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Newsletter

Issue 11 • January 2013

EUROPEAN BUSINESS GROUP INDIA

Promote and safeguard European business interests in India

Chairman's Message



Vinod Verma

It is an honour and a privilege to be appointed the full-time Chairman of the European Business Group and it gives me great pride to take on the responsibility of leading this very prestigious business group with the hope of increasing opportunities for the EU and India.

In the last year, we have accomplished much with the limited resources at hand, and are still gaining momentum; however there is still work to be done before EBG is the premiere platform for advocacy needs, networking and business interactions of European businesses in India.

My vision for the EBG is simple: to be beneficial to all stakeholders, by helping European Companies accomplish their business and investment goals and concurrently provide growth and employment opportunities in India.

To achieve this, EBG should continue to provide a common platform for European Business heads to come together and discuss matters of mutual interest; to expand business cooperation with India through effective win-win policy advocacy; to improve understanding of the Indian market, particularly for new entrants; to provide insights and contacts in political, legal and business areas in India; to understand and overcome complex regulatory challenges and work closely with EU Delegation in India and authorities in Brussels.

Ultimately, I hope that EBG will become the voice and principal link between EU businesses and Indian policy-makers, and as such, it is important that we increase our present membership. I am calling on all existing members to bring on board new and dynamic representatives of the European business community. 2012 was certainly an exciting year for EBG with a wide array of meetings both with EU Commissioners and Indian Government.

Amongst the highlights of the past year were the dynamic Sector Committees, with the successful addition of two new Committees, Defence & Automotive. Work has started to add two more this year: Infrastructure & Retail And while Delhi continues to host most of the Sector Committees, the working groups on Innovation & ICT in Bangalore and on Banking and Finance in Mumbai have made extremely important contributions I hope to see this trend of intense and eager deliberation continue to grow in the year ahead.

The Annual Position Paper that we produce has now been introduced as an official document in the Indo-EU Bilateral discussions. This year, the paper will be bolstered with the involvement of our knowledge partners- BMR Advisors, E&Y, Grant Thornton and KPMG- and going forward we can expect our Position Paper to be more specific and focused, leading to meaningful engagements with the relevant ministries.

In the coming years, there will be increased dealings between the EBG, the European Commission and EU Delegation in India considering the important inputs EBG has provided during the continuing negotiations of the EU-India Free Trade Agreement. The EBG looks forward to its successful conclusion and will continue to work closely with EU authorities in creating optimum conditions for trade and investment in India, thereby increasing India's competitiveness in the global market.

The EBG is an integral part of the Worldwide European Business Organisations (EBO's). We also work very closely with the European Business and Technology Centre, where the EBG India office is housed. We have renovated, updated and made the EBG Website more relevant, and made sure the EBG Newsletter brings interesting news about the Group to its stakeholders every quarter.

Our Delhi Chapter, under the leadership of Ms. Birthe Foster, has had one of its best years with a wide array of activities and developments. Mr. Kersi Hilloo in Mumbai and Ms. Anand Iyer in Bangalore have led their respective chapters to grow from strength to strength. We are planning on opening a fourth chapter in the country with the intention of having six chapters by 2014.

This has all been made possible through the strength and support of our membership. I hope to see more EU businesses enroll and take an active part in our Sector Committees as continued and enhanced participation will only serve to enhance the growing dynamic of EBG. I hope you will join me in 2013 as Ambassadors of the Group, representing and promoting European Businesses as part of the exciting development of this great country.

Announcement from Mr. David Hudson on Mr. Vinod Verma's appointment as the full-time EBG India Chairman



Mr David Hudson, Chairman Emeritus, is pleased to announce the unanimous election of Mr. Vinod Verma as full-time Executive Chairman of the EBG, following his recent retirement as Managing Director of Societe Generale. Previously Mr Verma served as EBG Treasurer for many years and was elected Chairman of the Country Council last year. With his new appointment, we can fully expect EBG to reach new heights in the near future.



