



Fostering Growth through Partnerships



**RETROSPECT 2017**

19-20 September  
New Delhi, India



Around 63.4 million MSMEs units throughout the country provide employment to over 117 million persons, contribute about 7% to GDP through more than 6,000 products, generate 45% of the total manufacturing output, and make up 40% of the exports from India. Accelerated MSME growth is fundamental to India achieving and sustaining a high GDP growth.

Many global companies are increasingly looking to Indian MSMEs for strategic partnerships of mutual benefit due to their innovative capabilities in niche manufacturing, ability to speedily absorb new technologies, and local skills and capabilities. However, identifying suitable global markets, partners, and emerging business opportunities, can be challenging for MSMEs, which are hamstrung by information asymmetries, lack of scale economies, inadequate technical and managerial acumen, etc.

In order to promote and foster global MSME partnerships, CII, in partnership with the Ministry of MSME and the Ministry of External Affairs, organized the 14th CII Global MSME Business Summit 2017, 'Fostering Growth through Partnerships' on 19–20 September in New Delhi. Enabling the exchange of ideas and best practices among MSMEs from around the world, the Summit also sought to encourage cross-border trade by disseminating know-how on assessing the export potential of products and services of Indian MSMEs, identifying suitable markets, developing strategies to penetrate new markets, and singling out avenues for joint ventures, franchising, cross-marketing, and co-manufacturing, in the countries and regions participating in the Summit.

The Summit featured focused regional and country sessions on ASEAN, Latin America, Singapore, Portugal, France, Japan, and the Gulf and MEWANA region, to explore the latest global industry trends and to highlight the emerging business opportunities across the globe for gainful MSME partnerships.

A masterclass on 'Understanding and Leveraging Trade Agreements' was held to help MSMEs understand how Free Trade Agreements (FTAs) can be used to increase trade within the region, and also how they can utilize duty benefits to become more competitive.

A diverse participant profile, comprising senior government officials, diplomats of various countries, trade and commercial officers, procurement heads of global OEMs and leading Indian companies, financial sector executives, as well as MSME delegations from 25+ countries, engaged in over 300 B2B meetings to explore mutual beneficial areas of partnerships.

The India MSME Expo held in tandem with the Summit, showcased the products and services of 30+ exhibitors.



# INAUGURAL SESSION



(L – R) **Mr Vikram Golcha**, Co-Chairman, CII National MSME Council; **Ms Preeti Saran**, Secretary (East), Ministry of External Affairs, Government of India; **Shri K J Alphons**, Hon'ble Minister of State for Tourism (I/C) and Minister of State for Electronics and Information Technology, Government of India; **Shri Giriraj Singh**, Hon'ble Minister of State for MSMEs (I/C), Government of India; **Mr Shreekant Somany**, Chairman, CII National MSME Council; **Dr Arun Kumar Panda**, Secretary, Ministry of MSME, Government of India; **Mr Chandrajit Banerjee**, Director General, CII

## LEADERS SPEAK



"The adoption of new technologies like 3D printing, Artificial Intelligence (AI), and Internet of Things (IoT) has the potential to bring down the time and cost of doing business"

**Shri Giriraj Singh**, Hon'ble Minister of State for MSMEs (I/C)

"MSMEs are the backbone of Indian Tourism Sector and can drive significant employment"

**Shri K J Alphons**, Hon'ble Minister of State for Tourism (I/C) and Minister of State for Electronics and Information Technology



"Various measures are being taken by the Ministry to promote market access and trade promotion for MSMEs"

**Ms Preeti Saran**, Secretary (East), Ministry of External Affairs

"There is a need for information sharing and bridge building between countries and sharing the best practices in the areas of credit availability, quality and creating an ecosystem for MSMEs by aligning 'Process, Prices, People' (PPP) to make process more efficient, and prices more competitive"

**Dr. Arun Kumar Panda**, Secretary, Ministry of MSME



"MSMEs are an important pillar of the economy and have been at 10% growth consistently. Issues such as access to credit, ease of doing business, technology improvement, market access etc need to be addressed as a priority."

