large companies and PSUs through a Buyer Seller Meet. Several SC/ST entrepreneurs benefitted from a series of competitiveness enhancement workshops. The AA

agenda was also delivered through 3 Job Fairs and 9 Gender Equality Sensitization programmes. The Social Expo 2017, organised with support from NABARD & KVIC, provided a platform for rural women artisans to sell their products. The AIDS Awareness Project, a project in partnership with the Government of Punjab, continued its successful run in Mandi Gobindgarh. Sessions on gender equality, girl child education, environment and women empowerment helped sensitize people on these issues.

Some social development projects launched during the year include a Rural Sanitation Project in UP to build individual household toilets and a School Infrastructure Development Project to provide basic furniture to Government schools in UP; a pilot Smart Village Project in Bhond - Mewat district and a student led Total Sanitation and Disaster Risk Reduction Programme which was conducted in 100 Government schools in Uttarakhand. A unique project called Mother Milk Centre (integrated lactation management programme) was launched in the Mahila Chikitsalaya.

Project WASH aimed at improving community health by creating sustainable water supply and sanitation services and Project Muskaan aimed at improving quality of education in Government schools in Uttarakhand were completed successfully.

# Southern Region

India's Southern Region with a vibrant industrial ecosystem contributes substantially to national growth. The Region comprises of the states of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Puducherry and Telangana. CII - Southern Region (CII-SR) continued to pursue the theme Vibrant South: Competitiveness, Inclusiveness and Governance for 2017-18 to carry forward the agenda of the previous year and also to align with CII's National theme. CII-SR delivered on its theme through a 5-point agenda of Ease of Doing Business, MSME Engagement, Membership Engagement, Skill Development and Start-ups.

## ADVOCACY

CII-SR engaged with State Governments towards ensuring sustainable and inclusive growth in the Region. Interaction with Governors, Chief Ministers of the Southern States, Union Ministers and Secretaries of various Ministries provided Members with platforms to raise concerns and suggest measures to improve the overall business climate in the country. At an exclusive interaction, Members met Shri Arun Jaitley, Minister of Finance, to discuss the economic reform initiatives of the Government of India.

Given that policy advocacy was a major focus in the Region, as many as 198 Government meetings were organised on various policy related initiatives in

infrastructure, water, EoDB, IT & ITeS, GST and MSME development, amongst others. Over 70 policy advocacy sessions and interactive sessions were also held on these and other sectors. CII-SR made over 140 representations on issues ranging from air and rail connectivity to EPF, natural gas, power and renewable energy, healthcare, industrial corridor as well as on various sectoral policies. With an aim to enhance youth employability, recommendations were submitted towards the skill policies of the States of Karnataka, Kerala and Telangana. CII-SR's engagement with various Task Forces and Committees of Southern State Governments led to the following key outcomes:

### Andhra Pradesh

- CII-SR along with APTDPC facilitated over 300 IPR Service requirements during the year.

### Karnataka

- A Vision Document 2025, focused on Karnataka State's Manufacturing and Services, was prepared along with the Government of Karnataka.

### Kerala

- Representations were made to the Government for extending subsidies for exports of pineapple and branding Vazhakulam Pineapples as a 'Make in India' product.



R Dinesh, Deputy Chairman, CII SR and Arun Jaitley, Minister of Finance and Corporate Affairs, at an Interactive Session in Chennai



From L to R: R Dinesh; Nirmala Sitharaman, Minister of Defence and M Ponnuswami, Vice Chairman, CII Tamil Nadu and Chairman & Managing Director, Pon Pure Chemical India Pvt Ltd at an Interactive Session in Chennai

### Tamil Nadu

- The CII-Government of Tamil Nadu Joint Task Force on School Education was formed during the year.
- CII was the nodal agency to promote and create awareness on the online portal for Tamil Nadu Business Facilitation Act.

### Telangana

- A first of its kind initiative – Geographical Indication Festival of Telangana, (GIFT - 2017) and Telangana Utsav were jointly organised with the Government of Telangana. The objective was to showcase the unique crafts of the State and create awareness of GIs.
- Policy recommendations were made on specific sectors such as textiles, food processing, defence and aerospace.
- A Warangal Vision Document 2028: Roadmap for Economic Development of Warangal (Rural & Urban) was released with a view to promoting Tier II towns such as Warangal.

### ACTION

CII-SR continued to partner with various State Governments to drive the agenda of developing a vibrant South. With ease of doing business being one of the major drivers of economic development, a Regional Conference on Ease of Doing Business was organised under the leadership of Mr Shailendra Singh, Additional Secretary, Department of Industrial Policy and Promotion, Government of India along with the Governments of the Southern States.

To further strengthen Ease of Doing Business in the Region, the first-ever Vendor Development & Investors Summit was organised in partnership with the Government of Karnataka. At the Summit, focused

business interactions facilitated business between large industry players and MSMEs.

To showcase the unique crafts of Telangana, a first of its kind initiative – Geographical Indication Festival of Telangana, (GIFT - 2017) and Telangana Utsav – Exposition cum Seminar were organised in association with the Department of Tourism, Government of Telangana.

Travel Mart, an international platform, was created in partnership with the Government of Tamil Nadu to promote tourism in the State.

Kerala was promoted as a medical tourism destination through the 6<sup>th</sup> Edition of Kerala Health Tourism Conference. Missions were also organised to Abu Dhabi, Dubai and Thailand to achieve this objective.

A study was conducted for the Government of Telangana to review the existing tax incentives under VAT/CST, entertainment tax, luxury tax and to analyse the impact of GST on new investments.

### Ease of Doing Business

Though the Southern States have taken a lead in improving ease of doing business, several areas still need to be addressed. Several of these EoDB related issues were addressed through 22 sessions on GST and 82 engagements with respective State Governments. A Task Force was formed to enhance the ease of doing business in Southern States, with a specific focus on attracting investments into the Region. The Task Force, after identifying critical EoDB aspects, will make recommendations to the various State Governments.



Vikram Kirloskar, Chairman, CII-SR and Vice Chairman, Toyota Kirloskar Motor Pvt Ltd with K T Rama Rao, Minister for IT, Industries, MA & UD, NRI Affairs, Government of Telangana at an Interactive Session in Hyderabad



From L to R: Dr R Nandini, Chairperson - CII Education Sub-Committee & Founding Trustee, GRG Group of Institutions; Sunil Paliwal, Principal Secretary - Higher Education, Government of Tamil Nadu; P Ravichandran, Chairman, CII Tamil Nadu State Council and President, Danfoss Industries Limited; S Malarvizhi, Chairperson and Managing Trustee, Sri Krishna Institutions and C R Swaminathan, Past Chairman, CII SR and Chairman, Lakshmi Ventures at the launch of CII-SR Education Gateway in Coimbatore

The Regional Policy dashboard and impact of CII representations is also being tracked under this initiative. With the CII-Government of Kerala Joint Consultative Forum being reconstituted, the Kerala Government issued an EoDB ordinance to ensure equitable development/ investments across the State.

Of the several EoDB initiatives rolled out by the Central Government, GST was one of the most transformative. CII-SR played a proactive role in facilitating the roll over to the new regime. In an exclusive meeting, Members interacted with Shri Arun Jaitley and Smt Nirmala Sitharaman, the then Minister of State for Commerce and Industry on GST implementation. In a live media interaction in association with Thanthi TV, a Tamil Regional Channel, Smt Nirmala Sitharaman decoded the GST for Members.

Over 52 GST training programmes with participation of senior officials from the Central and State Governments enabled companies to get aligned to the new regime. A GST Seminar in Chennai was an opportunity to interact with Mr Susanta Kumar Panda, Member, Central Board of Excise and Customs (CBEC). GST Help Desks were set up in Chennai, Hyderabad, Visakhapatnam and Bengaluru to address Members' queries on GST implementation.

### **MSMEs**

MSMEs are undeniably the backbone of India's economic growth. In alignment with CII's endeavours to promote

India's MSME, the Region pursued several activities in this area. More than 5500 Members benefitted from the 120 engagement sessions that focused on policy interventions, competitiveness and business promotion. Specific sectoral opportunities were created for MSMEs through Vendor Development Programmes, the Innovation Summit, FoodPro 2017, APAGtech 2017, MSME 2017, Connect 2017, Interaction on Defence procurement etc. Over 4900 B2B and B2G Meetings were held across the Region to connect MSMEs to new markets and business linkages.

During the year, the Region created several opportunities for MSMEs to explore business opportunities in agriculture and food processing sectors. Some of these included the Banana Festival at Madurai, Organic & Nursery Expo at Vijayawada, Coconut Festival at Coimbatore, Agri Tech South at Hyderabad, among others. Efforts were also made to obtain GI Registrations for banana, cashew, turmeric and onion along with the Government of Andhra Pradesh.

### **Skill Development**

Aligning the skill development initiatives with the industry's needs, the skill training efforts across the Region were strengthened. Several programmes were coordinated with a view to emphasize the importance of industry relevant training, skill development and also to create jobs. The CII EDU Gateway, an online portal, under the education initiative, is one of the many ways in which a coordinated effort is being made. A gateway

for connecting academic institutions with industry, it also provides information on jobs, internships, industry updates, industry expert connects and job fairs. An exclusive Sub-committee on Job Creation with a specific focus on rural jobs was set up for the first time. This initiative is aimed at encouraging Members to create rural jobs by setting up units in Tier II towns.

The Model Career Centre, Chennai endeavoured to enhance the employability of Indian youth. The job fairs conducted by CII-SR, in partnership with industry, also benefitted 2263 students with 20938 job offers from 259 companies. A twin effort was made to expose the students and academia to the industry's skill expectations. An Industry Walk Through programme, initiated during the year, helped sensitize participants about the relevance of industry-integrated training. An industry-integrated faculty development programme for engineering colleges was organised to equip teachers with current industry trends, research and innovation and also apprise them of employment opportunities for students.

A Skill Gap Assessment study conducted along with Electronic City Industries Association (ELCIA) cluster highlighted the training/skilling needs of employees. This initiative, being carried out at three different levels of workforce, is supported by Bosch Vocational Training Centre.

Focus on enabling 13-15 year-olds to navigate their future better by becoming aware of their strengths and weaknesses was driven through Project Eyes, a project in association with the Idukki District Administration.

### **Start-ups and Entrepreneurship**

Over the last three to four years, Indian Inc has begun to encourage Start-ups and entrepreneurship and CII has taken a lead by trying to create a conducive ecosystem and provide platforms for engagement. The Forum for Startupreneurs facilitates these objectives through interactive sessions with investors, CEOs, Pitch Fests and Boot Camps. Several Start-ups were also mentored through roadshows and a series of webinars. With IPR often being an area of concern for entrepreneurs, CII-SR supported by APTDC also created IPR related awareness amongst them. The 8<sup>th</sup> Edition of the Emerging Entrepreneurs Awards, an annual forum to encourage and showcase successful emerging entrepreneurs, was held in Chennai.



D Jayakumar, Minister of Finance and R Doraikkannu, Minister of Agriculture, Government of Tamil Nadu at the CII Startupreneurs 2017 - Conference and Exposition on Start-ups in Chennai

### **Corporate Social Responsibility**

CII-SR took the lead in Corporate Social Responsibility initiatives by advocating and facilitating Members to take up innovative and impactful projects for the benefit of the deprived sections of society.