Peter Young
First Counsellor - Head,
Trade & Economic Affairs,
Delegation of the
European Union to India

The last few months have been a busy period, with a number of important visits from Brussels, intensive negotiations on the FTA and an active regular agenda of bilateral contacts with the Government of India and continuing "bread and butter" work on market access and regulatory irritants.

In mid-October, Commissioner Šemeta, the EU's Commissioner for Taxation and Customs Union, Audit and Anti-Fraud, visited India to speak at an OECD Conference and took the opportunity to meet key Indian counterparts, including A Sharma, the Minister of Commerce, P Chidambaram, the Minister of Finance and V Rai, the Comptroller and Auditor-General. Before starting his programme of bilateral meetings, Commissioner Šemeta met EBG members to hear at first hand their perspectives on current taxation and customs issues and drew on their points in the subsequent meetings with his Indian counterparts.

Another important visit took place in late November, when Françoise Le Bail, the Director-General for Justice in the European Commission, led a fact-finding visit in response to India's expressed desire to be considered data-adequate in the sense of EU data protection legislation (something which the Indian IT services industry regards as important in expanding business with European customers). Mme Le Bail's visit included meetings with various local stakeholders and Government

counterparts. EBG played a key role in helping ensure the success of the visit, by facilitating two site visits in Bangalore as well as exchanges with EU companies in both Bangalore and New Delhi.

Intensive negotiations have also continued as the EU and India work towards the shared objective of finalising an ambitious and comprehensive Bilateral Trade and Investment Agreement or FTA. There have been regular contacts between respective Chief Negotiators as well as subject-specific work by experts on the various topics under negotiation. While there is no formal deadline, the shared objective is to strike a deal early next year.

The annual EU/India Trade Sub-Commission took place on 30 October. This is an important, rendez-vous in the bilateral calendar, which allows the two sides to take stock of developments in the EU/India relationship, confirm elements of progress and flag up areas of concern. On this occasion, issues raised by the EU side included local preference in procurement (eg in telecoms and electronics), export duties and restrictions, a number of long-running TBT/SPS irritants, discriminatory internal taxation of wines and spirits and IP issues including compulsory licensing.

The Delegation also participated in the ongoing process to prepare the new EBG position papers and in related EBG sectoral group meetings and events, including in the automobile and defence sectors. We very much encourage and welcome the initiative by EBG to open these sectoral meetings and the position paper process also to colleagues from the individual EU Member State embassies, since this will improve information flow and the eventual quality, relevance and take-up of the results. With the group of EU Commercial Counsellors, we have also started the process of updating our "top ten" list of market access barriers and irritants, which serves as a common reference point for the day-to-day market access work of the EU and EU Member State Delegations and Embassies, even as some more high profile market access barriers (such as high tariffs in sectors like alcoholic drinks and vehicles) are taken up in the FTA negotiations.

Publication of Innovation Survey compiled by EBG Bangalore

India is not a new market for Innovation and R&D. Starting with the first wave of multi-national companies (MNCs) setting up their captive centres in India in the early 90s, today it is estimated that over 750 R&D subsidiaries of MNCs employing 200,000 engineers exist in India. The slowing down of markets and economies in the developed countries, and the potential shown by several emerging nations, have made firms explore innovative approaches of developing new products and services that reach the market faster and cheaper and are better tuned to customers' requirements. India has pioneered this 'frugal' approach to innovating new products and services.

Some of the most frequently discussed examples of innovation activities in India have been those of MNCs from USA, such as General Electric, Intel, IBM, Microsoft and more recently Google. While the US firmshave a strong presence in the Indian market and have been here for a while now, European companies are not very far behind. However the extent of their engagement with India, and their reasons for doing so are not so well-analyzed or reflected in the many studies that exist. The genesis of the Innovation Survey was to make up this lacuna which was felt by many actors engaged in the Indo-European Corridor.