**Mr Shreekant Somany**, Chairman, CII National MSME Council, and Chairman & Managing Director, Somany Ceramics Limited

"The challenge of the 21st century for MSMEs is global competitiveness"

**Mr Vikram Golcha**, Co-Chairman, CII National MSME Council, and Managing Director, Associated Soapstone Distributing Co Pvt Ltd



"This Summit is a momentous occasion to identify new and innovative ideas for 'Fostering Growth Through Partnerships' which will endeavour to highlight emerging business opportunities for Indian MSMEs with MSMEs from participating countries"

**Mr Chandrajit Banerjee**, Director General, CII

# CELEBRATING THE 25<sup>TH</sup> ANNIVERSARY OF THE ASEAN – INDIA RELATIONS & 50<sup>TH</sup> ANNIVERSARY OF THE ASEAN PARTNERSHIP



(L to R) **Mr Vikram Golcha**, Co-Chairman, CII National MSME Council and Managing Director, Associated Soapstone Distributing Co. Pvt Ltd; **Ms Shalini Girish**, Director, Google India; **Mr David Rasquinha**, Managing Director, EXIM Bank of India; **Mr Piyush Srivastava**, Additional Development Commissioner, Ministry of MSME; **Mr Chour Cheth Tyvoim**, Deputy Director General, Ministry of Industry and Handicraft, Cambodia; **Mr Keomarakoth Sidlakone**, Deputy Director General, Department of SME Promotion Ministry of Industry and Commerce, Laos; **Ms Merly Cruz**, Adviser for MSME Department, Philippine Centre for Entrepreneurship (PCE); **Mr Ashok Upadhyia**, Deputy Director General, The Federation of Thai Industries, Thailand; **Mr Mochammad Rizki Safary**, Deputy Director, Directorate of ASEAN External Cooperation, Indonesia



Trade is the common thread in the India-ASEAN relationship. The focus is to boost Indian exports to ASEAN countries. Various government initiatives are building border connectivity to attract investment and support in the region.

**Mr David Rasquinha**, Managing Director, EXIM Bank of India

There has been strong linkages between India and ASEAN. The Summit gives an opportunity to showcase and give glimpses of what Indian MSME is capable of. The need of the hour is to utilize the synergies of ASEAN & India.

**Mr Piyush Srivastava**, Additional Development Commissioner, Ministry of MSME, Government of India

The Thai Government is undertaking to promote new start-up enterprises and build new entrepreneurs through digital platforms.

**Mr Ashok Upadhyia**, Deputy Secretary General, The Federation of Thai Industries

In Indonesia, MSMEs contribute 97.16% to job creation and 58.65% to national GDP. Facilitating business match-making and expanding trade access in non-traditional markets would boost ties between MSMEs in Indonesia and India.

**Mr Mochammad Rizki Safary**, Deputy Director, Directorate of ASEAN External Cooperation, Indonesia





# OPPORTUNITIES FOR INDIAN MSMEs IN ASEAN REGION

## Key Takeaways

### Policy Advocacy

- ASEAN – India FTA
- Domestic policy restructuring to support regional value chains (RVCs), operations, labor laws, trade facilitation, business facilitating services, infrastructure, etc. More initiatives for JVs in the region to promote RVCs

### Trade and Investment

- Collaboration in manufacturing of products between India and ASEAN
- Congenial policy environment to facilitate FDI
- Need for conducive policies to promote investments in the PPP model, coupled with technology know-how and skills
- Creation of opportunities for new investors and for cross investment in sectors

### Technology and Skills

- CLMV countries can collaborate with India for know-how
- Creation of knowledge-sharing platforms in the areas of innovation, technology and resources
- Beyond finance, MSMEs need continued support to bridge information gaps
- Integrated training programs are required for operators and managers to increase performance efficiency