### **Other Initiatives**

The Region undertook several other initiatives and organised various platforms for Members to interact. The Manufacturing & Digital Excellence Initiative: MADE was launched with an aim to encourage manufacturing digitalisation amongst Members.

Apart from digitalisation, efforts were directed at CSR, and Sustainable Development. CII-SR's initiatives to promote CSR in Indian industry included the CSR GATEWAY, a portal connecting over 1000 stakeholders ranging from corporates, NGOs, corporate foundations individuals with implementing partners for various development projects. A CSR coffee table book titled Building a Better Society - CSR Activities by Companies in Kerala helped highlight to the Government, the CSR initiatives of Kerala's private sector. Other CSR activities included renovation of hostels for deprived students in Cuddalore District and construction of toilets under the Government of Kerala's Life Line project.

A national Summit on Climate Change and Disaster Risk Reduction and a project on watersheds development for the benefit of communities defined CII-SR's work in the area of Climate Change.



From L to R: Vikram Kirloskar, Chairman, CII SR; Shobana Kamine, President, CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Chandrajit Banerjee; P Ravichandran and M Ponnuswami at a Members' Meet in Chennai

A flagship project, CII-SR Water Alliance, was conceptualized in partnership with the Governments of various Southern States. The Project was an outcome of CII's Tamil Nadu Flood Relief & Rehabilitation initiative launched post the Chennai Floods 2015. To prevent flooding and for channelizing the water into structured streams, 12 water bodies in Tamil Nadu are being restored with the support of industry members. Rejuvenation of Vemabanad Lake, a community development project launched by CII-SR along with UNESCO, is in its final stages of restoring the ecosystem of the second largest lagoon in Asia. With an objective of making Mysuru Water Positive by 2021, a project to develop 27 lakes in the District has been launched under the Lake Rejuvenation programme.

### **Affirmative Action**

Having been ahead of the industry in recognising the importance of Affirmative Action (AA), CII has been at the forefront of such initiatives. Affirmative Action Gateway, a unique online forum where all AA needs are addressed, was developed with a vision to support SC/ST students, entrepreneurs and women. It is exclusively framed to drive their growth and empowerment by handholding them through their journey to create a livelihood, which is sustainable. In addition, over 250 SC/ST students from various city and rural colleges have benefitted from the Certified Entrepreneurial Skill

Development Programmes and more than 100 SC/ST entrepreneurs have undergone the Business Excellence Training programmes. An interactive session, held exclusively for the Dalit Industry Chamber of Commerce (DICC) Members, was aimed at creating awareness about the schemes and policies framed exclusively for supporting SC/ST Entrepreneurs.

### **Membership Engagement**

With Membership engagement being a thrust area, CII-SR hosted Members Meet with the President CII in Mysore, Trichy, Chennai, Coimbatore, Trivandrum and Puducherry and with the President Designate in Visakapatnam. Engagement of the Regional Level Leadership with Members and non Members helped understand their expectations from CII. Two new initiatives launched included Manufacturing & Digital Excellence (MADE) to encourage digitalisation of manufacturing and an exclusive email id CII(SR) GST Updates to share GST updates with Members.

To strengthen engagement with Members, a series of new Member induction meets, road shows, meetings with Regional Affiliated Associations were also initiated. With Membership Kiosks promoted at major events, 570 Member Outreach meetings, a new office in Tirupur and the launch of North Karnataka Zone, several touch points with an increasing number of Members were created.

# Western Region

## FOCUS

The Western Region is not only home to the country's financial capital but it also has a fine mix of agriculture, industry and services sectors. The CII-Western Region's (WR) theme for the year 2017-18 - Building Competitiveness: Driving Development was thus focused on driving holistic growth in the Region. Aimed at making the industry increasingly competitive to achieve larger developmental goals of economic growth and job creation, the region, through its 15 offices, 3 Centres of Excellence and a Skills Training Centre worked closely with the industry, Government, society and other stakeholders. In 2017-18, the emphasis was on making the industry future-ready to boost the cause of Make in India and enhance Ease of Doing Business. CII-WR gave thrust on creating awareness about the new tax regime - Goods & Services Tax (GST).

## ADVOCACY

CII-WR contributed to the formulation of several progressive policies in the Western States. At the regional level, work on the Model Labour Policy was initiated to create a reference point on matters

concerning labour policy when engaging with State Governments in the Region.

Representations were made on several issues, both to the State and Central Government. Since GST was introduced this year, most issues taken up with the Governments were with respect to GST rules and procedures. Several representations were made to the Governments on maintenance of GST rate at the same levels as the VAT and for rationalisation of GST rates on certain products.

In addition to taking the industry's view to the Government, CII-WR also worked to create awareness on GST rules and procedures. Eleven GST Helpdesks organised across States in the Region facilitated interactions between Tax Commissioners and CII Members. In addition, GST awareness was created through 8 Clinic Webinars, 14 topic-based webinars and 13 workshops. Over 5000 individuals from Member companies are benefiting from the CII-WR GST Community that keeps them updated on GST updates through the mycii platform.



Prime Minister of India with global business leaders at the Magnetic Maharashtra: Convergence 2018 Summit in Mumbai



Shivraj Singh Chouhan, Chief Minister of Madhya Pradesh with Chandrajit Banerjee, Director General, CII at the CII WR Annual Meeting 2017 in Mumbai

Meetings with several Chief Ministers, State-level Ministers, senior bureaucrats and Union Ministers were organised to discuss industry concerns. The policy recommendations made by CII-WR, some of which have been accepted or are being actively considered, include:

### **Maharashtra**

A 10-point development agenda for the State was presented to the Chief Minister of Maharashtra, Shri Devendra Fadnavis. Amongst others, it was recommended that the State Government provide attractive capital subsidy, tax rebates, generate local employment and incentivize Start-ups with easier land-use policies to attract investments in the textile sector. Promotion of traditional (ethnic) textile sector also formed part of the recommendations.

CII-WR's draft policy for promoting Start-ups in the manufacturing sector included a proposal to create clusters with major infrastructural facilities in addition to research labs, prototyping and testing centres. A recommendation to provide incubation and mentoring support in pre-idea and prototyping stages was also made. Various incentives including partial reimbursement of travel expenses for international marketing, interest subsidy and exemption on stamp duty and electricity duty were amongst the other recommendations.

Recommendations on the Textile Policy and Logistics & Warehousing Policy were also made to the State Government.

### **Goa**

An overall agenda for growth and development of the State and inputs on the IT Policy and the Tourism Master Plan were submitted to the Chief Minister of Goa, Shri Manohar Parrikar.

CII-WR's suggestions to amend the Factories Act to include women in the third shift in factories were accepted by the State Government.

Another recommendation asking for database of the Employment Exchange candidates being made accessible to the private sector was accepted by both, the State Government as well as the Employment Exchange. The portal will soon be open to all industries.

### **Madhya Pradesh**

In a meeting with the Chief Minister of Madhya Pradesh, Shri Shivraj Singh Chouhan, CII-WR presented a 10-point development agenda for the State.

Recommendations were made for the MSME Policy, Labour Policy and Incubation & Start-up Policy. For the new MSME Policy, one of the several proposals was to subsidize the cost of listing on the SME Exchange to help MSMEs raise capital. It was also proposed that MSMEs be provided tax relief to upgrade basic facilities and ERP based system and softwares.

A representation was made for stopping the amendment in the Madhya Pradesh Electricity Regulatory Commission (Co-generation and Generation of Electricity from Renewable Sources of Energy) (Revision-I) Regulations, 2010, which would take away the must-run status of renewable power projects in the State. In Madhya Pradesh, a representation was submitted to increase the number of passport appointments at the Indore passport office. The recommendation was accepted and the Government raised the number of appointments from 100 to 180 per day.

### **Gujarat**

The CII-WR leadership shared with the Chief Minister of Gujarat, Shri Vijay Rupani, a 10-point agenda for development besides active participation in formulation of the Defence and Aerospace Policy, Textile Policy and Argo & Food Processing Business Policy.

Other recommendations include removing contract capacity of 50% for industries, incorporating RPO/REC benefits for companies not covered under the CAPEX model and allowing net metering benefits above 1 MW to industries under the Gujarat Solar Policy 2015. In addition, a proposal to extend the contract of current source of water supply to industries in Waghodia GIDB in Vadodara for 2-5 years was also made. This is expected



From L to R: Dinesh Yadav, Vice Chairman, CII Gujarat State Council and Director, Arvind Envisol Pvt Ltd; Ninad Karpe, Chairman, CII WR and Director, Aptech Ltd; Vijay Rupani, Chief Minister of Gujarat and Piruz Khambatta, Deputy Chairman, CII WR Council and Managing Director, Rasna Pvt Limited meeting the Chief Minister

to bring a mutual solution to the issue of water take off point. Recommendations also included suggestions on amendments in RPO Compliance Limit and for including power generation from waste and MSW, allowing banking facility, intra-state transmission charges and fulfilling RPO obligations through Group/Entity level.

In all these States, the development agenda was largely focused on ease of doing business, GST and policy awareness, tourism, aerospace and defence, competitiveness for MSMEs – creating finance facilitation platforms and global linkages amongst others.

The advocacy was strengthened through various studies and reports released during the year. To enhance EoDB in the State of Maharashtra, CII-WR shared with the State Government, a study titled Industry Perception of Effectiveness of EODB Reforms. The study also included recommendations based on findings of a primary survey. A report for the Region titled State Industrial & Sectoral Policies: A Comparative Study – Focus on Western States of India saw the Western Region States being profiled, specifically with respect to their industrial and sectoral policies. Other reports prepared during the year include CII Knowledge Paper on Climate – Smart Agriculture 2017, The Inflection Point for India's Real Estate, Future of Work: The Co Working Revolution, Inclusion 2.0: Leveraging technology Disruptions to Realise India's Digital Economy, The Insolvency and Bankruptcy Code, 2016 – Game Changer, Winning Through Frugal I4.0 Innovation, Digital Health: Transforming Healthcare, Growth in the Indian Asset Management Industry – Is there a new normal?, Redefining Distribution: Converge, Digitize & Achieve (Financial Distribution), Data Driven Manufacturing: Driving Value by Capitalizing on Data and WATSCAN Report on Amravati, Akola, Aurangabad, Jalna, Solapur and Yavatmal.



RAdm Shekhar Mital, Vice Chairman, CII Goa State Council; Atrey Sawant, Chairman, CII Goa State Council; Ninad Karpe and Piruz Khambatta at a meeting with Manohar Parrikar, Chief Minister of Goa

## ACTION

CII continues to be a preferred partner of the State Governments to drive industry's development. In Madhya Pradesh, CII has been the national partner for past many years for major initiatives. CII was the national partner to the Maharashtra State Government for Magnetic Maharashtra Global Investors Summit 2018. CII has also created a Health Task Force in Maharashtra with the Health Minister. In Gujarat, CII worked in partnership with the State Government to form the Gujarat Knowledge Application & Facilitation Centre (GKAFC).

