



**WORLD TRADE CENTER™**  
**NAVI MUMBAI**



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# Trade Investment Promotion Service

## TIPS News Bulletin

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**June-August 2020**

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**“Bringing the World Together”**

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**P.S. Due to the COVID-19 Lockdown, WTC Navi Mumbai Office is Presently Closed. All our staff are working from Home. We will Notify our Members & Associates as soon as our Office starts Functioning.**

## **WTC Navi Mumbai brings the World of Information on Trade & Investment....**

### **Important Developments in Global Trade and Indian Economy**

Important developments in international business environments from the viewpoint of India are identified and highlighted below. These will certainly have short as well as long term significance and impact for India's economy and business especially at the global level:-

- COVID Pandemic is leaving a deep impact on the global economy as well as economies of almost all countries of the world. India is no exception. Most of the sectors of Indian economy, be it agriculture or be it industry or be it services, are facing serious challenges to recover to normal situation. Indeed many experts are expecting new normal to emerge. There is an obvious change visible everywhere whether lifestyles are concerned or markets are concerned.

WTC Navi Mumbai is contributing its bit by creating awareness of the situation by organizing Webinars on diverse topics but related to COVID. Global Markets Scenarios, Education & Employment Opportunities, Management of Money are some of the topics on which the WTC organized Webinars in last two to three months. Experts and Practitioners shared their views at these Webinars and good number of participants attended.

- There seems to be a perceptible change in the area of Foreign Investment in India which has touched nearly US Dollars 20 billion in short time of three months or so. Major share is that of Reliance Group and its Jio Platform. Maharashtra State has also received investment proposals of about US Dollars 8 – 10 billion. This indicates that India stands to gain more and more in this area. However, unless policies such as land-holding/sale and industry are made more conducive, the foreign investments will take more time to come. For example the recent decision to provide free market access to farmer – to sell his produce as per his wishes—is very good. Many more reforms are anticipated both in the short term as well as in the long term.
- Indian IT companies like Infosys, TCS and others are doing extremely well in the current situation. No doubt this is a good sign and needs to be tapped more. Opportunities in terms of Digital Transformation, Artificial Intelligence, Machine Learning, Data Analytics, Block chain, IoT, Cloud, etc. are emerging at rapid pace and we need to catch upon them at the speed of IT itself.

- Online Services are also gaining more and more ground in India. Education, Groceries, E-Commerce, Export Development as well as Import Substitution are some of the applications showing great growth potential.
- In the context of mini-war that took place between India and China on border issues, calls have been made to boycott Chinese products and services. New policies are being designed to protect Indian market from Chinese influence. It may be noted that many of Indian markets such as Mobiles, Pharma Raw Materials and Electronics etc. are dominated by China. There is good investment as well from China into India. It is high time to devise long term strategy in our relations with China keeping in view our core interests. It may be noted that even countries like USA, Australia, Japan and UK are planning to keep safe distance away from China. India will do well in this in the long run.
- Indian Defense & Space Industry- The Government of India has taken several initiatives to upgrade the Defense & Space Research Industry under the “Self-reliant India” program. They have increased the FDI from a previous 49% to 74% under the direct route. They have also heavily invested to start indigenous development all kind of Weapons & Technology rather than importing from other countries. This will not only be beneficial for large scale industries who are manufacturing heavy machinery & equipments but also for the MSME’s as this will open up a lot of new avenues in the areas of Artificial Intelligence, Robotics, Virtual Reality, Big Data analytics, Blockchain and other future oriented technologies. This will allow India to use its vast talent and resources and also make the domestic industry focused towards Research & Innovation and contribute towards sustainable development. A detailed article exploring the opportunities and benefits will be published in the next edition of the TIPS Bulletin.
- In the context of COVID Pandemic, it has become necessary to evaluate our FTA and Regional Trading Block strategy. There is a felt need to bring appropriate changes to serve our new priorities. Already there is a view, and it is rightly so, to have a relook at FTA with the USA as well as UK. These are expected to be materialized very soon. Similarly cooperation with the European Union is also on cards. SAARC trade block is more or less nonfunctional. Keeping in view China present policies, BRICS block may not take off. We have reasonably good FTA possibilities with ASEAN group. All these developments strongly underline the need to change our priorities and incorporate changes in our FTA approach and strategy.

- New Education Policy 2020- In a revolutionary initiative, the Government of India has taken the much needed decision of reforming the Indian Educational Industry. This policy has come after 34 years from the previous Education policy and has proposed reforms and complete restructuring in all sections including the Education ministry, Schooling, University (both Undergraduate & Graduate) and Research Education. The new policies has helped to transform the Indian Education system completed and make it competitive on a global level.

## **A) WTC Navi Mumbai Services & Business Leads**

### **1. “Export Advisory Services of WTC Navi Mumbai”**

WTC Navi Mumbai has also started an Export Advisory Services for the benefit of its Members and Associates as well as business visitors and start-ups. These include among others Export Products & Markets Identification, Trade Leads/Buyers, Policies & Procedures etc.