The objective of the study is three-fold. Firstly, the study attempts to capture the extent of engagement of European companies in India in the field of R&D and Innovation. While doing so, it also tries to decipher the drivers and inhibitors of doing R&D in India, as experienced by European companies. It is important to underline that the study covers companies of all sizes, and the definition of "Europe" is in its geographical context, not political. Hence these companies include medium as well as large firms from most European countries including the UK. Secondly, the study endeavours to see how the European presence in India in this field can be further strengthened, as well as how Indo-European collaboration in R&D can be catalysed. These insights are generated through focussed discussions and interviews with R&D heads and senior management of the Indian operations of select European firms. Finally, the study highlights best practices as exhibited by large European firms in managing innovation and R&D in India. The aim is to showcase successful examples and inspire more European companies to make their way into the Indian subcontinent.

The study is a blend of online survey, personal interviews and secondary data mining. A total of 50 companies participated in the online survey. These companies range from medium size enterprise to Global Fortune 500 companies, and represent most European countries.

The survey was conducted and collated by EBG Bangalore under the guidance of Dr Philippe De Taxis Du Poet, Head of Science Technology, EU Delegation office in New Delhi and with the help of Mr Pavan Soni, Doctoral Researcher from IIM Bangalore and Ms. Jayashree, BMR Advisors.

The full report can be downloaded from our website (www.europeanbusinessgroupindia.com) FREE OF COST.

¹R&D report by Zinnov Consulting, 2012 ²The Economist, 2010. First break all the rules: The charms of frugal innovation.



Looking to recruit: some good reasons to join the EBG!

One of the clear objectives for 2013 is to increase the membership of the European Business Group in India. Our best advocates are undoubtedly the existing membership, and it is word of mouth which is the best vehicle for reaching out and engaging new members amongst the European Business community in India.

To understand what attracts potential members and what they find the most rewarding aspect of EBG, we interviewed a number of businessmen both European and Indian who joined recently and asked them to give their frank opinions.

Philippe Jullien has been head of Business Development for the French company **VINCI Concessions** for the last 2 years in the region (India + neighbouring countries). He is in charge of a Development team in Delhi for tenders, partnerships, acquisitions. He first took part in some EBG networking events in 2011 before officially joining in early 2012. Philippe said that his main reason for joining was the opportunity to share views with international market players facing different challenges in their respective fields. He hoped that by sharing experiences, it would make it easier to find solutions to some of his own difficulties. He also believed that concerted action towards the Government of India and other powers that be would be more efficient than individual initiatives. Networking opportunities were definitely high on the list of Philippe's priorities and also the wish to meet with others from the same industry, experiencing the same problems and work out together concrete proposals to bring before the authorities. This latter wish has not yet materialized as the Infrastructure Sector Committee is still in gestation, but hopefully it is just a matter of time before the Committee is up and running.

Dr Florian Krenn is Managing Director of **GEOCONSULT**, an Austrian engineering consultancy and planning office working all over the world. Florian is responsible for having set up the Indian subsidiary and developing business here. He arrived in India in 2008 and joined EBG in the summer of 2012 after attending several events in the first few months of last year. Again, his principal reason for joining was to take advantage of networking opportunities and to exchange experiences and information with other companies and other expatriates. The importance of building an active network and having a platform for exchange of information is crucial when setting up a company in India. Other important factors which attracted

Florian to the EBG are the possibility of better understanding the issues companies from other European countries have, of getting a 'bigger picture' thanks to meeting other companies working in the same sector, and last but not least, joining forces with them to gain access and lobby Government of India and other relevant authorities. We can be sure that a larger community sharing the same concerns and presenting a united front will have far greater impact than individual members acting alone.

Mr. Raghavendra Prasad, Deputy General Manager in charge of OE Marketing for Automotive sector with **Bosch** in Bangalore joined EBG in July 2012 and was primarily attracted by the Automotive Sector Committee which was just being set up. The possibility of networking with other European Automotive companies, Government Officials and Automotive Bodies was also a deciding factor. Mr Prasad welcomed the idea of contributing to the Automotive chapter of the EBG Position Paper with the knowledge that the recommendations would be addressed directly to the relevant Government authorities and hopefully elicit a quicker response. No sooner had Bosch joined than they were getting actively involved in EBG through the Automotive Sector Committee and playing an important part in the Automotive Event in November (see article page 6).

