

MAHRATTA CHAMBER OF COMMERCE,  
INDUSTRIES AND AGRICULTURE



# PUNE

INTERNATIONAL  
BUSINESS  
SUMMIT  
2026

7<sup>th</sup> Edition



CONNECT



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GROW

9<sup>th</sup> and 10<sup>th</sup> February 2026

JW Marriott, Senapati Bapat Road, Pune.

MAHRATTA CHAMBER OF COMMERCE,  
INDUSTRIES AND AGRICULTURE

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7<sup>th</sup> Edition

## Overview

The 7th edition of the Pune International Business Summit (PIBS 2026), organized by the Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA), brought together policymakers, industry leaders, diplomats, and global business representatives to strengthen international economic partnerships and promote cross-border collaboration.

PIBS has evolved into a key platform for connecting Indian businesses—particularly MSMEs—with global markets. The summit focuses on enabling dialogue, facilitating partnerships, and translating business conversations into tangible outcomes such as investments, technology collaborations, and export opportunities.

The 2026 edition witnessed strong international participation, reflecting growing global interest in India's expanding economy and the industrial capabilities of Maharashtra and Pune.

### Key Highlights of PIBS 2026

- 54 speakers participated across keynote sessions and panel discussions
- More than 60 international delegates from 32 countries attended the summit
- Over 307 industry participants joined the event
- 182 sellers from Maharashtra participated in business interactions
- 33 international buyers took part in the Reverse Buyer–Seller Meet
- More than 150 B2B meetings were facilitated during the two-day summit

A major feature of the summit was the Reverse Buyer–Seller Meet, organized under the Raising and Accelerating MSME Performance (RAMP) Scheme, supported by the Ministry



of MSME and the World Bank, in partnership with MSSIDC (Government of Maharashtra). This initiative aimed to provide MSMEs with direct access to international buyers and export opportunities.

The summit agenda covered a wide range of sectors critical to India's economic growth and global integration, including:

- Automotive and engineering
- Defence manufacturing
- Global Capability Centres (GCCs)
- Artificial Intelligence and digital technologies
- Food processing and agri-business
- International trade and global partnerships

Through a combination of keynote sessions, panel discussions, and structured business meetings, PIBS 2026 provided an important platform for industry leaders, policymakers, and international representatives to explore new business opportunities and strengthen global economic collaboration.

With Pune emerging as one of India's major industrial and innovation hubs, the summit highlighted the city's growing role in global supply chains, advanced manufacturing, technology services, and international business partnerships.

# Presidential Address

## Speaker:

### Mr. Sanjay Kirloskar – President, MCCIA

In his welcome address at the 7th Pune International Business Summit (PIBS 2026), Mr. Sanjay Kirloskar, President of MCCIA, warmly welcomed delegates, dignitaries, diplomats, and industry leaders participating in the summit. He highlighted the growing importance of international engagement for Indian industry and emphasized the role of platforms such as PIBS in enabling meaningful global collaborations.

Mr. Kirloskar extended a special welcome to Dr. Rajneesh, Additional Secretary, Ministry of MSME, Government of India, as well as distinguished diplomats and international business delegates attending the summit. He noted that over the next two days, more than 60 delegates from 32 countries would participate in discussions and engagements at the summit, reflecting the strong international interest in India's economic and industrial ecosystem.

He also acknowledged the participation of eminent speakers including Mr. Sunil Kant Munjal, Mr. Sanjeev Krishnan, and Mr. Nilesh Shah, along with more than 50 speakers scheduled across various sessions over the two-day event. Mr. Kirloskar expressed his appreciation for the presence of past presidents of MCCIA, board members, committee chairpersons, executive committee members, and industry representatives.

### Navigating a Changing Global Economic Order

Mr. Kirloskar noted that the summit is taking place at a time when the global economic landscape is undergoing significant transformation. He highlighted several key trends shaping the international business environment:

- Supply chains across the world are being reconfigured and diversified
- Global trade corridors are evolving in response to geopolitical and economic shifts



- Technology is increasingly becoming a key determinant of competitiveness
- India is strengthening its engagement with global markets through new partnerships

He pointed out that recent free trade agreements and economic partnerships with regions such as the European Union, the United Kingdom, Australia, New Zealand, and Oman—along with ongoing discussions with the United States and GCC countries—are creating new opportunities for Indian businesses.

According to him, these developments are particularly important for MSMEs and regional industries such as those in Pune, as they open access to international markets and enable greater participation in global value chains.

### **From Dialogue to Action**

Emphasizing the role of industry bodies, Mr. Kirloskar stated that MCCIA is committed to helping businesses convert emerging global opportunities into tangible growth.

He remarked that in today's environment, dialogue alone is not sufficient. What is needed are platforms that can:

- Convert conversations into collaboration
- Transform intent into actionable partnerships
- Enable direct engagement between businesses across borders

He expressed the hope that the Pune International Business Summit (PIBS) would continue to evolve into such a platform, fostering partnerships that translate into real business outcomes.

### **Strengthening MSME Global Engagement**

A key highlight of PIBS 2026 is the Reverse Buyer–Seller Meet, organized under the Raising and Accelerating MSME Performance (RAMP) Scheme, supported by the Ministry of MSME and the World Bank.

Mr. Kirloskar acknowledged the support of the Managing Director, Maharashtra Small Scale Industries Development Corporation (MSSIDC) in organizing this initiative.

### **Through this initiative:**

- More than 150 sellers from Maharashtra will engage with
- Over 25 international buyers from around a dozen countries



The objective of these interactions is to facilitate direct business connections, partnerships, and export opportunities for MSMEs.

### **Key Highlights of PIBS 2026**

Mr. Kirloskar noted that the two-day summit features a diverse agenda designed to encourage knowledge exchange and business collaboration. Key elements of the summit include:

- Keynote addresses by prominent industry leaders and policy experts
- Panel discussions on sectors such as automotive, defence, food processing, and artificial intelligence
- Over 150 B2B meetings connecting businesses with global partners

He encouraged all participants to actively engage in these sessions and make the most of the networking and business opportunities available.

### **A Platform for Global Collaboration**

Concluding his address, Mr. Kirloskar reiterated MCCIA's commitment to fostering global partnerships and strengthening the international competitiveness of Indian industry.

He welcomed all participants to Pune and expressed his hope that PIBS 2026 would lead to meaningful connections, productive discussions, and strong collaborations that contribute to shared growth and prosperity.

## **Speaker: Dr. Rajneesh (IAS)**

**Additional Secretary & Development Commissioner**

**Ministry of Micro, Small and Medium Enterprises, Government of India**

Dr. Rajneesh delivered a comprehensive and data-driven address outlining the central role of Micro, Small and Medium Enterprises (MSMEs) in India's growth trajectory and global trade expansion. He positioned the session within a pivotal national moment—India's aspiration to become an advanced economy by 2047—and emphasized that MSMEs will be instrumental in achieving that vision.

### **MSMEs: Backbone of the Indian Economy**

MSMEs contribute:

- Over 31% to India's GDP
- More than 37% to manufacturing output
- Around 45% to national exports
- Employment to over 320 million people (32 crore)

Dr. Rajneesh highlighted that MSMEs are not just economic contributors but drivers of inclusive growth. Their geographic spread across rural, semi-urban, and urban India ensures that economic opportunity penetrates beyond metropolitan centres.

He underscored India's resilience during global shocks such as the COVID-19 pandemic. Despite severe disruptions, India rebounded within a year, posting robust growth rates. Given MSMEs' substantial share in GDP, their strength directly underpins the economy's resilience.

India's long-term aspiration—becoming a developed economy by 2047—requires sustained high growth, particularly when compared to advanced economies growing at 1–2% annually. India's consistent 5.5%+ growth rate as a large economy is significant, and MSMEs are critical to maintaining that momentum.



## Formalization: Unlocking Hidden Potential

One of the biggest challenges identified was formalization. Many MSMEs operated outside formal registration systems, limiting their access to government schemes and financial support.

### As of April 2023:

- Approximately 70 million (7 crore) MSMEs were estimated to exist.
- Only 16.5 million (1.65 crore) were formally registered.

Through coordinated efforts with state governments and industry associations, formal registrations have now risen to 75 million (7.5 crore) within three years—an extraordinary expansion. This rapid formalization reflects both policy push and entrepreneurial responsiveness.

Dr. Rajneesh emphasized that while data shows progress, the true potential of India's MSME ecosystem extends far beyond what current numbers capture.

## Access to Credit: Breaking Perceptions

Access to finance remains a core constraint. Credit flow to MSMEs has increased significantly:

- 2014: ₹10 trillion
- Present: Over ₹35 trillion

However, demand for finance still exceeds supply.

A major barrier was the perception that MSME lending carries higher default risk. Data analysis revealed that NPA levels in MSME portfolios stand at only 3.4%, comparable to non-MSME portfolios. Dispelling this misconception helped accelerate lending.

Under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE):

- From 2000–2022: ₹3.4 trillion in guarantees issued.
- Target (2023 onward): ₹2 trillion additional guarantees over five years.
- Achieved in just 2.5 years: ₹9 trillion in guarantees—over three times the original target.

This surge reflects both policy refinement and improved banking confidence in MSMEs.





## Integration into Supply Chains

Dr. Rajneesh stressed that MSMEs do not function in isolation. They are deeply integrated into supply chains connecting micro to small, small to medium, and medium to large enterprises. He credited large industry players for integrating MSMEs into their value chains, driving sector-wide growth.

Technological upgradation remains another challenge. To address this, the Ministry operates a network of 30 Technology Centres and extension facilities that help MSMEs adopt advanced manufacturing practices.

These centres have:

- Manufactured over 400 components for the Chandrayaan mission
- Supplied components for the Light Combat Aircraft (LCA) and other defence applications

This demonstrates that MSMEs are not confined to low-end manufacturing but are capable of delivering high-precision components for strategic sectors.

## Public Procurement and Competitiveness

Government mandates require that at least 25% of procurement from ministries and CPSUs be sourced from micro and small enterprises.

Current achievement: 46% procurement from MSMEs, far exceeding the mandate.

Feedback from procuring agencies revealed:

- Quality standards were maintained.
- Costs reduced by 20–30% in many cases.

This data challenges outdated perceptions regarding MSME quality and reliability.

## Addressing Delayed Payments: TReDS Platform

Delayed payments have long constrained MSME liquidity. The Ministry, in collaboration with RBI, strengthened the Trade Receivables Discounting System (TReDS) platform.

Through TReDS:

- MSMEs upload invoices.
- Financial institutions discount them and provide immediate liquidity.

Transaction volumes have increased over 20 times in five years. What began at under ₹5,000 crore annually has scaled dramatically to tens of thousands of crores in transactions, reflecting growing adoption.

Recent Budget announcements further strengthened TReDS:

- Integration with GeM (Government e-Marketplace)
- Credit guarantees extended to TReDS financing
- Mandatory adoption for CPSUs

### External Sector and Global Trade

India's total trade volume is growing at approximately 6% CAGR, reaching around \$825 billion.

Services exports—particularly IT and digital services—drive much of this growth. However, merchandise exports, excluding petroleum and gems & jewellery, have also shown over 7% growth in certain segments.

Foreign exchange reserves exceed \$660 billion, reflecting macroeconomic stability.

Despite global headwinds, India has actively pursued Free Trade Agreements (FTAs) with major economies including Australia, the UAE, the EU (under negotiation/finalization), and ongoing discussions with others. India continues to advocate for multilateral and bilateral trade frameworks.

MSMEs account for around 45% of India's exports, underscoring their importance in global trade expansion.

### Redefinition and Scaling Pathways

**The revised MSME definition expanded investment and turnover limits:**

- Micro: Turnover up to ₹10 crore
- Small: Up to ₹100 crore
- Medium: Up to ₹500 crore

Turnover limits were doubled and investment limits increased 2.5 times to create headroom for scaling.

### Data analysis reveals:

- Most micro enterprises operate below ₹1 crore turnover.
- Small enterprises cluster below ₹30 crore.
- Medium enterprises are concentrated below ₹150 crore.



The ministry sees these gaps as growth bandwidths and aims to enable upward movement across categories.

### **Budget Announcements and Strategic Funds**

Recent budgetary provisions include:

- ₹10,000 crore growth fund for MSMEs
- Corpus infusion into the Self-Reliant India (SRI) Fund
- Expanded credit guarantees
- Strengthening of TReDS
- Continued support under the World Bank-funded RAMP (Raising and Accelerating MSME Performance) programme

RAMP enables states to design customized MSME development strategies rather than adopting a one-size-fits-all approach, reflecting India's economic diversity.

### **Whole-of-Government and Collaborative Approach**

Dr. Rajneesh emphasized a whole-of-government approach, integrating central ministries, state governments, financial institutions, and industry associations.

He reiterated that nation-building includes every economic participant—from large corporations to small-town entrepreneurs, farmers, and even rural artisans. The MSME agenda is central to the broader vision of *Viksit Bharat*.

### **Conclusion**

Dr. Rajneesh concluded by reaffirming the government's commitment to creating an enabling ecosystem rather than a restrictive one. The emphasis remains on:

- Formalization
- Access to finance
- Technology adoption
- Timely payments
- Supply chain integration
- Global market participation

With India now the fourth-largest economy and aspiring to enter the top three, MSMEs will serve as both engines of domestic inclusion and drivers of global trade expansion. He assured full cooperation from the Ministry in implementing recommendations emerging from the summit and called for continued collaboration between government, industry, and trade bodies to accelerate India's economic transformation.



