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Interview

Dr. Amit Mitra
Secretary General of (FICCI)

Could you present briefly FICCI's aims and objectives?

Ever since its inception in 1927 under the guidance of India's father of Nation Mahatama Gandhi, FICCI has been at the forefront in providing a conducive platform for Indian industry to put forth its demands and aspirations for improving the business worthiness of the country. Our Chamber has indeed been successfully providing the required inputs to policy makers and Governments, both at Center and in States, in re-shaping the existing policies and to develop new ones for all major sectors of Indian economy. Internationally, FICCI has a network of its own offices. It also works tirelessly with number of public and private organisations/agencies world over. The signing of over 75 Joint business Councils (JBCs) speaks volumes about the commitment and success FICCI has achieved in broad-basing its canvass and taking all stake holders together for meeting the challenges in today's globalised world. At the same time, we have never lost sight for taking business relations with GCC to higher orbit, which remains our topmost priority. The objective is to attract

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and tap surplus resources available in the region which are looking for investment opportunities. And going by the untapped potential existing, I sincerely believe that forging of such relations would make the partnership last for years to come.

What does the private sector represent in India?

Today, private sector in India represents the growing desire to unshackle the latent vibrancy and business potential that lay underutilized for so long, post independence. Indian companies have emerged as MNCs firmly leaving their footprints across the globe. We are witnessing a phase where outward investments by Indian companies to expand their business operations abroad, by far outweigh the flow of investments into the country. The sector has emerged as one of the largest employers in the country. At the same time, by encouraging and rewarding excellence, the sector has immensely contributed to the economic growth of the country. Not to loose sight on its social obligations, all major companies in India, under corporate social responsibility (CSR), have made earnest efforts to extend all possible assistance to the deprived and the underprivileged. Saving the environment and for optimum utilization of scarce resources available, Indian corporations are also undertaking clean development mechanisms (CDMs) with desired results. The future augurs well and India's private sector shall play a pivotal role in propelling India forward and ensuring its all out development.

What do you consider are the impact(s) of the MoU signed between FICCI and the Federation of GCC Chambers in 2004? What are the consequences of such agreement between both Federations?

To provide due impetus to its GCC centric initiatives, FICCI institutionalized its efforts by partnering with FGCCC in 2004. The last five years have provided us with unique perspective about the GCC economies and the pre-eminent role that has been played by FGCCC in unraveling the true potential existing in the region. The close cooperation between the two Chambers has led to establishment of confidence and trust. This has translated into close cooperation and mutual support between FICCI and FGCCC to encourage business and cultural ties to blossom between India and the GCC countries. During this period, we have undertaken number of efforts that include but are not restricted to organising seminars, conferences, raising bi-directional delegations, seeking joint venture partners for Indian and Gulf businesses and facilitating the flow of investments into each others regions, to name a few. The ongoing global economic slowdown has indeed fueled the desire to explore and deepen the existing business relations between Indian and Gulf corporations. The future portends a greater harmonisation of efforts between FICCI and the FGCCC to provide ideal platforms for the fructification of emerging trends.

To date, are there any examples of successful cooperation between Gulf SMEs and Indian SMEs?

The paradigm re-alignment in global economic order is leading to a major re-think on how India and the Arab world should cooperate to define their relations in the decades to come. This has led to big-ticket business tie-

ups between Indian and corporations operating out of GCC. But, it's the SMEs from India and the Gulf that have had defining impact on the business ties between the two regions. Be it technology sharing or exchange of manpower expertise and successful business models, the sectors in India and the Gulf have come a long way in strengthening the commercial and business edifice. In my view, the depth and magnitude of this cooperation is bound to increase in the coming years.

What will be the next step for the Indian SMEs and the Indian private sector?

World over, small and medium enterprises (SMEs) have proved their worth as the engine of economic growth and for promoting equitable development. In India too, the SMEs play a pivotal role in the overall industrial economy of the country. It is estimated that in term of value, the sector accounts for about 39% of the manufacturing output and around 33% of the total export of the country. Further, in recent years the sector has consistently registered higher growth rate compared to the overall industrial sector. The major advantage of the sector is its employment potential at low capital cost. As per available statistics, this sector employs an estimated 31 million persons spread over 12.8 million enterprises and the labour intensity in the sector is estimated to be almost 4 times higher than the large enterprises. With such large pool of skilled man-power, manufacturing expertise spanning all sectors of mutual interest and insatiable thirst to incorporate new technologies and techniques, Indian SME sector is all set to go global. And GCC markets and businesses are definitely high on their agenda for entering into newer joint ventures and business ties. About private sector, I have already stated my observations.

What are your objectives as FICCI's Secretary General?

I have a vision and a five year plan to realize my wish-list to meet my objectives and actions. First of all, despite the fact that there has been a marked improvement in our trade relations, earnest efforts have still to be made to expose GCC businesses to the business environment in India. Presently, there lies a huge gap in the level of interest to proactively engage India for mutual benefits and hands-on information and understanding to achieve the same. This incongruity has in the past and can in the future retains the potential to slow down the vibrant trends in trade relations between India and the

GCC. My primary objective remains to facilitate bidirectional flow of investments, movement of skilled manpower, high-end technology and trade in services between the two regions. For this to happen, we at FICCI, in association with Ministry of External Affairs, Government of India and League of Arab States have institutionalized our efforts by organising "India-Arab Investment Projects Conclave" on yearly basis.

Over and above oil & natural gas, sectors like infrastructure, real estate, education, healthcare, manufacturing, IT&ITES, automobiles and pharmaceuticals sectors, holds the key to provide due impetus to the envisaged heightened commercial and trade relations between India and the GCC. It remains my key objective to put such efforts on fast track which shall deliver the intended goals in the next 5-year time frame.

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