Of the other events all three new members have attended recently, the presentation by Nandan Nilekani (see page 4) and the networking evenings received a special mention. All said that EBG had thus far lived up to their expectations, although Philippe stressed the importance of the Sector Committees taking concrete action and following up on decisions. All three said they would certainly recommend the EBG to others business associates.

And this is what we would like to ask each and every existing EBG member to do this year – look around your own business community, be it those working in the same sector or in quite different fields, invite people along to a networking event or a business gathering, even a sector committee meeting, encourage them to bring their skills and their experience to join the EBG and make our group yet more diverse and dynamic!

Welcoming new members

DELHI:

- Altios Consulting Pvt. Ltd.
- Chapman Freeborn Airchartering Pvt. Ltd.
- Citelum India Pvt. Ltd.
- Franzen Partners
- Fundermax India Pvt. Ltd.
- Fachhochschule Frankfurt (UAS)
- Magneti Marelli India Pvt. Ltd.
- Mahindra World City
- Thales India Pvt. Ltd.

MUMBAI :

- KPMG

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For more information on membership please contact: Neema S Kumar at info@europeanbusinessgroupindia.com
 Mobile: +91 9811418874
 Visit our website www.europeanbusinessgroupindia.com to learn more.



In the last of our series presenting the EBG Council members, we are pleased to introduce the Mumbai Chapter Council



Kersi Hilloo - Chairman
CEO & MD
Fuchs Lubricants (India) Pvt. Ltd.



Juergen Wolf - Vice Chairman
MD
Hafele India Pvt. Ltd.



Raman Sidhu - Chairman Events
Member-Corp. & Inv. Banking
India Exec. Comm. & Head PSUs
Deutsche Bank



Ajay Mehra - Treasurer
Partner
BMR & Associates



Peter Deubert - Chairman Membership
Dy. Director General
Indo German Chamber of Commerce



Peter Palm - VC & MD
Clariant Chemicals (India) Ltd.



Wilfred Aulbur - Managing Partner
Roland Berger Strategy
Consultants Pvt. Ltd.

AADHAAR: How will it transform India

Conceive a system that can provide a unique identify number to 1billion 200 million people? And make it happen...! Many would balk at the multiple challenges involved...but not Nandan Nilekani, former co-chairman of Infosys Technologies. Since 2009 he has been Chairman of the UIDAI (Unique Identification Authority of India) with the rank and status of a Union Cabinet Minister, and as such in charge of The Aadhaar Project.

EBG was privileged to welcome Mr Nilekani as a guest speaker in Delhi on 17th October last. He began by explaining what is Aadhaar - a system which seeks to provide Unique Identity numbers or Aadhaar numbers based on biometrics to 1.2 billion residents in India. The UIDAI is in the process of issuing a 12-digit unique number to all residents in India on a voluntary basis. The number is stored in a centralized database and linked to the basic demographic and biometric information - photograph, ten fingerprints and iris - of each individual. It is easily verifiable in an online, cost-effective way.

The advantages are multiple. The system is unique and robust enough to eliminate the large number of duplicate and fake identities in government and private databases. The random number generated



is devoid of any classification based on caste, creed, religion and geography. The potential is huge to provide an efficient platform for the delivery of public services in India, to simplify the system and eradicate sources of corruption in the process as well as facilitate the access of poor and underprivileged to state benefits.

It is intended that Aadhaar- meaning 'foundation' in hindi - will become the single source of identity verification in India. It is also what is known as an Open API (Application Programming Interface) - rather like a smart phone, it will be possible to connect all kinds of applications - residents will in future be spared the hassle of repeatedly providing supporting identity documents each time they wish to access services such as obtaining a bank account, passport, driving license and so on.