In 2017-18, CII-WR partnered with the State Governments for the following initiatives:

- CII was the national partner to the Government of Maharashtra for Magnetic Maharashtra: Convergence 2018, the first ever state-driven Global Investors Summit. Inaugurated by Prime Minister Shri Narendra Modi, the highlight of the summit was the discussion on Maharashtra: The Trillion Dollar Economy, which was chaired by the Chief Minister of Maharashtra. The summit featured several sectoral seminars.
- The Madhya Pradesh Government is making numerous efforts to match the State's skilled workforce with the industry's requirement. The 1<sup>st</sup> Edition of the Global Skills and Employment Partnership Summit 2017, organised in partnership with the Government of Madhya Pradesh, was thus a platform for stakeholders to explore areas to work collectively towards the fulfilment of the State's vision. Shri Rajiv Pratap Rudy, the then Union Minister of State for Skill Development and Entrepreneurship and the Chief Minister of Madhya Pradesh, Shri Shivraj

Singh Chouhan also shared with the industry the Government's efforts in this direction. A MoU was signed with the Government of Madhya Pradesh to set up a state-of-the-art Multi Skill Development Centre at Budhni.

- Healthcare in India has evolved significantly since 2000, with the private sector playing an important role in healthcare delivery and the Government enhancing its role from being only a provider to also being a financier of healthcare services. In this context the CII Healthcare Conclave, organised in partnership with the Ministry of Public Health and Family Welfare, Ministry of Medical Education, Government of Maharashtra, was a forum for deliberation on how the National Health Policy can be actioned and the emerging imperatives for healthcare ecosystem players. A MoU was signed with the Healthcare Skill Council to focus on skill development for healthcare professionals. A Core Group on Healthcare was formed in association with the State Government.
- The Road Shows held in Mumbai and Indore, in partnership with the Ministry of Food Processing Industries, Government of India promoted World Food India 2017 aimed at showcasing India's capabilities and building global linkages. Smt Harsimrat Kaur Badal, Minister for Food Processing Industries held a closed door meeting with CII leadership prior to the Mumbai Roadshow. Shri Devendra Fadnavis, Chief Minister of Maharashtra also graced the occasion.
- CII's focus on promoting two important sectors of the Indian economy led to the Katni Industrial Conclave 2017 and the Krishi Vikas 2017 being organised in Bhopal, in association with the Government of Madhya Pradesh. The Katni Industrial Conclave, where CII collaborated with the Department of MSME, showcased investment opportunities to major players in mining, defence and food processing sectors. With over 200 B2B and B2G meetings, the MSMEs in the Region got the opportunity to interact, connect and collaborate with leaders of the industry and Government. Krishi Vikas, an international exhibition showcased India's capabilities in agriculture, farm equipment and the allied sector, highlighted emerging trends, techniques, markets and opportunities.

### Sector Focus

- At the 16<sup>th</sup> Manufacturing Summit themed Re-inventing Indian manufacturing held in Mumbai, Minister of Commerce and Industry, Shri Suresh



From L to R: D J Yadav; Captain Ajay Chauhan, Director of Civil Aviation, Government of Gujarat; G K Chaukiyal, Executive Director - RCS, Airport Authority of India; Jayant Sinha, Minister of State, Civil Aviation; Chetan Tamboli, Past Chairman, CII WR and Chairman & Managing Director, Steelcast Ltd and Ashish Saraf, Vice President - Industry Development, Strategic Partnerships & Offsets, Airbus Group at the Gujarat Aviation Conclave 2017 in Ahmedabad

Prabhu highlighted the impact of Make in India and Ease of Doing Business on the country's economic development. It was also a platform for stakeholders to deliberate on Frugal I4.0 Innovation, Jugaad 4.0 and Industry 4.0, Start-ups with focus on technology innovations, impact of GST, and the millennial MSMEs' future-readiness. The 2<sup>nd</sup> Edition of the CII Smart Manufacturing Conclave 2017 also deliberated on imperatives for success in an Industry 4.0 driven environment, reskilling for the new manufacturing trends and digital transformation amongst other emerging areas.

- Gujarat is gearing up to develop as a Maintenance, Repairs and Operations (MRO) hub to boost regional air connectivity which would help develop industry in the State. Efforts are being made to develop benchmark training standards to participate in the growing aerospace/ aircraft manufacturing sector. The Gujarat Aviation Conclave 2017 (Ahmedabad) was a platform for key stakeholders to deliberate on these and other potential business opportunities and key strategies to give a boost to the aviation sector in Gujarat.
- Given the importance of building increased connectivity, the 3<sup>rd</sup> Conference on Logistics, held in Panjim, focused on developing the logistics sector in Goa. Graced by the then Minister of Railways, Shri Suresh Prabhu, the Conference witnessed deliberations on specific issues of infrastructure development such as waterways, air freight landing facility and rail network in the State. The Maritime, Ports, Logistics & Warehousing Exhibition & Conclave

2017 (Mumbai) deliberated on the implementation challenges with respect to connectivity, permissions and finance.

- Over the last decade, India has seen leaders from different walks of life scripting new stories in their segment and becoming global leaders. The Leadership Conclave 2017, (Indore) brought together such leaders who shared their experiences of managing different situations thereby inspiring participants to become leaders of tomorrow. In addition to several eminent industry leaders, Shri Acharya Balkrishna, CMD, Patanjali Ayurved Ltd. shared Patanjali's journey of becoming a well-known brand. Shri Rajendra Shukla, Minister of Industries, Madhya Pradesh also interacted with the delegates.
- CII-WR continued its focus on encouraging industry-academia partnerships to link education to skilling. The Industry Academia Conclave 2017 was thus themed Gearing up for Industry 4.0 Paradigm - Developing Robust Industry Institute Collaboration. It focused on enhancing industry-academia collaboration for linking education to skilling. The 3<sup>rd</sup> Edition of the Higher Education Summit, themed connecting academia to industry for future-ready skills, entrepreneurship and employment, brought together stakeholders from industry and academia to discuss ways to make higher education more effective and rewarding.
- With the promulgation of the RERA Act, India's realty sector has undergone significant changes. These and various other path-breaking Government actions and policies are building an ecosystem to develop a sector that is more credible, transparent and attractive. The 9<sup>th</sup> Realty & Infrastructure Conclave 2017 - The Turning Point of India Real Estate, was thus organised in Mumbai to decode the path to transform the realty sector.
- The 2<sup>nd</sup> Gujarat Auto Show in Ahmedabad was an excellent platform for automobile companies to showcase the latest technology in automobiles and new automobile models to thousands of local and regional buyers.
- The finance and banking sector faces several challenges and offers a host of opportunities vis-à-vis the integration of technologies in delivery of the service. The 11<sup>th</sup> BANKing TECH Summit, CII's flagship annual gathering of the Indian banking technology industry, focused on the digital transformation of the Indian banking and financial services industry.
- The 12<sup>th</sup> Edition of the Mutual Fund Summit themed Growth in Indian Asset Management industry: Is There a New Normal? witnessed deliberations on technology and digitization, deepening penetration, driving inclusion and product classes. The 6<sup>th</sup> Edition of Financial Distribution Summit 2017 focused on Redefining Distribution: Converge, Digitize & Achieve, held in Mumbai, provided a platform to the financial distribution community across verticals such as mutual fund, insurance, banking and related sectors.
- Export driven growth of Indian MSMEs will be key to increasing India's global trade making it imperative to identify enablers to boost their export competitiveness. The 3<sup>rd</sup> Edition of the MSME Summit 2017 deliberated on ways of stimulating MSME exports across volume, diversity and reach. Shri Subhash Desai, Minister of Industries, Government of Maharashtra acknowledged the role of the Government while urging the private sector and other stakeholders to participate in ensuring robust growth of MSME Exports. The MSME & Entrepreneurship Convention, (Bhopal) held in partnership with the Department of MSME, Government of Madhya Pradesh, was a platform for vendors, industry leaders and sector specialists to deliberate on areas of mutual interest and sectoral trends. Shri Shivraj Singh Chouhan, Chief Minister, Madhya Pradesh and Shri Giriraj Singh, Minister of State (I/C), Ministry of MSME, Government of India also released the MSME Policy for the State at the Convention. At a parallel exhibition, over 200 MSMEs showcased their expertise.
- While Indian industry is beginning to increase its spend on Research & Development, to become



From L to R: Jamshyd N Godrej, Summit Chairman & Past President, CII and Chairman & Managing Director, Godrej & Boyce Mfg Co Ltd; Suresh Prabhu, Minister of Commerce and Industry and Dr Naushad Forbes, Summit Co-Chairman, Immediate Past President CII, and Co-Chairman, Forbes Marshall at the Manufacturing Summit in Mumbai

globally competitive it still has a long way to go. This was the focus of discussions at the 5<sup>th</sup> Edition of the CII West Tech Summit themed - Driving Industrial Growth Through R&D, Innovation & Collaboration.

- CII-WR also drove its agenda through new and regular conclaves and exhibitions including the Marketing & Brand Conclave 2017, 1<sup>st</sup> Edition of a two-day International Conference on Industrial Flooring, the Regional Annual MGO Industry Co-operation Meeting (RAMICOM) West, RAMICOM Central, Krishi Udyog Sangam 2017 and a Conference on Sustainable and Climate-Smart Agriculture (CSA).
- A series of sports related events were aimed at encouraging a sports culture in the country. The CII Sports Summit 2017, the Beach Soccer Fest and the 3<sup>rd</sup> Edition of CII's Corporate Cricket League helped to promote sports among both industry and society.

### Building Competitiveness

To facilitate the industry's endeavour to become competitive and future-ready, CII-WR continued to organise various awareness and training sessions, webinars and learning missions. The wide spectrum of topics included digital marketing, IPR, energy efficiency, lean manufacturing, valuation etc. Nineteen learning missions focusing on areas such as health and environment, manufacturing practices and human resource, were also organised.

CII jointly with the support of Ministry of Micro, Small and Medium Enterprises set up the Intellectual Property Facilitation Centre (IPFC) in Ahmedabad and Indore with an objective to boost IP culture among MSMEs/ Technopreneurs/ Start-ups in Gujarat and Madhya Pradesh. IPFC is working closely with SMEs and has demonstrated its value by facilitating over 1000 IP applications in India and abroad till date. The Centre has filed more than 154 patent applications in India, 21 international patents filing through Patent Cooperation Treaty (PCT) and facilitated filing of more than 555 trademarks. It provided consultancy services to 137 member and non-member companies. GKAFC, a partnership between CII, Gujarat Government and Gujarat NRE which is based out of Ahmedabad in Gujarat delivers a comprehensive set of evaluation practices, stratagems and technology management tools to provide end-to-end business solutions to public and private sectors, as well as for the sustainability and growth of communities.



Shrinivas Dempo, Chairman, CII WR Sports Initiatives and Chairman & MD, Dempo Shipbuilding & Engineering felicitating Indian Women Cricket Team Member Shikha Pandey, in Goa

### Special Initiatives

- The skill development agenda was driven through the CII Chhindwara Skills Training Centre, a one-of-its kind initiative, conceptualized and managed by industry to create a pool of trained workforce. The Centre is supported by companies such as Caterpillar/ GMMCO and Cummins. Training is offered to rural youth in 12 trades both in residential and non-residential formats. The centre has so far skilled over 5000 individuals and it aims to skill 1500 annually.
- Water being a major area of concern in the state of Maharashtra, CII-WR worked closely with the CII-Triveni Water Institute to assess the water situation in 13 drought-prone districts along with the State Government. Work continued on the project of cleaning Kham River in Aurangabad. A project to treat sewage and supply processed water to the industry, is underway in partnership with the Vadodara Municipal Corporation.
- CII felicitated women cricketers based in the Western Region for their exceptional performance in the Women's World Cup 2017 finals. A memento was presented to Ms Shikha Pandey (Goa), Ms Nuzhat Praween (Indore), Ms Mona Meshram (Nagpur) and Ms Punam Raut (Mumbai) in the presence of office bearers.
- Apart from continuing the Phenk Mat campaign in Mumbai to make the city litter-free and improve sanitation practices, a ward-wise cleanliness drive was launched in Aurangabad under the project Mazhi City Taka Tak. The objective was to educate the society on segregation and treatment of wet and dry waste.



