

# IMC

Chamber of Commerce and Industry

# IMC JOURNAL

VOLUME 115 | ISSUE 1 | JULY-AUGUST 2023

COOPERATIVES: Partners for Accelerated Sustainable Growth



## Cover Story

Cooperatives: Partners for Accelerated Sustainable Growth

9

## Knowledge Series

Session of the Series  
ARBITRATION KNOWLEDGE & STUDY CIRCLE

20

## Networking Series

115th Annual General Meeting of the Chamber

18

PARTNERING FOR SUSTAINABLE GROWTH

# IMC

Chamber of Commerce and Industry

BOOST YOUR VISIBILITY, TAKE YOUR BUSINESS STRENGTHS TO THOSE WHO MATTER. GLOBAL POLICY MAKERS, REGULATORS, INDUSTRY LEADERS, REACH THEM THROUGH US. START NOW!

## THE IMC JOURNAL Renowned Bi-monthly Magazine



The IMC Journal gives you a platform to share your views and be a voice of your industry and business community. You can also contribute towards articles and other editorials.

IMC Journal's readers include Indian industry and business leaders, exporters and importers, professionals and consultancies, various central and state ministries, foreign diplomatic missions in India and Indian diplomatic missions abroad, industry associations, International chambers, bilateral, and multilateral institutions.

We print more than 3500 copies of each issue. The publication is displayed at all key seminars, meetings, events, and promoted through IMC social media assets.

We consciously focus on delivering great value for money to our advertisers.

**Amplify your brand, services and products through IMC Chamber of Commerce and Industry and advertise with us NOW!!**

### The tariff card for print + digital copy is as follows:

Half Page  
20 cms x  
13.5 cms

Full Page  
20 cms x  
27 cms

Inside-Cover  
20 cms x  
27 cms

Back-Cover  
20 cms x  
27 cms

Gatefold  
41 cms X 27 cms  
(Front Cover)

Double-Spread  
41 cms X  
27 cms

#### Single Insertion

|        |          |          |          |          |          |          |
|--------|----------|----------|----------|----------|----------|----------|
| B/W    | ₹ 7,500  | ₹ 10,000 | -        | -        | -        | -        |
| Colour | ₹ 12,500 | ₹ 20,000 | ₹ 25,000 | ₹ 27,500 | ₹ 50,000 | ₹ 30,000 |

#### Annual Contract (Six Insertions)\*

|        |          |            |            |            |            |            |
|--------|----------|------------|------------|------------|------------|------------|
| B/W    | ₹ 37,500 | ₹ 50,000   | -          | -          | -          | -          |
| Colour | ₹ 62,500 | ₹ 1,00,000 | ₹ 1,25,000 | ₹ 1,37,500 | ₹ 2,50,000 | ₹ 1,50,000 |

\*On an Annual contract of six issues, you get one issue absolutely free, so you pay only for five issues!!!

**Block your space today for the year 2023-24**

For more information, kindly contact:

Ms. Jayshree Poojary on [jayashree@imcnet.org](mailto:jayashree@imcnet.org) or Ms. Amruta Desai on [amruta.desai@imcnet.org](mailto:amruta.desai@imcnet.org)

# Contents

July -  
August 2023

## President

Mr. Samir Somaiya

## Vice President

Mr. Sanjaya Mariwala

## Editor & Publisher

Mr. Ajit Mangrulkar

Director General

## Executive Editor

Mr. Sanjay Mehta

Deputy Director General

## Copy Editing & Concept

Ms. Jayshree Poojary

Asst. Director PR

Views expressed in the IMC Journal are not necessarily those of the Committees of the Chamber. Non-receipt claims will not be entertained after four months of the publication of the journal; six months in the case of overseas subscribers.

Please send correspondence concerning this journal to:

Editor, IMC Journal

IMC Chamber of

Commerce and Industry

IMC Marg, Churchgate,

Mumbai- 400 020

Tel: +91-022-71226633

Fax: 2204 8508

E-mail: [ajit.mangrulkar@imcnet.org](mailto:ajit.mangrulkar@imcnet.org)

Website: [www.imcnet.org](http://www.imcnet.org)

Single Copy Price

₹ 50/-

Annual Subscription

(For 6 Issues)

₹ 200/- (India) | \$ 30 (Abroad)

## Design & Printing:

Finesse Graphics & Prints Pvt. Ltd.