By providing a clear proof of identity, Aadhaar will also facilitate entry for poor and underprivileged residents into the formal banking system - anyone with an Aadhaar number can open a bank account - and also the opportunity for easier distribution of benefits provided by the government.

Aadhaar Enrollment began in September 2010. As of December 31, 2011, there were 36,000 active enrollment stations in thirty-two states and union territories. In February 2012, the enrollment reached originally approved target of 200 million. By December 2012, more than 22.5 crore (225 million) aadhaars have been issued, that is to say about 18.62% of the population of India. It is on track to achieve the half way mark (600 million numbers delivered) by 2014.

EBG member Morpho, (Safran Group) is working actively with Mr. Nilekani on the Aadhaar project. Morpho is the world leader in

identification systems based on biometrics, with 450 systems in operation in 120 countries. Morpho is one of the 3 Biometric Service Providers working to ensure unicity of the Aadhaar number produced. It is also a UIDAI enrollment agency and has received the "Excellence award for enrollment" from UIDAI. Finally Morpho is a UIDAI certified provider of biometrics scanners for irises and fingerprints.

Joachim Murat, Managing Director of SMSPL, subsidiary of Morpho in India, who was at the event on 17th October made the following comments:

"Aadhaar is the epitome of a transformational project: it is today the most innovative program for economic and social development based on technology. It requires an extraordinary leadership to conceptualize and implement such project at such a scale. What Nandan Nilekani is about to achieve is unparalleled and will change the life of hundreds of millions of people. India is making History through the Aadhaar project, it will certainly create a precedent that will revolutionize every model for social and financial inclusion worldwide. Having the chance of being part of this project is a source of great pride for Morpho."

Pre-Budget meeting December, 2012

The Annual Union Budget announced in the first quarter of every year is a subject keenly followed by the Corporate World

In the context of formulating the proposals for the Union Budget, the Ministry of Finance convenes Pre-Budget meetings with Trade and Industry associations every year to discuss suggestions/recommendations in respect of tax issues pertaining to different sectors. EBG is also invited to nominate representatives from the European Business Community to present their suggestions for changes in the duty structure, rates and broadening of tax base on both direct and indirect taxes at this Annual meeting.

This year, EBG received an invitation to attend the Pre-Budget meeting on Tuesday, 18 December 2012 at the North Block, Ministry of Finance. The meeting was chaired by Shri Sumit Bose, Revenue Secretary, Ministry of Finance and his team included senior officials from CBDT and CBEC.

EBG was represented by the CEOs & senior representatives of companies in Alcoholic Beverages, Banking, Defence, Energy, Telecom, Healthcare & Trade. Mr. Vinod Verma, EBG India Chairman led the EBG Delegation to meet Shri Sumit Bose. Mr. Mukesh Butani, Chairman-Taxation Sector Committee gave a presentation on behalf of the European Business Group incorporating the recommendations for changes in the Direct & Indirect tax provisions. Prior to the meeting, pre-budget recommendations from the European Business Group were also submitted to the CBEC & CBDT officials.

Social Networking Event at Zoo-Bar on 8th November, 2012



Exclusive interaction with EU Commissioner Algirdas ŠEMETA

EBG members were given an excellent opportunity to express their views on the delicate issue of taxation when the EU Commissioner Algirdas Šemeta, the Commissioner for Taxation and Customs Union, Audit and Anti-Fraud, visited Delhi in mid-October. Commissioner Šemeta has responsibility in the EU for the operation of the common customs policy, the free circulation of goods within the internal EU customs union and the harmonisation of indirect taxation regimes within a single EU framework.

During his programme in Delhi, he had meetings with a number of his Government of India counterparts to discuss issues such as trade facilitation, customs and taxation rules and procedures.

Commissioner Šemeta wished to meet representatives of European companies prior to his meetings with a number of his counterparts from the Government of India, in order to gauge their views and be sure to understand their concerns.

Twenty or so EBG members across all sectors were able to outline their key concerns and priorities in the Indian market, notably in the fields of customs rules and procedures and taxation.