**Venue: - WTC Navi Mumbai Office (Tuesdays & Thursdays with Prior Appointment Only)**

**For Further Details Contact: - Mr. Jayant Ghat:** [jayant.ghate@wtcnavimumbai.org](mailto:jayant.ghate@wtcnavimumbai.org) / +91 9820 342535

**Mr. Jayesh Khade:** [jayesh.khade@rediffmail.com](mailto:jayesh.khade@rediffmail.com) / +91 7666 002002

### **2. Digital Marketing Advisory Services at WTC Navi Mumbai**

WTC Navi Mumbai has initiated this service to upgrade Business Development of MSME’s especially in the Global Arena. In the following areas MSME’s will find this service useful:

- Website Design & Development
- Digital & Social Media Marketing
- Online Business & Search Engine Optimization (SEO)

**Venue: - WTC Navi Mumbai Office (Tuesdays & Thursdays with Prior Appointment Only)**

**For Further Details Contact: - Mr. Jayant Ghat:** [jayant.ghate@wtcnavimumbai.org](mailto:jayant.ghate@wtcnavimumbai.org) / +91 9820 342535

**Mr. Akshay Chaskar:** [Akshay@hillsndaes.in](mailto:Akshay@hillsndaes.in) / +91 92242 41900

- **WTC Navi Mumbai Association with Global Expo'20**

WTC Navi Mumbai has become a Knowledge Partner for the Global Expo'20 being held in Navi Mumbai CIDCO Exhibition Centre during December 17<sup>th</sup>-19<sup>th</sup> 2020. The event was originally supposed to be held during September 17<sup>th</sup>-19<sup>th</sup> 2020 but has been rescheduled due to the ongoing situation but a virtual seminar will be held in September. Such Expo is being held for the first time in the region.

The Expo aims at promotion of MSMEs as well as facilitate global linkages. Organized by the exhibition organizer Global Expo India, it has received support of many organisations like D Y Patil University School of Management, Bombay Stock Exchange, ICIB, IMC Navi Mumbai and so on, besides the WTC Navi Mumbai. Their cooperation will help in making Expo'20 a great success.

The Expo'20 is also supported by the country representations in India such as Spain, Ecuador, Ethiopia, Mauritius, Uganda and Iraq. All these and more countries are participating in the Expo to display their economic and industrial strengths and to discuss business opportunities.

World Trade Centers in the world and their Members or associates are specially invited to participate in the Global Expo'20. They will receive special discount in participation charges and will have an opportunity to make presentation of their services and products. WTC Navi Mumbai Members will also receive special consideration to participate in this important event in Navi Mumbai region.

Source: [www.globalexpo-india.com](http://www.globalexpo-india.com)

- **WTC Taipei Online Trade Delegation to Mumbai**

WTC Taipei will be organising an online Taiwan Delegation on 9th September in Mumbai where they will be scheduling one on one online meetings between Indian and Taiwanese delegation companies.

Consultancy and financial service companies would not be able to join the meeting. Only Importing, trading, dealership and government can join the meeting. Kindly visit the below link.

Source: <https://spark.adobe.com/page/fNPRfA1QTqKw6/>

For further details, please contact WTC Navi Mumbai Advisor Mr. Jayant Ghate by Email on:- [jayant.ghate@wtcnaimumbai.org](mailto:jayant.ghate@wtcnaimumbai.org)

## B) WTCs around the World: Business Leads & Events

### ➔ WTCA NY General Assembly 2020 @ Taipei WTC

In February it was announced that the 2020 WTCA General Assembly would be postponed and organized during September 2020. However, due to the continuing impact that the COVID-19 is having on many regions of the world and concerns about the health and safety of the WTC members & Associates, the WTCA board has decided to cancel this year's General Assembly as well as the Members Seminar and this will be organized by WTC Taipei during 14<sup>th</sup>-17<sup>th</sup> March 2021. Below are some of the Upcoming Virtual Exhibitions & Conferences at WTC Taipei.