Tel: +91-022-4036 4600

E-mail : [info@finesse.co.in](mailto:info@finesse.co.in)

## Cover Story

### 5 Cooperatives: Partners for Accelerated Sustainable Growth

**Ms. Anita Kelly**

Consul General of Ireland,

Consulate of Ireland, Mumbai

### 6 History of Cooperatives in Türkiye: A Tale of Collective Advancement

**Mr. Cüneyt Yavuzcan**

Consul General of Türkiye, Mumbai

### 8 Strengthen Cooperatives, India's economic backbone

**Mr. G. Chandrashekhar**

Economic Advisor, IMC

### 9 Cooperatives: Partners for Accelerated Sustainable Growth

**Mr. Madan Sabnavis**

Chief Economist, Bank of Baroda

### 11 Mainstreaming Cooperatives Banks: An Issue of Compulsion, Not of Choice

**Dr. Manoranjan Sharma**

Chief Economist, Infomeric Ratings

### 14 Cooperatives: Partners for Accelerated Sustainable Growth

**Dr. Soumya Kanti Ghosh**

Group Chief Economic Adviser

State Bank of India

## Opinion

### 16 Türkiye and India: Collaborating within the "China Plus One" Strategy for Mutual Growth

**Mr. Cüneyt Yavuzcan**

Consul General of Türkiye, Mumbai

## Knowledge & Networking Series

18 115th Annual General Meeting of the Chamber

19 Meeting with the Dean of the University of Indonesia in Jakarta

19 Online Seminar on Commodity Fundamentals Forum: ENERGY

20 Session of the Series ARBITRATION KNOWLEDGE & STUDY CIRCLE

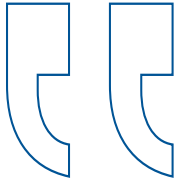
21 Networking

## Ladies' Wing

22 John Forbes Watson's the Textile Manufactures of India

22 Special Screening of the Film - Kathal

23 A Country Called Childhood: A Memoir



## *From the President's Desk* **Mr. Samir Somaiya**

Greetings to all stakeholders, members, ladies and gentlemen

At the outset, I would like to thank the Governors, esteemed members of the Managing Committee and members of IMC Chamber of Commerce and Industry, for having given me this opportunity to lead the Chamber as its President for the year 2023-24.

IMC was founded in 1907 by Indian merchants' to represent interests of the Indian trade and business community and over time has played and continues to play an important role in making the Indian economy more self-reliant.

In the current context of global economic volatility, climate change, geopolitics and energy transition, this need for 'self-reliance' is even more relevant. In addition to being self-reliant, it is important that we also become a pillar of the global economy so that the world too relies on us.

India is a bright spot and leading the world in creating growth and providing opportunity. The country is accelerating transformation by digitization across all sectors. Under the leadership of the Prime Minister, the country has also made commitments to sustainability and mitigating climate change. The country is making great strides as it adds manufacturing and services capability for itself and the world.

India is currently the fifth largest economy in the world and is poised to become the third largest economy in the next few years. All sectors

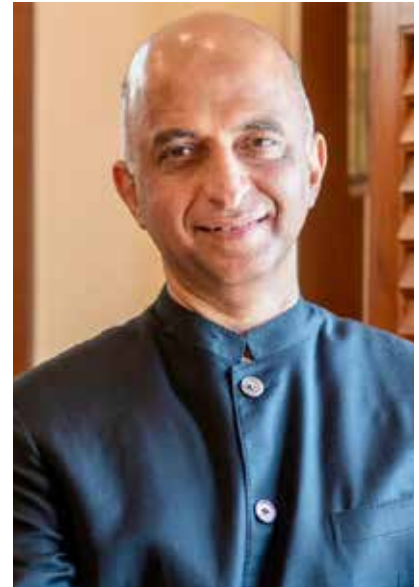
of the country will grow. The IMC Chamber of Commerce and Industry will play its part with the motto of 'Partnering for Sustainable Growth' with the Management, colleagues, associates, the country and the world.

