



# COMMUNIQUÉ

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## Latin America & Caribbean

### INDIA - LATIN AMERICA & CARIBBEAN Conclaves and Business Delegation *Enhancing Business Partnerships*

22 June - 3 July 2009



L-R: HE Mr. Malay Mishra, Indian High Commissioner in Trinidad and Tobago; Ms Joan Ferreira, CEO, T&T Chamber of Commerce and Industry; Dr Vinod Surana, Mission Leader and Partner & CEO, Surana and Surana Intl. Attorneys; Hon'ble Senator Mariano Browne, Minister of Trade and Industry of T&T; Mr Kishor Kharat, MD and CEO, Bank of Baroda T&T and Mr Tarun Sharma, Resident Representative, EXIM Bank, USA at the CII India-Caribbean Conclave, Port of Spain

#### LEG I – TRINIDAD AND TOBAGO

23-26 June 2009

CII, in collaboration with the High Commission of India in Trinidad and Tobago (T&T) and the Ministry of Commerce and Industry, Government of India, organized a business delegation to T&T, which coincided with the 2nd Trade and Investment Convention (TIC) 2009 at Macoya, Trinidad.

The CII delegation was led by Dr. Vinod Surana, CEO & Partner, Surana and Surana International Attorneys, and covered sectors as diverse as automotive, ayurveda and wellness, medical equipment, engineering, small enterprises, telecom equipment and legal and consultancy services. The member delegates participated in many fora, Buyer Seller Meets (BSMs) and networking dinners through the five-day visit.

#### First India-Caribbean Conclave

23 June 2009: Hotel Hyatt Regency,  
Port of Spain

Honourable Senator, Mr. Mariano Browne, Minister of Trade and Industry of Trinidad and Tobago, inaugurated the first ever CII India-Caribbean Conclave in Port of Spain. Referring to India as a power to be reckoned with in the global economic scenario today, he said India has been a pioneer of South-South cooperation. With the emphasis moving east to Asian markets, India has an even bigger role to play, he said.

The Minister also highlighted the areas in which T&T was making efforts to move forward, such as water, electricity, roads, transport systems and especially the rapid rail system. The government is placing special emphasis on education, and the benefits of

investing in education would become obvious in the near future and would enable the country to grow, develop and move in line with global developments. Though the manufacturing sector is important, it is services sector growth that would make T&T a destination of choice for investments.

T&T is the largest & most vibrant market in the Caribbean. Due to its economically pre-eminent role and its established marketing networks, T&T can provide Indian manufacturers & exporters excellent opportunities to access the entire region of North, Central and South America. With several trade agreements in place, India and T&T have laid a solid foundation for long-term friendship and mutually beneficial engagements.

Mr Malay Mishra, Indian High Commissioner to T&T, emphasized the strong cultural links between India and T&T. India's young population, its advances in technology could fuel partnerships of entrepreneurship, technology transfers, joint ventures and collaborations.

Mr Kishor Kharat, Managing Director & CEO, Bank of Baroda T&T, spoke about the advantages of doing business in T&T as well as the bank's rapid growth in the region. The high crime rate, low productivity and skills deficiency were listed as issues of concern for investors. Mr Tarun Sharma, Resident Representative, EXIM Bank, USA, made a presentation on the Bank's Lines of Credit.

The Conclave drew a response from business leaders in T&T as well as from the neighbouring countries of Cuba, Suriname and El Salvador.

## Business Session with the Investment Mission from India

**26 June 2009: Mt. Irvine Bay Hotel & Golf Club, Tobago**

The Tobago House of Assembly hosted the Indian delegation in Tobago. A session was also organized with the visiting delegation.