The meeting started with Mr. Gokul Chaudhri, Direct Tax Leader, BMR Advisors making a short presentation of the taxation landscape in India today. This provided a useful platform for the members to discuss with Commissioner Šemeta of the sectors represented around the table, several - pharmaceuticals, telephone and Alcoholic Beverages - were keen to share their views with the Commissioner.

Mr Pradeep Agarwala, Vice-President, Corporate Services for Pernod-Ricard India and a prominent EBG member, put forward two of the most important issues which the Alcoholic Beverage sector wish to be reviewed by Central Board of Excise & Customs /Ministry of Finance and addressed at the forthcoming Union Budget 2013.

Reduction of Basic Customs Duty: Imported alcoholic beverages in India are subject to a basic customs duty (BCD) of 150%, not counting the state levies and duties. This rate has remained unchanged since 2004. It effectively places imported wines and spirits beyond the reach of the majority of Indians and also encourages grey market trade leading to loss of revenue for both the Union and the State Governments. It is high time that the BCD rate applicable to alcoholic beverages is reviewed and revised downward to counter the grey market and counterfeit products if not to align it with neighboring countries.

Goods & Service Tax: The alcoholic beverage industry request Central Government & State Government to reconsider their views on the exclusion of alcoholic beverages from Goods and Service Tax. Today the alcoholic beverage industry contributes approximately one third of the revenue of the State Exchequer. Excluding alcohol from GST would have an adverse impact on the growth and competitiveness of the industry and would impact State government revenues whilst at the same time encouraging non-commercial Alcohol ie. Non duty paid.

When interviewed after the meeting, Mr Agarwala underlined how important he felt it was to capitalize on the Commissioner's visit by asking him to convey the concerns of the Alcoholic Beverage Industry to the relevant authorities. He thanked the EBG for organizing the meeting and providing the opportunity to meet with Mr. Šemeta.

EBG Newsletter

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Automotive event

The Automotive Industry in India is one of the largest in the world and one of the fastest growing globally. The automotive sector in itself encompasses many segments: vehicle manufacturers, tyre manufacturers, ancillary auto component manufacturers, who all share the same concerns about fuel efficiency, carbon emissions, noise & pollution reduction, safety etc. Competition is tough in the market both domestically and internationally. There is a need to create awareness about available technologies in the automotive sector which will ensure not only sustainable growth and development but also global competitiveness.

With this objective in mind, EBG brought together leading experts at an event entitled "Greener & Safer Automotive Technologies: Driving into the Future" on 19 November 2012 at The Imperial Hotel, New Delhi.

H.E Mr. João Cravinho, Ambassador and Head of Delegation of the European Union, made the opening remarks, underlining the important role played by the automotive industry in shaping the otherwise very broad-based bilateral economic relations between the EU and India. The automotive industry is significant not just because of its volume but also because of the transformative role that it plays in the wider economic relationship between India and the EU. The Ambassador stated that the Indian Automotive industry is probably one of the best showcases of how India became a key player in a globalised industry. Under the aegis of CARS 2020 programme for a strong, competitive and sustainable European car industry, launched in November 2012, the European Commission proposed to address the most immediate problems the sector is facing in Europe.

Shri Ambuj Sharma, Joint Secretary, Ministry of Heavy Industries, made the keynote address, talking of the need for impetus to be given to manufacturing in India, and that automotive industry accounts for a large part of the manufacturing business. Furthermore large MNCs are playing a major role in promoting the Automotive Industry in India.

The opening session was followed by a panel discussion which was introduced and moderated by Knowledge Partner- Mr. Rakesh Batra, E&Y. Each of the panelists presented their respective topics.