CII Western Region Leadership along with Consul Generals & Heads of Diplomatic Missions in Mumbai

### Investment Promotion and Business Development

Various forums were organised to enable Members to explore business opportunities in sectors such as defence, infrastructure, IT & ITeS, financial services, education, energy and a multitude of manufacturing sectors. Large companies were connected to prospective vendors and suppliers, especially MSMEs. Over 2,130 B2B and 242 B2G meetings benefitted nearly 1,800 members.

The 2<sup>nd</sup> Edition of Invest in Maharashtra, Invest in Marathwada Summit showcased the Region's business potential and investment opportunities in general and in Aurangabad Industrial City (AURIC) in particular. The Invest in Kolhapur 2017 Conference showcased the strength and underlying investment potential of the city.

### Building Diversity

- The CII Indian Women Network (IWN) with its 4 States and 3 Zonal Chapters aims to create forums for women to discuss ideas, opportunities at workplaces and learn from each other's experiences. IWN organised awareness sessions for corporate women on topics such as POSH Act, stress management, work-life balance. The 2<sup>nd</sup> Edition of the flagship initiative - WomeNation Summit themed Inspire for Action endeavoured to portray IWN's objective and celebrate achievements of women from diverse fields.
- The portal [www.ciispecialabilityjobs.in](http://www.ciispecialabilityjobs.in) was created under the initiative Enable the Capable to generate employment for PWDs. With over 23,000 job seekers registered, companies such as Du Pont, Eureka Forbes and Thomson Reuters have actively recruited PwDs from this portal.
- At the 4<sup>th</sup> Edition of The India We Want, students from secondary school to post graduate levels shared their views on the India they want. The entries were judged by an eminent jury comprising renowned industry leaders and the winners were felicitated during the Annual Regional Meeting in Mumbai.

### International Networking

- The Western Region, especially Mumbai, is the reference point when it comes to international communities and dignitaries. The Region provided networking platforms for businesses with Heads of States, Ministries and Diplomats. CII engaged with Mr Benjamin Netanyahu, Prime Minister of Israel; Mr Yury Trutnev, Deputy Prime Minister of Russia; Dr Peter Larose, Minister of Finance, Trade and Economic Planning of the Government of Seychelles; Mr Carmelo Abela, Minister for Foreign Affairs and Trade Promotion, Republic of Malta; His Royal Highness Prince Edward; Chancellor, University of Bath, His Majesty Mr Philippe, The King of the Belgians; Sir Philip Martin Bailhache, Minister of External Relations, Jersey and Mr Brian Parrott, Minister (Commercial), High Commission of Canada. At the CII-WR networking reception for Consul Generals and Heads of Missions, the countries represented included Australia, Belgium, Brazil, Canada, China, Dubai, Ethiopia, France, Germany, Japan, Korea, Mauritius, Oman, Russia, Sri Lanka, Switzerland, Thailand, Vietnam, UAE, UK and USA.
- Business missions to Dubai, France, Myanmar, Sweden, UK and USA facilitated the exploration of investment and business opportunities. In addition, delegations from Abu Dhabi, Belgium, Brazil, Chile, China, France, Germany, Iceland, Italy, Malaysia, Norway, Oman, Peru, Russia, Serbia, Seychelles, Singapore, Slovenia, South Africa, South Korea, Sweden, Thailand, UAE, UK and USA were extended support in connecting with relevant stakeholders in India.

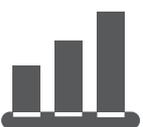
### Membership Meets

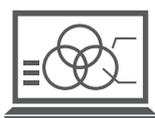
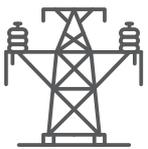
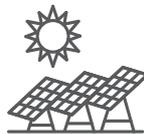
Five meetings organised across cities in the Region provided a platform for Members to interact with the CII National Leadership. Ms Shobana Kamineni, President, CII shared CII's vision with Members in Nashik, Pune, Surat and Indore. President Designate Mr Rakesh Bharti Mittal also interacted with Members in Ahmedabad, Pune and Goa.



# Membership Services

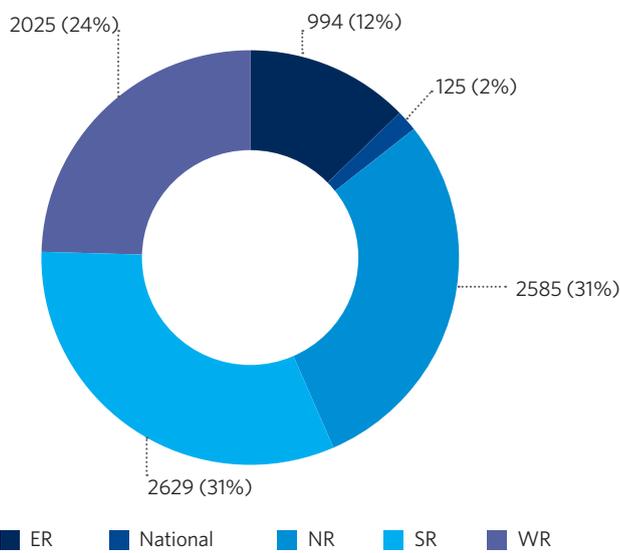
- Membership Services
- Team CII
- CII Network





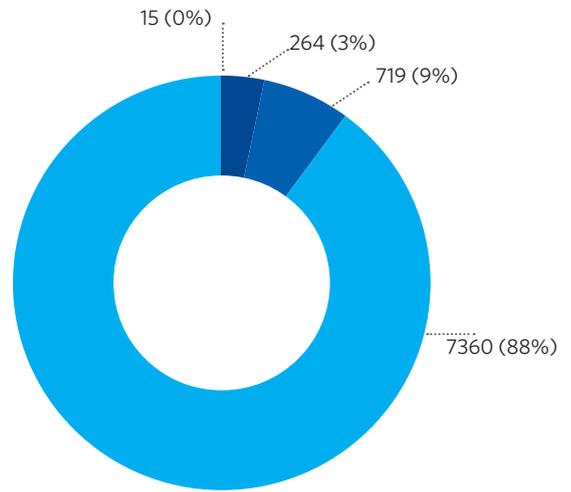
# CII's Membership Engagement in 2017-18

REGION-WISE CLASSIFICATION



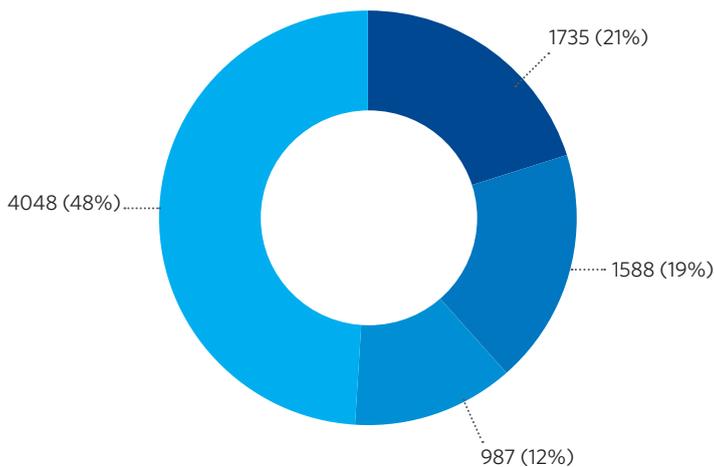
ER National NR SR WR

TYPE-WISE CLASSIFICATION



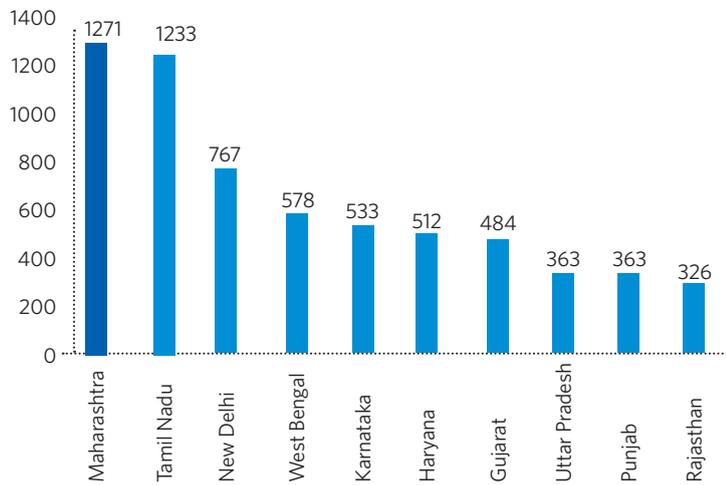
Associate Affiliated Associations  
Institutional Members Primary

SCALE-WISE CLASSIFICATION

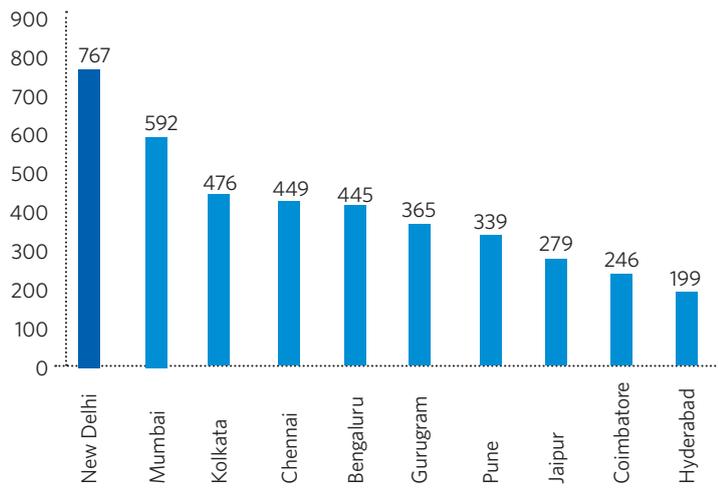


Large Medium  
Institutions & Affiliated Associations Small

## TOP 10 STATES



## TOP 10 CITIES



# Membership Services

In 2017-18, CII continued to deepen membership engagement through several focused initiatives. These endeavours were directed at strengthening outreach and membership connect:

- The endeavour to reach out to and engage with Members resulted in 3547 Members attending the 72 Members Meets at 46 locations.
- The 56 New Member Induction Sessions held at 31 locations were an opportunity for the 520 Members who attended, to understand and better utilize CII services.
- Visits were made to the premises of 2993 Member companies under the Outreach Initiative.
- The 66 roadshows held at 51 locations to drive robust membership growth were attended by 2541 participants.
- Monthly Membership Issue Trackers compiled by State and Regional Offices, to understand issues faced by Member companies, were tabled in the respective Council meetings. Currently, 154 issues, highlighted through these trackers, are being pursued.

Following new initiatives were launched during the year, under the leadership of Mr Rakesh Bharti Mittal, Chairman, CII National Membership Council:



From L to R: Neeraj Munjal, Past Chairman, CII Haryana Council; Shobana Kamineni and Sumant Sinha, Chairman, CII NR at the Interactive Session with CII President in Gurugram

## Redemption of Reward Points

The Redemption Module was launched for new Members to enable greater Member engagement in CII activities across Regions. Under this module, each MSME Member gets a reward point of 1 against every Subscription, a Medium Scale Member is entitled to a reward point of 0.50 against a subscription and Large Scale Members can claim a reward point of 0.25 against every subscription.