# 2020 TAIWAN TRADE SHOWS

We Showcase Global Innovations

<p><b>TIFS</b> <b>Taiwan Int'l Orchid Show</b> <small>Rescheduled, Modified event date is yet to be confirmed.</small> Taiwan Orchid Plantation</p> <p><b>TCFB</b> <span style="float: right;">July 17-20</span> ■ Taichung Int'l Tea, Coffee, and Bakery Show</p> <p><b>TWSF</b> <span style="float: right;">July 17-20</span> ■ Taichung Wine &amp; Spirits Festival</p> <p><b>AGExpo</b> <span style="float: right;">August 20-23</span> ASEAN Senior Care And Wellness Expo Kuala Lumpur Convention Center</p> <p><b>Fishery Taiwan</b> <span style="float: right;">September 3-5</span> ★ Taiwan Int'l Fisheries &amp; Seafood Show Concurrent with Taiwan Int'l Fishing Tackle Show</p> <p><b>iMTduo</b> <span style="float: right;">September 9-12</span> ★ Taipei Intelligent Machinery &amp; Manufacturing Technology Show</p> <p><b>TAIPEI PLAS</b> <span style="float: right;">September 9-13</span> ★ Taipei Int'l Plastics &amp; Rubber Industry Show</p> <p><b>ShoeTech Taipei</b> <span style="float: right;">September 9-13</span> ★ Taipei Int'l Shoe Making Technology Show</p> <p><b>COMTECH Myanmar</b> <span style="float: right;">September 11-12</span> Asia Computing &amp; Gaming Show Lotte Hotel Yangon</p> <p><b>TIWW</b> <span style="float: right;">September 24-26</span> ● Taiwan Int'l Water Week</p> <p><b>Circular Economy Taiwan</b> <span style="float: right;">September 24-26</span> ●</p> <p><b>Taiwan Innotech Expo</b> <span style="float: right;">September 24-26</span> ●</p> <p><b>COMPUTEX TAIPEI</b> <span style="float: right;">September 28-30</span> ★</p> <p><b>InnoVEX at COMPUTEX</b> <span style="float: right;">September 28-30</span> ★</p> <p><b>COMTECH India</b> <span style="float: right;">September 29-October 1</span> Asia Computing &amp; Smart City Show Hall 2, Bombay Exhibition Center (BEC)</p> <p><b>Energy Taiwan</b> <span style="float: right;">October 14-16</span> ★</p> <p><b>TILS</b> <span style="float: right;">October 14-16</span> ★ Taiwan Int'l Lighting Show</p> <p><b>Fastener Taiwan</b> <span style="float: right;">October 14-16</span> ■ Taiwan Int'l Fastener Show</p> <p><b>TAIWAN BEAUTY</b> <span style="float: right;">October 15-17</span> ★ Taiwan Int'l Beauty Show</p> <p><b>MEDICALTAIWAN</b> <span style="float: right;">October 15-17</span> ★ Taiwan Int'l Medical &amp; Healthcare Expo</p> <p><b>M@MEX</b> <span style="float: right;">October 15-17</span> ★ Taiwan Medical Components &amp; Manufacturing Expo</p>	<p><b>TAITRONICS</b> <span style="float: right;">October 21-23</span> ★ Taipei Int'l Electronics Show</p> <p><b>AIoT Taiwan</b> <span style="float: right;">October 21-23</span> ★ Taiwan Int'l AIoT Show</p> <p><b>DATE</b> <span style="float: right;">October 21-23</span> ★ Discover Advanced Trends in E-commerce</p> <p><b>TAIPEI AMPA</b> <span style="float: right;">October 21-24</span> ★ Taipei Int'l Auto Parts &amp; Accessories Show</p> <p><b>AutoTronics Taipei</b> <span style="float: right;">October 21-24</span> ★ Taipei Int'l Automobile Electronics Show</p> <p><b>MOTORCYCLE TAIWAN</b> <span style="float: right;">October 21-24</span> ★ Taiwan Int'l Motorcycle Industry Show</p> <p><b>KAOHSIUNG FOOD SHOW</b> <span style="float: right;">October 22-25</span> ■</p> <p><b>KAOHSIUNG HORECA</b> <span style="float: right;">October 22-25</span> ■ Kaohsiung Int'l Hotel, Restaurant, Baking and Catering Show</p> <p><b>KAOHSIUNG HALAL</b> <span style="float: right;">October 22-25</span> ■ Kaohsiung Int'l HALAL Expo</p> <p><b>Giftionery &amp; Culture Creative, Taipei</b> <span style="float: right;">November 5-8</span> ● Taipei Int'l Gift, Stationery and Culture Creative Show</p> <p><b>AMPA MYANMAR</b> <span style="float: right;">November 12-15</span> Myanmar Int'l Auto Parts, Accessories &amp; Motor Show Yangon Convention Center</p> <p><b>POWER EXPO MYANMAR</b> <span style="float: right;">November 12-15</span> Myanmar Int'l Electrical, Electronics &amp; Electric Power Equipment Fair Yangon Convention Center</p> <p><b>FOOD TAIPEI</b> <span style="float: right;">December 17-20</span> ★ Taipei Int'l Food Show</p> <p><b>FOODTECH TAIPEI</b> <span style="float: right;">December 17-20</span> ★ Taipei Int'l Food Processing Machinery Show</p> <p><b>BIO/PHARMATECH TAIWAN</b> <span style="float: right;">December 17-20</span> ★ Taiwan Int'l Bio/Pharm. Machinery Show</p> <p><b>TAIPEI PACK</b> <span style="float: right;">December 17-20</span> ★ Taipei Int'l Packaging Industry Show</p> <p><b>TAIWAN HORECA</b> <span style="float: right;">December 17-20</span> ★ Taiwan Int'l Hotel, Restaurant and Catering Show</p> <p><b>HALAL TAIWAN</b> <span style="float: right;">December 17-20</span> ★ Taiwan Int'l HALAL Expo</p>
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[www.TaiwanTradeShows.com.tw](http://www.TaiwanTradeShows.com.tw)

<p><b>Organizer:</b>  <b>Taiwan External Trade Development Council (TAITRA)</b>            5, Xinyi Rd., Sec. 5, Xinyi District, Taipei 11011, Taiwan            Tel: 886-2-2725-6200 <a href="http://www.taitra.org.tw">www.taitra.org.tw</a>            Fax: 886-2-2725-1314 E-mail: <a href="mailto:exhibi@taitra.org.tw">exhibi@taitra.org.tw</a></p>	<p><b>Venues:</b></p> <ul style="list-style-type: none"> <li>● <b>TWTC Hall 1</b> 5, Xinyi Rd., Sec. 5, Xinyi District, Taipei 11011, Taiwan</li> <li>● <b>Nangang Exhibition Center, Hall 1</b> 1, Jingmao 2<sup>nd</sup> Rd., Nangang District, Taipei 11568, Taiwan</li> <li>● <b>Nangang Exhibition Center, Hall 2</b> 2, Jingmao 2<sup>nd</sup> Rd., Nangang District, Taipei 11568, Taiwan</li> </ul>	<p><b>Official Carriers:</b></p> <ul style="list-style-type: none"> <li>● <b>Taipei International Convention Center</b> 1, Xinyi Rd., Sec. 5, Xinyi District, Taipei 11010, Taiwan</li> <li>● <b>Taichung International Exhibition Center</b> No. 1, Sec. 2, Zhongshan Rd., West Dist., Taichung City 41101, Taiwan</li> <li>● <b>Kaohsiung Exhibition Center</b> 39, Chenggong 2<sup>nd</sup> Road, Qianzhen Dist., Kaohsiung 80601, Taiwan</li> </ul>
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**中華航空**  
CHINA AIRLINES  
**EVA AIR**  
長榮航空

\*Please Check Website for Updated Information.