The July-August 2023 issue is on the theme '**Cooperatives: Partners for Accelerated Sustainable Growth**', which is in line with the United Nation's theme to commemorate the 2023 International Day of Cooperatives observed on August 1, 2023

We are grateful to diplomats from Ireland (Consul General - Anita Kelly) and Turkey (Consul General - Cüneyt Yavuzcan) for describing their perspectives in cooperatives in accelerating sustainable growth and promoting inclusive development. We also thank - Mr G Chandrashekhar, Mr Madan Sabnavis (Chief Economist Bank of Baroda), Dr. Soumya Kanti Ghosh (Group Chief Economic Advisor - SBI) and Dr. Manoranjan Sharma (Chief Economist - Infomercials Ratings) for their contributions on the subject matter.

### **India – Economic Scenario:**

India's GDP grew at an estimated 6.9 percent in FY22-23. Strong domestic demand, solid investment activity supported by the government's push for infrastructure construction, and brisk private consumption, particularly among higher income earners, served as the foundation for growth. It is anticipated that robust domestic factors, comprising private



consumption, fixed investment, and steady underlying domestic demand conditions, will enhance business confidence and consequently stimulate economic activity. Notably, the banking and financial industries exhibited a robust performance during the period, alongside other sectors, including construction, capital goods, and automobiles.

Both the general government fiscal deficit and public debt to GDP ratio increased sharply in FY20/21 and have been declining gradually since then, with the fiscal deficit falling from over 13 percent in FY20/21 to an estimated 9.4 percent in FY22/23. Public debt has fallen from over 87 percent of GDP to around 83 percent over the same period. The consolidation has largely been driven by an increase in revenues and a gradual withdrawal of pandemic-related stimulus measures. At the same time, the government has

remained committed to increasing capital spending, particularly on infrastructure, to boost growth and competitiveness.

### IMC Activities

**Shri Hardeep Singh Puri**, Hon'ble Union Minister of Petroleum & Natural Gas and Housing & Urban Affairs, delivered the Chief Guest address on "A Journey of India 2014-23" and **Shri Ridham Desai**, Managing Director, Morgan Stanley, Research, delivered the Special Guest address on "Indian Economy Going Forward" at the 115th AGM of IMC.

It is important that IMC makes its members avenues of cooperation among each other, with external business opportunities in India and overseas, and the various Government initiatives that the members can participate in.

Initiatives and opportunities are also made in discussion with the Government. Sometimes, the chamber will need to advocate for change. To make existing initiatives better, bring in new opportunities, or to remove hindrances - to help the 'Ease of Doing Business' as the Government has articulated.

So the chamber will work to make members aware, assist in implementation, advocate for change and make a meaningful impact. Advocacy and impact will be pursued at Central and Regional levels.

In pursuance of the above, in the last two months, we met the following dignitaries:

1. **Dr. Bhagwat Kishanrao Karad**, Hon'ble Union Minister of State for Finance, Ministry of Finance,

2. **Shri Narayan Rane**, Hon'ble Minister of Micro, Small and Medium Enterprises.

3. **Shri Vipul Bansal** - Joint Secretary, Ministry of Commerce, Government of India.

4. **Shri. Ashish Kumar Sinha**, Joint Secretary (G20 – II), Ministry of External Affairs.

5. **General(Dr.) V. K. Singh PVS**, AVSM, YSM (Retd.), Hon'ble Union Minister of State for Civil Aviation & Road Transport and Highways

6. **Shri Ashish Kumar Singh**, Additional Chief Secretary - Skills, Employment, Entrepreneurship & Innovation Department, Government of Maharashtra.

