

Focus: Suggested Election Manifesto for Political Parties

With the General Elections coming up in April-May, political parties are drafting their manifestos taking into account the perspectives of all stakeholders, including industry. As Indian industry plays a vital role in nation-building, CII undertook a wide-ranging consultative process to prepare an economic action agenda in the context of subdued GDP growth outlook.

The mission statement of CII's Suggested Election Manifesto for Consideration of Political Parties is to 'Empower all Indians to Build an Inclusive, Developed and Secure Nation.' It is based on the need to create opportunities for employment and entrepreneurship to take advantage of our richest resource – our people. In addition, healthcare, education and skill development, sustainability, and innovation and creativity would help raise productivity and incomes. A special focus would be required on vulnerable sections of society, i.e. poor, women, children and elderly people.

India can build on its underlying growth drivers of young workforce, rural prosperity, and high entrepreneurial capability to revert to 8+% rate of growth in the next two years. This must be maintained for 2-3 decades.

The Suggested Election Manifesto outlines aspirational economic targets for indicators such as GDP growth, inflation, fiscal deficit, etc. It prioritises on the following areas:

Governance and implementation: While there are many good initiatives in place, timely and correct implementation is the key to success. CII has suggested a consistent, transparent and stable tax regime with simplified procedures and reduced costs of compliance. Use of IT and the *Aadhar* platform for delivery of services needs to be stepped up. Administrative, judicial, electoral and police reforms suggested by various committees must be fast-tracked.

Inflation control through fiscal consolidation: Government must rationalize subsidies, target them better and reduce its expenditure to control fiscal deficit. Fiscal consolidation is central to reducing inflation and also to raising the national savings rate. Disinvestment of public sector enterprises including banks would play a key role in this.

Access and cost of capital: Investments can be stimulated with lower interest rates which would make projects viable and expand supply. The financial sector must be made deeper, stronger and more liquid to match savings to investments and generate long-term funds for large projects.

Goods and Services Tax: It is critical to roll out the GST within a year as it is the best stimulus for growth. This would add 1.5-2 percentage points to the growth rate.

Micro, Small and Medium Enterprises: This sector provides the maximum employment and livelihood, and more incentives like access to finance, technology,

etc are required for small units. Additionally, larger enterprises which promote growth of the MSME sector need to be encouraged.

Current Account Deficit: In a fragile global situation, CAD must be kept stable at a reasonable level. Fluctuations in the rupee are to be avoided to keep import costs under control and make our goods competitive.

Education and healthcare: Government must strategise to meet global norms of access and quality in both education and healthcare. Our students should be able to meet reading, writing and arithmetic standards at the international level within the next ten years. Availability of doctors and other staff, hospital beds, specialty and super-specialty hospitals etc must be expanded. Vulnerable sections of society, particularly women and children, need special attention through well-targeted policies. There is no alternative to raising public expenditure in these critical areas and ensuring efficient deployment of funds.

The Manifesto also includes wide-ranging strategies for sectors such as agriculture, infrastructure, mining, manufacturing and services. It places high emphasis on issues like sustainability and water management, R&D, innovation and competitiveness, among others. A comprehensive document, it offers many ideas for a bright future for India. ■

Chandrajit Banerjee

Director General
Confederation of Indian Industry

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A Multi-Pronged Approach Required to Revive Economic Growth

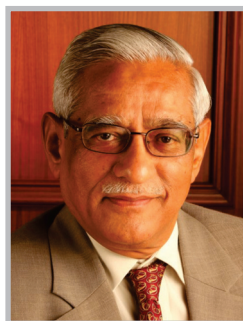
With GDP growth estimated at just 4.9% for this year, reviving economic growth is critically important. What was CII's rationale for preparing the Suggested Election Manifesto for Consideration of Political Parties, and what are its key tenets?