## IMTDUO LAUNCHES VALUE-ADD ONLINE SERVICES

The Taipei Intelligent Machinery & Manufacturing Technology Show (iMTduo) will be concurrently held with two other machinery exhibitions in Taipei, namely the Taipei International Plastics & Rubber Industry Show (TaipeiPLAS) and the Taipei International Shoe Making Technology Show (ShoeTech Taipei) at Taipei Nangang Exhibition Center Hall 1 and Hall 2 from this September 9 to 12. According to Taipei World Trade Center (TWTC), the show organizer, a total of 3,300 booths will display the most advanced machinery and technologies in smart manufacturing, plastics and rubber, and shoemaking. Apparently, the three-in-one mega show is Taiwan's most prominent trade show for the machinery industry in the second half of 2020.

As the most reliable partner during the critical moment, iMTduo team will be continually implementing new online initiatives to provide customers best global business opportunities despite challenges ahead. For more information, please visit [www.taipeiplas.com.tw](http://www.taipeiplas.com.tw),

[www.imtduo.com.tw](http://www.imtduo.com.tw) and [www.shoetech.com.tw](http://www.shoetech.com.tw).

### CONTACT PERSONS:

Show Manager: Mr. Alex Lai ext: 2615

Publicity Manager: Mr. James Shie ext: 2618

Exhibition Department, TAITRA

E-mail: [mt@taitra.org.tw](mailto:mt@taitra.org.tw)

For more information about Medical Taiwan, please visit

[https://www.imtduo.com.tw/en\\_US/index.html](https://www.imtduo.com.tw/en_US/index.html)

### ➔ **WTC Greater Philadelphia, USA**

#### **ASTM INTERNATIONAL: HELPING THE WORLD WORK**

ASTM International is one of the world's largest international standards development organizations, and "we support public health and safety by providing the specifications and test methods used for products that consumers routinely encounter, including for example, automotive fuel, construction materials, children's toys and crayons, medical devices, drones, protective footwear and recyclable plastics," explains Teresa Cendrowska, ASTM International Vice President, Global Cooperation.

Dr. Charles Dudley, a scientist responsible for procuring the paint, steel and oil for the Pennsylvania Railroad is credited for creating the original movement to ensure that raw materials adhere to specific material specifications.

ASTM International has 262 staff located around the globe who support the development and delivery of ASTM's 12,500 voluntary, consensus standards, and related services.

ASTM has over 30,000 volunteer members from 150 countries who come together, and through science and engineering, work to find best performance in manufacturing and materials, products and processes, systems and services. Through technical committees, businesses, governments, and individuals collaborate openly to ensure the standards combine market relevance with the highest technical quality.

As Vice President of Global Cooperation, Ms. Cendrowska leads a team which currently manages and sustains over 110 Memorandums of Understanding (MOU) partnerships on six continents.

ASTM International has also been able to encourage the use of its standards in niche markets where manufacturers, operators and owners are able to meet regulations, "for example unmanned aircraft systems (drones), where other standards don't exist, regulators around the world, such as EASA, FAA, TCCA, IATA are calling out one set of standards - the ASTM standards. This consistency in cited standards is economical and efficient and helps designers, manufacturers, operators and regulators."

Ms. Cendrowska reminds me that ASTM International standards are voluntary and aren't mandatory unless cited in a law or called out in a contract, "Users of the ASTM mark or logo can opt to meet ASTM standards and self-represent that their products or services comply with specific ASTM standards. The users may self-confirm or independently confirm compliance with the standard. ASTM does not endorse, approve, sponsor or certify compliance - unless the user is a participant in ASTM's certification program operated through its affiliate SEI."

These four letters A S T M have been giving the world's consumers peace of mind; you may want to look for them on your next product purchase.

## **Professional Career Opportunities in Global Trade & MNC's**

The World Trade Center (WTC) Navi Mumbai was invited by the Rajiv Gandhi College of Management Studies (RGCMS) to jointly organized an online Panel Discussion on “Professional Career Opportunities in Global Trade & MNC's post Covid-19”. It was organized on 2<sup>nd</sup> June 2020 and more than 250 students, faculties, young professionals and business representatives participated in the program.

Mr. Jayant Ghate, Advisor, WTC Navi Mumbai from his vast knowledge and experience shared the current trends and scenarios in International Trade and how Markets and Economies have been halted due to the Covid-19 Pandemic. He mentioned that International Markets have dropped more than 25% and Global Trade has dropped more than 30% based on World Trade Organization (WTO) projections. He mentioned that India proves to be an excellent investment destination for International investors and manufacturers which gives India a great potential for the future. He also stated that recovery will happen over the period of one year and suggested business organization to operate with caution.