From L to R: Chetan Contractor, Past Chairman, CII Southern Gujarat Zonal Council and MD, Detox Corporation Pvt Ltd; Ravindra Arya, Vice Chairman, CII Southern Gujarat Zonal Council and Chairman, Bindal Silk Mills Pvt Ltd; Niraj B Desai, Chairman CII Southern Gujarat Zonal Council and Director, Nish Techno Projects Pvt Ltd; Marut Sen Gupta, DDG, CII; Shobana Kamineni President CII and Executive Vice Chairperson, Apollo Hospitals Enterprise Limited; Dinesh Yadav, Vice Chairman, CII Gujarat State Council and Director, Arvind Envisol Pvt. Ltd; Saugat Mukherjee, the then Regional Director, CII WR and Mahendra R Kajiwala, CEO, Devendra Textiles at the Members' Meet with CII President in Surat



From L to R: G Murali Krishna, Vice Chairman, CII Visakhapatnam Zonal Council; R V S Rudra Raju, Vice Chairman, CII Andhra Pradesh State Council; Rakesh Bharti Mittal, President Designate, CII and Vice Chairmna, Bharti Enterprises; J S R K Prasad, Chairman, CII Andhra Pradesh State Council at the Members' Meet with President Designate, CII in Visakhapatnam

### **E Attestation of Commercial Documents**

Launched under the Ministry of External Affairs' (MEA) Digital India initiative, eSanad is aimed at online submission/verification of documents to extend contactless, cashless, faceless and paperless document attestation for apostille and normal attestation to applicants in India. CII, along with NIC, developed the interface and integrated myCII with the MEA's project to extend this service to Member companies.

### **MyCII**

MyCII, the online business resource portal, functions as a repository of information and intellectual capital. With focus on key areas of business, information, networking and knowledge, the portal has a user base of almost 3.3 lakh businesses. Counting amongst the largest business resource centres in the country, MyCII is an ideal networking platform for SMEs as well as large enterprises. Apart from providing business

leads and industry connect from India and overseas, it facilitates finance for SMEs and is also an aggregator for Government policies, notifications, schemes and investment alerts.

### **Networking Facilitation**

MyCII.in hosts and brings together stakeholders including delegates, exhibitors, sponsors and others on the online B2B Meeting Platform with a view to facilitating business networking. In 2017, MyCII helped schedule over 35,000 B2B meetings between domestic and international delegates attending various events. Online group discussions and networking with members of other online groups and communities as well as the Directory of Members are available to MyCII.in Members.

### **Webinars & Online Master Classes**

Almost 19,000 Members and non-member participants benefited from the 295 webinars, including 103 Online Master Classes. These sessions were a platform for sharing knowledge and best practices on diverse topics such as financial management, business communication skills, digital marketing and GST. Members can access the Master Classes and Webinars from the Knowledge Resources section of MyCII.



From L to R: Umesh Chowdhary, Chairman, CII ER; Rakesh Bharti Mittal; Prabhat Kumar Sinha, Chairman, CII Bihar State Council and Vinod Kharia, Vice Chairman, CII Bihar State Council at the Members' Meet with Rakesh Bharti Mittal, President Designate, CII in Patna

# Team CII

Councils / Committees / Task Forces	Chair / Co-chair for 2017-18
Aerospace Committee	Mr T Suvarna Raju Chairman & Managing Director Hindustan Aeronautics
Agriculture Council	Chair: Mr S Sivakumar Group Head - Agri & IT Businesses, ITC Co-chairs: 1. Mr Salil Singhal Chairman & Managing Director PI Industries 2. Mr B Thiagarajan Joint Managing Director, Blue Star
Associations' Council (ASCON)	Ms Shobana Kamineni Executive Vice Chairperson Apollo Hospitals Enterprise Limited
Backward District Development Committee	Mr Sudhir Deoras Former Advisor, TRF
Banking Committee	Chair: Ms Shikha Sharma MD & CEO, Axis Bank Co-chairs: 1. Ms Zarin Daruwalla CEO - India, Standard Chartered Bank 2. Mr Mahesh Kumar Jain MD & CEO, IDBI Bank
Biotechnology Committee	Chair: Dr Arun Chandavarkar CEO & Joint Managing Director, Biocon Co-chair: Mr Rajesh Jain Joint Managing Director Panacea Biotec Ltd
Capital Goods & Engineering Committee	Chair: Mr Atul Sobti Chairman & Managing Director, BHEL Co-chair: Mr Nikhil Sawhney Vice Chairman & MD, Triveni Turbines
Chemicals Committee	Chair: Mr Raman Ramachandran Chairman & Managing Director BASF India Co-chair: Mr Sudhir Shenoy Chief Executive Officer Dow Chemicals International
CIOs Committee	Co-chairs: 1. Mr Rajesh Uppal Executive Director - IT & CIO, Maruti Suzuki India 2. Mr Vijay Sethi CIO & Head CSR, Hero MotoCorp
CII's India@75 Council	Chair: Dr Mukund Rajan Chief Ethics Officer & Chairman Tata Global Sustainability Council Tata Sons

Councils / Committees / Task Forces	Chair / Co-chair for 2017-18
CII-FBN India Chapter Council	Mr Ajay Shriram Chairman & Senior MD, DCM Shriram
Civil Aviation Committee	Mr Ajay Singh Chairman & Managing Director Spice Jet
Climate Change Council	Mr Jamshyd N Godrej Chairman & Managing Director Godrej & Boyce Manufacturing Company
Committee for CFOs	Mr R Shankar Raman CFO & Member of the Board Larsen & Toubro
Compliance Officers' Forum	Mr Suresh Senapaty Chairman Honeywell Automation India
Construction Committee	Mr Atul Punj Chairman Punj Lloyd
Corporate Governance Council	Mr Keki Mistry Vice Chairman & CEO HDFC
Council on Future Businesses	Mr Rajan Navani Managing Director Jetline Group of Companies
Defence Committee	Mr Baba N Kalyani Chairman & Managing Director Bharat Forge
Design Committee	Ms Priya Paul Chairperson Apeejay Surrendra Park Hotels
eCommerce Committee	Mr Viresh Oberoi Partner Third Innings Innovation
Economic Affairs Council	Mr Vinayak Chatterjee Chairman Feedback Infra
Environment Committee	Mr R Mukundan Managing Director Tata Chemicals
EXIM Committee	Mr Sanjay Budhia Managing Director Patton International
Financial Inclusion and Digitisation Committee	Dr Janmejaya Sinha Chairman, Asia-Pacific The Boston Consulting Group India

Councils / Committees / Task Forces	Chair / Co-chair for 2017-18
Financial Markets Committee	Mr Leo Puri Managing Director UTI Asset Management Co
Financial Reporting Committee	Chair: Mr Dipankar Chatterji Senior Partner, L. B. Jha & Co. Co-Chair: Mr P R Ramesh Chairman, Deloitte India
Financial Sector Development Council	Mr Nimesh Kampani Chairman JM Financial Group
FMCG Committee	Chair: Mr Bharat Puri Managing Director, Pidilite Industries Co-Chair: Mr Vivek Gambhir Managing Director Godrej Consumer Products
Food Processing Committee	Chair: Mr Suresh Narayanan Chairman & Managing Director Nestle India Co-Chair: Mr Ashwini Malhotra Managing Director, Weikfields Foods
Footwear Committee	Mr Adesh Gupta Chief Executive Officer Liberty Shoes Limited
Healthcare Council	Dr Naresh Trehan Chairman & Managing Director Medanta - The Medicity
Higher Education Committee	Chair: Mr Vijay Thadani Vice Chairman & MD, NIIT Co-Chair: Mr BVR Mohan Reddy Executive Chairman, Cyient
Hydrocarbons Committee	Chair: Mr Sashi Mukundan Region President and Head of Country- India, BP Group Companies Co-Chair: Mr Nitin Prasad Chairman, Shell Group of Companies in India
ICTE Manufacturing Committee	Chair: Mr Vinod Sharma Managing Director, Deki Electronics Co-Chair: Mr Sunil Vachani Chairman, Dixon Technologies (India)
Indian Women Network (IWN) & Women Empowerment Committee	Ms Suchitra Ella Joint Managing Director Bharat Biotech International
Industrial Relations Committee	Chair: Mr M S Unnikrishnan Managing Director & CEO, Thermax Co-Chair: Mr Pradeep Bhargava Director, Cummins
Infrastructure and PPP Committee	Mr Hari Sankaran Vice Chairman & MD IL&FS
Insurance & Pensions Committee	Mr Sanjiv Bajaj Managing Director Bajaj Finserv

Councils / Committees / Task Forces	Chair / Co-chair for 2017-18
Integrity & Transparency in Governance Committee	Chair: Mr Sumit Mazumder Chairman & Managing Director, TIL Co-Chair: Mr Pradeep Bhargava Director, Cummins
Intellectual Property Rights Committee	Mr Pradeep Banerjee Executive Director Hindustan Unilever
International Policy Council	Dr Naushad Forbes Co-Chairman Forbes Marshall
International Trade & Trade Policy Committee	Mr Deep Kapuria Chairman The Hi-Tech Gears
IT & ITeS Committee	Chair: Mr S Premkumar Executive Vice Chairman & MD HCL Infosystems Co-Chair: Mr Alok Ohri President & Managing Director, DELL EMC
Leadership & HR Committee	Chair: Mr T V Narendran Managing Director & CEO, Tata Steel Co-Chair: Mr Ashank Desai Founder, Mastek
Leadership Pipeline	Dr Naushad Forbes Co-Chairman Forbes Marshall
Legal Services and Arbitration Committee	Mr Shardul S Shroff Executive Chairman Shardul Amarchand Mangaldas & Co
Logistics Committee	Mr Sandipan Chakravorty Chairman TM International Logistics
Media & Entertainment Committee	Mr Sudanshu Vats Group CEO Viacom18 Media
Membership Council	Mr Rakesh B Mittal Vice Chairman Bharti Enterprises
Mining Committee	Co-Chairs: 1. Mr Sunil Duggal CEO & Whole Time Director Hindustan Zinc 2. Mr S K Acharya Chairman & Managing Director, Neyveli Lignite Corporation
MNCs Committee	Mr T Krishnakumar President Coca-Cola
MSME Council	Chair: Mr Shreekanth Somany Chairman & Managing Director Somany Ceramics Co-Chair: Mr Vikram Golcha Managing Director Associated Soapstone Distribution Co
NBFCs Committee	Mr Ajay Srinivasan Chief Executive Aditya Birla Financial Services