Presentations were made by Mr Kenneth Valley of KCV Consulting Services to discuss investment opportunities at the Cove SEZ, and in the tourism and transportation sectors by Assemblyman Oswald



*L-R: HE Mr. Malay Mishra, Indian High Commissioner in Trinidad and Tobago; Dr Vinod Surana; Honorable Orville D London, Chief Secretary of the Tobago House of Assembly; Dr. Anselm London, Secretary of Finance and Enterprise Development of Tobago*

### Members of the Indian Business Delegation

Dr Vinod Surana, Partner & CEO, Surana and Surana International Attorneys (Mission Leader); Mr. Unnikrishnan T, General Manager - Corporate Marketing, Ashtavaidyan Thaikkattu Mooss Vaidyaratnam Oushadhasala; Mr. Akhilesh Kumar Shukla, Director, BBJ Textile Pvt Ltd; Mr. C Rathna Kumar, Managing Director, Confident Engineering India Pvt Ltd.; Mr. Praful Talera, Managing Director, Dynamic Logistics; Mr. T S Ganesan, Member of the Executive Committee, Indian Chemical Council; Mr. Prakash Marali, Manager - Corporate International Institutional Business, Kirloskar Brothers Ltd.; Mr. R K Shankar,

Managing Director, Mercury Manufacturing Co. Ltd; Mr. Sudhakar Kunamneni, Managing Director, Micronova Telesystems Pvt Ltd.; Mr. T Pattabiraman, Vice President, Mohan Mutha Exports Pvt Ltd.; Mr. Sunil Tyagi, Chief Manager - International Cooperation, National Small Industries Corporation; Ms. Urmi Dhirajlal Kotadia, Executive - Business Development, PinkHealth Pvt Ltd.; Ms. Hetal Asarawala, Business Operations Manager, Sahajanand Medical Technologies Pvt Ltd.; Mr. Shantanu Chakrabarty, Assistant General Manager - International Business, TVS Motor Co

Williams, Secretary of Tourism and Transportation. A BSM was also organised on the occasion.

In addition, the delegation also had an opportunity to interact with the Honorable Orville D London, Chief Secretary of the Tobago House of Assembly, who hosted a reception for the delegation.

Sectors of focus for investment in T&T are ICT, Downstream Energy, Services, Fish and Fish Processing, Food Processing, Tourism and Hospitality, Rapid Transport Systems/Rail Road, Printing and Packaging, Entertainment and Animation, Technical Education, Financial Services, Ayurveda, Pharma, among others. The visiting delegates also highlighted the need for an efficient public transport system in T&T. A reverse Business Delegation from T&T is being planned to India during the year.

## VOICES

*"We have all necessary agreements in place to facilitate trade. The way is paved for trade but what we need now is will".*

– Mr. Mariano Browne  
Trade & Industry Minister, Trinidad and Tobago

*"T&T is an under-banked country and the financial sector has much room to grow. The small number of banks enjoy a total profit of \$3 billion from the country's population of 1.3 million."*

– Mr. Kishore Kharat, Managing Director & CEO, Bank of Baroda, Trinidad and Tobago

## LEG II – URUGUAY AND ARGENTINA

29 June – 3 July 2009

In all three locations – Montevideo, Cordoba and Buenos Aires - in the two countries, CII,

## Highlights

HE Mr Malay Mishra, Indian High Commissioner in Trinidad & Tobago announced the setting up of a Business Facilitation Centre in the High Commission where information, data and surveys could be accessed to get information on India.

Mr Mishra also announced the formation of an India-T&T Chamber of Commerce in the near future.

He announced the launch of a bi-monthly magazine titled "Yatra" featuring segments of bilateral cooperation to disseminate information on India, with a section on Trade and Business.

In the session in Montevideo, Indian Ambassador to Argentina, Uruguay and Paraguay, HE Mr R Viswanathan, announced the appointment of Mr. Ruben Azar Scarone, President of Grupo RAS, as the new Honorary Consul General of India in Uruguay.

CII, in collaboration with Surana & Surana International Attorneys, released a report titled "Argentina & India: Strategic Partners in Industry and Business" during the Conclave in Buenos Aires.