7. **H.E. Dr. Ralf Heckner**, Ambassador along with **Mr. Jean-Baptiste Délèze**, Counsellor & Head of Economic, Trade & Finance Section, Embassy of Switzerland,

8. **Ms. Zakia Wardak**, Consul General of Islamic Rep. of Afghanistan in Mumbai.

9. **Mr. Damian Irzyk**, Consul General, Consulate General of the Republic of Poland in Mumbai.

We spoke to **Dr. Bhagwat Karad** regarding ease of doing business and the need for simplification of laws. He said this was in line with the objectives of the Government of India and we should meet him again with a defined set of suggestions. **Shri Vipul Bansal** echoed the same in our meeting with him. Similarly, **Shri**

**Ashish Kumar Sinha**, JS - G20 encouraged us to take advantage of the various opportunities that are being opened up due to India's leadership of the G20. I met with **Shri Ashish Kumar Singh** - in connection with the Maharashtra State Innovation Society and explored ways and means IMC could collaborate with the State Government to ignite greater startups and accelerate them. **Dr. Heckner** encouraged us to increase trade opportunities between India and Switzerland.

IMC, in collaboration with MCX, hosted an online seminar on Commodity Fundamentals Forum addressing ENERGY, with presenters emphasizing that energy markets have been on a roller-coaster ride in recent years.

A new series of online sessions / webinars under the banner of 'Arbitration Knowledge & Study Circle' for those interested in or practising in the field of arbitration, with the goals of (a) raising awareness about the law and practise of arbitration; (b) focusing on various aspects of arbitration law and practise; and (c) sharing and disseminating knowledge, skills, and practical experiences; through expert and eminent speakers from around the world, with particular emphasis on domestic arbitrations on a very important topic of "Enforceability of an Arbitration Agreement which is not stamped.

IMC Chamber of Commerce and Industry is a 117-year-old institution and I would like to ask for your active participation in its activities so the legacy can be continued.

I do hope you will enjoy reading the articles and other contents.

# KILACHAND CONFERENCE ROOM

**IMC**  
Chamber of Commerce and Industry



**Seating: 50 People**

## Facilities Available

**Meetings,  
Seminars/Workshops,  
Conferences,  
Training Programs,  
AGMs, EGMs, COC Meetings,  
Arbitrations, Board Meetings,  
Award Functions,  
Business Interviews. etc.**

 PA System

 Catering service

 Audio Visual arrangements

 High Speed Internet/Wifi

 Audio/ Video conference (Zoom, Webex etc.)

For details, contact:  [venue@imcnet.org](mailto:venue@imcnet.org) |  +91 9821602081

 @IndianMerchantsChamber  @IMC\_India  @indianmerchantschamber  @imcchamberofcommerceandindustry

# Cooperatives: Partners for Accelerated Sustainable Growth



**Ms. Anita Kelly**

*Consul General of Ireland, Consulate of Ireland, Mumbai*

This month, the United Nations and the international community marks the mid-point in the implementation of the 2030 Agenda for Sustainable Development. I want here to reflect upon the key role that co-operatives can play in achieving the Sustainable Development Goals. In Ireland, the country I represent as Consul General to Western India, co-ops have contributed to our sustainable economic growth and to high-quality, reliable employment. They can play a role in cementing future trade and economic ties between Ireland and India.

Irish co-op businesses serve the interests of 175,000 members, and generate some €9.7 billion in annual turnover. Co-operatives directly employ more than 11,000 people across Ireland, largely in agriculture, including agri-food and dairy producers, livestock markets, agri-worker's co-ops, and trade and wholesale groups. Community-orientated co-ops include fishing co-operatives, group water schemes and cafes, and we are also seeing the development of advisory and education-related co-ops.

The co-operative movement is a critical part of the Irish economy, and co-operatives are a feature of commercial and community-orientated enterprise across multiple sections of the Irish business landscape. The sector covers a broad range of interests, from large business co-ops in agri-food, several boasting turnover of €1 billion plus, to smaller community-focused entities, all playing significant social and economic roles. Most are successful commercial bodies circulating

turnover in the community they serve, by way of employee wages, payments to suppliers (often local farmers and producers) and payment of dividends to members.