Councils / Committees / Task Forces	Chair / Co-chair for 2017-18
North East Council	Chair: Mr Mayank Jalan Managing Director, Keventer Agro Co-chair: Mr Abhijit Barooah Managing Director, Premier Cryogenics
Nutrition Committee	Ms Vinita Bali Chair Global Alliance for Improved Nutrition
Pharma Committee	Chair: Dr Rajiv I Modi Chairman & Managing Director Cadila Pharmaceuticals Co-chairs: 1. Mr Susheel Umesh Chairman & GM - Speciality Care Abbott Healthcare 2. Mr Rakesh Bamzai President, India & Emerging Markets Mylan Pharmaceuticals
Power Committee	Chair: Mr Anil Sardana CEO & Managing Director, Tata Power Co-Chair: Mr Rajiv Ranjan Mishra Managing Director, CLP India
Power of Parity	Chair: Ms Shobana Kamineni Executive Vice Chairperson, Apollo Hospitals Enterprise Limited Co-chair: Ms Rumjhum Chatterjee Group MD, Feedback Infra
School Education Council	Mr N Kumar Vice Chairman Sanmar Group
Private Equity & Venture Capital Committee	Chair: Mr Sanjay Nayar Chief Executive Officer, KKR India Advisors Co-chair: Ms Renuka Ramnath Founder MD and CEO, Multiples Alternate Asset Management
Public Health Committee	Prof K Srinath Reddy President Public Health Foundation of India
Public Policy Council	Mr Subodh Bhargava Past President, CII
Public Sector Enterprises Council	Chair: Mr Atul Sobti Chairman & Managing Director, BHEL Co-chair: Mr S K Acharya, Chairman & Managing Director Neyveli Lignite Corporation
Real Estate & Housing Committee	Co-Chairs: 1. Mr Anshuman Magazine Chairman, India & South East Asia, CBRE 2. Mr Neel C Raheja Group President, K Raheja Group
Regulatory Affairs Committee	Ms Zia Mody Senior Partner AZB & Partners
Wind and Bio-Energy Committee	Chair: Mr Ramesh Kymal Chairman & Managing Director, Siemens Gamesa Renewable Power Co-chair: Mr G S Krishnan President, Novozymes South Asia

Councils / Committees / Task Forces	Chair / Co-chair for 2017-18
Retail Committee	Chair: Mr Rakesh Biyani Joint Managing Director, Future Retail Co-Chair: Mr Shashwat Goenka Sector Head (Retail), RP Sanjiv Goenka Group
Rural Council	Dr Pawan Goenka Managing Director Mahindra & Mahindra
Services Council	Mr Uday Kotak Executive VC & Managing Director Kotak Mahindra Bank
Shipping & Ports Committee	Capt Anoop Kumar Sharma Chairman & Managing Director Shipping Corporation of India
Skill Development Committee	Chair: Mr Arun Nanda Chairman, Mahindra Holidays & Resorts India Co-Chair: Mr Soumitra Bhattacharya Managing Director, Bosch
Smart Cities Council	Mr Ravi Parthasarathy Chairman IL&FS
Smart Manufacturing Council	Chair: Mr Sunil Mathur Managing Director & CEO, Siemens India Co-Chair: Dr Arindam Bhattacharya Senior Partner and Director, The Boston Consulting Group
Solar Energy Committee	Co-Chairs: 1. Mr Rahul Munjal Chairman and Managing Director, Hero Future Energies 2. Mr Ratul Puri Chairman, Hindustan Powerprojects
Special Abilities	Chair: Mr Sandip Sen Global CEO, Aegis Customer Support Services Co-Chair: Ms Pankajam Sridevi Managing Director - ANZ Bengaluru, ANZ Banking Group
Sports Committee	Chair: Mr Sanjay Gupta Managing Director, Star India Co-Chair: Mr Jalaj Dani Co-Promoter, Asian Paints
Start-up Council	Chair: Mr S Gopalakrishnan Co-Founder, Infosys Co-Chairs: 1. Mr Navas Meeran Chairman Eastern Group of Companies 2. Mr Sudhir Mehta Chairman & Managing Director Pinnacle Industries
Steel Committee	Chair: Mr P Madhusudan Chairman-cum-Managing Director, Rashtriya Ispat Nigam Co-Chair: Mr Seshagiri Rao Joint MD & Group CFO, JSW Steel

Councils / Committees / Task Forces	Chair / Co-chair for 2017-18
Taxation Committee	Mr Rajiv Memani Chairman - India Region and Emerging Markets Committee Ernst & Young LLP
Technology Committee	Dr Gopichand Katragadda Group Chief Technology Officer Tata Sons
Telecom and Broadband Committee	Chair: Mr Kiran Karnik Former President, NASSCOM Co-Chair: Mr Gopal Vittal Managing Director & CEO, Bharti Airtel
Textiles and Apparels Committee	Chair: Mr T Kannan Chairman & Managing Director, Thiagarajar Mills Co-Chairs: 1. Mr Salman Noorani President & MD, Zodiac Clothing Co 2. Mr Gautam Nair Managing Director, Matrix Clothing
Tourism & Hospitality Committee	Chair: Mr Dipak Haksar Chief Executive- ITC Hotels & WelcomHotels, ITC Hotels Co-Chair: Mr Arjun Sharma Managing Director, Select Group
Trade Fairs Council	Mr Vipin Sondhi Managing Director & CEO JCB India
VLFM Initiative	Mr Jamshyd N Godrej Chairman & Managing Director Godrej & Boyce Manufacturing Company
Water Committee	Mr Ramesh Datla Chairman & Managing Director ELICO
Mission on Heal from India	Ms Suneeta Reddy Managing Director Apollo Hospitals Enterprise
Mission on Cities	Ms Rumjhum Chatterjee Group MD Feedback Infra
Mission on Electoral Reforms	Mr Subodh Bhargava Past President CII
Mission on Education	Mr Rakesh Bharti Mittal Vice Chairman Bharti Enterprises
Task Force on Affirmative Action	Mr Farhad Forbes Co-Chairman Forbes Marshall
Taskforce on Railways	Mr Rajeev Jyoti CEO-Railway Business Larsen & Toubro
Task Force on Ease of Doing Business	Chair: Mr Sunil Kant Munjal Chairman, Hero Enterprise Co-Chair: Mr Milon Nag Chairman & Managing Director, K K Nag

Councils / Committees / Task Forces	Chair / Co-chair for 2017-18
Task Force on Waste to Worth	Mr Ajay S Shriram Chairman & Senior Managing Director DCM Shriram
Task Force on CII University	Dr Naushad Forbes Co-Chairman Forbes Marshall
Task Force on Employment and Livelihood Generation	Mr R Seshasayee Chairman IndusInd Bank
Advisory Council on North East	Mr Sumit Mazumder Chairman & Managing Director TIL
CII-Institute of Quality Advisory Council	Mr R Mukundan Managing Director Tata Chemicals
CII-Institute of Logistics Advisory Council	Mr R Dinesh Joint Managing Director T V Sundram Iyengar & Sons
CII-ITC Centre of Excellence for Sustainable Development	Mr Y C Deveshwar Chairman, ITC
CII-Naoroji Godrej Centre of Manufacturing Excellence Advisory Council	Mr Jamshyd N Godrej Chairman & Managing Director Godrej & Boyce Manufacturing Company
CII-Sohrabji Godrej Centre of Excellence Advisory Council	Mr Jamshyd N Godrej Chairman & Managing Director Godrej & Boyce Manufacturing Company
CII-Triveni Water Institute Advisory Council	Mr Dhruv M Sawhney Chairman & Managing Director Triveni Turbine
CII-Jubilant Bhartia Food and Agriculture Centre of Excellence Advisory Council	Mr Hari S Bhartia Co-Chairman & MD Jubilant Life Sciences
CII-Suresh Neotia Centre for Excellence for Leadership	Mr Harshavardhan Neotia Managing Director Bengal Ambuja Housing Development

# CII Network

## CII HEADQUARTERS

The Mantosh Sondhi Centre,  
23, Institutional Area  
Lodi Road, New Delhi - 110 003  
(India)  
Tel: 011-24629994-7  
/ 011-45771000  
Fax: 0091-11-24626149  
Email: info@cii.in  
Website: www.cii.in

## CORPORATE OFFICES

### New Delhi

India Habitat Centre  
4th Floor, Core 4A, Lodi Road  
New Delhi - 110 003  
Tel: 011-24682230-35, 41504514-19  
Fax: 011-24682226  
Email: info@cii.in

### Gurugram

249-F, Sector 18, Udyog Vihar, Phase IV  
Gurugram - 122 015  
Tel: 0124-4014060-67  
Fax: 0124-4014080, 4014057  
Email: info@cii.in

## CENTRES OF EXCELLENCE

### CII ITC Centre of Excellence for Sustainable Development

Second Floor, Thapar House  
124, Janpath, New Delhi - 110 001  
Tel: 011-41502301-2  
Fax: 011-41501924  
Email: sustainability@cii.in

### CII Jubilant Bhartia Food and Agriculture Centre of Excellence

Third Floor, IGSSS Building  
28 Institutional Area, Lodi Road  
New Delhi - 110 003  
Tel: 011-45771000  
Fax: 011-45772013  
Email: face@face-cii.in / info@face-cii.in  
Website: www.face-cii.in

### CII Triveni Water Institute

249F, Sector 18, Udyog Vihar Phase IV  
Gurugram - 122 015  
Tel: 0124-4014060-67  
Fax: 0124-4014080  
Email: ceo-twi@cii.in  
Website: www.cii-twi.in

### CII Centre of Excellence for Competitiveness for SMEs

Block No. 3, Dakshin Marg, Sector 31-A  
Chandigarh - 160 030  
Tel: 0172-5022522, 2607228, 2605868  
Extension: 279  
Fax: 172-2606259 / 2614974  
Email: ciicfc@cii.in  
Website: www.cii-competitiveness.in

### CII Suresh Neotia Centre of Excellence for Leadership

DC-36, Sector - I, Salt Lake  
Kolkata - 700 064  
Tel: 033-66140100  
Fax: 033-66140136  
Email: cii-leadership@cii.in  
Website: www.cii-leadership.in

### CII Naoroji Godrej Centre of Manufacturing Excellence

Opposite Railway Station, Vikhroli (East)  
Mumbai - 400 079  
Tel: 022-25745146 / 5148  
Fax: 022-25743361  
Email: ciicme@cii.in  
Website: www.manufacturingchampions.in

### CII Institute of Quality

Bharat Nagara, 2nd Stage  
Magadi Main Road, Vishwaneedam Post  
Bangalore - 560 091  
Tel: 080-23289391, 23286085  
Fax: 080-23289388, 23580314  
Email: cii-iq@cii.in  
Website: www.cii-iq.in

### CII-Sohrabji Godrej Green Business Centre

Survey No. 64, Kothaguda Post, RR District  
Hyderabad - 500 084  
Tel: 040-44185111  
Fax: 040-44185189  
Email: gbc@cii.in  
Website: www.greenbusinesscentre.com

### CII Institute of Logistics

Phase-2, B Block, 9th Floor  
IIT Madras Research Park  
Kanagam Road, Taramani  
Chennai - 600 113  
Tel: 044-66360300  
Email: cil@cii.in  
Website: ciilogistics.com

## REGIONAL OFFICES

### Northern Region

Block No. 3, Dakshin Marg  
Sector 31-A  
Chandigarh - 160 030  
Tel: 0172-5022522, 2607228  
2605868, 2605614  
Fax: 0172-2606259, 2614974  
Email: ciinr@cii.in

### Eastern Region

6, Netaji Subhas Road  
Kolkata - 700 001  
Tel: 033-22307727-28, 22301434,  
22303354  
Fax: 033-22301721, 22312700  
Email: ciier@cii.in

### Western Region

105, Kakad Chambers, 1st Floor  
132 Dr Annie Besant Road, Worli  
Mumbai - 400 018  
Tel: 022-24931790  
Fax: 022-24945831, 24939463  
Email: ciivr@cii.in