Surana & Surana International Attorneys signed MoUs in Buenos Aires (Argentina) with the Universidad Abierta Interamericana, which is the



L-R: Dr. Vinod Surana; HE Mr R Viswanathan, Ambassador of India to Argentina, Uruguay and Paraguay; HE Mr Ernesto Carlos Alvarez, Ambassador of Argentina to India releasing a report titled "Argentina & India: Strategic Partners in Industry and Business"

largest private university in Argentina with over 40,000 students in 16 campuses, and with Teixeira Martins Advogados (TMA), a top Brazilian law firm headquartered in Sao Paulo with strong corporate, international commercial and lobbying practices. The MoUs were signed to facilitate recruitment of law and management graduates from Latin America; offer internships in India to their students and personnel; research, investments & education in international law; doing business in Asia; Indian legal system; designing international curriculum. Teixeira Martins Advogados (TMA) will jointly set up a centre for Indo-Latin American studies in India.



L-R: Mr Diego Balestra, President of Uruguay National Chamber of Industries; Mr. Ruben Azar Scarone, Honorary Consul General of India in Uruguay; H.E. Mr. Daniel Martinez, Minister of Industry, Energy and Minerals of Uruguay; H.E. Mr. R Viswanathan; H.E. Mr. Cesar Ferrer, Ambassador of Uruguay in India and Dr. Vinod Surana

### SUCCESS STORIES OF INDIAN COMPANIES IN LAC-I

Mr Gabriel Rozman, Senior Vice President of Tata Consultancy Services (TCS) handling Latin America, Spain, Portugal, Middle East, Africa and East Europe, in his address to the business community present at the CII-Latin America Conclave at Buenos Aires, talked about TCS success story in Latin America. He joined



TCS in 2001 and started the company's operations in Uruguay in 2002 with 15 staff members. Today, the company employs 800 Uruguayans and plans to expand and double the strength in the next few years. The Uruguay Center of TCS provides offshore IT services to US, Europe and Latin America. Being a small country, Uruguayan's manpower and skill sets in IT sector are very limited. To meet this challenge, TCS has started a Regional Training Center in Montevideo for Uruguayans and Latin Americans. This has already trained over 500 professionals and the target is to train 3000 professionals within the next two years.

He added that when he proposed to TCS that Montevideo would be the launching pad for the company in Latin America, the personnel in Mumbai were skeptical. They knew Brazil, Argentina and Mexico, but not Uruguay. From Uruguay, the company expanded its operations to Brazil, Argentina, Mexico, Ecuador, Colombia and Chile through the organic as well as the inorganic route. They also managed to get HE President Felipe Calderon of Mexico to inaugurate the Mexican centre of TCS in 2007. Two large contracts of more than US\$ 150 million each from Banco Pichincha in Ecuador and the Mexican pension fund system were also signed. Mr. Rozman further mentioned that 6% of the global revenues of TCS come from Latin America and currently TCS employs around 6000 Latin Americans including 2000 Chileans, 1700 Brazilians, 1000 Mexicans, 800 Uruguayans, 150 Argentines and a few hundred Ecuadorians and Colombians.

in collaboration with the Indian Embassy and Ministry of Commerce and Industry, Government of India, organized business seminars and BSMs.

The themes that emerged from the discussions were that despite the global financial crisis, India will grow at over 6% this year and will outgrow China in 2010. Secondly, although all the Latin American economies, including Argentina, are facing a slight GDP contraction this year and the Governments are putting in place a number of import restrictions, the Latin Americans were impressed by the fact that, even in these times of uncertainty, Indian business had reached out to these markets and organized seminars and BSMs.

The above message was reaffirmed by the Vice President of TCS, in Uruguay, Mr. Mario Tucci, who, talked about the plans of TCS to expand operations and increase staff strength from the current level of 6,000 in Latin America. Mr Simmar Pal Singh Bhurjee, General Manager, Olam, a non-resident Indian company, in his agribusiness presentation, described how his company has been growing rapidly in farming and agro-processing in Argentina and Latin America and its future plans for expansion. These success stories and optimism in the Argentine and Latin American markets drove home the keenness to do business with the region.