## LATIN AMERICA AND THE CARIBBEAN



(L – R) **Mr Smit Saurav**, Asst GM & Branch Manager, ECGC Ltd; **Mr Sushil Chaudhary**, CEO & MD, Mann Technologies Pvt. Ltd; **Mr Indranil Choudhury**, Member, CII National MSME Council; **Mr Luis Cabello**, Commercial Counsellor, Embassy of Peru; **Mr Sandeep Kohli**, General Manager BD&S Latin America, VNL

### Key Takeaways:

- Indian investors can look to invest in personal trainers and beauty care services, handicrafts, food and restaurant businesses. India can share expertise and technology relating to IT (Computer hardwares and repairs) and even space technology, agriculture sector, as there are plenty of opportunities that may be explored by both
- Rural digitization is a huge opportunity in the LAC region, in terms of mobile connectivity, education, ICT, and monitoring and surveillance systems

## SINGAPORE

### Key Takeaways:

- Singapore has almost 6000 registered Indian companies operating and the key sectors that attract FDI from Singapore to India include real estate, manufacturing, renewable energy and pharmaceutical amongst others
- CII, an industry body, with majority member companies from the MSME segment could play a key role in contributing to building stronger ties between the MSME industry of India and Singapore



(L – R) **Mr K Nandakumar**, Chairman, CII WR MSME Sub Committee & Chairman & Managing Director, Chemtrols Industries Ltd; **Ms Amita Mehta**, Centre Director, IE Singapore; **Mr Sanjeeb Panda**, Head - Marketing & Sales, Indus Net Techshu, **Mr Sumit Shukla**, CEO, ConneXRM LLP; **Ms Nidhi Uppal**, Large Business Relationship Manager, DBS Bank

## PORTUGAL



(L - R) **Mr João Rodrigues**, Executive Director, AICEP; **Mr Miguel Neiva Correia Ribeiro**, M&A Partner, FIRMA - the Portuguese Business Agency; **Mrs Felix Bernardo**, Partner, Caldeira Pires Law Firm; **Mr Bernardo Theotónio Pereira**, Founder, FIRMA - The Portuguese Business Agency; **H E Mr João Câmara**, Ambassador of Portugal to India; **Dr Alka Kaul**, Member, CII National MSME Council and Director, Horizon Industrial Products Pvt Ltd; **Mr Altino Álvares**, President, Portugal India Business Hub; **Mr Darryl Pereira**, Vice-President of PIBHub (Portugal India Business Hub), and CEO of Reina Group

“We have political will from both Portugal and India, and I believe we have objective conditions for business and economic relations to prosper. I look forward to see these relations more substantial in the coming days”

**H E Mr João Câmara**, Ambassador of Portugal to India

### Key Takeaways:

- Portugal can give Indian enterprises access to a market of 826 million consumers, including the European Union and Portuguese-speaking countries.
- Portugal offers a good quality of life, and is the most approachable country in the world to develop an international business. It is also the first country to draw investment from the SME European investment fund (more than 1,4 billion euros).
- FIRMA represents and solves business issues in Portugal through a global team of experts.
- CII can help build alliance between MSMEs of Portugal and India to initiate bilateral exchanges for integration with global value chain.

## FRANCE

### Key Takeaways:

- France looks forward to investing in the Skill India and Smart City initiatives in India in sectors such as design, healthcare, tourism and transport. CII suggested that France could offer training programs for Indian technical persons and managers
- Indian MSMEs can use France as an entry point to French-speaking countries in Africa. Post-Brexit, Indian businesses can see Paris as the new gateway to Europe



(L-R) **Mrs Audrey LUCBERNET**, Head of Business France / Invest; **Mr Jean-Marc FENET**, Minister Counsellor, Head of the Regional Economic Service for India and South Asia; **Mr Ashok Saigal**, Member, CII National MSME Council and Managing Director, Frontier Technologies Pvt Ltd; **Mr Thibaut FABRE**, Managing Director, Business France, India; **Mrs Elena Melendo**, Associate Vice President, Ernst and Young LLP