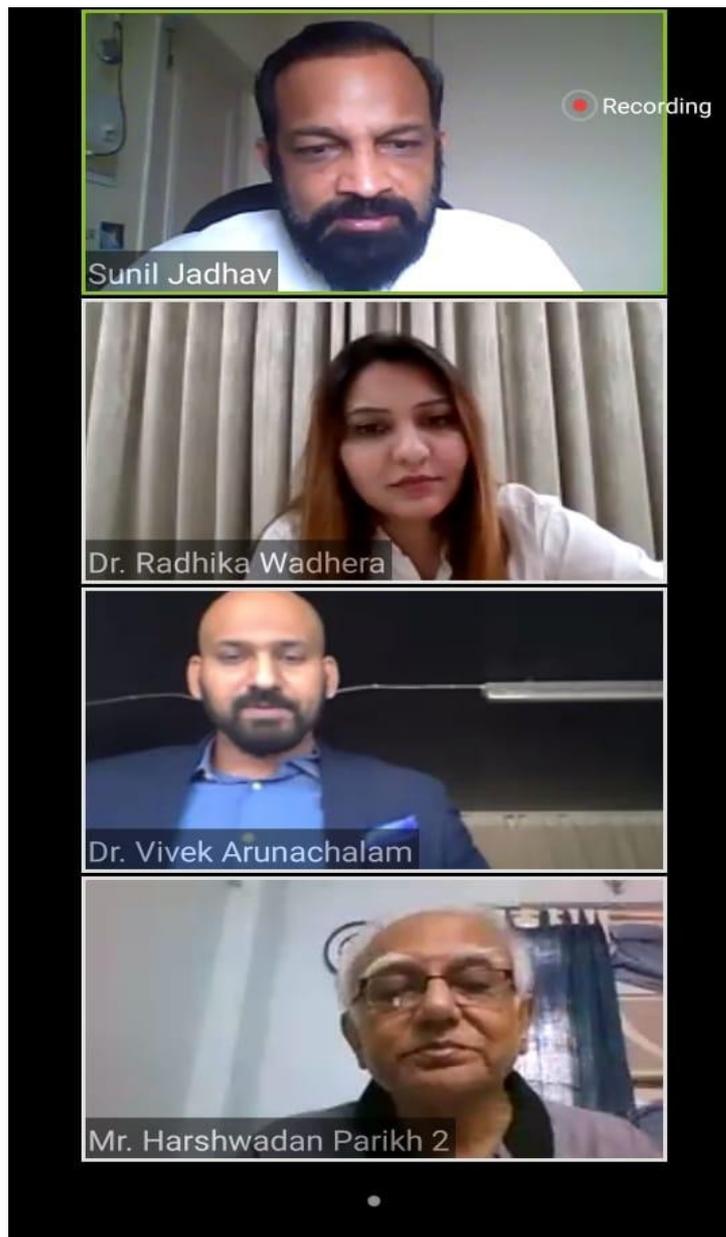
Dr. Vivek Arunachalam, University Professor and Economic Advisor to WTC Navi Mumbai based in Berlin, Germany discussed specifically how several business got disrupted due to the Pandemic and also how new technologies like Block Chain and Data Analytics will become the future. He also advised the students to avoid getting into jobs unless necessary and rather utilize this period to equip themselves with more skills in the form of certification or diploma programs or to pursue post-graduation degrees. He also suggested suggested students to prepare themselves with the new and up trends in the industry. He recommended Businesses to avoid undertaking any major investment and if done, then to do it after total scrutiny.

Mr. Sunil Jadhav, Managing Trustee of Jawaharlal Nehru Group of Institutes gave a brief overview about the current scenario of the Education industry. He mentioned how most of the education has moved online and it has created a huge opportunity in this sector. He also advised the students to be positive and stated that new opportunities would be created with time and he also advised the students to start acquiring new skills in line with the industry and it will help the students to find it easier to find opportunities.

Mr. Harshwadan Parikh, MD HardChem group mentioned about how Industries can revive and how government is helping them in doing so. He stated about the funds specifically released by the government for the MSME's and how it can be easily accessed. He also mentioned how banks

are being encouraged by the RBI to increase lending to business to enhance their liquidity. He also added that there are several smaller organisations under the MSME and Commerce Ministry which are specifically created to help businesses and advised businesses to get help from them to sustain in the market.

The event was very well moderated by Dr. Radhika Wadhera from RGCMS. There were several questions posted by the participants which were well answered. It was a great success and very beneficial for the participants, especially for the students in the current scenario.



## **Money Management during the Covid-19 Pandemic**

World Trade Center Navi Mumbai in association with Anand Rathi Wealth Management organized a Webinar and Interactive Session on “Money Management during the Covid-19 Pandemic” on 10th July, 2020. The Guest Speakers for the webinar included Mr. Anand Rathi, Chairman of Anand Rathi Group, Mr. Feroze Azeez, Deputy CEO, Anand Rathi Wealth Management and Dr. R. Gopal, Director & HOD of D Y Patil Deemed to be University School of Management.

Mr. Anand Rathi provided a brief overview about the Indian economic scenario and how it has been severely impacted due to the lockdown and also how the economic growth has completely come to a halt in recent months. Also, lower public expenditure and harshly impacted real estate sector has affected the economy. He also stated that even though there has been a severe economic crisis due to the ongoing pandemic, there are still some green shoots visible which will be critical in economic recovery and growth. He stated that the Indian agricultural sector has emerged strong and has been the only sector which has witnessed growth even during the lockdown. Also, lower oil prices and higher FDI investment will significantly contribute towards economic growth. He advised the participants that there will be a lot of entrepreneurial opportunities in the near future.