## Seminar and BSM

29 June 2009, Montevideo, Uruguay

This was the first time that a business delegation from India had visited Montevideo and a business seminar held there. About 150 local businessmen attended the session and had one-on-one meetings with the delegates. Ing. Daniel Martinez, Minister of Industry, Energy and Minerals of Uruguay gave the keynote address highlighting the growing importance of India for Uruguay. The Uruguayan speakers in the seminar suggested that Uruguay could be developed as a hub for India's business

## Seminar and BSM

1 July 2009, Cordoba, Argentina

Again, for the first time ever, a business seminar was organized with an Indian delegation in Cordoba, the second largest city in Argentina and this was also the first time that an Indian business delegation visited the city. Dr Gerardo Zamora, Governor of the Province of Santiago de Estero was the Chief Guest and there were Ministers and representatives of chambers of commerce from some of the provinces around Cordoba. The event was attended by over 150 Argentine businessmen.



L-R: Mr. Carlos Galand, Chairman of the Chamber of Commerce and Industry Argentina – India; Mrs. Graciela Corvalan, Minister for Foreign Trade, Government of the province of San Luis; Dr Vinod Surana; Dr. Sergio Lais-Suarez, Honorary Consul General of India; HE Mr. R. Viswanathan; Dr Gerardo Zamora, Governor of the Province of Santiago del Estero; Mr. Marcelo Olmedo, Cordoba Chamber of Foreign Trade; Mr. Juan Carlos Conrero, Secretary General, Faculty of Agricultural Sciences, National University, Cordoba; Dr Ana Naria Marchesi, President, Chamber of Foreign Trade of Tucuman Province, at the Session on India-Argentina: Enhancing Business Partnerships, Cordoba

in South America. The Ambassadors of India to Uruguay as well as Uruguay to India, spoke on the occasion.

The delegation was impressed with the large bonded-warehouse facility of Grupo RAS in Montevideo, which is already being used by some Indian companies for distribution of their products in South America. Grupo RAS is also offering marketing services for Indian companies in the region.

## India-Latin America Conclave

2 July 2009, Buenos Aires, Argentina

The main event on this leg was the India-Latin America Conclave in Buenos Aires on 2 July. Mr Carlos Arganoroz, Director General for Export Promotion from the Ministry of International Trade represented the Minister of Production, who was scheduled to participate but could not make it on account of an unscheduled Cabinet meeting. Apart from Indian and Argentine business representatives,



L-R: Dr. Vinod Surana addressing the delegation; Mr. Carlos Arganoro, Director General for Export Promotion from the Ministry of International Trade of Argentina; HE Mr R Viswanathan; HE Mr Ernesto Carlos Alvarez, Ambassador of Argentina to India

the Presidents of Brazil-India Chamber of Commerce and India-Mexico Business Chamber, as well as Commercial Representatives of Indian Embassies in Colombia and Chile and the Consul-General in Sao Paulo (Brazil), made presentations. Again, the Indian Ambassador to Argentina as well as the Argentine Ambassador to India were present to speak on the occasion.

The fact that over 150 businessmen attended the Conclave is confirmation of the serious interest of the local business in India. Despite the crisis, India's exports in the first four months of this year to Argentina have gone up to US \$ 104 million as compared to US \$ 97 million in the same period last year. It is also interesting to note that the number of Argentine visitors to India in the period January – June 2009 has increased to 2265 from 2139 in the first half of 2008. This confirms that even in these times of uncertainty and crisis, Argentina and Latin America have started looking at low cost import sources such as India even more seriously than in the past.

BSMs were organized prior to and after the presentations at the venue at each event. Networking evenings were organized at all three destinations which witnessed participation from the local business community and the government representatives, including Ministers.

As a result of the interactions during the visit, many business tie ups & partnerships are expected.

Inbound reverse business delegations from the region are also being planned in the coming months.