Given the backdrop of low GDP growth, CII believes that economic issues must be the top priority for the next government. In this context, the CII Public Policy Council has drafted the Suggested Election Manifesto for Consideration of Political Parties. The draft outlines multiple areas needing urgent intervention at the policy level. I must say that within industry, there was high interest in drafting such a document, and many people came forward to offer their suggestions. The final draft takes into account multiple perspectives and represents convergence of industry views. The thinking in preparing this document was that industry as a major driver of growth and development has to play a significant role in rejuvenating growth and hence, its views would add value to Government policy.

The last ten years have witnessed remarkable growth in per capita incomes, decline in poverty, rise in rural incomes and expansion of technology and communication. Taken together, these set a strong foundation for reviving rapid growth in the near future. The next generation of reforms must be speedily instituted in the context of rising aspirations of India's citizens.

Keeping this in mind, CII has drafted the mission statement of the manifesto as **'Empower all Indians to Build an Inclusive, Developed and Secure Nation'**. Let me briefly elaborate on each of the underlying principles.

Empowerment is a comprehensive and holistic term that refers to enabling equitable access to opportunities for all citizens encompassing education, healthcare, employment, and social security, giving all Indians fullest control over their destinies and enabling them to earn livelihoods in a dignified and productive manner. It also refers to entrepreneurship including facilitating investments, ease of doing business, requisite and effective regulation creating free and fair functioning of markets. By empowering our workers



Subodh Bhargava

Past President, CII;

*Chairman, CII Public Policy Council and
Chairman, Tata Communications Limited*

we shall be improving their productivity and encouraging faster and more efficient growth.

The target is to widen inclusivity of the growth process so that the factors that propel growth and its fruits are well-dispersed in terms of regions, sections of society, income groups, especially the vulnerable people. The term 'developed' envisages building social and economic infrastructure which is the means to ensure growth through adding connectivity, power sources, schools, hospitals and overall good living conditions. This aspect would also include sustainability, since sustainable development has to be a high concern given the impact on the environment and consequently on livelihoods. The last element in the mission statement of 'security' is another all-encompassing term which includes India's strategic security as a nation in respect of 'food', 'natural resources, and the entire range of external dimensions such as trade and investment, defence, etc. It would also include 'law and order' i.e. internal security within the country as well as security of the poor and vulnerable sections of society, particularly women, children and the elderly.

The suggested manifesto lays out high targets for the economy in several areas. Why is this and does industry believe these are achievable in the context of deceleration of growth?

Reviving economic growth at an accelerated pace should be top priority for the Government. CII is confident that reverting to 8%+ within two years is achievable with appropriate

and determined policy reforms and firm implementation / actions.

The draft document offers targets for GDP growth, fiscal deficit, current account deficit, inflation, and human development indicators. In industry, strategists tend to set aspirational targets and then get the entire organization to buy in and work towards the achievement of these targets. We have adopted a similar approach for the nation as a whole.

The targets are realistic and attainable. At the macroeconomic level, there is a need to contain deficit and bring revenue deficit down to zero and fiscal deficit down to 3% as per the FRBM Act in two years. Current Account Deficit (CAD) should also be brought down to 2% by 2016. Per capita income can be doubled while poverty rates can come down to 12% over the medium term. We have also stated that inflation should be maintained at an average of 5% which is within the central bank's comfort zone. The play of macroeconomic factors over the last six months, where fiscal deficit has been kept under strict control, inflation has come down, and current account deficit has reduced to a prudent level, indicates that it is not difficult to achieve targets.

The draft also sets out targets in terms of education and health indicators. There are specific data points for proposed literacy achievements, skill development, number of hospital beds, doctors and nurses, etc. In business, we break down the macro target into micro areas, and taken together, these help achieve the final goals.

Let me add that the targets as suggested in the draft are vetted by respective domain experts – economists, educationists, scientists, doctors and others and, therefore, these are so much more doable.

Investments have been accorded high priority in the suggested manifesto. What are industry's expectations from the Government in this regard?

The investment to GDP ratio has been continuously falling over the last 5-6 years. While the levels are not alarming, the decline in efficiency of investment is of high concern. For example, earlier with an investment of Rs 4- 4.50, a rupee of

growth could be generated, but now this level has gone up dramatically. This is the reason that investments are locked up and are not translating into growth.