## Setting the Agenda and Vote of Thanks for the Inaugural Function

### Mr. Prashant Girbane, Director General, MCCIA

Welcoming delegates and participants to the Pune International Business Summit 2026, **Mr. Prashant Girbane, Director General of MCCIA**, emphasized the significance of the event as a platform connecting Indian industry with global opportunities. He highlighted that the summit brought together international delegates, diplomats, policymakers, and industry leaders from multiple countries, reflecting the growing global interest in India's economic growth story.

Mr. Girbane noted that India is among the world's fastest-growing major economies and is expected to contribute a significant share of global economic growth in the coming years. Within India, Maharashtra continues to play a leading role in industrial growth, with Pune emerging as one of the country's key manufacturing and innovation hubs. He emphasized that gatherings such as PIBS help convert India's growth potential into meaningful collaborations by bringing together stakeholders from across sectors and geographies.

He also highlighted the strong international participation at PIBS 2026, including diplomats from more than a dozen countries and international business delegates from several global markets. Through initiatives such as the Reverse Buyer–Seller Meet and structured B2B interactions, the summit aimed to facilitate business connections, encourage partnerships, and create opportunities for MSMEs and industry leaders to engage with international markets.

Encouraging participants to actively engage with one another during the two-day summit, Mr. Girbane noted that the true value of such platforms lies in enabling conversations, collaborations, and partnerships that contribute to long-term economic growth.



## India's Growth Story in a Changing World Order

**Speaker: Nilesh Shah**, Managing Director, Kotak Mahindra Asset Management Company Ltd.

Nilesh Shah delivered a wide-ranging and deeply reflective address on India's economic trajectory amid a rapidly shifting global order. He began by noting that the world is transitioning from a rule-based order—with selective exceptions—to a more overt “might is right” environment. Supply chains are being redesigned for security rather than efficiency, economic interests are being subordinated to strategic concerns, and geopolitical volatility has become the norm. In such a VUCA (volatile, uncertain, complex, ambiguous) world, India's relative position is changing—albeit after decades of missed opportunities.

At Independence, India was ahead of Japan; in the 1960s, ahead of South Korea; in the 1980s, ahead of China. Yet over time, these nations surged ahead while India lagged. However, he argued that in the past decade, India has regained momentum—moving from the 10th largest economy in 2014 to the 4th largest today in nominal terms. On a purchasing power parity (PPP) basis, India is a \$17 trillion economy and the third largest globally. India contributes nearly one-fifth of incremental global GDP growth, marking its shift from a passive participant to one of the engines of global expansion.

### The Four Structural Drivers

Shah identified four foundational pillars behind India's renewed acceleration: talent, infrastructure, capital, and partnerships.

Talent remains India's greatest strength. Where earlier generations of top graduates from IITs and IIMs sought opportunities abroad, today more entrepreneurs are choosing to build in India. However, talent alone is insufficient without enabling infrastructure.

Over the past decade, India has significantly upgraded roads, ports, power, telecom networks, airports, and metro systems. Infrastructure investment has reached historic levels, with capital expenditure outpacing net market borrowing—an uncommon phenomenon globally. For the first time, the government's infrastructure allocation



exceeded its net borrowing requirement, signalling fiscal prudence and intergenerational responsibility. Unlike many nations burdening future generations, India is investing in productive assets.

Access to capital has also democratized. In the past, raising capital required lineage or legacy industrial backing. Today, private equity, venture capital, angel networks, and domestic markets support entrepreneurs with viable ideas. This “triveni sangam” of talent, infrastructure, and capital is propelling India’s growth story.

### **Partnership as a Growth Multiplier**

Shah emphasized strategic partnerships as catalysts of transformation. He cited the collaboration between AstraZeneca and the Serum Institute of India during COVID-19, which enabled mass vaccine manufacturing and contributed to global recovery. Though under-recognized globally, it demonstrated India’s manufacturing prowess when combined with global research.

He also referenced the transformation of India’s automobile industry following Suzuki’s entry into India. The Maruti-Suzuki partnership not only built a dominant domestic automobile brand but catalyzed the growth of a globally competitive auto components industry. Today, India’s auto component exports exceed automobile exports themselves. Strategic partnerships, he argued, create durable win-win ecosystems.

Looking ahead, trade agreements—whether with the EU, the US, or others—may reshape global trade patterns, but India will increasingly be part of the engine of global growth alongside the United States and China.

### **Clusters, Excellence, and Local Leverage**

A second growth lever lies in leveraging local resources while relentlessly pursuing excellence. Shah cited Morbi in Gujarat, once devastated by floods, which transformed itself into India’s ceramic capital. By leveraging local clay resources, investing in scale, upgrading quality, and focusing on design innovation, Morbi now exports billions of dollars’ worth of tiles to over 180 countries, even outperforming Chinese competitors in certain markets.

The lesson: cluster-based excellence—whether in ceramics, textiles, tourism, robotics, healthcare, or manufacturing—can propel India into global leadership if driven by scale, innovation, and quality.

### **Inclusive Growth Through Cooperative Models**

With a population of 1.44 billion, India cannot afford unequal growth. Shah highlighted the cooperative model as a template for inclusive expansion. Amul stands as a powerful example—empowering millions of farmers while building one of India’s largest FMCG





enterprises. India's rise as the world's largest milk producer demonstrates how organized cooperatives can transform fragmented sectors.

He suggested similar cooperative frameworks for MSMEs to enhance capital access, reduce borrowing costs, ensure compliance, and build scale. Platforms like Zetwerk were cited as examples of aggregating MSME capabilities to deliver complex manufacturing solutions at scale. Trade chambers, too, can evolve from networking platforms into guarantors of discipline and compliance, reducing regulatory friction for members.

### **Technology and the Importance of Nurturing Talent**

Technology disruption, particularly artificial intelligence, will redefine competitiveness. Shah narrated the tragic story of Dr. Subhas Mukhopadhyay, who created India's first test-tube baby shortly after the world's first such breakthrough but was persecuted rather than celebrated, ultimately leading to his tragic end. Decades later, his contributions were recognized. The cautionary lesson: India must shed its "crab mentality"—where success is pulled down rather than uplifted—and learn to nurture indigenous innovation.

To build global champions, India must accept early-stage imperfections. A country cannot demand a Mercedes at inception if it refuses to support its own first-generation products. Encouraging domestic enterprise—even when imperfect—is essential to eventual global excellence.

### **Respecting Domestic Capital**

India, Shah observed, has long welcomed foreign capital—allowing majority foreign ownership in sectors such as banking, insurance, telecom, FMCG, and automobiles. Yet domestic savings remain disproportionately locked in gold. Over decades, India has imported hundreds of billions of dollars worth of gold, with significant wealth sitting idle in household vaults rather than funding productive enterprises.

India must encourage its savers to invest not only in gold, but in "golden entrepreneurs." Productive capital formation is crucial for sustained economic ascent.

### **The Entrepreneurial Spirit**

Shah shared the story of Balaji Srinivasan (Agnikul Cosmos founder Srinath Ravichandran and co-founder Moin SPM are key figures; he referenced the broader Agnikul team), a mechanical engineer turned aerospace entrepreneur building cost-effective small launch vehicles. Such bold ventures signal India's technological ambition. He suggested that one day global comparisons may reverse—rather than benchmarking Indian entrepreneurs against global icons, the world may benchmark against Indian innovators.



## The 2x2 Ethical Framework

He concluded with a philosophical 2x2 framework for decision-making:

1. Lord Rama quadrant – righteous goals pursued through righteous means.
2. Lord Krishna quadrant – noble goals pursued through pragmatically debatable means.
3. Duryodhana quadrant – focus on means without regard to noble goals.
4. Ravana quadrant – neither goals nor means are righteous.

Entrepreneurs, he urged, must strive to remain in the Rama or Krishna quadrants—ensuring noble objectives even amid pragmatic constraints. Sustainable prosperity (“rajasukha”) flows from governance (dharma), which in turn depends on commerce.

## India's Dual Reality

India's complexity was captured in Shah's closing imagery: the coexistence of the world's most expensive wedding and Asia's largest slum—BKC and Dharavi—within the same city. India embodies paradox; opportunities may be hidden and risks visible. In many other countries, risks are hidden and opportunities are visible.

His final message was clear: rather than predicting the future, India must create it. After centuries as one of the world's leading economies, followed by colonial stagnation and post-independence consolidation, India now stands at a golden inflection point. With talent, partnerships, inclusive models, capital discipline, and ethical entrepreneurship, India can reclaim its rightful place in the global order.

He concluded with a note of optimism: India has survived civilizations, empires, and upheavals—and will continue to rise so long as government, entrepreneurs, and citizens work in alignment.



## Building the Next Decade of Growth: India's Role in a Multipolar Economy

**Speaker: Mr. Sanjeev Krishan**

**Chairman, PricewaterhouseCoopers (PwC) India**

Mr. Sanjeev Krishan delivered a forward-looking address on India's positioning in an increasingly multipolar and volatile global order. He began by acknowledging the uncertainty of today's "VUCA" world—volatile, uncertain, complex and ambiguous—while emphasizing that India has demonstrated remarkable resilience in navigating these global headwinds.

### Macroeconomic Resilience and Growth Momentum

India's projected growth of approximately 7.4% in FY26, with expectations of 6.8–7.2% in FY27, reflects strong underlying fundamentals. This growth is supported by:

- Private final consumption contributing nearly 62% of GDP
- Gross capital formation sustained at around 30% of GDP
- Improved fiscal discipline relative to many global economies
- Cooling inflation, with CPI moderating significantly

Unlike previous decades when large portions of public expenditure went toward revenue spending, recent years have seen strong capital expenditure-led development, laying the foundation for sustained growth.

### India's Growth "SCRIPT" Framework

Mr. Krishan framed India's growth story through the acronym SCRIPT, outlining six foundational pillars for the next decade.

#### **S – Sustainability**

India has made substantial progress in renewable energy:



- Installed renewable capacity of approximately 253 GW
- Pipeline projects targeting 500+ GW by 2030

India's renewable capacity trajectory would exceed the combined energy needs of several European nations. The Green Hydrogen Mission and increasing nuclear energy participation further strengthen India's sustainability agenda.

He emphasized that Indian firms, supported by global capital and partnerships, are increasingly preparing for stringent sustainability standards, particularly those emerging from Europe. Sustainability is no longer optional—it is becoming a competitive differentiator in global markets.

### **C – Consumption**

India remains a consumption-driven economy and the third-largest globally in purchasing power parity terms.

Consumption growth is supported by:

- Strong rural demand
- Urban income growth driven by IT, professional services, and GCCs (Global Capability Centres)
- Demographic dividend and rising aspirational spending

India's large domestic market also explains why global companies seek trade access through FTAs, underscoring India's centrality in global consumption patterns.

### **R – R&D and Innovation**

While India's aggregate R&D spend remains modest, momentum is building in key sectors:

- Pharmaceuticals (e.g., leading Indian pharma firms reinvesting heavily in R&D)
- Semiconductor design (with a significant share of global chip design work done in India)
- GCC-led innovation ecosystems

India's intellectual property protections have strengthened, encouraging deeper tech investments, including advanced manufacturing such as iPhone assembly.

He noted that innovation capacity exists; the next step is scaling it and protecting it effectively.

### **I – Infrastructure**

India's infrastructure development has been transformative.

Digital Public Infrastructure (DPI) has:



- Reduced customer acquisition costs
- Enabled MSMEs and startups to scale rapidly
- Improved financial inclusion and transparency

Physical infrastructure investments in roads, ports, freight corridors, and logistics have reduced logistics costs significantly. Programs such as Gati Shakti and multimodal transport corridors are improving supply chain efficiency.

However, Mr. Krishan emphasized that social infrastructure, particularly education and skill development, now requires urgent focus. With AI reshaping industries, India must update curricula and reskill its workforce to remain globally competitive.

### **P – Policy**

Policy reforms over the last decade have strengthened the business environment:

- GST implementation and refinement
- Insolvency and Bankruptcy Code (IBC) unlocking distressed assets
- Production Linked Incentive (PLI) schemes boosting manufacturing
- Competitive federalism encouraging state-level reforms
- Development of GIFT City as an international financial services hub

He highlighted that while public capex has led growth, private sector consolidation of distressed assets has also quietly strengthened industrial capacity and banking balance sheets.

On Free Trade Agreements (FTAs), he observed that India's utilization rate is only 25–30%, compared to 75–80% globally. Greater MSME participation and financing support are essential to fully leverage these agreements.

### **T – Talent**

India's demographic dividend remains a major strength:

- Over 56,000 higher education institutions
- Strong STEM graduate output
- Over 1,700 Global Capability Centres operating in India

India contributes significantly to global chip design and advanced engineering functions.

However, he stressed the need to modernize curricula to align with AI and emerging technologies. Without re-skilling, demographic advantage could diminish in relevance.

He also pointed to two high-potential employment generators:

- Tourism, leveraging India's cultural heritage
- Medical tourism, where India offers high-quality care at competitive costs



Both sectors can expand foreign exchange earnings and inclusive employment.