### Outcomes and Agenda for Action

- This is an ideal time for India to intensify export promotion activities and penetrate the Latin American market for a variety of reasons. Latin American businesses and governments are seeking imports from low-cost sources such as India and China. While Chinese products are more competitive in many cases, India has the cultural advantage. The Latin American admiration for Indian culture, yoga and democracy is influencing the business deals too. Also, at this time of crisis, the European, American and Japanese companies have shied away from this region. This opens up a world of opportunity for Indian companies to create a base in the region at an opportune time.
- Indian businesses are now recognizing the full potential of the local market groupings assuring automatic access to LAC integrated markets, paving the way for Indian enterprises to establish and multiply their presence and benefit from these regional market groupings. There is a need for organizing edification programmes for Indian Businesses to exploit the full potential of regional groupings.
- CII will develop a concerted strategy to facilitate concrete outcomes in terms of tie-ups, joint ventures and collaborations etc. between the

Indian companies represented on the delegations and local businesses in the LAC region, especially in cases where substantive discussions have already taken place onsite between two parties during the visit

- In the Caribbean region, especially in T&T, immediate investment opportunities exist for downstream chemicals, especially feedstock and intermediate chemicals from petrochemicals, renewable energy, ayurveda and wellness centres and education, hospitality infrastructure projects, IT & ITeS, (Data Processing Center at Tamana SEZ), desalination plant and incubation centre for skills development for SMEs at Cove SEZ.
- Indian Banking Sector should expand its presence in LAC. Bank of Baroda in T&T is a success story.
- Export promotion events and activities need to be strengthened. CII will contribute by organizing business delegations and BSMs focusing on key sectors to other destinations such as Brazil, Chile, Mexico and other untapped countries offering substantial potential in the region over the next few months.
- There is potential for Indian businesses to make investments in agricultural land and in agribusiness in South America, especially in Argentina, owing to low land prices at this time. South America is a major source of edible oils for India and other imports include wheat, sugar, soya and pulses etc. To satisfy the growing demand for these agro-products in India, investment in farmland is a good long-term strategy.
- The Embassy of India in Argentina plans to publish a booklet in Spanish on Indian industry and economy for dissemination among prospective partners in the region. The existing booklet published by the Embassy – “Guide for Business with Argentina, Uruguay & Paraguay” – should be replicated in other missions in LAC (English/Spanish/Portuguese versions).
- Transportation costs are very high and make the products uneconomical. The Government of India could look into subsidizing freight for goods and commodities.
- Websites and content for all Indian Missions in LAC are required to be standardized as regards content and delivery.

## SUCCESS STORIES OF INDIAN COMPANIES IN LAC - II

**M**r Simmar Pal Singh Bhurjee, General Manager, Olam, one of the speakers at the CII India-Latin America Conclave, came to Argentina in 2005 for buying peanuts for the company. When he found that the farmers preferred to sell their products to established companies and were hesitant to deal with new buyers, he proposed to his company to go into farming instead. This was something new for the company, which had been operating only in the field of trading and processing. Realising this vision, Olam started off with leasing of 700 hectares of land for cultivating peanuts. This initiative turned out to be a success. This year, the company has cultivated 17000 hectares, including 2000 hectares in the province of Salta about 700 kms away from Rio Cuarto. The company has plans to continue the increase in acreage and grow other crops such as wheat, soya and pulses, which could be exported to India.



Olam cultivates 12000 hectares of peanut farms and another 5000 hectares of soya and corn in Rio Cuarto area in Cordoba province. In 2005, the company was 28th in ranking in peanuts and is already at sixth position this year.

Olam is a US\$ 5.6 billion Non-Resident Indian company headquartered in Singapore. It is a leading global supply chain manager of agricultural products and food ingredients. The company has acquired two peanut processing plants and has turned around the factory at Dalmacio Velez village giving jobs to locals.

The firm employs 140 Argentines, most of them in the processing plants. Farming is mechanised and works on outsourcing model. Olam contracts other companies for seeding, spraying of pesticides, harvesting etc. Ploughing is not being done in Argentina because the company is practising what is called Direct Seeding (siembra directa) wherein the land is not prepared by ploughing after the previous harvest. The residues from the previous harvest are left to rot and become manure. Seeding is done with a special machine, which puts the seed inside the earth along with fertilisers without opening the earth around the seed. Using such eco-friendly and sustainable techniques, the land retains its moisture and organic materials. India can also harness this technology which is available for transfer.