Domestic investments require a strong boost of reform measures to build confidence and unshackle productivity. The Government has already taken measures such as emphasizing delayed and stalled projects in infrastructure, power and manufacturing sectors. To encourage investments, interest rates must be lowered while creating a conducive environment for boosting investments. Fast-tracking administrative clearances, reducing bureaucratic hurdles and instituting conducive policies that allow for optimal resource management are necessary to boost India's economic growth.

I would also like to mention taxation here because a facilitative and smooth tax code will further boost economic growth. Early implementation of the Goods and Service Tax (GST) will be a step in this direction. In fact, GST has many benefits for manufacturing, services and exports and could add 1.5 percentage points to GDP growth rate. Compared to other emerging economies, India's taxation regime is uncompetitive and reviewing and revising it will help make the country more attractive as an investment destination. The Direct Tax Code should also be smooth, simple, and predictable to ensure a stable investment climate.

Foreign Direct Investments (FDI) will play a critical role in boosting growth and must be invited across sectors. Over the years, Indian industry has matured and is now ready to deploy FDI optimally. We should work to increase FDI inflows from 1.8% in 2012 to 5% of global FDI by 2017. While the Government has raised FDI caps in several sectors, there is a need to address issues deterring FDI in each sector to optimize the benefit of raised caps.

Lack of adequate and appropriate infrastructure has adversely affected India's growth. How can infrastructure growth be accelerated?

Adequate and appropriate infrastructure is key to economic growth. Poor connectivity has hampered growth and increased the cost of doing business, besides depriving millions of the benefits of economic growth and progress. A special 'village infrastructure task force' should be set up to build facilities and create livelihood generation programmes. Similarly, a 'village

infrastructure fund' should be set up to raise finances and targets should be rolled out for each sector in accordance with the 12th Plan in terms of actual implementation rather than outlay. The thrust should be on increasing private sector participation in railways and airports in all cities with more than 1 million in population, and upgrading ports, among others.

Power is another area that needs special attention. About 30,000 MW of coal-fired projects are non-operational or delayed due to lack of coal linkages. The areas to be addressed include fuel availability, distribution sector reforms, financing, and renewable energy.



Land acquisition has been a contentious issue for several years now. How would industry like this issue resolved?

Industry has always wanted land acquisition and land re-development to be a fair and balanced exercise for all parties involved. The Government must take a long-term view over a 100-150 year period for land use. Digitization and updating of land records and land zoning for allocating land for diverse uses such as agriculture, urbanization and industrialization would help industry in land acquisition.

Apart from focused policy interventions, what are CII's other suggestions?

CII has taken a holistic approach to growth and development driven by the central philosophy that the Government should be an enabler and facilitator while the private sector takes command of the growth processes, creates wealth and employment.

Take governance and implementation for example – it is India's weakest link and the reason why several good initiatives and policy changes don't yield the desired results. A number of policies have not been implemented in spirit or in letter. CII has recommended a consistent, transparent and

stable tax policy regime and implementation of recommendations of various committees set up for the purpose. Similarly, there is a pressing need for reforms – administrative, judicial and electoral.

MSME offer tremendous potential for growth, especially inclusive growth by absorbing large numbers of workforce. MSME should be incentivized and a range of interventions including finance, technology and export promotion support are required to make MSME the engine of growth for the economy.

The Government must concentrate on education and skill development, health, delivery of public services, law and order and security. We believe that when the private sector energy is unleashed through mutual trust and confidence, then enough resources will be generated to allow the Government to deliver the highest quality health and education services and keep a safe and secure environment. The Government can provide public goods and services, while enabling private industry to supply the rest as per consumer demand.

What measures should be taken to ensure 'sustainable development'?

The Government and industry have to work together to find and then maintain a balance between development and environment. One cannot be at the cost of the other. Climate Change is a reality that will have to be addressed in a timely manner to minimize damage.