### Global Perception of India

PwC's Global CEO Survey revealed that India ranks as the second most desirable investment destination globally, despite geopolitical disruptions and trade tensions.

This perception shift reflects:

- India's macroeconomic stability
- Structural reforms
- Infrastructure investments
- Emerging role in global value chains

India is no longer merely a market—it is seen as a strategic growth partner.

### The Role of MSMEs in the Next Decade

Mr. Krishan emphasized that MSMEs are central to India's growth and export expansion. However, two decisive factors will determine whether they remain small or scale globally:

#### 1. Capital and Risk Appetite

- MSMEs must embrace scale.
- Leveraging equity capital and private funding—even if it involves dilution—can unlock growth.
- Risk-taking, when calibrated and strategic, is essential in a competitive global economy.

He encouraged mid-sized enterprises to move beyond comfort zones and adopt growth-oriented capital strategies.

#### 2. Technology Adoption

- AI and automation are inevitable.
- MSMEs need not be first movers but must become fast adopters once technologies are validated.
- Leveraging technology for efficiency, productivity, and scale will be critical.

He posed a fundamental question: Will businesses remain cautious observers, or will they become fast learners and scalers?

### Conclusion

Mr. Sanjeev Krishan concluded that India possesses the essential ingredients—macroeconomic stability, sustainability investments, infrastructure, policy reforms,



demographic strength, and growing global credibility—to emerge as a leading growth engine in a multipolar world.

However, realizing this potential requires:

- Continued reform momentum
- Education and skill modernization
- Greater MSME participation in global trade
- Increased risk-taking and technology adoption
- Stronger partnerships across supply chains

If these elements align, India can move from being the second most desirable investment destination to the most desirable global investment hub in the decade ahead.

## A Conversation with Mr. Sunil Kant Munjal

Chairman, Hero Enterprises

### In Conversation with Mr. Arvind Goel

Vice Chairman, Tata AutoComp Systems Ltd.

This session was a masterclass in entrepreneurship, partnerships, governance, family enterprise management, global competitiveness, and nation-building. Mr. Sunil Kant Munjal traced the extraordinary journey of the Hero Group while offering practical wisdom for business leaders, family enterprises, and emerging entrepreneurs.

### From Refugees to the World's Largest Two-Wheeler Company

Mr. Munjal began with a deeply personal account of the Hero Group's origins. His family, like millions during Partition, migrated from what became Pakistan and settled in Ludhiana. With prior exposure to bicycle components and training from British-era ordinance factories, the family began trading bicycle parts.

A defining early decision shaped Hero's future. In 1956, when the Government of India issued 127 small-scale licenses for bicycle manufacturing, Hero returned the license, refusing to operate under small-scale limitations. The rationale was simple: do not cap ambition.

This decision laid the foundation for Hero Cycles, which went on to become the world's largest bicycle manufacturer by 1986.

### Building an Ecosystem: India's Largest Bicycle Component Network

Due to capital scarcity and supply constraints, Hero pioneered what would later be recognized as Just-in-Time (JIT) manufacturing—decades before it became fashionable in management textbooks.

Because bicycle parts were in short supply, Hero encouraged friends and entrepreneurs to manufacture components. They offered technical guidance but refused to fund or run the businesses. This approach:



- Created a vast entrepreneurial ecosystem
- Built the world's largest bicycle component cluster in Ludhiana
- Established a zero-warehouse model driven by necessity and discipline

What began as compulsion evolved into strategy. Even during restructuring, none of the 32 group companies had warehouses.

### **The Honda Partnership: Culture Over Size**

When Honda sought Indian partners in the early 1980s, over 140 companies approached them. Hero was one of the smallest contenders but was selected.

Honda cited:

- Strong supplier relationships (multi-generational)
- Zero employee attrition
- Data sharing and transparency with suppliers
- Cultural alignment similar to Japanese business ethos

Hero-Honda later became the world's largest two-wheeler company. During the partnership, Hero absorbed Japanese manufacturing discipline and later contributed innovations back to Honda—including assembly line redesigns.

The disengagement from Honda was handled professionally, preserving relationships and ensuring Hero's continued growth independently.

**Key insight:** Culture and governance outweigh scale in long-term partnerships.

### **Family-Owned Businesses: Surviving Beyond the Third Generation**

Mr. Munjal addressed a reality: 94% of family-owned businesses fail by the third generation. Only 6% survive long-term.

What differentiates the survivors?

#### **1. Separation of Ownership and Management**

Ownership entitles interest, not entitlement to management roles.

#### **2. Meritocracy**

Family members must:

- Earn world-class education
- Work outside the family business
- Demonstrate capability before entry
- Start at the bottom or fix a troubled business

### 3. Tougher Appraisal for Family Members

Standards for family members must exceed those for professionals.

### 4. Communication

Open dialogue within families prevents destructive conflict.

Hero restructured proactively—twice—without disputes. Today, from 32 companies, the group has grown to over 100, with several global leaders.

### Diversification: Insurance, Real Estate, Steel & Investments

After restructuring, Mr. Munjal focused on scaling smaller businesses under strict performance benchmarks.

#### Insurance

Hero Insurance Broking now:

- Sells over 10 million policies annually
- Covers auto, life, health, property, aviation, and reinsurance
- Was among the first in India to issue online policies

#### Real Estate

Focus:

- Middle-income housing in North India
- Sustainability
- Safety design for elderly and children
- Borrowing lean principles from automotive manufacturing

#### Steel Rolling

Supplies automotive and electrical industries.

#### Investment Office

Active across five verticals:

- Financial services
- Healthcare (entire value chain)
- Advanced manufacturing (e.g., space tech)
- Consumer-tech businesses
- Technology & sustainability

Hero invests in people, not business plans, and provides mentorship—not interference.





## Free Trade Agreements & Globalization

India's recent bilateral and multilateral trade agreements present historic opportunity. However, agreements are only runways—industry must execute.

To leverage global markets, businesses must:

- Build traceability and data management systems
- Understand customer nuance deeply
- Deliver differentiated value
- Maintain consistent quality improvement

Mr. Munjal noted that India missed earlier “China+1” opportunities. This time, execution must match ambition.

He emphasized that India's development will not be judged by GDP size but by per capita income growth.

## Promising Sectors for the Future

From a \$4 trillion economy aiming for \$40 trillion, almost every sector holds potential. However, he highlighted:

1. Health Management
2. Wealth Management
3. Leisure & Pleasure

Additionally:

- Formalization of informal sectors
- Infrastructure (largest global build-out underway)
- Technology & AI as enablers
- Globalization of Indian goods and services
- GCC expansion (one added weekly)
- Products for the elderly (India will soon have the world's largest 60+ population)

He identified aging infrastructure, elderly-focused design, and urban ecosystems as massive untapped opportunities.

## Role of Business in Nation Building

Mr. Munjal stressed that business success must extend into social impact:

- Education
- Healthcare
- Clean water
- Gender equality
- Skill development
- Rural transformation

Hero foundations operate alongside businesses, even post-restructuring.

He emphasized arts and culture as economic engines capable of generating over 100 million livelihoods if modernized and scaled.

### **Final Reflection: Leadership Beyond Business**

The session closed with a powerful message: nation-building begins with personal responsibility.

He urged business leaders to:

- Invest in the education of those who work in their homes
- Enable opportunity for the underprivileged
- Apply business efficiency to social causes

India's global rise must be inclusive.

### **Core Themes from the Session**

- Courage to reject limiting frameworks
- Culture over capital in partnerships
- Governance as a survival tool for family businesses
- Ecosystem building over individual success
- Global ambition with domestic responsibility
- Execution over rhetoric

This conversation was not merely about business growth—it was about sustainable leadership across generations, industries, and society.

## A Confluence of Energy, Biology, and Intelligence for a Better Tomorrow

### Panellists:

- **Mr. Arun Unni** – Head (New Energy & Strategy), Thermax Ltd.
  - **Mr. Rishi Bal** – CEO, BharatGen
  - **Dr. Ria Deshpande** – CEO & Co-founder, Jinsei Biosciences
- Moderator: Dr. Anand Deshpande** – Founder Chairman & Managing Director, Persistent Systems Ltd.

This forward-looking session explored the powerful intersection of three transformative domains—energy, biology, and artificial intelligence—and examined how their convergence could define the next decade of innovation and industrial growth.

Dr. Anand Deshpande opened the discussion by highlighting that AI currently dominates strategic conversations across industries. However, energy and biology are equally foundational, and increasingly intertwined with intelligence. The discussion set out to examine not just how these domains individually evolve, but how they reinforce and reshape one another.

### Energy Transition: Building Scalable, Indigenous Solutions

Arun Unni described Thermax as an energy transition company focused on industrial decarbonization. The new energy portfolio spans:

- Solar, wind, and hybrid power systems (scaling from ~300 MW toward 1 GW)
- Biogas construction and operations (around 100 tons/day capacity)
- Biomass-based utilities (aggregating ~5,000 tons/day of biomass)
- Green hydrogen (investments in alkaline and solid oxide technologies)
- Specialized fuel solutions for niche applications

He emphasized that energy transition in India will require solving “local, difficult, scale-dependent problems.” Many of these challenges cannot rely entirely on global supply chains and must be addressed through an “India stack” approach—leveraging indigenous technology, local engineering capability, and scalable execution.



A key insight was that research and engineering must evolve together. While much research exists, the toughest challenges only emerge at scale. Therefore, scaling itself becomes a catalyst for innovation.

On the question of energy abundance, Arun expressed optimism. Energy, he argued, may not remain scarce—but affordable and accessible energy is the real goal. AI-driven optimization and biologically derived energy solutions (such as microbial biogas systems) could collectively enable this future.

### **Engineering Biology: From Observation to Design**

Dr. Ria Deshpande introduced Jinsei Biosciences as a microbiome-focused company developing indigenous microbial solutions to address human health challenges. As a synthetic biologist, she noted a major global shift:

Biology is moving from being observed to being engineered.

Three core domains are being reshaped by engineered biology:

1. Healthcare and drug design
2. Food and agriculture
3. Climate and sustainability

AI is already accelerating breakthroughs, especially in protein structure prediction and genome editing. The ability to analyze large-scale biological datasets is reducing the time and cost required to design drugs and therapeutic interventions.

In agriculture, AI is supporting climate-resilient crop engineering and optimized planting strategies. Biology and AI are increasingly co-evolving, with biological systems inspiring new algorithmic approaches and AI accelerating biological engineering.

When asked about ethical risks—particularly genome editing and the prospect of “playing God”—Dr. Deshpande acknowledged the profound responsibility. Humanity now has tools to influence its own evolutionary path. Regulations, foresight, and ethical frameworks will be critical to prevent misuse while enabling beneficial progress.

### **AI as Intelligence, Not Just a Tool**

Rishi Bal framed AI not as a conventional tool, but as an intelligence—probabilistic, evolving, and increasingly embodied.

He emphasized three major shifts in thinking about AI:

### **1. AI is Intelligence, Not a Static Tool**

Unlike deterministic tools such as spreadsheets or traditional software, AI systems evolve and produce probabilistic outputs. Interaction models must adapt accordingly.

### **2. The Future is Embodied Intelligence**

AI will move beyond disembodied chat systems into physical systems—industrial generators, appliances, medical devices, drone, and even defence systems. Intelligence will be embedded in infrastructure, making systems more adaptive and efficient.

### **3. Sovereign Supply Chains of Intelligence**

India must build its own foundational AI capabilities to ensure strategic autonomy. BharatGen is working toward AI models built in India, for India, reflecting Indian linguistic, cultural, and contextual realities.

He also addressed concerns about AI threatening humanity, suggesting that coexistence with multiple intelligences may define the future. Rather than defaulting to dystopian narratives, he proposed that advanced intelligence could enhance civilisational progress if aligned properly.

### **The Interplay: Energy × Biology × Intelligence**

The most compelling theme of the session was the circular interdependence among the three domains:

- AI consumes energy but also optimizes energy production, storage, and distribution.
- Biology can produce energy (biogas, biohydrogen) and inspire AI algorithms.
- AI accelerates biological engineering and materials discovery.
- Energy abundance enables both AI and biotechnology to scale.

Arun described this synergy as a set of “means” whose impact depends on the human-defined north star. Whether these technologies produce a cleaner planet or a more equitable society depends on governance and direction, not capability alone.

## Implications for MSMEs and Industry

The discussion shifted toward practical implications for businesses.

### For Energy and Manufacturing Firms:

- AI-driven efficiency can reduce operational costs.
- Decarbonization will create large industrial opportunities.
- Biomass aggregation, hydrogen production, and distributed energy systems represent scalable markets.

### For Technology and AI Startups:

- AI is a horizontal enabler across sectors.
- The intersection of AI and any traditional industry is fertile ground for disruption.
- India's talent pool and cost structure offer a strong competitive base.

### For Biotech Entrepreneurs:

- AI integration is no longer optional.
- Cross-disciplinary literacy (energy + AI + biology) will determine competitiveness.
- Staying ahead requires constant engagement with adjacent technological shifts.

Rishi highlighted that this disruptive era favours agile players. Both startups and incumbents can benefit—but only those who move quickly and embrace risk.

