

## ***'Empowering India - The Manufacturing Mandate'***

### **FICCI workshop to make the Indian market business friendly, attract foreign investment and boost manufacturing sector**

**NEW DELHI, July 12, 2013.** In a bid to make the Indian market business friendly, attract large doses of foreign investment and give a fillip to the manufacturing sector, the Federation of Indian Chambers of Commerce and Industry (FICCI) is bringing together top Central and State Government officials and key public and private sector players in-charge of industry and commerce at a Workshop here on **'Empowering India – The Manufacturing Mandate' on Tuesday (July 16, 2013) at Federation House.**

FICCI's 'Empowering India' project aims to help improve India's business environment by closely working with State Governments to facilitate reforms. The basic premise is that without improvement in 'public governance' and 'procedures' it would not be possible any longer for India Inc to remain globally competitive and sustain rapid growth. The next phase of India's growth story hinges on the country's ability to move ahead in the realm of 'process' or 'procedural' reforms and improve the business environment.

The fact is that as a growing consumer market, a low cost manufacturing location and a source of skilled manpower, no global company can afford to overlook India and exclude it from their growth radars. That investors continue to be drawn towards India is evident from the increase in FDI inflows by than 250 times from US\$ 140 million in 1990 to US\$ 36 billion today. Yet, they continue to struggle with the complex business environment which is characterised by high complexity and time consuming nature of a range of processes, including setting up a business, dealing with construction permits, registering property, paying taxes and enforcing contracts, amongst others.

In the first phase of the project, FICCI along with Bain and Co. identified 12 variables that determine the climate for doing business; examined the best practice achieved in individual states for seven States; and on this basis attempted to recommend improvements in the delivery of public goods and services and in the regulatory regime across other major states in the country. The 12 key variables are: Land acquisition, property registration, obtaining construction permits, single window clearance mechanism, industrial clusters, labour reforms, environment-related compliances, availability of power, payment of taxes, information availability, commercial dispute resolution and exit procedures for closing a business. Our recommendations for each of ten factors address four key themes: the policy framework, effectiveness of procedures, critical enablers to enhance effectiveness and the implementation discipline to make the various initiatives work.

Strengthening implementation involves cultivating a performance-driven culture among the government departments, fixing clear ownership among individuals and departments to enforce time-bound deliverables from all involved parties, establishing clear matrix to track and measure performance and aligning incentives with performance. Furthermore, the enforcement of initiatives must be tracked through user feedback and improvements introduced. Industry feedback on states' business environment varied heavily between states -not due to the absence of policy frameworks, but rather due to the varying perceptions of implementation effectiveness.

The workshop would also discuss how the National Manufacturing Plan would be implemented in States to create a healthy environment for doing business. **Mr Arun Maira, Member, Planning Commission, Government of India** will reflect on this plan in his opening address. It will discuss how FICCI's recommendations in Empowering India Report could be integrated in National Manufacturing Plan.

**Mr. Saurabh Chandra**, Secretary, Dept. of Industrial Policy & Promotion & Chairman, FICCI Invest India will deliver the valedictory address and share his perspective on promoting investment in States through Invest India set up by DIPP and FICCI.

The key areas that will be covered in the workshop are PPP in infrastructure & trade logistics; areas; land acquisition and development of industrial clusters, business regulatory environment; e- governance, single window clearance mechanism and environment related compliances.

Some of the key speakers include **Mr. Ajay Shankar**, Member Secretary, National Manufacturing Competitiveness Council; **Mr. R Chandrasekhar**, Former Secretary, IT, Government of India; **Ms. Naina Lal Kidwai**, President, FICCI & Executive Director, Hongkong and Shanghai Banking Corporation Ltd. & Country Head – HSBC India; **Mr. Sidharth Birla**, Senior Vice President, FICCI & Chairman, Xpro India Ltd.; **Mr. Amitabh Kant**, CEO & MD, Delhi Mumbai Industrial Corridor Development Corp. Ltd.; **Mr. Sanjay Bhatia**, Chairman, FICCI Manufacturing Committee & MD, Hindustan Tin Works Ltd. **Dr. Rajat Kumar**, Commissioner of Industries, Government of Andhra Pradesh; **Dr. Ajit Ranade**, President & Chief Economist, Aditya Birla Group; **Mr. Siddharth Mahajan**, Commissioner (Investment & NRIs), Bureau of Investment Promotion, Government of Rajasthan; **Mr. S K Agrawal**, Principal Secretary, Energy, Government of Rajasthan; **Mr. Gopal Sarma**, Partner, Bain & Company India Pvt. Ltd.; **Mr. Mahesh Babu**, MD, IL&FS Environmental Infrastructure & Services Ltd.; **Mr. Pradeep Puri**, Chairman, FICCI Urban Infrastructure Committee & CEO, METCO Project, IL&FS Ltd.

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