India is fast losing its forest cover – care must be taken to prevent deforestation in sensitive areas, while simultaneously putting in place a targeted reforestation programme.

India is rich in natural resources. What is required is careful mining of natural resources such as iron ore and coal, which are of critical national importance.

Water is another natural resource that needs careful management as mismanagement has led to depleting resources of both ground water as well as fresh water.

Industry must be responsible and ensure that minimal damage to the environment occurs. It should focus on controlling pollution of our natural resources. Recycling and re-use must be promoted with vigour. On the whole, there is a need to create greater awareness about sustainable development. ■

Key CII Recommendations in the Suggested Election Manifesto

Economy – Issues	Recommendations
Taxation Taxation system is not aligned with needs of modern economy Indirect tax system fragments Indian markets Indirect tax system makes India uncompetitive in global markets	<ul style="list-style-type: none"> Introduce comprehensive GST speedily. Include all sectors such as petroleum, alcohol, etc; have stable and low rates; eliminate CST; correct inverted duty structures and anomalies. Unlock disputed funds; bring more tax payers into net; abolish Minimum Alternate Tax on SEZ; abolish surcharge and cess on Direct Tax; bring in stable, predictable Direct Tax Code. Implement CII recommendations to Parthasarathi Shome committee – payment methodology of excise duties, amendment of CENVAT credit rules, etc. Tax system should be simple, stable, predictable, and understandable. Tax system for corporates should encourage financial engineering as per global best practices and add depth to financial markets. Promote IT in tax system to reduce administrative interface and reduce discretionary powers. Corporate taxation should be in line with tax rates of emerging economies. Currently, it is much higher than in other countries like Vietnam and China. Special tax applicability for MSME – abolish Minimum Alternate Tax, lower investment threshold, promote technology use and sustainability, keep advance tax flexible.
Infrastructure Critical to boost economy's productivity, open up livelihood opportunities 12 th Plan target of \$1 trillion investment; envisages half from private sector	<ul style="list-style-type: none"> Resolve PPP issues – offer projects for bidding after obtaining clearances; set up an 'Independent PPP Commission' with authority and jurisdiction to renegotiate terms of contract in the best interests of the country and the need to have a re-look at the existing dispute resolution mechanism that can speedily resolve disputes. Land should not become a roadblock for development. Land Bank corporations should be set up in the various States to facilitate acquisition and disbursement of land for industrial use; digitisation of land records and also zoning of land as these will be key for systematic development of industrial land; adequate resettlement and rehabilitation processes. Target implementation to world class-project management group, continuous monitoring; lower port turnaround time; high-speed railways; NIMZ. Urbanisation – promote low cost housing; sewerage & water; mass transport; planning; governance; sustainability. Revive the mining sector – review ban on mining; expedite clearances through single window route; promote contract mining; address resource allocation. Energy – rationalize electricity prices to allow DISCOMs to recover cost of electricity. Separate Base Load and Peak Load market; introduce competition in retail supply of electricity. Implement reforms in distribution sector; encourage private participation in mining and exploration. Renewable Energy – implement 12th Plan targets for wind and solar power; develop transmission infrastructure to evacuate renewable energy power; promote India as equipment manufacturing hub for clean energy and ease financing barriers for renewable energy projects. Hydrocarbons – undertake measures to expedite domestic oil & gas production; move towards market-based gas pricing; develop gas pipeline infrastructure; provide data on reserves; secure energy resources from overseas.
Agriculture Almost half of India's population derives livelihood from agriculture Farmer incomes are 30-40% of national per capita income	<ul style="list-style-type: none"> Amend APMC Act or abolish it – delist perishables; allow farmers to sell where they want. Allow private sector to procure, store and distribute food grains for cost efficiency and accountability. Legalise leasing of land as in Punjab and Rajasthan. Greatly expand irrigation. Set up national missions for agri-technology, agri-exports and sustainability. Set up Farmer Producer Organisations and companies to link farmers with companies. Set up National Farm Gate to Market Infrastructure Authority to develop infrastructure for storage, transport, and export.