Arun added that affordability and accessibility, not mere innovation, will determine energy transition success.

Ria noted that small companies must actively integrate AI and energy considerations into their core strategy, or risk being overtaken by more interdisciplinary competitors.

## Ethical and Strategic Considerations

The panel acknowledged significant ethical and societal implications:

- Genome editing and biological engineering require regulatory guardrails.
- AI sovereignty is a national security concern.
- Energy transitions must be inclusive and affordable.
- Human direction remains central—technology is a multiplier, not an objective.

## Conclusion

The session concluded with a powerful insight: energy, biology, and intelligence are no longer separate verticals. They are converging into a unified innovation ecosystem.



AI will accelerate biological discovery.

Biology will enable sustainable energy solutions.

Energy will power intelligence at scale.

For industry leaders and MSMEs, the opportunity lies in embracing this convergence rather than treating these domains in isolation.

The next decade will belong to those who can integrate across disciplines, scale responsibly, and align innovation with a purposeful north star.

## Scaling Trade Together: Building Collaborative Growth Pathways

### Speakers:

Mr. Cheong Ming Foong – Consul General for Singapore in Mumbai

Mr. Gideon Labane – Consul General for South Africa in Mumbai

Mr. Erik af Hällström – Consul General for Finland in Mumbai

Mr. Christian Jack – Deputy Consul General for Australia in Mumbai

Ms. Eva Verstraelen – Trade Commissioner, Flanders Investment & Trade (FIT),  
Consulate General for Belgium in Mumbai

### Moderated by:

Mr. Prashant Girbane – Director General, MCCIA

The panel discussion brought together senior diplomatic representatives from multiple countries to explore how India can deepen global trade partnerships and how businesses—especially MSMEs and startups—can leverage emerging opportunities in international markets. The session focused on existing investments by Indian companies abroad, opportunities for smaller businesses to expand globally, and the evolving impact of bilateral and regional trade agreements.

### Growing Global Presence of Indian Companies

Opening the session, Mr. Prashant Girbane – Director General, MCCIA invited panellists to share examples of Indian companies operating in their respective countries. The responses highlighted the expanding global footprint of Indian enterprises across sectors ranging from technology and manufacturing to pharmaceuticals and mining.

Mr. Cheong Ming Foong – Consul General for Singapore in Mumbai noted that nearly 10,000 Indian companies are registered in Singapore, demonstrating the depth of economic engagement between the two countries. Large companies such as Tata Group, TCS, and Infosys have had a long-standing presence in Singapore, with the Tata Group being active in the country since the 1970s. In recent years, however, there has also been a significant increase in Indian startups establishing operations in Singapore, particularly





in sectors such as fintech, health tech, and digital innovation. These companies often use Singapore as a hub for research and development before scaling their solutions in India or other markets.

From the African perspective, Mr. Gideon Labane – Consul General for South Africa in Mumbai highlighted that more than 150 Indian companies operate in South Africa, particularly in IT services, automotive, pharmaceuticals, and mining. Major companies such as Tata and Mahindra have a presence in the automotive sector, while Indian pharmaceutical firms are contributing to healthcare initiatives, including HIV prevention medication manufacturing. Mining and infrastructure sectors also feature significant Indian investments through companies like Vedanta.

In Europe, Mr. Erik af Hällström – Consul General for Finland in Mumbai shared that Indian investments in Finland are valued at approximately €1.5 billion, with major companies such as Tata Consultancy Services, Mahindra Group, Larsen & Toubro, and Motherson already present in the country. He also highlighted the growing Indian Diaspora in Finland, which is increasingly contributing to entrepreneurship through smaller consulting, education, and service-oriented businesses.

Similarly, Mr. Christian Jack – Deputy Consul General for Australia in Mumbai noted that Indian investments in Australia have reached around \$50 billion, with strong participation from technology companies including TCS, Infosys, and Tech Mahindra. Indian companies are also active in sectors such as mining, automotive, and critical minerals, reflecting a growing diversification of investments.

Representing Belgium's Flanders region, Ms. Eva Verstraelen – Trade Commissioner, Flanders Investment & Trade (FIT), Consulate General for Belgium in Mumbai highlighted that Indian companies across sectors are increasingly using Belgium as an entry point to the European market. Companies such as Tech Mahindra have established technology hubs in the region, while others in sectors like specialty chemicals, advanced materials, and engineering have expanded through acquisitions or R&D investments.

### **Opportunities for MSMEs and Startups in Global Markets**

The discussion also focused on opportunities for smaller companies and startups to expand internationally.

Panellists emphasized that MSMEs and startups from India are finding increasing opportunities in sectors such as:

- Information and communication technology (ICT) and fintech
- Renewable energy, including solar and hydrogen



- Logistics and global supply chain services
- Research and development partnerships
- Digital technologies and consulting services

Mr. Gideon Labane highlighted opportunities in fintech and renewable energy in South Africa, particularly in areas such as unified payment systems, solar energy, and hydrogen energy projects. These sectors offer potential entry points for smaller technology-driven companies.

Ms. Eva Verstraelen emphasized that in Belgium's Flanders region, logistics and R&D activities are particularly attractive for foreign investors. The Port of Antwerp-Bruges serves as a major gateway to Europe, while the region also offers strong innovation ecosystems for life sciences, digital technology, climate technology, and advanced manufacturing.

Finland also actively supports startups, according to Mr. Erik af Hällström, who highlighted the internationally recognized Slush startup conference and the country's strong ecosystem for biotech, health tech, digitalization, and circular economy startups. Finland also provides startup permits and accelerator access for non-EU founders, including Indian entrepreneurs.

From Australia's perspective, Mr. Christian Jack pointed to opportunities in tourism, food and beverage services, and education services, particularly leveraging Australia's large Indian Diaspora and growing student population.

### **Impact of Trade Agreements on Business Growth**

A key part of the discussion centred on how trade agreements and economic partnerships are shaping business opportunities.

Panellists noted that recent agreements are playing a critical role in facilitating trade and investment flows.

Mr. Christian Jack highlighted the impact of the India–Australia Economic Cooperation and Trade Agreement (ECTA), which has significantly boosted bilateral trade. While India's global trade grew by around 40% over the past five years, trade between India and Australia grew by approximately 200% during the same period. The agreement has enabled tariff reductions and improved market access, particularly benefiting sectors such as auto components, agriculture, and technology services.

In Europe, Mr. Erik af Hällström and Ms. Eva Verstraelen discussed the recently negotiated India–EU Free Trade Agreement, which is expected to enhance predictability



and reduce tariffs across multiple sectors once implemented. Although the agreement may take about a year to fully come into force, sectors such as:

- Chemicals
- Automotive components
- Engineering goods
- Processed foods
- Textiles
- Digital technologies

are expected to benefit significantly from improved market access and supply chain integration.

### **Strategic Partnerships and Investment Flows**

Panellists also highlighted the importance of long-term partnerships between countries to enable investment and innovation.

Mr. Cheong Ming Foong pointed out that Singapore and India already share a strong economic relationship through the Comprehensive Economic Cooperation Agreement (CECA). Bilateral trade between the two countries has more than doubled to approximately \$45 billion annually, while Singapore has emerged as the largest source of foreign investment into India, with cumulative investments exceeding \$150 billion.

### **Key sectors identified for collaboration between Singapore and India include:**

- Advanced manufacturing and semiconductor technologies
- Healthcare and medical technologies
- Skills development and workforce training
- Financial technology and digital banking
- Aerospace and connectivity
- 

Meanwhile, Mr. Gideon Labane emphasized South Africa's potential as a gateway to the broader African market through the African Continental Free Trade Area (AfCFTA), which connects 54 countries into a unified market. He encouraged Indian companies to consider South Africa as a base for expanding into Africa.

### **Investment Opportunities in India**

In the concluding round, panellists highlighted sectors where companies from their countries see strong investment potential in India.



### Key sectors mentioned included:

- Ports, logistics, and maritime infrastructure
- Data centres and digital infrastructure
- Space technology and satellite launches
- Financial services and banking
- Food processing and beverages
- Tourism and hospitality
- IT services and software development
- Manufacturing and industrial machinery
- Renewable energy and climate technologies
- Education and skill development

For example, Singapore has already invested heavily in port infrastructure such as the PSA terminal at Jawaharlal Nehru Port, while Australian companies are focusing on renewable energy, critical minerals, and education partnerships.

Belgian companies are exploring opportunities in climate tech, wastewater treatment, and automotive technologies, while Finnish firms are particularly interested in IT services, manufacturing, and pharmaceutical collaborations.

### Strengthening Global Collaboration

Summarizing the discussion, Mr. Prashant Girbane noted that the conversation demonstrated how deeply interconnected the global economy has become. From Asia and Africa to Europe and Australia, Indian companies are increasingly establishing international footprints, while global firms continue to view India as a key investment destination.

For businesses—especially MSMEs and startups—the message was clear: global expansion is no longer limited to large corporations. With the right partnerships, sectoral focus, and awareness of trade agreements, smaller companies can also successfully participate in international markets and contribute to India's growing role in global trade.

## Current Trends and Global Prospects for Automotive & Auto Component Industry

### Panellists:

**Mr. Arvind Goel** – VP & Chairperson, Auto Components Committee, MCCIA; Vice Chairman, Tata AutoComp Systems Ltd.

**Mr. Jitendra Divgi** – Managing Director, Divgi TorqTransfer Systems Ltd.

**Ms. Arati K Parigi** – Managing Director, Neuton Auto Pvt. Ltd.

**Moderator: Mr. Amit Paranjape** – Member, Executive Committee, MCCIA; Co-Founder, PuneTech

### Pune's Strategic Role in the Automotive Ecosystem

Setting the context for the discussion, Mr. Amit Paranjape highlighted Pune's significant role in India's automotive ecosystem. Pune has long been recognized as a leading hub for engineering goods manufacturing and contributes nearly one-third of India's automotive production. The city has built a strong cluster of OEMs, Tier-1 suppliers, MSMEs, and engineering talent, which collectively create a robust automotive manufacturing environment.

Mr. Paranjape outlined several major trends that are currently shaping the automotive and auto component industry:

- The balance between domestic demand and export growth
- The evolving transition from Internal Combustion Engine (ICE) vehicles to Electric Vehicles (EVs)
- The impact of global trade dynamics and supply chain realignments
- Opportunities emerging from adjacent sectors such as defence, infrastructure development, and construction equipment

He noted that the industry is at a pivotal moment where technological shifts, supply chain restructuring, and mobility demand are creating both opportunities and challenges for manufacturers.



## Expanding Opportunities in the Auto Component Industry

Providing an industry perspective, Mr. Arvind Goel, Vice Chairman, Tata AutoComp Systems Ltd., emphasized that the automotive component sector currently offers tremendous growth potential.

He pointed out that mobility demand in India continues to expand across multiple segments, including:

- Passenger vehicles
- Commercial vehicles
- Two-wheelers
- Agricultural tractors
- Construction and earth-moving equipment

With India's young population and economic growth driving mobility needs, these segments are expected to continue expanding in the coming decade.

Mr. Goel highlighted exports as one of the most promising growth areas for Indian component manufacturers. As Europe accelerates its transition toward electrification, traditional ICE component suppliers there face declining production volumes and higher cost pressures. This creates opportunities for Indian suppliers, who can leverage their cost advantages and engineering capabilities.

However, he cautioned that global export markets require a very high level of operational discipline, including:

- Consistent quality standards
- Reliable delivery schedules
- Robust production systems capable of supporting high-volume supply

Even minor supply disruptions can shut down global assembly lines and expose suppliers to significant penalties. Therefore, Indian manufacturers must strengthen their processes and systems to successfully compete at scale.

## Automotive Industry as a Catalyst for Manufacturing Growth

Mr. Jitendra Divgi, Managing Director, Divgi TorqTransfer Systems Ltd., described the automotive sector as a central pillar of India's manufacturing economy.

He emphasized that the automotive industry does not operate in isolation but rather supports several other critical sectors through shared technologies and manufacturing capabilities. These include:

- Aerospace and defence manufacturing



- Railway equipment production
- Marine engineering
- Infrastructure and construction equipment
- Agricultural machinery

India's agricultural sector provides a compelling example. Despite being smaller in land area than many countries, India produces two crop cycles annually (Rabi and Kharif), creating significant demand for mechanized farming equipment. As a result, India has become the world's largest tractor manufacturer, with companies like Mahindra playing a major role in global agricultural machinery markets.

Mr. Divgi also observed that Indian automotive manufacturers are increasingly expanding into international markets traditionally dominated by Japanese and Western companies. This reflects both improved product competitiveness and the shifting dynamics of global automotive supply chains.

### **The ICE vs. EV Debate: Transition Rather Than Replacement**

A major theme of the discussion centred on the transition from ICE vehicles to EVs and the implications for the auto component sector.

Mr. Arvind Goel stressed that the shift toward EVs should be viewed as an opportunity rather than a threat. While EVs require fewer mechanical components than ICE vehicles, the overall automotive market is expected to grow significantly, which will sustain demand for traditional components.

### **Key observations included:**

- India currently produces around 4 million passenger vehicles annually, and this could grow to 8 million vehicles by 2030.
- Even if EVs account for 20% of total production, ICE vehicle volumes will still increase in absolute terms.
- Certain segments such as long-haul trucks and agricultural tractors are likely to remain ICE-based for many years due to operational and infrastructure constraints.