Mr. Feroze Azeez, explained the participants about about the financial sector and mentioned that the financial sector is extremely volatile at the moment and investors need to do extensive research and be very careful about where they are investing. He also advised them that it would be beneficial if they diversify their investment portfolio between Debt, Equity and other investment options and to focus more on long term investment based on Fundamentals of where they are investing. This will help them to get positive returns on their investment even during volatile markets.

Dr. R Gopal explained the participants about the importance of financial management education. He mentioned that no matter which industry a person is working in, it is very important for the person to have some basic financial knowledge and understanding. This can help them to make investment decisions efficiently and mitigate losses.

Mr. Jayant Ghate, Advisor WTC Navi Mumbai welcomed the participants and explained about WTC Navi Mumbai and its activities. He also acted as link between the participants and the speakers by explaining certain aspects of the theme and posing some important questions to the speakers which were very beneficial to the participants. The event was successful and extremely beneficial considering the situation everyone is in right now.

## **Impact of Covid 19 on the Indian Economy with special reference to the Issues and Challenges involved in attracting investments in India especially from those companies which would like to relocate from China.**

Today the world is suffering from Covid 19 pandemic. Due to Covid 19, the world is already facing a tremendous amount of recession. There have been 5 Lockdowns since Mid-March to June and then followed by three Unlock down periods and now again a few lockdowns in many parts of the country. These lockdown periods have been for a period ranging from one week to two weeks.

### **The Global Environment**

The World GDP has dropped drastically and the effect of Covid 19 has been seen in India also. The Indian Economy to some degree mirrors the world economy. The Global Environment is likely to face heavy recession in 2020 and this is likely to continue in 2021 and may be perhaps into mid-2022. Disruptions in manufacturing and the service sector is likely to increase by leaps and bounds. The Government efforts to extend credit terms and other financial benefits like moratorium etc. may not yield big results. The USA debt capital markets are under severe strain and this will have a cascading effect on other economies. Swapping of currencies between countries will be the new norm. China is already talking of trade on the basis of Yuan. Additionally, China will try to push its products in the world market. In the short run there could be some resistance but in the long run this will settle to a new level because of the cry for Make in India, Make in USA etc. This new level is expected to stabilize by 2022.

### **The Indian Economy**

The GDP is expected to drop to a level of 2 to 2.3% or even less in 2020 and thereafter could rise marginally. Many Sectors would take a massive hit. The major challenges to the growth of the Indian Economy would be: Supply Chain disruptions, poor or not so good infrastructure, low capacity utilization, consumer goods buying (This sector could take a hit due to the consumers getting used to a lower level of consumption, reduced wealth, falling share prices, loss of employment) etc. modernization of industry (In the long run the industry would move towards automation and to the increased use of several disruptive technologies like Artificial Intelligence, Robotics, Data analytics, Digital technology etc.), Downward trends in Exports as many countries would move to become self-reliant and become less dependent on imports.

In addition, USA and several other countries like U.K., European countries have started increasingly tightening the rules of immigration with the objective of reducing its own employment and this would result in less Foreign Exchange inflow into the country.

Further due to these disruptions there could be an increase in the level of loan defaulters causing an increase in NPAs, which could impact the bank margins.

### **Segmental Impact on Growth and Employment in the short run (April 2021)**

1. Food and Beverage: Expected to show a positive trend. Employment in this sector could remain positive.
2. Apparel and Footwear: Expected to show a moderate demand especially in the apparel sector. Exports in this sector are likely to see a moderate downward trend. Beauty products and luxury goods are expected to however show a positive trend. Employment may see a marginal positive change.
3. Retail: Due to the change in the purchasing pattern of consumers—shift from offline to online there could be a slight decline in the employment figures in this sector.
4. Power Sector: This sector is likely to see a good demand. New Power generating and transmission stations are likely to come up. The Government of India is likely to increase its spending in this sector. The transmission sector could see a tightening of credit. The employment in this sector is likely to see an upward trend.
5. Pharmaceutical: This sector is likely to see a good demand for its products. Innovation of new drugs, vaccines will be the key to success. Greater emphasis on the R & D activity. The scope for generics would increase tremendously. Employment in this sector is likely to see a good increase.
6. Gems and Jewelry: Moderate demand. Skilled manpower would be much in demand and this is normally provided by the migrant labors who have all migrated to their villages.
7. Aviation: Demand expected to rise moderately. Employment likely to be hit for both white and blue collared workers. Purchase of new planes may be postponed. Existing orders may be cancelled or postponed.
8. Tourism: Domestic tourism likely to increase at a faster rate than international tourism. Employment is likely to increase in this sector.
9. Hotels/Restaurants: Rise in demand likely. Food Aggregators are likely to increase. Employment likely to increase rapidly.
10. Education: Major disruptions in the learning pedagogy expected. Radical changes in the syllabus and curriculum. More demand for online learning, special skills, short term programs etc. Some Post Graduate programs likely to be under stress. Simulation based education will be the need of the hour. Cost of education needs to be brought down. Government push is a must for the success of this sector. Faculty requirement will go up tremendously. Industry professional will now be available as faculty but they may not have the necessary qualifications as laid down by the authorities.