Yields are 50-60% of potential	<ul style="list-style-type: none"> Set up food parks and export zones with cold chain infrastructure and select few crops to target at international markets. Set up Industrial Food and Agriculture Council and Agriculture and Food Export Mission. Invite private investments in agri-inputs, technology, venture capital funding, agri-credit and irrigation. Make India monsoon-proof by irrigation of 30 million hectares in 5 years.
Manufacturing From double-digit growth rates to below 3% Impacts prices, job creation, export competitiveness, imports	<ul style="list-style-type: none"> Set up commission for employment to relook laws and regulations and facilitate job creation. Invest public sector savings to boost other sectors and fast-track large projects through Center-State coordination. Introduce incentive scheme to promote 'mass manufacturing enterprises' employing more than 4000 workers in the organised sector. Reduce interest rates to create consumer and investor demand. Electronic components – address issues such as import substitution; export potential. Assure level playing field; eliminate CST; address inverted duties. Automotives – introduce incentive scheme to replace Government vehicles; promote urban public transport. Other sectors – in sectors such as textiles, chemicals, food processing, drugs and pharma, capital goods, defence equipment, India has a chance to become a global hub.
Micro, Small and Medium Enterprises	<ul style="list-style-type: none"> Redefine classification of sector; expand finance; technology upgradation fund; address problem of delayed payments.
Services Sector	<ul style="list-style-type: none"> Financial services sector; tourism; R&D to create five world-beating products.
External Sector	<ul style="list-style-type: none"> CAD will be contained through a combination of export promotion, import substitution through domestic capability, encouraging FDI, and reining in rupee volatility.
Governance	Recommendations
<p>Initiatives to be based on a participative, consultative model of partnership of all sections of society including Central and State Governments, political parties, civil society, industry and academia.</p> <p>Industry is a valuable contributor to society and development. The fullest participation of a vibrant competitive industry sector in a facilitative and competitive environment is the best and only route to achieving aspirations of employment, development, and prosperity for all.</p>	<ul style="list-style-type: none"> Expand the Direct Benefits Transfer scheme through <i>Aadhar</i> to all districts and to benefits for food, kerosene, education, etc. It will be the primary vehicle for subsidy transfer through banks. Align disinvestment target with gradual withdrawal of Government from non-public goods and services and transfer of ownership of such enterprises to the public. Target and achieve Rs 50,000 crore worth of disinvestment in a systematic disinvestment plan each year. In addition, fast-track administrative, electoral, judicial and police reforms in order to speed decisions, ensure implementation, and establish efficient rule of law with the highest integrity and monitor outcomes. Maintain stability of policies and for the administrative personnel. E-governance and technology will be deployed for single-window time-bound clearances and procedures. Monitoring – utmost importance to be accorded to monitoring of targets and achievements in the manifesto on a quarterly basis which will be reported to the Nation on regular basis. Outcome budget to be extended to all Government social programmes. On-time, on-cost project completion to be rewarded.
Healthcare	Recommendations
	<ul style="list-style-type: none"> Universal healthcare to be ensured in ten years by the end of 2024. Increase public spending on healthcare to norm of 3% of GDP. At least one-third of incremental tax revenue to be demarcated for healthcare. Encourage private sector participation by clearly demarcating roles of Government as effective policy maker and efficient and fair regulator and industry as the player and providers. Bring down Infant Mortality Rate by 2019 to 12 from 53 in 2011 and Maternal Mortality Rate to 100 from 212 in 2011 with special focus on reproductive healthcare. Increase bed-to-population ratio to 2.1 per 1000, doctors to 0.7 per 1000 and nurses to 1.7 per 1000 by 2022. Create new teaching facilities for nursing, medical, post-graduate, and research.