The distinguished panelists were: Mr. Rajiv Bajaj, Roland Berger Strategy Consultants Pvt Ltd.; Dr. Chandan Chowdhury, MD, India Geo, Dassault Systemes India Private Limited; Mr. Brij Uberoi Country Head, Govt & Corporate Affairs, Michelin India Tyres Pvt Ltd; Mr. Navin Paul, Executive VP, Automotive OE Sales, BOSCH Ltd, Mr. Fabrizio Righetti, MD, Magnetti Marelli UM Electronic Systems Pvt. Ltd and Mr. Vinod Pandey, General Manager, Govt Affairs, BMW Group-India

The event was very well attended by CEO's and top management from European Business Community in India, the Ambassadors, Economic and Commercial Counselors of the EU Member state Embassies, leading Indian OEM's local administrations, representatives of chambers of commerce, trade associations-ACMA, SIAM and leading consultants.

Seminar on Defence Procurement

On 22nd November, the European Business Group, with Société Générale as business partner and KPMG as knowledge partner, organised its first-ever seminar on defence, specifically on "Defence Procurement: Developing Synergies in India". The aim of the seminar was twofold, first to discuss the new evolutions in defence procurement in India since the revised offset guidelines were published in July 2012, secondly to help nurture Indo-European relations in this area. Experts working in or with the defence sector presented recent major changes and the ways in which they affect European defence companies working in India.

In the first session, key speakers shared their perspectives, as former MoD officials, on the Indian defence market and the way it has evolved over the past decade since the setting up of the first Defence Procurement Procedure (DPP) in 2001. The session was introduced by a representative from knowledge partner, KPMG, Wing Commander Neelu Khatri (Rtd.) (Head of Defence and Security Advisory Services). She started by giving a detailed snapshot of the current status of defence procurement in India. She also provided interesting comparisons with other defence markets around the world, in both developed and developing countries, as well as a good analysis and projection of the defence market potential in the years to come as the Indian Armed Forces modernise their equipment. The key speakers were: Vinod Misra – Former Secretary Defence Financial/Financial Advisor Defence Services in the Ministry of Defence, Amit Cowshish – former Financial Advisor (Acquisition) & Additional Secretary and Member Defence Procurement Board, and Rear Admiral Chaudhari (Rtd.) – Additional Director at the Centre for Joint Warfare Studies).

The second session involved a panel of speakers who each presented a specific aspect of the evolved offset guidelines, explaining the changes implemented and providing advice on their potential affect on business for European and Indian companies. Colonel Chib (Associate Director in the Aerospace and Defence practice, PwC India) started by presenting Offset Banking: a new procedure to allow greater synergy between OEMs and the Indian defence sector. Aaron Le Pierrès, (Joint Managing Director, XY Europe) followed with Making use of multipliers/SME multipliers, and was joined during his presentation by Colonel K. V. Kuber (Advisor NSIC, Ministry of MSME) who spoke from a government and Indian MSME perspective. Delphine Gieux (Partner, UGGC Avocats) gave a broader view of doing business in the defence sector in India with a detailed and thorough presentation on Maximising long term perspectives and minimising short term shareholder's risk. Finally Rajat Duggal (Taxation and regulatory advisor, KPMG) concluded the seminar with a presentation on Regulatory challenges, dealing with the various regulations on defence procurement.

Over 100 participants representing a wide range of European Defence companies enjoyed cocktails and dinner after the event sponsored by Societe Generale.

By organising this seminar, the European Business Group wanted to show its intention of contributing to the debate on defence procurement in India by helping the main protagonists from Europe to develop a good understanding of the recently updated policy. Participation by experts with extensive knowledge from the government side in addition to that of legal and consulting specialists greatly helped in achieving this goal.

This is certainly only a first step. The EBG wishes to build on this base to develop a strong channel of communication between European companies, the Indian Government and Indian companies with an aim to further improve the business environment of the defence sector.-

A new initiative for 2013: EBG Leadership Series

25 January will see the first in a new series of workshops launched by the European Business Group India: EBG Leadership Series 2013. This will consist of select workshops focusing on successful European companies in India. The series aims to fulfill EBG's mission to support its members through interactive learning on how to succeed in India. These select workshops are intended for the top leadership of EBG members.