11. Automobile: Expected to show a lower demand. Consumers likely to postpone purchase of automobile due to the availability of mass transit projects e.g. metro etc. Employment in this sector is likely to be hit in a big way.
12. Building and Construction: Demand for housing likely to continue to be low. Prices likely to drop drastically. Cautious buying by the consumers. The market likely to stabilize by 2024. Employment likely to drop by around 20 to 30%.
13. Infrastructure: Infrastructure projects likely to be given a big boost by the Government. Employment will increase in this sector.
14. Chemicals and Petrochemical: Demand likely to increase aided by the falling crude prices. Supply chain problems will act as a deterrent to this sector. Most of the chemicals and petrochemicals industries are in the MSME sector, there could be a possibility of credit funding / availability from banks. Employment in spite of above likely to remain stable. Increase expected in 2022.
15. Financial Sector: Modest growth expected. Employment especially in retail finance, risk management and treasury management expected to show good growth.
16. Insurance Sector: is likely to show a good demand both the life and non-life sectors.
17. Metal / Mining: Moderate to “Lower High” demand likely. Demand for Iron and steel, coal aluminum likely to increase. This sector is likely to face huge credit problems. The sector uses a large number of unorganized employees and this is likely to affect employment.
18. Telecom: Demand likely to increase rapidly. Newer technologies like 5 G and plus likely to be introduced. Cash flow likely to exist. Due to increased demand and usage, call dropout rate likely to increase. In the long run this sector will show increase employment requirement.
19. Agriculture: Agriculture distress likely to continue. Sectoral employment likely to increase. Government support would increase in a limited way. Seasonal Employment likely to increase.

### **Impact of post Covid 19 on the placement and job opportunities.**

The unemployment index is likely to increase tremendously especially in the urban areas while currently jobs are available in Rural India in programs like MNREGA etc. due to the increase spending in rural infrastructure by the government of India, the Kisan Credit Card and other such schemes. The “Work from Home” with increased productivity will be the new norm.

Students who are opting for placements in April 2020 and April 2021 will face challenges while students who are opting for placements in April 2022 would have little difficulty in getting good placements.

### **Issues and Challenges facing the MSME sector.**

The MSME sector is the backbone of the Indian Economy. It contributes substantially to the GDP and accounts for almost 38 to 40% of the total Indian Employment.

The Government of India has recently changed the definition of the MSME sector. Accordingly, the new definition is as follows: \*

- Micro Units:- Investment of up to Rs. 1 Cr & Turnover of Rs. 5 Cr.
- Small Units:- Investment of up to Rs. 10 Cr & Turnover of Rs. 50 Cr.
- Medium Units:- Investment of up to Rs. 20 Cr & Turnover of Rs.100 Cr.

Most of the Units are NOT Registered and GST is not applicable to them. In many cases the accounts are not maintained and many a time taxes are not paid. In spite of the fact that the government of India through its Rs. 20 lakh crore package – AtmaNirbhar Package has provided for a large number of credit facilities including moratorium, the banks are averse to finance these sectors – fear that these accounts could become an NPA.

Another major issue is the size of the units, being small in nature these units are unable to produce products at a low cost.

### **The Chinese impact on the Indian Economy.**

The World appears to be blaming China for this pandemic. Major companies have been threatening to pull out of China. There is a huge cry that Indians should boycott Chinese products. The Government of India has already allotted a huge amount of land in certain states like Maharashtra, Tamil Nadu etc. Some companies have already started discussing with the Government of India to start manufacturing in India.

The Chinese companies have invested heavily in India especially in the start up companies and have also dumped their products in India. Thus, Alibaba has invested in companies like Big Basket, Dailyhunt, Paytm Mall, Healofy, Ticketnew, Snapdeal Zomato etc. Similarly, Tencent has invested in companies like Byjus, Ola, Flipkart, Niyo, Gaan, Swiggy, Udaan Mxplayer etc. Xiaomi has invested in Citymall, Hungama, Marsplay Intenet, Oye, Rickshaw Rapido, Zestmoney, Sharechat etc. Almost all these investments are in areas like E Commerce, Food aggregation, Education, Social Media, Gaming, Fintech, Entertainment etc.

In the area of telecom, companies like Huawei, Xiaomi, Sany, Novair, Benling India, ZTE, Vivo Electronics, Nexteer Automobiles etc. have invested in a large number of Indian ventures.

Three Companies have expressed desire to invest around Rs. 5000 Cr. in Talegaon, in Maharashtra. World over also China has invested in heavily through its Belt and Road Investment Projects (BRI), China Pakistan Economic Projects (CPEC), One Belt One Road Project (OBOR) etc. It has also invested heavily with technology and equity participation in countries like Vietnam, Taiwan, South Korea etc.

India in 2019 imported US\$ 74<sup>00</sup> which is approx. 14% of the total imports from China and this comprises of Electrical and Electronic Items (~US \$ 23<sup>24</sup>); Machinery including nuclear reactors, boilers etc, ~US \$ 30<sup>00</sup>; Organic Chemicals ~US \$ 8<sup>50</sup>; Plastics ~US \$ 2<sup>70</sup> and Iron and Steel ~US \$ 1.73. Additionally, India has given a large number of consultancies to Chinese firms in the areas of Telecom, Bridge Building etc. etc.