Education	Recommendations
	<ul style="list-style-type: none"> • Increase expenditure on education to 6% of GDP in three years by 2016-17. At least one-third of all incremental tax revenue each year to be dedicated to education. • Literacy to be boosted to world standard of 98-100% of the 15-64 age group within five years. • Ensure school infrastructure as per RTE Act is completed within two years. • Expand number of teacher training colleges with private sector participation. • Include sports as a part of compulsory curriculum in schools for promoting a healthy life style amongst youth in India. • All para-teachers with more than five years of experience in Government schools to be appointed as regular teachers at appropriate pay scales within a year. A funding formula will be worked out with State Governments. • At class 5, a system of educational checks will be performed throughout the country each year to determine quality of education. Incentives will be given to high-performing schools and teachers. This check will be repeated at class 10. • Ethics, values, health, sanitation and nutrition curriculum will be stressed. • Girl students to be given cash incentive for passing exam after 10 years of formal schooling. • Higher education enrolment ratio to be raised progressively to achieve 33% GER in ten years. • Reputed foreign universities will be facilitated to set up campus in India. • Rigorous standards will be maintained.
Employment and Entrepreneurship	Recommendations
	<ul style="list-style-type: none"> • Create 15 million new jobs and livelihoods each year, especially for manufacturing employment. • Promote organized sector employment by providing employment linked incentives. • Examine labour laws and redraft to encourage higher employment. • Provide skill development to 10 million persons each year. • Include entrepreneurship training at the school level curriculum within a year. • Expand vocational training as per National Vocational Education Qualification Framework. • Special focus on women employment and entrepreneurship.
Vulnerable Sections of Society	Recommendations
	<ul style="list-style-type: none"> • Stringent action against female foeticide by police, civil society and judicial system. • Special care for girl infants to redress infant mortality and under-5 mortality imbalance through larger funds and more ASHA workers. • Strict implementation of rape laws. Implementation of laws for women will be taken up to ensure that each woman feels secure. • Holistic management of children through <i>anganwadis</i>, schools, healthcare centers, civil society, etc up to age 16. Children should not live lives of insecurity, ill-health, poverty, injustice and maltreatment. Child labour issue to be tackled strongly and totally abolished by 2019. Children must feel that they are cared for. • Social security for people over 65 years of age and free medical attention to be ensured through insurance and pension schemes to be devised with private sector participation.



The most challenging task ahead of the new Government is to bring back the Indian economy to high growth as soon as possible. CII targets achieving 8+% of GDP growth over the next two years, and sustaining this for at least 20-30 years. It is critical not just to push up the investments rate, but also to increase the efficiency of investments and the competitiveness of the overall economy. Many of the economic solutions such as introducing GST, easing the environment for doing business, and reducing transaction costs are well known. Focus is now required on execution and implementation in a time-bound, efficient and transparent manner.

S Gopalakrishnan

President, CII and Co-Founder & Executive Vice Chairman, Infosys Limited

Governance must be based on a spirit of mutual trust and all sections of society must respond through effective self regulation. A strong legal framework must combat corruption and we would urge for speedy passing of the relevant Bills in Parliament as the next Government takes over. We have a number of excellent IT solutions for delivery of public goods and services across the States, and these should be scaled up. A number of committees have undertaken examination of reforms for administrative, judicial, police and electoral processes with workable solutions. To change the system, such reports must be actioned without delay. Finally, a more conducive business environment is essential to meet the livelihood aspirations of millions of Indians.



Ajay S Shriram

President Designate, CII and Chairman & Senior MD, DCM Shriram Limited



At the current juncture, education and skill development are top priority for the country. Government must implement the many reforms proposed for higher education - passing the Innovation University Bill, setting up an education funding mechanism and simultaneously freeing up private institutes to set their own fee, and funding the bulk of public research within the university system. Private sector participation in school education and a school voucher system will help build competition and increase the quality of education. For skill development, a concerted partnership of Government, industry and civil society organizations can best meet the target of 500 million skilled workforce by 2022. Government should set up 2000 more Industrial Training Centers and skill development hubs in all districts with emphasis on certification and training of teachers.