### Southern Region

Prof C K Prahalad Centre  
98/1, Velachery Main Road, Guindy  
Chennai - 600 032  
Tel: 044-42444501 / 555  
Fax: 044-42444510  
Email: cii.south@cii.in

## STATE OFFICES

### NORTHERN REGION

#### Chandigarh (UT)

Block No. 3, Dakshin Marg, Sector 31-A  
Chandigarh - 160 030  
Tel: 0172-5022522, 2607228  
Fax: 0172-2614974  
Email: cii.chd@cii.in

#### New Delhi

Ground Floor, IETE Building  
2, Institutional Area, Lodi Road  
New Delhi - 110 003  
Tel: 011-49816411-15/19, 011-49816421/26  
Fax: 011-49816416  
Email: cii.delhi@cii.in

**Gurugram (Haryana)**

249-F, Udyog Vihar  
Phase IV, Sector 18  
Gurugram - 122 015  
Tel: 0124-4014071, 4014060-67  
Fax: 0124-4014070  
Email: [cii.haryana@cii.in](mailto:cii.haryana@cii.in)

**Chandigarh (Himachal Pradesh)**

Block No. 3  
Dakshin Marg, Sector 31-A  
Chandigarh - 160 030  
Tel: 0172-6515505, 5022522, 2605614  
Fax: 0172-2614974  
Email: [cii.hp@cii.in](mailto:cii.hp@cii.in)

**Jammu (Jammu & Kashmir)**

Mubarak Villa  
11-B/B Gandhi Nagar Extension  
Jammu - 180 004  
Tel: 0191-2452006-007  
Fax: 0191-2452006  
Email: [cii.jk@cii.in](mailto:cii.jk@cii.in)

**Chandigarh (Punjab)**

Block No 3, Dakshin Marg  
Sector 31-A  
Chandigarh - 160 030  
Tel: 0172-735551872 / 5022522  
Fax: 0172-2614974  
Email: [cii.punjab@cii.in](mailto:cii.punjab@cii.in)

**Jaipur (Rajasthan)**

3, Shivaji Nagar, Civil Lines  
Jaipur - 302 006  
Tel: 91-141-2221441 / 2221442  
Fax: 91-141-2221411  
Email: [cii.rajasthan@cii.in](mailto:cii.rajasthan@cii.in)

**Dehradun (Uttarakhand)**

30 (58/1), Rajpur Road  
Dehradun - 248 001  
Tel: 0135-2745120 / 119  
Fax: 0135-2745121  
Email: [cii.ua@cii.in](mailto:cii.ua@cii.in)

**Lucknow (Uttar Pradesh)**

Plot A, Vibhuti Khand  
Gomti Nagar  
Lucknow - 226 010  
Tel: 0522-2721950 - 52 / 4060041-42  
Fax: 0522-2721953  
Email: [cii.up@cii.in](mailto:cii.up@cii.in)

**NORTH EASTERN REGION****Assam & Arunachal Pradesh, Manipur & Meghalaya**

Ratnapeeth, 59, M G Road  
Uzanbazar  
Guwahati - 781 001  
Tel: 0361-2731966 / 2655856  
Fax: 0361-2731966  
Email: [subhajit.poddar@cii.in](mailto:subhajit.poddar@cii.in) / [p.baruah@cii.in](mailto:p.baruah@cii.in)  
[in@cii.assam@cii.in](mailto:in@cii.assam@cii.in)

**Aizawl (Mizoram)**

D-1, Top Floor  
Directorate of Commerce & Industries  
Opposite Presbyterian Church Khatla  
Aizawl - 796 001  
Tel: 9612904979  
Email: [agnes.sailo@cii.in](mailto:agnes.sailo@cii.in)

**Kohima (Nagaland)**

Jail Colony  
Kohima - 797 001  
Tel: 0370-2243048  
Email: [chuba.ozukum@cii.in](mailto:chuba.ozukum@cii.in)

**Darjeeling (Sikkim)**

City Centre, Office Block No-F  
Room No-0313, Siliguri, District Darjeeling  
Matigara - 734 010  
Tel: 0353- 2511766 / 8967374645  
Fax: 0353- 2511766  
Email: [laxmi.kaushal@cii.in](mailto:laxmi.kaushal@cii.in)

**Agartala (Tripura)**

New Industries Building (1st Floor)  
P. O. Kunjaban, Khejur Bagan  
(Beside Ginger Hotel)  
Agartala - 799 006  
Tel: 0381-2410067  
Email: [rupa.das@cii.in](mailto:rupa.das@cii.in)

**EASTERN REGION****Patna (Bihar)**

50 /C, Sri Krishnapuri  
Opposite S K Puri Park  
Patna - 800 001  
Tel: 0612-2542330  
Fax: 0612-2542898  
Email: [chairman.bihar@cii.in](mailto:chairman.bihar@cii.in) / [ciibihar@cii.in](mailto:ciibihar@cii.in)

**Raipur (Chhattisgarh)**

12 Jal Vihar Colony  
Behind Telibandha Talab  
Raipur - 492 001  
Tel: 0771-2429861  
Tel/Fax: 0771-2429860  
Email: [chairmanchhattisgarh@cii.in](mailto:chairmanchhattisgarh@cii.in)

**Ranchi (Jharkhand)**

336-B, Road No 4  
Ashok Nagar  
Ranchi - 834 002  
Tel: 0651-2240040 / 6457365  
Fax: 0651-2240040  
Email: [cii.jsr@cii.in](mailto:cii.jsr@cii.in)

**Bhubaneswar (Odisha)**

Plot No. 8, Forest Park, 1st Floor  
Bhubaneswar - 751 009  
Tel: 0674-2596270 / 2596149  
Fax: 0674-2596159  
Email: [ciiodisha@cii.in](mailto:ciiodisha@cii.in)

**Kolkata (West Bengal)**

2nd Floor, Bengal Chamber Building  
6, Netaji Subhas Road  
Kolkata - 700 001  
Tel: 033-22307727 / 28  
Fax: 033 22301721, 22312700  
Email: [ciiwb@cii.in](mailto:ciiwb@cii.in)

**WESTERN REGION****Goa**

1st Floor, Salgaocar Centre  
Rua De Ourem, Panaji  
Goa - 403 001  
Telefax: 0832 2422790, 2422796, 2232255  
Email: [ciigoa1@dataone.in](mailto:ciigoa1@dataone.in)

**Ahmedabad (Gujarat)**

CII House, Gulbai Tekra Road  
Ahmedabad - 380 006  
Tel: 079-40279900-10  
Fax: 079-40279999  
Email: [ciiguj@cii.in](mailto:ciiguj@cii.in)

**Bhopal (Madhya Pradesh)**

E-2/109, Arera Colony  
Bhopal - 462 016  
Tel: 0755-2425752-53  
Fax: 0755-4271824  
Email: [ciimp@cii.in](mailto:ciimp@cii.in)

**Mumbai (Maharashtra)**

105, Kakad Chambers  
1st Floor, 132 Dr Annie Besant Road  
Worli, Mumbai - 400 018  
Tel: 022-24931790 / 24964792  
Fax: 022-24945831 / 24939463  
Email: [ciimah@cii.in](mailto:ciimah@cii.in)

**SOUTHERN REGION****Hyderabad (Andhra Pradesh)**

1-11-252/9, Regal House  
Plot No. 7, Moti Lal Nehru Nagar  
Begumpet, Hyderabad  
Telangana - 500 016  
Tel: 040-27765964 / 66 / 67 / 27765934  
Fax: 040-27765964  
Email: [cii.andhrapradesh@cii.in](mailto:cii.andhrapradesh@cii.in)

**Bengaluru (Karnataka)**

No. 1086, 12th Main, HAL 2nd Stage  
Indiranagar, Bengaluru - 560 008  
Tel: 080-42889595  
Fax: 080-25276709  
Email: [ciiblore@cii.in](mailto:ciiblore@cii.in)

**Kochi (Kerala)**

92-93, 10th Floor, Abad Neucleus  
Mall & Office  
NH - 49, Kundannoor, Petta Road  
Maradu PO, Kochi - 682 304  
Tel: 0484-4012300  
Fax: 0484-4012800  
Email: [cii.kerala@cii.in](mailto:cii.kerala@cii.in)

**Puducherry**

No 1 First Floor, Zamindar Garden  
S V Patel Road, Puducherry - 605 012  
Tel/Fax: 0413-2226201  
Email: [cii.puducherry@cii.in](mailto:cii.puducherry@cii.in)

**Chennai (Tamil Nadu)**

98/1, Velachery Main Road  
Guindy, Chennai - 600 032  
Tel: 044-42444555 / 522  
Fax: 044-42444510  
Email: [cii.south@cii.in](mailto:cii.south@cii.in)

**Hyderabad (Telangana)**

1-11-252/9, Regal House  
Plot No. 7, Moti Lal Nehru Nagar  
Begumpet, Hyderabad  
Telangana - 500 016  
Tel: 040-27765964 / 66 / 67 / 27765934  
Fax: 040-27766116  
Email: [cii.hyderabad@cii.in](mailto:cii.hyderabad@cii.in)

**ZONAL / DISTRICT OFFICES****NORTHERN REGION****Amritsar**

SCO No 32, Pal Plaza  
District Shopping Centre Ranjit Avenue  
Amritsar - 143 001  
Tel: 0183-5061607  
Fax: 0183-5061607  
Email: [cii.punjab@cii.in](mailto:cii.punjab@cii.in)

**Ludhiana**

2nd Floor, SCO 29  
Feroze Gandhi Market  
Ludhiana - 141 001  
Tel: 0161-5029834  
Email: [cii.punjab@cii.in](mailto:cii.punjab@cii.in)

**Noida**

Mezzanine Floor  
CMA Tower, A-2-E  
Sector 24  
Noida - 201 301  
Uttar Pradesh  
Tel: 0120-4345970-72-74  
Fax: 0120-4345973  
Email: [cii.noida@cii.in](mailto:cii.noida@cii.in)

**Shimla**

Room No 105, Directorate of Industries  
Udyog Bhawan, Bemlooe  
Shimla - 171 001  
Himachal Pradesh  
Tel/Fax: 0177-2654323  
Email: [cii.hp@cii.in](mailto:cii.hp@cii.in)

**Srinagar**

Tel: 09906746669  
Email: [cii.jk@cii.in](mailto:cii.jk@cii.in)

**EASTERN REGION****Balasore**

North Odisha Zonal Office  
3rd Floor, Glory Tower, Near ITI Square  
Beside RTO Office  
Balasore - 756 001  
Tel: 06782-267689  
Fax: 06782-267689  
Email: [santosh.sharma@cii.in](mailto:santosh.sharma@cii.in)

**Jamshedpur**

Room No. 7 & 8, Centre for Excellence  
Jubilee Road, Jamshedpur - 831 001  
Tel: 0657-2225213 / 2232637  
Fax: 0657-2225213  
Email: [cii.jsr@cii.in](mailto:cii.jsr@cii.in)

**Siliguri**

North Bengal - Zonal Office  
City Centre, Office Block  
FNO - 0313, Matigara  
Siliguri - 734 010  
Tel: 0353- 2511766  
Fax: 0353- 2511766  
Email: [ciiwb@cii.in](mailto:ciiwb@cii.in)

**WESTERN REGION****Aurangabad**

C/O Endress + Hauser Flowtec (India) Pvt Ltd  
M-171/176 MIDC, Waluj  
Aurangabad - 431 001  
Tel: 0240-2563 600  
Email: [cii.aurangabad@cii.in](mailto:cii.aurangabad@cii.in)