Each co-op successfully utilises a collective voice, providing vision, leadership and value to put the needs of members to the forefront. Members, in turn, draw upon the pioneering, innovative and tenacious spirit of founding members to strengthen co-operatives, many of which are operating in a competitive and diverse business environment. Co-operatives place great emphasis on enhancing the skills of staff and management, delivering additional economic and social enhancements to society.

Evolving from their small co-operative beginnings in Ireland, multi-billion euro companies like Kerry Group have established a global market presence, including here in India. In fifty years, Kerry has grown from the small local farmer's co-operative established near my own home, to become a global leader in sustainable nutrition. It is now a public limited company, quite distinct from Kerry Co-op, which continues as a separate entity.

The founding objective was to build a more viable future for farmers in southwest Ireland. Today Kerry Group remains dedicated to economic progress and to meeting the needs of its stakeholders. The original vision and mission is today reflected in Kerry's pioneering sustainable nutrition agenda. Kerry have established two manufacturing facilities in India, in Haryana and

in Tumkur, 120km from Bengaluru. These employ efficient technologies designed to reduce energy consumption and delivery significant water efficiencies. The plants operate alongside a development and application centre in Delhi, and a regional base in Mumbai. Kerry see India as a dynamic and evolving market, and plan to invest further, to meet the growth expected in the region in the next 5-10 years.

Kerry is mainly a B2B business, working to meet the needs of value-conscious consumers, who are increasingly seeking more nutritious products; Kerry is meeting this challenge with taste and nutrition solutions, sustainably produced, to maintain good health, protecting people and the planet. As Consul General for Ireland in Western India, I am proud to see the investment by this stellar Irish company, which had its origins as a farmer's co-operative in India, and the positive response it has seen here.



*Visit by Consul General Anita Kelly with management and staff of Kerry Ingredients pvt at their manufacturing facility in Bawal, Haryana, in April 2023.*

# History of Cooperatives in Türkiye: A Tale of Collective Advancement

**Mr. Cüneyt Yavuzcan**

*Consul General of Türkiye, Mumbai*



Cooperatives stand as a testament to the power of collective action, representing a unique socio-economic model that prioritizes shared ownership, equitable decision-making, and community empowerment. In Türkiye, the history of cooperatives spans centuries, intricately woven into the fabric of societal development and progress. From traditional practices rooted in mutual aid to the modern cooperative movement, Türkiye's cooperative landscape has evolved to address a multitude of economic and social challenges, ultimately fostering sustainable growth and inclusivity.

## **Traditional Foundations: Imece and Ahilik**

The roots of cooperatives in Türkiye can be traced back to the concept of "imece," an age-old practice of communal support. Imece involves community members joining forces to assist one another in labor-intensive tasks such as constructing homes, harvesting crops, or completing other community projects. In an "imece," community members contribute their time, effort, and skills to assist one another, without expecting monetary compensation. This principle of mutual aid and cooperation set the stage for more formal cooperative endeavors.

In the 13th century, "Ahi" guilds emerged in Anatolia during the Seljuk period, uniting craftsmen with a focus on mutual aid, education, and ethics. These guilds laid the

foundation for cooperative principles such as solidarity, self-help, and fair resource sharing, which still shape modern cooperatives. Ahilik's emphasis on cooperation, skill advancement, and ethical behavior left a lasting impact on Turkish society. While traditional guild structures have evolved, Ahilik's values persistently influence notions of community, craftsmanship, and social responsibility in modern Türkiye.

## **Emergence of Modern Cooperatives: The Mithat Pasha Era**

The transition to modern cooperatives in Türkiye is closely associated with the endeavors of Mithat Pasha, a prominent Ottoman statesman. In 1863, Mithat Pasha established what can be considered early cooperative-like entities called "Homeland Funds" in Pirot, a town within the Ottoman Empire, now part of Serbia. These initiatives aimed to offer financial aid to struggling farmers, echoing the cooperative spirit of assisting one another in times of need. These funds were often organized at the local level, within towns or villages, and were managed by community members.