Naushad Forbes

Chairman, CII National Committee on Higher Education and Director, Forbes Marshall Private Limited

India's infrastructure gap is a huge challenge and an opportunity. To leverage the opportunities, the right conditions for public-private partnerships will have to be created to enable reasonable return on investments. Projects with pre-approvals for environment, construction and other permits should be offered to investors so that risks in obtaining these are reduced. We must set high targets for urban infrastructure, roads and highways, railways, ports and airports through proper planning, devise methods to attract private sector investments and then ensure outcomes through close monitoring and timely implementation.



Vinayak Chatterjee

Chairman, CII National Task Force on Infrastructure Projects – Monitoring & Advocacy and Chairman, Feedback Infrastructure Services Private Ltd.



There is no alternative to a strong manufacturing sector that can create the millions of jobs required in the country. Each 1% increase in manufacturing growth creates 20-30 million jobs directly or indirectly. CII has suggested Mass Manufacturing Enterprises with special incentives for enterprises employing over 3000-4000 workers. Skill development, quality and standards, green manufacturing and innovation initiatives are needed. The next Government must work on labour laws that promote job creation and provide adequate social security for all workers, including the large majority in the unorganized sector. In the next five years, India should emerge as a competitive and innovative manufacturing destination of choice for investors.

K Venkataramanan

Chairman, CII Manufacturing Council and CEO & MD, Larsen & Toubro Limited

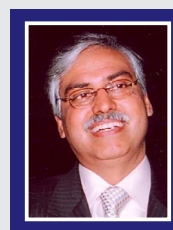


India has successfully transitioned out of an era of food shortages with the help of giant strides taken by Indian agriculture over the years. With the increasing per capita incomes and growing awareness, today's consumers are seeking better quality and more variety in their food products. They prefer products that offer convenience while buying and using. Food safety is another area of concern. To meet these new consumer demands, today's agri-businesses work on emerging areas such as agri-services and supply chain management, besides adding value through conventional processing and packaging. This approach delivers value to the consumers, improves farm profitability and creates sustainable opportunities for the enterprises that connect the consumers with farmers. On its part, the Government must facilitate this transition by reforming the currently restrictive agricultural laws such as the Agricultural Produce Marketing Act, Essential Commodities Act and Forward Contracts Regulation Act.

S Sivakumar

Chairman, CII Agriculture Council and Chief Executive – Agri Business Division, ITC Limited

Trade and investment linkages with the outside world are rising as India globalizes but these need to be managed effectively for best outcomes for the economy. Keeping the Current Account Deficit at a low and stable 2% or so of GDP will be a challenge. India should be able to build scale in manufactured exports across top globally-traded items such as electronics, machinery, textiles and garments, pharma and chemicals and other sectors. FDI for bringing in funds, knowledge, experience, process know-how and technology should be promoted through stable policies for investment security and ease of doing business. Most of all, it is important to manage extreme volatility of the rupee in a fragile external environment, while gradually lessening controls as the environment normalizes.



Sunil Kant Munjal

Past President, CII; Chairman, CII International Policy Council and Chairman, Hero Corporate Service Limited



The MSME sector is best-suited for generating more jobs and livelihood opportunities for young people. There is a need to revise the definition under the MSME Development Act 2006 for a higher floor of investment. Since there are large synergies among big and small enterprises, the entire supply base of the economy should be boosted and timely payments to small vendors ensured. CII has made many recommendations for making credit available to the MSME sector by streamlining bank processes and revising finance restructuring norms, among others.

Deep Kapuria

Chairman, CII MSME Council and Chairman, Hi-Tech Group

Alongside manufacturing, the services sector in India has emerged as a major engine of growth for the economy. Many sectors within the services industry have the potential to create employment on a large scale, provided adequate skill-sets are available. These include financial services, tourism, healthcare, telecom and entertainment. As rural India opens up, financial services will play a vital role in catalysing growth opportunities.



Malvinder Mohan Singh

Chairman, CII Services Council and Executive Chairman, Fortis Healthcare Limited



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