**Bhavnagar**

C/o Steelcast Ltd  
Ruvapari Road, Bhavnagar - 364 005  
Tel: 0278-2519062  
Fax: 0278-2420589  
Email: [manish.naiya@cii.in](mailto:manish.naiya@cii.in)

**Chhindwara**

CII Skills Training Centre  
Betul Road, Imlikheda Crossing  
Chhindwara - 480 001  
Tel: 07162 - 321 577 / 321 977  
Email: [pankaj.chavan@cii.in](mailto:pankaj.chavan@cii.in)

**Indore**

402, Sapphire Twins, Scheme No. 54  
16, A B Road, Indore - 452 010  
Tel: 0731-4009061 / 4041694  
Fax: 0731-4040390  
Email: [ciiamalwa@cii.in](mailto:ciiamalwa@cii.in)

**Kolhapur**

C/o S B Reshellers Pvt Ltd  
392, E Ward  
Shahupuri  
Near Basant Bahar Theater  
Kolhapur - 416 001  
Tel: 0231-2658297  
Email: [vishwanath.pawar@cii.in](mailto:vishwanath.pawar@cii.in)

**Nagpur**

C/O Mahindra Plant Head  
PS Mr Karthick Vignesh  
Mahindra & Mahindra Ltd  
Farm Equipment Sector  
MIDC Area, Hingna Road  
Nagpur 440 016  
Tel: 07104-660569  
Email: [cii.nagpur@cii.in](mailto:cii.nagpur@cii.in)

**Nashik**

Sahakar Sampada  
First floor, MICO Employees  
Co-op Credit Society Building  
G-32, MIDC, Trimbak Road  
(near Hotel Ginger)  
Satpur, Nashik - 422 007  
Tel/Fax: 0253 2360226  
Email: [keith.roberts@cii.in](mailto:keith.roberts@cii.in)

**Pune**

Office D, 10th Floor, Godrej Eternia-C  
'B' Wing, 3, Off Mumbai Pune Highway  
Wakdewadi, Shivajinagar  
Pune - 411 005  
Tel: 020-66075800  
Fax: 020-66075822  
Email: [ciiipune@cii.in](mailto:ciiipune@cii.in)

**Rajkot**

C/O Hem Engineering & Marine Services  
217, Panchanath Commercial Center  
Dr Rajendra Prasad Road, Harihar Chowk  
Rajkot - 360 001  
Tel: 0281-3053357  
Email: [jayesh.parekh@cii.in](mailto:jayesh.parekh@cii.in)

**Surat**

C/O Detox Group  
Detox House, Opposite  
Gujarat Samachar Press  
Udhna Darwaja, Ring Road  
Surat - 395 002  
Tel: 0261-2351248  
Email: [ciiurat@cii.in](mailto:ciiurat@cii.in)

**Vadodara**

4th Floor, Abhishek Complex  
Near Akshar Chowk, Old Padra Road  
Vadodara - 390 020  
Tel: 0265-6532016 / 17 / 2327108  
Email: [ciiavadodara@cii.in](mailto:ciiavadodara@cii.in)

**SOUTHERN REGION****Chennai**

Prof CK Prahalad Centre  
98/1, Velachery Main Road  
Guindy, Chennai - 600 032  
Tel: 044-42444516  
Fax: 044-42444510  
Email: [cii.chennaizone@cii.in](mailto:cii.chennaizone@cii.in)

**Coimbatore**

Unit No: B - 3A - 1  
Elysium Central, Opposite to Indian Bank  
Near Carmel Garden School  
Puliakulam Main Road  
Coimbatore - 641 045  
Tel: 0422 4044555  
Email: [cii.coimbatore@cii.in](mailto:cii.coimbatore@cii.in)

**Erode**

P&C Towers, IIIrd Floor, 140, Perundurai Road  
Erode - 638 011  
Tel: 0424-2219060  
Email: [cii.eroде@cii.in](mailto:cii.eroде@cii.in)

**Madurai**

No.10, First Floor, Old Natham Road  
Near ICAI Bhawan  
(Opposite to Balamandhiram School)  
P & T Nagar  
Madurai - 625 014  
Tel: 0452-4391434, 2521705, 2522743  
Email: [cii.madurai@cii.in](mailto:cii.madurai@cii.in)

**Mysore**

113, Ground Floor, 8th Main  
Jayalakshimpuram  
Mysore - 570 012  
Tel: 0821-2516319, 2517003  
Fax: 0821-2515513  
Email: [cii.mys@airtelmail.in](mailto:cii.mys@airtelmail.in)

**Salem**

Royal Towers, II Floor  
185/2 New Bus Stand Road  
Meyyanoor  
Salem - 636 004  
Tel: 0427-2448255  
Email: [cii.salem@cii.in](mailto:cii.salem@cii.in)

**Trivandrum**

No. 2 Golf Links Road, Kowdiar  
Thiruvananthapuram - 695 003  
Tel: 0471-2438922, 2438923, 2438924  
Fax: 0471-2438922  
Email: [cii.tvم@cii.in](mailto:cii.tvم@cii.in)

**Thoothukudi**

106 J / 30, First Street  
Millerpuram  
Thoothukudi - 628 008  
Tel/Fax : 0461-2312177  
Email: [cii.thoothukudi@cii.in](mailto:cii.thoothukudi@cii.in)

**Tiruppur**

30 E, E.R.P Layout  
College Road  
Tiruppur - 641 602  
Tel: 0421-2244555  
Email: [cii.tiruppur@cii.in](mailto:cii.tiruppur@cii.in)

**Trichy**

6A Lawsons Road  
3rd Floor, GVR Complex  
Cantonment, Trichy - 620 001  
Tel: 0431-2410641, 4000641  
Fax: 0431-2410655  
Email: [cii.tr@airtelmail.in](mailto:cii.tr@airtelmail.in)

**Vijayawada**

IV-Floor, D.No.40-15-9/3  
Nandamuri Road, Brindavan Colony  
Lane Beside Grand Chandana, Labbipet  
Vijayawada - 520 010  
Tel/Fax: 0866-2495967  
Email: [cii.vijaywada@cii.in](mailto:cii.vijaywada@cii.in)

**Visakhapatnam**

Flat No. 3A, 4th Floor  
Rednam Alcazar  
10-12-01, Rednam Gardens  
Opposite SBI Main Branch  
Visakhapatnam - 530 002  
Tel/Fax: 0891-255 5535  
Email: [cii.vizag@cii.in](mailto:cii.vizag@cii.in)

**OVERSEAS OFFICES****Australia**

Confederation of Indian Industry  
3 Raymond Street, Ashwood  
Victoria 3147, Australia  
Tel: +61 03 98881065  
Fax: +61 03 98881065  
Mobile: +61415596816  
Email: [abhay.mehta@cii.in](mailto:abhay.mehta@cii.in)

**Bahrain**

Confederation of Indian Industry  
C/o Bahrain Economic Development  
Board (EDB)  
3rd Floor, Arcapita Building  
P O Box 11299, Manama  
Kingdom of BAHRAIN  
Tel: +973 1758 9688  
Mob: +973 3417 0584  
Email: [cii.bahrain@cii.in](mailto:cii.bahrain@cii.in)

**China**

Confederation of Indian Industry  
Room No 11-A 47/49, Shanghai Mart  
2299, Yanan Road (West)  
Shanghai - 200 336  
People's Republic of China  
Tel: 0086-21-62360969  
Fax: 0086-21-32283510  
Email: [cii.chinarep@cii.in](mailto:cii.chinarep@cii.in)

**Egypt**

Confederation of Indian Industry  
C/o Embassy of India  
5, Aziz Abaza Street, Zamlek  
PO Box 718, Cairo - 11211  
Tel: +20 1099911470  
Email: [cii.egyptrep@cii.in](mailto:cii.egyptrep@cii.in)

**France**

Confederation of Indian Industry  
6 Passage des Arts  
Paris - 75014  
Tel / Fax: 0033-1-40475481  
Email: [rmulye.ciionline.org@wanadoo.fr](mailto:rmulye.ciionline.org@wanadoo.fr)

**Germany**

Confederation of Indian Industry  
Messeurm - 25th Floor  
60308 - Hesse, Frankfurt am Main  
Federal Republic of Germany  
Tel: +491788074587  
Email: [lakshmi.mohan@cii.in](mailto:lakshmi.mohan@cii.in)

**Iran**

Confederation of Indian Industry  
Unit B, 4th floor, No 20  
16th st, Bokharest st  
Arjantin st  
Tehran - 1514813719  
Email: [cii.iran@cii.in](mailto:cii.iran@cii.in)

**Singapore**

**Southeast Asian Regional Representative Office**  
Confederation of Indian Industry  
50 Armenian Street, #02-03 Wilmer Place  
Singapore - 179 938  
Tel: 0065-6-3334363  
Fax: 0065-68830658  
Email: [jayesh@cii.in](mailto:jayesh@cii.in)

**South Africa**

Confederation of Indian Industry  
164A, Linden Street, Sandton,  
2196, Johannesburg, South Africa  
Tel: +27 (0) 76 586 7808  
Email: [nazrana.jassat@cii.in](mailto:nazrana.jassat@cii.in)

**United Kingdom**

Confederation of Indian Industry  
C/O Confederation of British Industry (CBI)  
Cannon Place, 78 Cannon Street, London  
EC4N 6HN  
Tel: 044 20 73958076  
Email: [shuchita.sonalika@cii.in](mailto:shuchita.sonalika@cii.in)

**United States of America**

Confederation of Indian Industry  
1700 North Moore Street  
Suite 1005, Arlington  
Virginia - 22 209  
Tel: 00-1-703-807-0310  
Fax: 00-1-703-807-0315  
Email: [sumani.dash@cii.in](mailto:sumani.dash@cii.in)







## Confederation of Indian Industry

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government, and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895, India's premier business association has over 8,500 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 200,000 enterprises from around 265 national and regional sectoral industry bodies.

CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, healthcare, education, livelihood, diversity management, skill development, empowerment of women, and water, to name a few.

As a developmental institution working towards India's overall growth with a special focus on India@75 in 2022, the CII theme for 2017-18, India@75: Inclusive. Ahead. Responsible emphasizes Industry's role in partnering Government to accelerate India's growth and development. The focus will be on key enablers such as job creation; skill development and training; affirmative action; women parity; new models of development; sustainability; corporate social responsibility, governance and transparency.

With 67 offices, including 9 Centres of Excellence, in India, and 11 overseas offices in Australia, Bahrain, China, Egypt, France, Germany, Iran, Singapore, South Africa, UK, and USA, as well as institutional partnerships with 355 counterpart organizations in 126 countries, CII serves as a reference point for Indian industry and the international business community.

### Confederation of Indian Industry

The Mantosh Sondhi Centre

23, Institutional Area, Lodi Road, New Delhi – 110 003 (India)

T: 91 11 45771000 / 24629994-7 • F: 91 11 24626149

E: [info@cii.in](mailto:info@cii.in) • W: [www.cii.in](http://www.cii.in)

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[facebook.com/followcii](https://www.facebook.com/followcii)



[twitter.com/followcii](https://twitter.com/followcii)



[www.mycii.in](http://www.mycii.in)

Reach us via our Membership Helpline: 00-91-124-4592966 / 00-91-99104 46244

CII Helpline Toll free No: 1800-103-1244