In the area of Pharmaceuticals in 2019 India imported around Rs.17,400 crores worth of Active Pharmaceutical Ingredients (API) which are essentially bulk products or intermediate pharmaceutical. A total of 68 APIs are imported and in many cases the imports are 100%. Some of these APIs are Penicillin G, Levodopa, Tetracycline, Potassium Clavulanate and Acyclovir etc. According to some industry experts many of these APIs can also be manufactured in MSMEs.

In terms of engineering products some of the products imported by India varies from valves to recoil springs, rear lamps etc. Thus for e.g. BEML has issued a statement wherein it has said the following products are required as part of its indigenization for its various divisions. Some of the products are: Transmission Control Valve Assembly, Shift control, PR Control Valve, Floating Seat Kit, Track Drive, Swing Machinery, Recoil Spring, Lube Valve, Bushing, Gear Bearings, Chain Propeller shafts, Oil Pressure Gauge, Deflector, Engine Brake, Cut off Switch, Fog Head Lamps, Rear Lamps, Watertight Lamps, Side Cover, Air Ducts, Sockets etc. Many of these have been imported from China.

One of the reasons for the success of the Chinese products is the low cost of manufacture. Discussions with knowledge persons in the industry indicate that economics of scale is the main reason why the Chinese are able to manufacture at such a low price and thus capture the world market.

### **Strategies to be adopted in order to overcome the Chinese Impact.**

The Government of India has initiated steps to attract investments from companies that would like to withdraw the investments from China. Thus for e.g. allocation of land in Maharashtra, U.P., Tamil Nadu etc. In addition, very recently the government has banned around 59 apps produced by China. The Telecom sector has withdrawn tenders for 5 G given to Chinese companies. Consultancy services, contracts for road building etc. have also been withdrawn.

Many of the experts opined that for Indian companies to succeed there is a need to reduce the fixed costs and operate more on variable costs. The world market will demand cost effective products. One method to achieve this is to move towards digitalization i.e. Robotics, Artificial Intelligence, Data Analytics will be the new method of operations.

For Indian companies to succeed or to get foreign companies to manufacture in India is to increase the stimulus package in the form of direct cash or subsidy. Many of the companies are

hesitating to take bank loans in spite of the moratorium because these companies feel that the cost will increase (compounding of interest during the moratorium period).

Further, innovations in India are grossly inadequate and the IPR rules are not so strong as in the developed countries. Further, the “Chalta Hai Attitude” is one of the biggest deterrents in the growth of the Indian Industry.

Discussions with knowledgeable people also indicated that companies are looking for a consistent, reliable and a friendly public policy towards new industries. Land reforms and most importantly reforms in HR policies appears to hold the key for success in attracting investments from China.

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**(Article by:- Prof. Dr. R Gopal, Director, D Y Patil Deemed to be University School of Management)**

## **WTC Navi Mumbai Important Membership Benefit**

- WTC Navi Mumbai is pleased to announce an additional membership advantage that will provide special facilities offered by Raheja Universal Group as part of its Raheja Care initiative.
- Besides providing the International Networking/ Access benefits to the WTC members, complimentary membership of Raheja Care will provide access to wide range of domestic advantages such as Lifestyle, Institutional Alliances as well as Special Alliances.
- Raheja Group has taken this important initiative leveraging its strength in core business and to provide these special benefits to its associates.
- New organisations/companies interested in WTC membership are requested to send the completed membership application form along with payment. The form is attached at the end of this bulletin.

### **Membership Advantages / Benefits:**

#### **Global Recognition**

- WTCA and WTC network is a Global Brand known for Best Quality Practices. Your Membership brings you Global Recognition to start with.
- 330 WTCs operating in 92 countries provide Reciprocal Membership Services such as: Office Space, Business Centre, Exhibition / Meeting Rooms, B2B Opportunities, Seminars / Workshops, WTC Club, Hotel Discounts etc.
- WTCA / WTC Card to the Member for Access to these Services.
- There are 750000 Business and other organisations and 15000 Experts associated with WTCs Network. You can count on this for any of your International Business Needs.

#### **National & Local Benefits**

- WTC Navi Mumbai offers significant benefits in terms of Access to the Global WTCs Network  
Knowledge Services include : Trade Information , Education , Trade Mission
- International Trade Library & Databases for Reference
- Participation in Seminars & Training Programs , Mentor Events
- B2B Meetings with Incoming Trade Delegations
- Referrals to Overseas Embassies / Consulates in India for Visa purpose
- Facilities : Temporary Offices & Meeting Rooms
- Value-added Market / Export Surveys, Industry Studies , Research (@ cost)

## MEMBERSHIP APPLICATION FORM

1. Name of the Company  
(In Block Letters) : \_\_\_\_\_
  
2. GST No : \_\_\_\_\_
  
3. Year Of Establishment : \_\_\_\_\_
  
4. Office Address : \_\_\_\_\_  
\_\_\_\_\_
  
- Telephone No/Fax No : \_\_\_\_\_
  
- Email : \_\_\_\_\_
  
- Company Website : \_\_\_\_\_
  
5. Representative Name : \_\_\_\_\_
  
- Mobile Number : \_\_\_\_\_
  
- E Mail : \_\_\_\_\_
  
6. Company Profile (Attach Brochure) & Business Interests ( Pls Specify): Export ,Import, Countries & Products, Investment, Technology etc  
\_\_\_\_\_  
\_\_\_\_\_
  
7. Annual Fees : **Rs. 2,950/- All Inclusive Payable by Cheque / DD in Favour of "Raheja Universal Pvt Ltd."**

**Authorised Signature & Company Seal**