Mr. Goel also noted that EV component standards are largely aligned globally. This provides opportunities for Indian suppliers to export EV components to international markets, even if complete EV systems such as batteries or motors are not exported.

Mr. Jitendra Divgi supported this view and added that many regions of the world—including Africa, Central Asia, and South America—will continue to rely on ICE vehicles because EV infrastructure may not be economically viable in those markets.





At the same time, certain urban mobility segments such as three-wheelers, two-wheelers, and city buses are expected to transition more rapidly toward electrification.

### **EV Startups and the Role of Ecosystem Development**

Speaking from the perspective of an emerging EV company, Ms. Arati K Parigi, Managing Director, Neuton Auto Pvt. Ltd., shared insights from building an electric bus startup in Pune.

She highlighted the importance of a strong manufacturing ecosystem for startups. In the case of Neuton Auto:

- Approximately 60% of the supply chain is located within Pune
- Around 80% of suppliers are based within Maharashtra

This proximity enables startups to move efficiently from concept development to prototyping and scaling.

Ms. Parigi also emphasized that the future of mobility, particularly in urban environments, will depend heavily on efficient public transport systems. Electrification of city buses can help address several urban challenges simultaneously, including congestion, pollution, and operational efficiency.

She further noted that inclusive growth in manufacturing will require stronger collaboration between:

- Large enterprises
- MSMEs
- Startups
- Technology providers

Such ecosystem collaboration can accelerate innovation and help India achieve its long-term economic development goals.

### **Addressing India's R&D Gap**

The panel devoted significant attention to the issue of research and development investment in India.

Mr. Jitendra Divgi noted that while automotive OEMs are among the largest private sector R&D investors in India, the country still lags significantly behind global benchmarks. India's R&D expenditure remains below 1% of GDP, whereas countries like China, the United States, Israel, and South Korea invest substantially more.





He also highlighted the lack of strong collaboration between industry and academia, which remains a challenge. In many advanced economies, universities and industry partners jointly develop research projects, publish academic papers, and exchange talent between academia and industry.

Such collaborations remain limited in India and need to be strengthened to support technological advancement.

### **Innovation Culture and Organizational Mindset**

Mr. Arvind Goel emphasized that both large and small companies in India need to significantly strengthen their innovation culture. He pointed out that many organizations often confuse engineering improvements with true research and development.

He also highlighted a broader mindset issue: many Indian companies view India as their primary market, whereas companies in countries like China build technologies with global markets in mind. This difference in perspective drives much greater R&D investment internationally.

Mr. Goel also stressed that innovation should not be limited to product development. Organizational practices can also represent significant innovations. For example, the Tata Group pioneered several workplace innovations—including the eight-hour workday and equal pay policies—long before they became global standards.

Encouraging a technology mindset across departments such as HR, finance, and operations can help create a culture that supports continuous innovation.

### **Strategic Advice for MSMEs**

When asked about strategies for smaller manufacturers, the panel emphasized that MSMEs must focus on improving operational efficiency and competitiveness.

Key recommendations included:

- Investing in process improvements and cost optimization
- Leveraging partnerships with Tier-1 suppliers and OEMs
- Building robust quality and reliability systems to support exports
- Developing niche capabilities that integrate into global supply chains

Ms. Parigi added that resilience and the ability to manage risks during scaling will be crucial for startups and MSMEs seeking long-term growth.

### **Key Takeaways**

The panel discussion highlighted several important themes shaping the future of the automotive and auto component sector:



- India's automotive industry continues to offer significant growth opportunities both domestically and globally.
- The ICE-to-EV transition will create new opportunities alongside traditional markets rather than immediately replacing them.
- Pune remains a major hub for automotive manufacturing and innovation in India.
- Increased investment in R&D and industry-academia collaboration will be essential for long-term competitiveness.
- MSMEs and startups will play a vital role in strengthening India's automotive supply chain and supporting future mobility solutions.

## Pune – A Home for Innovation in GCC Services and Processes

### Speakers:

**Mr. Pradeep Kumar S K** – Managing Director and Country Head, Eaton India Pvt. Ltd.

**Mr. Aditya Adavi** – GCC Head, Bosch Software and Digital Solutions

**Mr. Sanjeebit Choudhury** – Founder and Chief Enablement Officer, PIVOTUM LLP

**Mr. Abhishek Jain** – India GCC Head, The Lubrizol Corporation

**Moderated by: Mr. Dinanath Kholkar** – Chair for IT/ITeS Committee, MCCIA; Director, Pune International Centre

The panel discussion explored Pune's growing role as a hub for Global Capability Centres (GCCs) and how the city can differentiate itself as a centre for innovation, talent development, and ecosystem collaboration. The session brought together leaders from global organizations and industry experts to share perspectives on how GCCs in Pune are evolving beyond traditional delivery models toward driving innovation, strategic capabilities, and global leadership roles.

### Pune's Emerging GCC Ecosystem

Opening the session, Mr. Dinanath Kholkar – Chair for IT/ITeS Committee, MCCIA; Director, Pune International Centre highlighted the significant growth of GCCs in the region and the role played by industry bodies like MCCIA in strengthening the ecosystem. Through initiatives such as GCC-focused events, industry forums, and government engagement, MCCIA has worked to build visibility for Pune as a destination for global capability centres.

He noted that while cities such as Bengaluru, Hyderabad, and Delhi NCR remain major GCC hubs, Pune has distinctive strengths due to its engineering heritage, manufacturing ecosystem, and strong academic institutions. The objective of the panel was therefore to examine how Pune can position itself as a global innovation hub for GCC services and processes, rather than merely a cost-efficient delivery location.



## **GCCs Evolving from Support Functions to Strategic Innovation Centres**

Mr. Abhishek Jain – India GCC Head, The Lubrizol Corporation shared the experience of establishing Lubrizol's GCC in Pune. Lubrizol, a Berkshire Hathaway company with a long manufacturing presence in India, recently set up its GCC in Pune and has already scaled to over 200 professionals within a short period.

He emphasized that modern GCCs are being designed with a value-creation mindset from the outset rather than as back-office units. The Pune centre supports multiple corporate functions and is expected to expand significantly in the near future. Plans are also underway to establish specialized centres such as:

- AI and automation centres of excellence
- Project management and business process management hubs
- Cross-functional corporate capabilities

Mr. Jain observed that the GCC model today benefits from a mature industry template developed over the past two to three decades, making it easier for new centres to take on high-value work from day one.

## **India GCCs Driving Global Engineering and Product Ownership**

Providing a long-term perspective, Mr. Pradeep Kumar S K – Managing Director and Country Head, Eaton India Pvt. Ltd. discussed Eaton's 23-year journey of building its GCC in India. Today the organization employs around 6,000 professionals, including approximately 3,000 in engineering and innovation roles.

He highlighted that GCC evolution required a shift from measuring growth through headcount to focusing on capability ownership and global leadership roles. Key factors that enabled Eaton's transformation included:

- Investing in top-tier engineering talent and domain experts
- Building capabilities across mechanical, electrical, electronics, software, AI, and data science
- Entrusting India with end-to-end product ownership, from concept to engineering development
- Creating global leadership roles based in India
- 

Eaton India now contributes significantly to the company's innovation pipeline and hosts major global centres of excellence, including its largest supply chain and IT centres globally.



Mr. Kumar emphasized that success required strong leadership conviction and willingness to take risks. Organizations had to move beyond the perception of India as a low-cost talent pool and instead position it as a global innovation engine.

### **Reinventing the GCC Model for Value Creation**

Mr. Aditya Adavi – GCC Head, Bosch Software and Digital Solutions spoke about Bosch’s rapidly expanding GCC presence in Pune. Established during the pandemic period, the centre has grown to around 1,400 professionals in just over three years.

The Pune centre focuses on developing solutions for both India-specific mobility challenges and global innovation initiatives. According to Mr. Adavi, the next phase of GCC evolution requires moving beyond conventional service delivery models to create differentiated value.

### **He identified several areas where GCCs must innovate:**

- Developing niche capabilities such as systems engineering and complex technology integration
- Creating “India-for-the-world” solutions
- Adopting new operating models that go beyond traditional GCC structures
- Contributing directly to revenue growth and product innovation

He also emphasized that modern GCC leaders must demonstrate the confidence and courage to engage global headquarters and secure mandates for higher-value responsibilities.

### **GCC Development Through Strategic Ecosystem Collaboration**

Offering a broader industry perspective, Mr. Sanjeebit Choudhury – Founder and Chief Enablement Officer, PIVOTUM LLP reflected on his experience establishing global technology centres across different regions during his career with multinational organizations.

### **He explained that GCC success often emerges from two strategic drivers:**

1. Companies expanding their presence in Asia and building localized innovation capabilities
2. Organizations acquiring or partnering with local technology firms to rapidly develop specialized capabilities

Mr. Choudhury also emphasized the importance of building credibility with global headquarters by demonstrating measurable outcomes such as cost optimization, innovation, and operational excellence.



He noted that India's technology ecosystem allows companies to combine engineering expertise, digital capabilities, and local innovation, enabling GCCs to evolve into global technology hubs.

### **Talent Development and Industry–Academia Collaboration**

A major theme of the discussion was the importance of talent development and academic collaboration. Panellists agreed that sustaining GCC innovation requires close partnerships with educational institutions.

#### **Key initiatives highlighted included:**

- Internal reskilling programs in emerging areas such as AI, cybersecurity, cloud computing, and embedded systems
- Collaboration with universities for research programs and PhD sponsorships
- Industry-led training initiatives to develop product engineering capabilities
- Structured engagement with academic institutions at different technology readiness levels

The panellists emphasized that universities can play a crucial role in conducting deep research and long-term innovation, complementing corporate development efforts.

#### **Leveraging the Startup and MSME Ecosystem**

The discussion also focused on the role of startups and MSMEs in supporting GCC innovation. With a strong base of technology startups and product companies in Pune, the ecosystem offers significant opportunities for collaboration.

#### **Panellists suggested that GCCs could engage startups in several ways:**

- Partnering with startups to solve specific innovation challenges
- Collaborating with AI and digital technology firms for capability development
- Supporting research initiatives and product experimentation
- Encouraging co-innovation between corporations and emerging technology firms

The panel stressed that the ecosystem must move beyond transactional relationships and instead focus on long-term strategic partnerships and joint problem solving.

### **Pune's Strategic Opportunity as a Global Innovation Hub**

In the concluding discussion, the speakers reflected on Pune's potential to emerge as a major innovation hub for GCCs. The city already benefits from a strong industrial base, large talent pool, and significant presence of global companies, particularly from Europe.



Panellists also highlighted opportunities to strengthen international collaborations, especially with regions such as Germany and Italy that have strong mid-sized industrial ecosystems similar to Pune.

With initiatives underway to develop a long-term regional growth roadmap, industry participation will play a key role in shaping Pune's future as a centre for engineering innovation, research, and global capability development.

The session concluded with a call for continued collaboration between industry, academia, startups, and institutions like MCCIA to build a sustainable and globally competitive GCC ecosystem in Pune.

## India as a Global Food Hub

### Speakers:

**Mr. Anand Chordia** – Member of the Board & Chairman, Food Processing Committee, MCCIA; Director, Pravin Masalewale

**Mr. Indraneel Chitale** – Managing Partner, Chitale Bandhu Mithaiwale

**Mr. Siddharth Runwal** – Founder & Director, Provilac

**Moderator: Ms. Smita Murthy** – Co-Founder, The Fat Labrador Food LLP; FSSC India Representative

The session opened with Smita setting the larger historical and economic context. India has long been a land of flavours, trade routes and spice dominance. Today, as the world seeks trusted, sustainable and authentic food systems, India stands at a pivotal moment. The central question before the panel was not whether India can become a global food hub, but how.

### What Does Becoming a Global Food Hub Mean?

Indraneel framed the opportunity in macroeconomic and strategic terms. With recent free trade agreements, India's accessible market is effectively doubling. The nation's equatorial climate, raw material diversity, and improving trade ecosystem position it to become not merely an exporter of niche products but "the kitchen of the world." However, this requires elevation in compliance, innovation, value addition, and global product relevance. For him, the opportunity lies in transforming India from a volume-driven producer to a value-driven global supplier.

Siddharth approached the question from a scientific and operational lens. To serve global markets, India must prioritize standardization, consistency, and process discipline—particularly in sectors like dairy where procurement and supply chains remain fragmented. The global ambition must be supported by long-term investments in manufacturing excellence.





Anand Chordia rooted the vision in agriculture. For him, becoming a global food hub fundamentally means empowering farmers. Without strengthening food security, nutritional security, productivity and farmer prosperity, export ambition remains hollow. He emphasized two parallel opportunities: branded processed food exports and ingredient exports sourced directly from empowered farming ecosystems.

### **Sustainability and Soil: The Core of Global Credibility**

Anand expanded the discussion to sustainability, asserting that ecological responsibility must be both logical and economic. Suhana's internal transformation toward zero waste—recycling and upcycling approximately 3,000 metric tons annually—was presented as a model of industry responsibility. He emphasized a shift from an “oil-based economy to a soil-based economy,” arguing that soil health and biodiversity are foundational to long-term competitiveness.