Each workshop will focus on a specific subject which will be developed through case study and interactive Q&A with the CEO and leader of a European company. These workshops will be led and facilitated by a knowledge partner.

The first workshop is entitled "From Global to Local - A Personal Journey". Going Global to Local is not a geographical transition but the personal transformation for leaders as well as organizations. The Case study is by Mr Kandarp Singh, Managing Director, Tetra Pak, South Asia Markets.

As leaders in European companies, we have experienced transitions from local to global or vice versa – on a personal level as well as with members of our leadership teams. Each of us has a wealth of experience on such transitions, their successes and failures, but not enough opportunity to share them. The idea of this session is to share such experiences using the personal journey of a leader and reflect on what we need to do to ensure success of such transitions.

Mr. Singh has kindly accepted to engage us in a dialogue on the leadership challenges he had to take within Tetra Pak. His experience is rich and truly global, he has been exposed to different European cultures and has worked both at corporate HQ level and at country operations level.

EBG member Tetra Pak is the world's leading food processing and packaging solutions company, with almost 22000 employees based in over 85 countries. The company is guided by a strong belief in responsible industry leadership and a sustainable approach to business. Kandarp Singh has been with Tetra Pak for 17 years involving diverse assignments in international locations and in positions with global responsibility. He returned to India in 2009 and is now Managing Director of Tetra Pak for South Asia Markets.

The workshop will be led by our knowledge partner Mercuri Urval.

Annual Christmas Dinner New Delhi, 7th December, 2012



Bangalore Chapter Update



Release of Study Report on Innovation & R&D Activities of European Companies in India by Mr Wolfgang Burtscher

The event was well attended and received by leading European and Indian companies, supported by Delegation of the European Union to India Dr. Philippe de Taxis du Poët, Minister Counsellor - Head of Science & Technology with Keynote and welcome speech.

Innovation and R&D experiences in India were shared by Mr. Eugen Welte, CEO & Director of Airbus Engineering Centre India Pvt. Ltd., Dr. Jos van Haaren, Senior Director Philips Research Asia – Bangalore and Department Head Healthcare Applications, Philips Electronics (I) Ltd., Mr. Dattatreya Gaur, Robert Bosch Engineering and Business Solutions Limited.

Mr. Wolfgang Burtscher - Deputy Director General, DG Research & Innovation European Commission released the report with informative speech on innovation and R&D trends.

Mrs. Anandi Iyer, Chairperson EBGI Bangalore Chapter presented the gist of survey report findings and printed report copies were distributed to all the participants.

21st November 2012

Ms. Françoise Le Bail, Director General for Justice, European Commission delegation visit to SAP and Infosys

EBG Bangalore facilitated delegation visit from European Commission headed by Ms. Françoise Le Bail, Director General for Justice, European Commission. Madame Françoise Le Bail was on a mission to understand the Data Protection issues between India and Europe so that these can be discussed at the FTA deliberation. The members of the Delegations were Mr. Bruno Gencarelli, Head of Sector-Data Protection Unit, DG Justice, Ms Sara-Jane KING, India Desk, Data Protection Unit, DG Justice & Ms Renita Bhaskar, EU-India FTA coordinator, DG Trade.

They were accompanied by the officials from Trade and Economic section of the EU Delegation including Mr. Peter Young, First Counsellor, EU Delegation to India.

Delegation visit to SAP discussed few important topics around cloud computing like Trust-The main Bottleneck of Cloud Uptake, Shortcomings of Cloud Standards & Gold Standard for Cloud Computing - Benefits, Scope, Governance & Data Protection Control Objectives.

A visit to Infosys gave the delegation the company's views on challenges faced due to European Union's Data Protective Regulations.

The delegation visit to both the companies were well received by top management and the subject matter experts in the respective company.

Forthcoming Events

19th Feb 2013 to 21st Feb 2013 – GNSS.asia delegation visit to India and GNSS.asia India Industry seminar

23rd Feb 2013 EBGI Bangalore Chapter will celebrate the warmth of the season... with a networking Dinner party.