## GULF AND MEWANA



(L-R) **Mr Nalin Tayal**, Member, CII National MSME Council & MD, GATS India Pvt Ltd.; **Ms Subha Rajan**, Senior Advisor, CII; **Mr Ahmad Bin Harib Alfalahi**, Commercial & Trade Attaché to India, Embassy of UAE; **Mr Jyoti Prakash Gadia**, Member, CII National MSME Council; **H E Mr Nejmeddine LAKHAL**, Ambassador of Tunisia to India, and **H E Mr Fakhri Al Issa**, Ambassador of Iraq to India

“Business linkages between India and Tunisia could be leveraged to strengthen mutual economic relations” - **H E Mr Nejmeddine LAKHAL**, Ambassador of Tunisia to India

Inviting Indian Industry to visit and invest in Iraq, **H E Mr Fakhri Al Issa**, Ambassador of Iraq to India, said “structural economic and political reforms are now in place in his country”

“India maintains a special relationship with the UAE because it has been its top trading partner as well as a strategically important country” - **Mr Ahmad Bin Harib Alfalahi**, Commercial & Trade Attaché to India, Embassy of UAE

## JAPAN

### Key Takeaways:

- Japanese panellists emphasized that Indian MSMEs should look at partnering more and more Japanese companies who have technology and experience and are looking to partner Indian SMEs. It will also help Indian MSME to also be competitive in the global world
- Important to develop an ecosystem where SMEs from the Japan build partnerships with Indian companies and utilize the respective strengths of the enterprises



(L-R) **Prof. Daisuke Matsushima**, Nagasaki University; **Mr A Ramesh Kumar**, Member, CII National MSME Council; **Mr Ninomiya Yu**, Country Manager (India), Zenrin Co.,Ltd & Chairman, Sanin India Association; **Mr Sandeep Sharma**, Shardul Amarchand Mangaldas & Co, Advocates & Solicitors

## FREE TRADE AGREEMENTS (FTAs)



**Ms Rupa Chanda**, RBI Chair Professor in Economics, Indian Institute of Management, Bangalore spoke on Market Access Opportunities and Challenges in Services Trade. In her presentation she touched upon the growth of services trade globally rising from under 1 trillion USD to 4.75 trillion USD. Turning to India, it was observed that India is relatively more competitive in its services trade as compared to goods trade. There was also a huge increase in services exports from

\$16.8bn in 2001 to \$155.6 bn in 2014 (7.5% of GDP). However services export competitiveness is concentrated in few subsectors (computer, business services). The presentation also touched upon the different modes of services and the barriers to services trade.

**Dr. Murali Kallummal**, Associate Professor, Centre for WTO Studies spoke on global merchandise trade, tariff scheduling, India's FTAs, Standards and Rules of Origin (ROO). He also touched upon India's Industrial Licensing Policy and its relation to WTO and SMEs. In tariff scheduling he touched upon the various ways of tariff scheduling including phasing out of tariffs, entry into force and the negative lists. The presentation also covered the various trade agreements India has with other countries/regions and how the tariff phasing out was done and the effect on India's trade balance with those countries. The presentation also covered the role of standards in International Trade and why we need a standards regime in India. The presentation concluded with ROOS, specifically the definition of ROOs, how ROOS are structured and how ROOS aid/impend FTAs

### Key Takeaways

- It is essential for SMEs to understand multilateral and preferential trade arrangements as well as domestic and international regulations as these will shape their opportunities and constraints in services trade
- SMEs need to identify competitive niches in GVCs and suitable marketing strategies
- Critical factors going ahead include: Skilled manpower; Standards and certification; Ability to adapt to changing international business practices; Protection of ideas and processes; Technology upgradation; Use of internet platforms and network connectivity; Access to information

## Exhibition

The India MSME Expo held in tandem with the Summit, showcased the products and services of 20+ exhibitors



## B2B Meetings

Over 300+ B2B meetings took place between Indian MSMEs and the International delegates from 25+ countries



14<sup>th</sup> CII  
GLOBAL MSME  
BUSINESS SUMMIT  
2017

Fostering Growth through Partnerships

19-20 September 2017  
New Delhi, Delhi

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## CII MSME

Policy & Advocacy | Competitiveness | Trade & Market Linkages | Finance | Technology

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