India's agricultural productivity remains challenged by fragmented landholdings averaging less than half an acre. New models such as Farmer Producer Companies (FPCs) and community-based farming structures can help standardize output and improve quality. For India to become a reliable global supplier, farming systems must become traceable, consistent, and scalable.

### **Scaling Indian Brands Globally**

Indraneel described two strategic levers for global expansion. First, improving availability through omnichannel distribution—expanding from a small retail footprint to over 200,000 retail points domestically and growing international touch points. Second—innovating products that blend indigenous ingredients with globally adaptable flavour profiles. For example, millet-based caramel bars designed for broader palates illustrate how Indian raw materials can meet global tastes.

Suhana's strategy reflects hyperlocal customization even within India, and this extends internationally. Spice levels, flavour profiles, and ingredient combinations are tailored country-wise. Product evolution has moved from single-ingredient spices to ready-to-cook mixes, instant health-based offerings, millet products, and Ayurveda-inspired immunity blends. Anand highlighted how global markets have adopted traditional Indian formulations such as turmeric milk, reinforcing that India must reinterpret its heritage rather than abandon it.

Siddharth emphasized dairy's untapped potential. Despite being the world's largest milk producer, India imports a majority of whey proteins due to insufficient processing infrastructure. He argued for innovation suited to Indian consumption patterns, citing high-protein milk created through advanced filtration as an example. Formalizing



fragmented procurement systems, improving traceability, and documenting ethical small-herd farming practices are necessary to build global trust.

### **Infrastructure and Systemic Gaps**

When discussing infrastructure, Siddharth acknowledged improvements in digital payments and technology adoption but pointed to persistent physical bottlenecks—particularly in logistics for fresh and perishable categories.

Indraneel highlighted energy costs as a critical competitiveness factor. While some input costs are economical, others remain disproportionately high. Rationalizing energy frameworks for food manufacturing without distorting farm economics is essential.

Both speakers emphasized traceability as a decisive enabler. Blockchain-backed supply chains could offer tamper-proof end-to-end visibility from farm to fork. Such systemic transparency would dramatically improve India's reliability perception in global markets.

Anand underscored raw material compliance challenges, particularly pesticide and residue levels in spices. Infrastructure must bridge agriculture and food processing ministries more effectively. Cold chain expansion, standardized labelling norms aligned with global requirements, and stronger FSSAI implementation mechanisms remain urgent needs.

### **Certifications: Barrier or Opportunity?**

The panel unanimously viewed certifications as an opportunity rather than a hurdle.

Siddharth described improvements in dairy testing— aflatoxins, antibiotic residues, microbial quality—and the introduction of geotagging farms and IoT-enabled testing at the source. Certification readiness must begin at procurement, not processing.

Indraneel positioned compliance as the differentiator that will create Indian food multinationals. He argued that global dairy giants thrive not only on equipment quality but on rigorous compliance frameworks. However, ecosystem sensitization and cost-sharing remain challenges. Compliance transformation will be evolutionary, requiring promoter-level conviction and long-term commitment.

Anand detailed the role of trade bodies like MCCIA in bridging the gap between regulation creation and implementation. Training over 600 street food vendors in food safety, conducting SME awareness programs, and policy advocacy were cited as practical examples of ecosystem building.

### **Branding India Globally**

On branding, Indraneel identified authenticity as the defining lever, especially for Gen Z consumers who value origin, transparency and indigenous narratives over purely



globalized imagery. Indian food brands must retain their roots while communicating them effectively.

Siddharth highlighted two priorities: clean-label nutrition and transparency. Global consumers increasingly question sourcing, additives and production methods. Indian brands have the opportunity to build clean formulations without repeating the excesses of heavily processed Western markets.

Anand emphasized core strengthening over shortcuts. Sustainable practices—such as upcycling onion and garlic peels into paper packaging or empowering women through reuse of gunny bags—become powerful brand narratives when they reflect genuine action. According to him, global respect is earned not through storytelling alone, but through demonstrable commitment.

### Conclusion

The session concluded with a clear consensus: India possesses the raw material strength, cultural depth, biodiversity, and market access to become a global food hub. However, achieving this requires systemic transformation across five pillars:

1. Farmer empowerment and soil regeneration
2. Standardization and traceability across supply chains
3. Cold chain and logistics infrastructure development
4. Compliance-led quality elevation
5. Authentic, sustainability-driven global branding

India's journey toward becoming the kitchen of the world will not be driven by scale alone, but by credibility, transparency, innovation and purpose. The panel collectively emphasized that the opportunity is real—but only if industry, government and ecosystem stakeholders evolve in tandem.

## Food Manufacturing Excellence through Equipment Design

### Speakers:

**Mr. Chetan Dakhore** – Director, Shri Vibracion Pvt. Ltd.

**Ms. Mrunal Joshi** – CEO & Vice Chairperson, Nichrome India Ltd.

**Mr. Vikram Mulmule** – Country Head, JBT Marel

**Mr. Ashwini Pande** – CEO, VA Exhibitions

**Moderator: Mr. Advait Kurlekar** – CEO, Upohan Management Consultants Pvt. Ltd.

This session explored what “excellence” truly means in the context of food processing and packaging equipment in India — and whether Indian manufacturers are prepared to move from cost-driven suppliers to global technology leaders.

### Redefining Excellence in the Indian Context

Opening the discussion, Vikram Mulmule framed excellence not as sophistication alone, but as adaptability. Unlike Western markets where processors often focus on limited seasonal products, India’s multi-crop agricultural ecosystem demands equipment that is flexible and versatile. Machines must handle not only standardized products such as peas or carrots but also complex, delicate produce like strawberries and mangoes.

With localization of globally proven technologies now underway in India, design excellence increasingly means aligning global benchmarks with local realities — flexibility, durability, and responsiveness to customer expectations.

For Mrunal Joshi, excellence in packaging has evolved dramatically over the decades. Earlier, packaging was simply about enclosing a product for sale. Today, it must ensure seal integrity, product safety, shelf life, compliance with food-grade material standards, and operational efficiency. Design now integrates material compatibility (MOC), regulatory compliance, and production speed. Efficiency and consistency have become central customer demands.



Chetan Dakhore added that excellence for Indian manufacturers has meant bridging the long-perceived technological gap between Indian firms and European or American suppliers. Standardization, certification, and conformity — elements that build buyer trust — have been consciously integrated into Indian manufacturing. Segmentation between domestic and international standards has helped companies elevate their offerings and compete credibly with multinational brands.

### **Indian vs. Global Design Standards: Perception and Reality**

A candid question was posed: are design standards different for India compared to export markets?

Vikram acknowledged that historically there were differences in flexibility and specifications, but emphasized that market maturity in India is rapidly changing expectations. With Indian processors exporting at significant volumes — for example in dairy and sweet corn processing — the demand for international-grade performance is rising domestically as well.

Mrunal clarified that design principles themselves do not change; what changes is market requirement. India remains cost-sensitive, so machines must balance performance with affordability. However, she emphasized that Indian standards today are at par with global standards. Excellence lies not in overdesigning but in designing appropriately for customer need.

Chetan reinforced this point, explaining that excellence is not about adding unnecessary features but about aligning functionality with real demand. Over-facilitated equipment that customers do not fully utilize defeats both cost and value logic.

### **India as a Global Hub for Food Equipment**

Ashwini Pande expanded the conversation to macro scale. With India's food processing industry valued at approximately \$500 billion and only around 11% currently processed, the potential for expansion is enormous. Even a modest increase in processing percentage would significantly impact the economy.

He argued that India should not only remain the largest consumer market but aspire to become a global manufacturing hub for food processing machinery. To achieve this, Indian companies must invest in R&D, innovation, and sustainability rather than rely on copying global designs. Government support should prioritize R&D incentives rather than operational subsidies.

### **R&D: The Missing Link**

A recurring theme was the need for deeper investment in research and development.

Chetan stressed that sustainability and product consistency increasingly drive purchasing decisions. Processors are willing to invest heavily in high-quality machinery to ensure product integrity. However, appreciation for R&D investment remains insufficient in many segments.

Mrunal proposed the idea of shared R&D consortia among non-competing MSMEs — common testing labs for product validation, material testing, and technology development. While acknowledging that intellectual property ownership may be sensitive, she argued that foundational research platforms could be collaborative.

She also highlighted the importance of academia-industry partnerships. Institutions such as IITs and MIT have begun engaging with industry, but these collaborations need to be more structured and mature.

Vikram illustrated how R&D is already transforming Indian processing. Efforts to extend paneer shelf life from 45 days to over 60 days through improved process technology reflect the type of innovation that can add value domestically and internationally.

### **Government's Role: Incentives, Recognition and Mandates**

The panel debated the appropriate role of government.

Ashwini suggested that policies such as Production Linked Incentives (PLI) should include mandates encouraging partial domestic sourcing of machinery. Even if critical technology must be imported, basic components and assemblies could be localized to strengthen domestic manufacturing.

Chetan emphasized recognition and categorization of high-quality Indian manufacturers. When government delegations promote Indian firms abroad, trust and credibility increase. Policy frameworks, he argued, cannot be one-size-fits-all; segmentation by capability and specialization is essential.

Mrunal concluded that while government frameworks and certifications are important, the primary responsibility for excellence rests with individual companies. Indian manufacturers must design not only for India but for global markets from the outset.

### **Sustainability, Optimization and Resource Efficiency**

Another emerging dimension of excellence is sustainability. Vikram highlighted how global clients focus on optimizing water, electricity, and steam usage. Water optimization in particular has become critical, even in India where it was once abundant. Equipment design now integrates resource efficiency as a core performance metric.

Excellence, therefore, is no longer limited to output quality but extends to environmental stewardship and operational optimization.



## AI, IoT and the Future of Smart Manufacturing

The panel addressed whether AI and IoT are overdesigned for Indian consumers or essential next steps.

Mrunal noted that IoT platforms and online production data monitoring are already being offered. AI applications are being explored, particularly leveraging digitized data accumulated over several years.

Chetan viewed IoT as practical and necessary, especially for preventive maintenance in 24/7 production environments where downtime directly impacts margins. AI, however, remains at an early stage for engineering-driven manufacturing contexts.

Vikram described incremental AI adoption through predictive alerts and remote diagnostics, emphasizing that step-by-step integration is more realistic than disruptive implementation.

## Market Outlook: Export Destinations

From an exhibition and trade perspective, Ashwini observed that Southeast Asia and the Middle East currently present strong export markets for Indian food processing equipment. European markets remain significant, but regional markets offer faster traction for Indian manufacturers.

## Conclusion

The session underscored that excellence in food manufacturing equipment design is not a static benchmark but a dynamic alignment of flexibility, compliance, sustainability, innovation, and trust.

Indian manufacturers have moved beyond purely cost-driven positioning. With stronger R&D investment, academia partnerships, sustainability focus, and calibrated government support, India has the potential to transition from being primarily a consumer market to becoming a global hub for food processing technology.

Ultimately, excellence rests on one core principle voiced succinctly during the discussion: respect your own technology. Only then can confidence, consistency, and global competitiveness follow.

## The Business of Going Global: Legal, IPR, M&A and Investment Insights

### Speakers:

**Dr. Chinmay Bhosale** – Founder, NYAI

**Dr. Radhika Iyer** – Partner, Khaitan & Co.

**Adv. Giancarlo Messina** – Managing Partner, Messina Madrid Law P.A.

**Moderator: Mr. Darshan Rathod** – Co-founder and Partner, Acumen M&A Advisors LLP

This session offered a sharp, cross-jurisdictional perspective on what it truly means to “go global” — not merely from a strategic standpoint, but from the intertwined lenses of tax structuring, regulatory navigation, M&A governance, and legal risk mitigation.

### Tax Structuring and U.S. Entry Strategy

Adv. Giancarlo Messina opened the discussion by examining how U.S. tax rules affect cross-border investments from markets such as India. He emphasized that the U.S. system is heavily income-tax focused, unlike many jurisdictions that rely more significantly on VAT. Structuring decisions — including choice of state, entity form, and inter-jurisdictional arrangements — can dramatically influence regulatory burdens and tax exposure.

He cautioned against simplistic structuring choices, particularly the tendency to default to LLC structures for perceived ease and cost savings. While LLCs are pass-through entities, they can create unintended consequences, including exposure to permanent establishment (PE) risks and branch profits tax — potentially 30%, though treaty networks such as the Canada–U.S. treaty can reduce certain exposures.

Corporations, taxed at a flat 21%, often provide a more stable structure, especially for foreign investors. He stressed that the difference between optimized and poorly planned structuring can mean an effective tax burden ranging from 5–20% versus 50–70%. He also addressed the uncertainty surrounding tariffs, noting their use as tools of industry protection, revenue generation, and geopolitical negotiation. Despite this uncertainty,





he reaffirmed the U.S. as a key market, while suggesting strategic triangulation through alternative jurisdictions where appropriate.

### **Cross-Border M&A: Structuring, Governance and Cultural Integration**

Dr. Radhika Iyer shifted the focus to outbound M&A structuring for Indian businesses. Beyond tax optimization, she emphasized a necessary shift in mindset when expanding globally. Indian businesses must recalibrate their assumptions around valuation methodologies, earn-outs, staggered control rights, and regulatory oversight equivalents in foreign jurisdictions.

Governance and enforceability emerged as central themes. She stressed that contractual protections — particularly reserved matters, veto rights, and affirmative controls — must be tested for enforceability under local law rather than assumed to function as they do in India.

Sector-specific regulatory risks must also be mapped carefully. Supply chain due diligence requirements in Europe, child content regulations in edtech, and evolving data privacy regimes such as GDPR-inspired frameworks present layered risks. Exit planning is equally critical: understanding the intended exit pathway at the time of acquisition, and retaining local founders or management through incentive structures (for example, 10% retention stakes), can materially affect post-acquisition integration success.

Her preferred safeguard in outbound investments was clear: watertight indemnities, enforceable arbitration clauses in carefully chosen jurisdictions, and representation & warranty (R&W) insurance to mitigate unknown risks.

### **Regulatory Complexity in India: The Compliance Labyrinth**

Dr. Chinmay Bhosale provided a sobering assessment of India's regulatory landscape. He highlighted that India's compliance structure spans central, state, and municipal layers — collectively amounting to over 90,000 compliance requirements.

Every business must align itself with one of India's 52 central ministries, each with its own regulatory framework. Additionally, India's concurrent legislative structure allows both central and state governments to legislate on many subjects, resulting in jurisdictional variations. What is permissible in one state may differ in another, adding operational complexity.

He further pointed to the rise of specialized enforcement bodies such as the Serious Fraud Investigation Office (SFIO), alongside strict enforcement regimes under FEMA, PMLA, and related statutes. Director liabilities and penal provisions embedded in central laws often catch businesses unprepared.



From a litigation standpoint, he observed that many businesses underestimate the thin line between civil non-compliance and criminal exposure. Compliance failures often surface during high-stakes moments such as IPOs or major transactions, where dormant issues suddenly become material risks. Preventive compliance mechanisms, rather than reactive firefighting, remain under-institutionalized in many Indian enterprises.

### **FEMA Hurdles in Overseas Expansion**

Addressing outbound investment constraints, Dr. Radhika Iyer discussed key FEMA limitations. The restriction on multi-layered subsidiary structures continues to pose challenges in complex global holding arrangements. The automatic route cap — allowing overseas investments up to 400% of net worth — may also constrain rapidly scaling businesses.

Approval routes are time-consuming and increase regulatory scrutiny. NPA status introduces additional permissions and declarations, potentially delaying overseas opportunities. Promoter guarantees and reporting obligations under RBI oversight require disciplined compliance planning to avoid enforcement complications.

### **Trust Structuring and High Net Worth Cross-Border Planning**

Giancarlo Messina explored the strategic use of irrevocable trusts in cross-border structuring. Trusts enable separation of legal and equitable ownership, potentially converting related-party transactions into unrelated-party transactions — a powerful mechanism for mitigating transfer pricing burdens.

He highlighted hybrid trust structures in U.S. jurisdictions such as Delaware and Wyoming that may allow tax-efficient capital growth under specific conditions. Trusts also serve estate planning functions, particularly in mitigating U.S. situs estate tax exposure — which can reach 40% on gross value for non-U.S. persons beyond minimal exemptions.

However, he cautioned that trusts are complex and costly structures best suited for high net worth contexts. Jurisdiction selection must go beyond superficial tax advantages and account for treaty networks, reporting regimes (such as CRS), and global perception.

### **Key Takeaways**

The session reinforced that global expansion demands integrated thinking across tax, regulatory, contractual, and governance dimensions. Superficial structuring or reliance on “popular jurisdictions” without contextual analysis can create significant downstream risk.

Whether entering the U.S. market, acquiring global targets, or structuring outbound investments, businesses must align legal architecture with commercial intent, regulatory



compliance, and long-term exit strategy. Preventive diligence, enforceability testing, and proactive governance frameworks remain the most under-leveraged yet critical tools in global expansion.

Ultimately, the panel underscored that going global is not merely about opportunity capture — it is about disciplined design.

## Scaling Trade Together: Building Collaborative Growth Pathways

### Speakers:

**Mr. D. Anil** – Commissioner, Customs, Pune

**Ms. Chitra Raste** – Regional Head & Deputy General Manager, Exim Bank, Pune

**Mr. Papuranjan Sahoo** – Branch Manager, ECGC Ltd., Pune

**Moderator: Mr. P. C. Nambiar** – Chairman, Foreign Trade Committee, MCCIA; Director (Group Exim), Poonawalla Group

The session on *Scaling Trade Together* brought together key institutional stakeholders to examine how India's export ecosystem can be strengthened through better alignment between policy, finance, logistics, and risk management. Chaired by Mr. P.C. Nambiar, the discussion featured Ms. Chitra Raste of Exim Bank of India, Dr. Anil from Customs, Pune, and Mr. Sahoo from ECGC. The central theme that emerged was clear: India's export framework has evolved significantly, but the true multiplier effect will come from informed participation by industry—particularly MSMEs.

Mr. Nambiar opened the discussion by emphasizing that policy intent must translate into effective implementation. While the Government of India has taken several initiatives under the Foreign Trade Policy—including the concept of state and district-level export promotion councils—the success of such frameworks ultimately depends on institutional coordination and industry awareness. Export growth, he observed, is not merely about creating schemes but about ensuring that businesses understand and leverage them.

Ms. Chitra Raste provided a detailed overview of Exim Bank's role as India's Export Credit Agency and a 100% Government of India undertaking. She explained the distinction between Government of India Lines of Credit and commercial lines extended directly by Exim Bank. Government-mandated Lines of Credit are typically extended to overseas governments—particularly in Africa and South Asia—for infrastructure and development projects such as railways, roads, energy, and sugar plants. These are



executed through competitive tendering, with Indian exporters implementing projects and payments being released milestone-wise. While MSMEs may not directly access such large contracts, they can participate as subcontractors to major project exporters.

Beyond sovereign lines of credit, Exim Bank also extends commercial credit lines to overseas banks to facilitate imports from India. This mechanism allows exporters—including MSMEs—to access newer markets where buyers require financing support. Exporters can track active and upcoming lines of credit through Exim Bank's website, which provides visibility into available limits and utilisation timelines.

A significant aspect of Exim Bank's intervention lies in trade facilitation through credit enhancement. Ms. Raste explained that many Indian exporters lose contracts when domestic commercial banks are unwilling to confirm Letters of Credit from certain geographies. In such cases, Exim Bank can provide confirmation or guarantees, leveraging its international risk appetite. This facility covers over 76 countries and has proven particularly valuable in African and emerging markets. By stepping in where commercial banks hesitate, Exim Bank enables exports that may otherwise not materialize.

She also elaborated on export receivables factoring through Exim Bank's subsidiary at GIFT City. Under this non-recourse mechanism, exporters can receive 80–90% of invoice value upfront, with the balance paid upon buyer settlement. The arrangement is off-balance-sheet, unsecured, and particularly beneficial for MSMEs seeking liquidity without collateral constraints. The broader objective, she noted, is to facilitate incremental exports into geographies and segments that would otherwise remain unexplored.

Dr. Anil from Customs, Pune, highlighted the transformation in export processes through digitisation and systemic reform. Today, exports across sea, air, and courier modes are largely seamless and online, with same-day clearances in most cases. He explained the self-sealing permission (SSP) framework using RFID e-seals, which has significantly reduced port-level interventions and turnaround times. Export incentives such as RoDTEP, RoSCTL, drawback, and IGST refunds are credited swiftly when documentation is properly filed, often within three days.

A major reform discussed was the MOOWR scheme (Manufacturing and Other Operations in Warehouse Regulations). Under this framework, exporters can import capital goods and raw materials without upfront customs duty, manufacture within bonded premises, and export finished goods without incurring customs duties. The duty deferment period extends for five years and can be renewed. Notably, the scheme imposes no export obligation, offering flexibility and working capital efficiency. Applications, bonds, and bank guarantees are processed online through the e-Anubandh

portal, with minimal physical interface. Dr. Anil stressed that such schemes empower exporters to optimize logistics, warehouse management, and capital deployment.

He also explained the benefits of Authorised Economic Operator (AEO) status, a globally recognized trust-based compliance framework. AEO-certified entities benefit from reduced inspections, deferred duty payments, faster clearances, and mutual recognition arrangements with partner countries such as Korea and members of the European Union. The emphasis was on predictability and speed—critical attributes in global supply chains.

Mr. Sahoo from ECGC addressed the dimension of risk mitigation. As a government-owned export credit insurer, ECGC covers commercial and political risks across nearly all countries, categorizing them into open and restricted cover segments. Even in high-risk geographies, including politically sensitive regions, coverage is available—though with premium loading. He clarified that exporters must adhere to procedural discipline, particularly obtaining approved credit limits on buyers before shipment and ensuring compliance with RBI documentation norms. Many claim disputes arise not from coverage gaps but from procedural lapses such as failing to secure buyer credit limits or delaying premium payments.

He further explained ECGC's overseas factoring arm at GIFT City, which facilitates export receivables management through bill discounting mechanisms. By providing upfront liquidity and managing collections, ECGC enables exporters—especially MSMEs—to operate with greater financial stability in developed markets.

Across the discussion, a recurring message emerged: India's export ecosystem today is institutionally robust, digitally enabled, and globally aligned. The transformation from the manual, signature-heavy processes of earlier decades to today's streamlined digital environment reflects systemic maturity. However, the ultimate success of these mechanisms depends on informed adoption by industry. Export growth is no longer constrained by infrastructure alone; it hinges equally on awareness, compliance discipline, and strategic use of available financial and policy instruments.

The session concluded with a collective understanding that scaling trade is not the responsibility of any single institution. It requires coordinated engagement between exporters, banks, customs authorities, credit insurers, and development finance institutions. When these elements operate in alignment, collaborative growth pathways become not just aspirational—but executable.



## The Importance of Building Indian Foundational Models: The BharatGen Story

**Dr. Ganesh Ramakrishnan** – Co-Principal Investigator, National Disease Modelling Consortium, IIT Bombay

**In conversation with Dr. Anand Deshpande** – Member of the Board, MCCIA; Founder, Chairman & Managing Director, Persistent Systems Ltd.

The session on *The Importance of Building Indian Foundational Models: The BharatGen Story* offered a deep and intellectually rich exploration of India's sovereign AI ambitions. Dr. Ganesh Ramakrishnan presented BharatGen as not merely a technology initiative, but as a national mission to build foundational models from scratch — grounded in Indian data, Indian languages, and Indian knowledge systems.

### A National Consortium Model

Envisaged in 2023, BharatGen was conceived as a consortium spanning academia and industry, backed by the Ministry of Education and the Department of Science and Technology (DST). Structured as a Section 8 not-for-profit company anchored at IIT Bombay and fully owned by the Government of India, BharatGen represents a unique institutional model. It brings together leading institutions including IIT Bombay, IIT Madras, IIT Hyderabad, IIT Kanpur, IIT Kharagpur, IIIT Hyderabad, IIIT Delhi, IIT Indore and others.

With over 100 students and 60+ full-time engineers working in close integration with faculty, the ecosystem is deliberately designed to make research and engineering “non-separable.” The initiative has received substantial support under national missions, with a mandate that extends toward building models at trillion-parameter scale.

### Four Pillars of the BharatGen Ecosystem

Dr. Ramakrishnan described BharatGen's architecture through four interlinked pillars:

1. Data & Diversity as Resilience BharatGen works across 22+ Indian languages, integrating speech, text, and document data. A major thrust is on data





provenance — ensuring syntactic correctness (sampling rates, metadata quality) and semantic traceability. For instance, in sourcing 13,000+ hours of geotagged speech data, the team built ML-driven checks to prevent duplication or mislabelling, while also empowering Indian speech vendors with capacity-building tools.

The emphasis is on building attribution and explainability into the data layer itself — a concern echoed at the highest levels of government.

### **Foundational Models Built from Scratch**

BharatGen's text models now scale up to 17 billion parameters, built natively for Indian languages. Complementing these are speech-to-text and text-to-speech systems under the "Suktam" umbrella.

Unlike black-box systems, BharatGen views foundational models as "glass boxes" — with transparent recipes, internal checkpoints, and benchmarks that evolve with context.

A notable example was their document vision-language model, where the team deliberately designed harder, more subjective benchmarks after realizing public benchmarks were too simplistic — pushing their own models to improve.

2. Research & Optimization Efficiency is central. Training and inference are energy-intensive processes, and BharatGen focuses heavily on optimization algorithms and data-efficient learning. The open-source platform DECILE (Data-Efficient Learning) exemplifies this approach — selecting optimal subsets of data rather than indiscriminate scaling, based on diversity and coverage principles. The integration between foundational models and research is described as an "umbilical cord" — scale demands fundamentally different research strategies.
3. Startups, Partnerships & Deployment BharatGen works closely with ministries, state governments, and mission-mode programs such as Jal Jeevan Mission and Gyaan Bharatam.

### **Domain-specific models include:**

- AgriParam (agriculture) leading to the *Krishi Saathi* WhatsApp-based application,
- Models for Ayurveda,
- Finance and governance models under the "Param" suite. These integrate text, speech, vision, and document understanding under unified frameworks, designed through co-design with domain experts.

## Canonical Structure of Indian Languages

A significant intellectual contribution discussed was the canonical representation of Indian languages. Drawing inspiration from the Ashtadhyayi and linguistic traditions, BharatGen is developing computational interlingua principles (documented in the book *Sanmanvay*) that leverage the subject-object-verb structure common across Indian languages.

Rather than forcing English linguistic frameworks onto Indian data, BharatGen's models exploit structural commonalities to enable lateral transfer learning across languages. Speech models further leverage phonetic similarities through common label sets and mixture-of-experts architectures.

## Sovereign AI: Why It Matters

In conversation with **Dr. Anand Deshpande**, the discussion moved to efficiency, sovereignty, and ecosystem building.

### Dr. Ramakrishnan emphasized two key reasons for sovereign foundational models:

- **Efficiency & Algorithmic Innovation:** Optimization breakthroughs can benefit global AI systems, but they require deep, sovereign control of the modelling stack.
- **Contextual Problem-Solving:** Translating government or domain-specific requirements into deployable AI systems demands a glass-box approach — something impossible if relying solely on external black-box models.

The conversation also addressed the risk of Indian data being marginalized if India does not build its own foundational models. Sovereign AI ensures that Indian knowledge systems, languages, and context are meaningfully embedded into future AI architectures.

## Engagement Model & Industry Role

BharatGen releases models on platforms such as Hugging Face to catalyze engagement, but emphasizes that true value lies in internal recipes, learning from failed checkpoints, and collaborative co-design.

### Dr. Ramakrishnan outlined three ways industry can participate:

1. **For-profit Spin-offs:** While BharatGen operates as a Section 8 entity, domain-specific for-profit spin-offs can attract investment and commercialize innovations.



2. Research Funding & Deep Collaboration: Advanced AI research — especially beyond language models into world models and conceptual reasoning — requires sustained industry backing.
3. Adoption of Sovereign AI: Industry adopting Indian foundational models creates a virtuous cycle of improvement, scale, and ecosystem maturity.

He drew parallels to China's long-term ecosystem-building approach, arguing that patient adoption of indigenous technologies ultimately strengthens national capabilities.

### **Pune as a Knowledge Hub**

The discussion highlighted Pune's potential — with repositories such as BORI and Deccan College — as a fertile ground for digitization, OCR integration, and knowledge graph construction. BharatGen offered technical support (OCR, LLM post-correction, indexing, searchability) and proposed workshops or joint initiatives to bring archival data into the sovereign AI ecosystem.

### **The Road Ahead**

With ambitions to scale toward trillion-parameter models under national missions, BharatGen sees itself as building the “national highway” of AI infrastructure — upon which multiple applications and spin-offs can emerge.

Dr. Ramakrishnan concluded with a call for collaboration — across academia, government, and industry — to build efficient, sovereign, context-aware AI systems that are globally competitive yet deeply rooted in India's linguistic and cultural diversity.

The session underscored a powerful message: India's AI future cannot be imported. It must be architected — deliberately, collaboratively, and sovereignly — from the ground up.

## Bottom of Form Scaling Trade Together: Building Collaborative Growth Pathways

### Speakers:

**Mr. Eko Junior** – Consul (Economics), Consulate General of Indonesia in Mumbai

**Mrs. Monica Chipanta Mwansa** – Deputy High Commissioner for Zambia in India

**Moderated by: Ms. Vandana Saxena Poria** – Founder, The Human Alarm Clock & Co

The session explored emerging bilateral trade opportunities between India and two strategically positioned nations — Indonesia and Zambia — with a focus on practical pathways for collaboration in a rapidly evolving global environment.

Opening the discussion, Ms. Vandana Saxena Poria invited the diplomats to contextualize their countries' economic strengths and evolving partnerships with India, especially in light of the global disruptions of the past five years.

### Indonesia: Stability, Scale and Strategic Maritime Connectivity

Mr. Eko Junior emphasized that despite the global disruptions of 2020–21, India and Indonesia demonstrated resilient cooperation. During the pandemic, Indian companies supported Indonesia with critical supplies, including collaboration with Serum Institute, while Indonesian firms expanded investments in India.

He highlighted the geographic proximity between the two nations — sharing a 500 km maritime boundary and just 170 km land-equivalent distance — underscoring their natural partnership potential.

Post-pandemic, trade and tourism rebounded strongly. Direct flights, growing educational exchanges, and increasing IT collaborations reflect deepening ties. Indonesia, with 17,000+ islands, is the largest economy in Southeast Asia and is aggressively investing in infrastructure — roads, ports, and digital transformation — areas where Indian expertise is highly relevant.



### He cited compelling examples of cross-border confidence:

- Indonesia's first unicorn has established its IT operations in India, employing 700 professionals — none Indonesian — demonstrating trust in India's talent ecosystem.
- JAPFA, headquartered in Pune, has expanded operations in Bangalore and Hyderabad with a \$100 million investment.
- Long-standing Indian companies such as TCS and Godrej have maintained decades-long presence in Indonesia.

Mr. Eko described the primary barrier not as policy, but perception — a “mental block” where Indonesia is not always top-of-mind for Indian businesses despite strong historical collaboration.

He also encouraged structured engagement via:

- Embassy and consulate support (New Delhi, Mumbai, Chennai)
- Virtual B2B meetings
- Indonesia Trade Expo in Jakarta, where Indian companies have recorded the highest transaction volumes in recent years

His core message: India and Indonesia are natural partners, and the collaboration foundation already exists.

### Zambia: Gateway to Southern Africa and Resource Advantage

Mrs. Monica Chipanta Mwansa positioned Zambia as a strategically located, land-linked country in Southern Africa with access to eight neighbouring markets and part of the Southern African Development Community (SADC), offering access to 380 million consumers.

She outlined priority sectors for Indian investors:

- **Agriculture:**  
Zambia has 41.5 million hectares of arable land, of which only 1.5 million hectares are currently utilized. With favourable year-round conditions and a six-month rainfall cycle, agriculture and agro-processing offer immense scale potential.
- **Mining:**  
Zambia is the second-largest producer of copper globally, with abundant precious and semi-precious stones.

- **Energy:**

Following a drought-induced energy crisis three years ago, the government actively incentivized renewable energy. Solar panels can be imported tax-free, creating strong opportunities for Indian solar manufacturers and developers.

- **Healthcare & Pharmaceuticals:**

The Zambian government has entered agreements with major Indian pharmaceutical manufacturers to establish local production facilities, aimed at serving not just Zambia but the broader African Free Trade Area.

- **Education & Specialized Services**

Addressing concerns about bureaucracy, Mrs. Mwansa acknowledged that patience is required but emphasized that the Zambia Development Agency and PPP mechanisms significantly streamline investment processes.

Her advice to first-time investors: Start small, expand strategically, and leverage official facilitation platforms.

### **Key Themes Emerging from this Conversation**

- **Resilience through Cooperation:** The pandemic accelerated trust-based collaboration rather than weakening it.
- **Market Access Advantage:** Zambia offers regional access; Indonesia offers Southeast Asian scale.
- **Perception vs. Reality Gap:** Policy frameworks are supportive; awareness remains the key constraint.
- **Digital & IT as Catalysts:** Indian IT capability is a major lever for partnership in both countries.
- **Institutional Support Exists:** Embassies, consulates, trade expos, and PPP frameworks are actively designed to reduce friction.

## Magnetic Maharashtra: From Policy to Possibility

**Mr. P. Velrasu (IAS)** – CEO, Maharashtra Industrial Development Corporation (MIDC)  
In Conversation with **Mr. Prashant Girbane** – Director General, MCCA

The session opened with Mr. Prashant Girbane inviting Mr. P. Velrasu to reflect on Maharashtra's presence at Davos and what it truly meant for the state's industrial future. Mr. Velrasu began by explaining that Maharashtra's participation at Davos was not transactional, but the result of decades of ecosystem-building. Over the past 50 years, the state has nurtured industrial infrastructure, institutional credibility, and investor trust — creating a mature ecosystem that attracts global industrial leaders, cutting-edge technology firms, and research-driven enterprises.

He noted that despite Davos being geographically small, it serves as a powerful global platform where strategic conversations shape long-term industrial trajectories. This year, Maharashtra was in strong focus, engaging with top-tier industrialists and technology companies across diverse sectors.

### Investment Momentum from Davos

Addressing the numbers, Mr. Velrasu shared that proposed investments have been increasing manifold year-on-year, with this year witnessing nearly a 10x increase compared to previous editions. Importantly, 70–80% of the proposed capital inflow is foreign direct investment, reflecting strong global confidence in Maharashtra's industrial landscape.

More than 60 MoUs were signed across sectors including:

- Manufacturing
- Steel
- Artificial Intelligence
- Pharmaceuticals
- Green fuels and biofuels





- Emerging technology domains

He emphasized that what differentiates Maharashtra is “trust” — investors view the state as a long-term partner rather than a short-term opportunity. The ecosystem is mature, responsive, and reliable.

### **MoU Conversions: From Commitment to Production**

When asked about the conversion of MoUs into actual investments, Mr. Velrasu clarified that an MoU is not merely about land allocation. It involves structured discussions around incentives, electricity tariffs, water subsidies, taxation benefits, and capital support. All commitments are monitored through an auditing and tracking system.

He shared conversion statistics:

- 98% in 2021–22
- 85% the following year
- 77% thereafter
- Long-term average of around 70%

He further explained that industrial investments typically follow a 5–6 year lifecycle:

1. Year 1 – Negotiations, incentive structuring, land identification
2. Year 2 – Construction commencement
3. Years 3–4 – Infrastructure and plant development
4. Year 5 – Commercial production begins

Using the steel sector as an example, he illustrated how large-scale projects require time due to capital intensity and land acquisition processes.

### **Industrial Policy: Responsive and Objective-Based**

On Maharashtra’s industrial policy, Mr. Velrasu noted that industry contributes the largest share to the state’s GDP. While policies are not revised annually, they are periodically restructured to address sectoral gaps.

Examples cited:

- Addressing energy pricing challenges
- Revisiting GST classifications for EVs based on vehicle length
- Incentivizing emerging sectors like data centres

He highlighted the GCC (Global Capability Centre) Policy as a model of objective-based governance. The state declared a clear target of creating 400 GCCs and generating 8 lakh jobs. If policy remains vague, it is refined into specific, measurable commitments.

The message was clear: Maharashtra listens, adapts, and enables.

### **Land Availability: Artificial Scarcity**

Responding to industry concerns about land shortage, Mr. Velrasu described the issue as “artificial scarcity.” MIDC holds adequate land, but industries prefer specific high-demand geographies such as:

- Chakan
- Talegaon
- Navi Mumbai
- Pune

As these clusters saturate, land appears scarce. However, regions within two hours of Pune offer more affordable and abundant land.

He highlighted Dighi as an example:

- 10,000 acres total
- 2,500 acres allocated to a pharma park
- 8,000 acres still available
- 

MIDC is also actively acquiring land across Sambhajinagar, Nashik, Nagpur and other emerging belts to remain future-ready.

### **Thrust Sectors for Maharashtra**

Looking ahead, Mr. Velrasu outlined priority sectors:

- **Steel manufacturing** – Especially in Gadchiroli and Chandrapur; expected to make Maharashtra the steel capital of India while supporting socio-economic stability in historically sensitive regions.
- **Defence manufacturing** – Supported by a ₹300 crore MIDC seed fund; companies have delivered 25–30% returns with zero NPAs.
- **Data Centres** – Maharashtra currently accounts for approximately 55% of India’s data centre capacity.
- **Bio-pharma and Pharma Parks** – Including PPP models in Dighi.
- **Electronics Manufacturing** – Significant opportunity adjacent to semiconductor development.
- **Semiconductors** – Recognized as long-term, strategic sector with policy incentives underway.

He emphasized that both production and consumption capacity exist within Maharashtra, strengthening its industrial case.

### **Women Entrepreneurship and Inclusive Ecosystems**

On the question of women entrepreneurs, Mr. Velrasu acknowledged that their GDP contribution is often under-recognized. However, women are increasingly leading cutting-edge sectors including pharma and technology.

While MIDC remains largely gender-neutral in policy, certain schemes offer additional incentives for women-led enterprises. More importantly, he stressed the need for:

- Mindset shifts
- Safer and better-designed industrial infrastructure
- Supportive ecosystems within estates like Chakan

The focus must be on creating enabling conditions rather than symbolic reservations.

### **Governance, Decentralization and Industry Partnership**

In his closing remarks, Mr. Velrasu emphasized mutual trust between government and industry. The current administration has clearly stated that government exists to support industry — not the other way around.

Key reforms include:

- Delegation to local offices
- Self-certification mechanisms (for units up to 500 sq ft)
- Decentralized approvals
- Ease of doing business as a priority

He encouraged industry bodies like MCCIA to engage candidly, share feedback openly, and “call a spade a spade.” Confidentiality would be maintained, and policy responsiveness ensured.

Mr. Girbane concluded by thanking the Government of Maharashtra and MIDC leadership for their openness, accessibility, and consistent support for industrial growth.

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5TH Floor, 505/506 A/B Wing, MCCIA Trade Tower, 403 - A, Senapati Bapat  
Road, Pune, Maharashtra, 411016 | +91 20 2570 9000 | [info@mcciapune.com](mailto:info@mcciapune.com)