These early cooperative-like initiatives laid the foundation for the formal cooperative movement that would later develop in Türkiye, addressing various economic challenges and promoting community well-being.

## **Evolution during the Republican Era**

The founding of the Republic of Türkiye in 1923 was a pivotal moment for cooperatives. The 1924 Agricultural Unions Act introduced the foundation for consumer and agricultural cooperatives, promoting economic stability, empowering farmers, and ensuring fair resource distribution.

Under Mustafa Kemal Atatürk's visionary leadership, crucial cooperative legislation was passed in 1935. This law created a comprehensive legal structure for agricultural and credit cooperatives, boosting awareness and participation across society.

Throughout the 20th century, Türkiye's cooperative landscape continued to evolve. Diverse cooperative models emerged, encompassing agriculture, consumer services, and housing. These cooperatives addressed a wide array of needs, from agricultural production and marketing to urban housing initiatives.

## **The Emergence of Women's Cooperatives: Empowering Economic and Social Inclusion**

Recently, women's cooperatives in Türkiye have garnered substantial attention as a means of empowering women and enhancing their involvement in economic and social activities. This growth hasn't happened in isolation; it's been acknowledged by multiple



stakeholders who see these cooperatives as crucial for advancing gender equality and sustainable development. To support their expansion and effectiveness, these cooperatives have received financial aid and technical assistance from various sources, including public institutions, local governments, international organizations, and NGOs.

### Highlighting Key Turkish Cooperatives and Their Activities

**Turkish Agricultural Credit Cooperatives:** The establishment of Turkish Agricultural Credit Cooperatives dates back to 1863 when Mithat Pasha founded the “Homeland Funds”.

As the leader in agricultural credit and inputs, Turkish Agricultural Credit Cooperatives, which serve as the socio-economic safeguard for farmers, today comprise regional unions, cooperatives, service offices, companies, and over 800,000 members under the Central Union. This makes them the largest farmer organization in Türkiye. They process top-quality partner products, distributing them to consumers through nationwide Coop markets.

**FİSKOBİRLİK:** Established in 1938 for the production and sale of hazelnuts, which are among Türkiye’s significant export products, FİSKOBİRLİK is the world’s largest producer union in its field with a variable number of members affiliated with 50 cooperatives.

**Gülbirlik:** An agricultural sales cooperatives union, Gülbirlik produces roses and rose oil. Established in 1954 in Isparta, it processes rose flowers and markets products.

**Village-Coop:** Representing rural development cooperatives, Village-Coop engages in agriculture,

livestock, and handicrafts. Activities include product processing, marketing, and cooperative development.

**Marmarabirlik:** This agricultural sales cooperatives union is a key olive and olive oil producer. With eight cooperatives, Marmarabirlik contributes significantly to Türkiye’s olive industry.

**PANKOBİRLİK:** A cooperative union in sugar beet cultivation and processing, PANKOBİRLİK represents sugar beet growers. It plays a major role in Türkiye’s sugar industry.

**Central Union of Credit and Guarantee Cooperatives of Tradesmen and Craftsmen of Türkiye (TESKOMB):** TESKOMB supports artisans and tradesmen financially through credit and guarantee cooperatives, aiding businesses in Türkiye.

### The Path Forward: Collaborative Opportunities Between Türkiye and India

Both Türkiye and India share rich histories of cooperative movements that have aimed to tackle societal challenges while fostering economic progress. With their common values of collective ownership, mutual

assistance, and democratic decision-making, these nations possess immense potential for cooperation in the cooperative realm.

Collaboration could involve knowledge exchange, sharing best practices, and conducting joint research initiatives to bolster the efficiency and sustainability of cooperatives in both countries. Furthermore, joint efforts could concentrate on promoting gender equality within cooperatives, leveraging modern technology for enhanced operational efficiency, and broadening the scope of cooperative services to address emerging challenges.

In conclusion, Türkiye’s cooperative journey spans a continuum from traditional practices to modern legal frameworks. Cooperatives have played a crucial role in addressing socio-economic challenges, promoting inclusive development, and cultivating a sense of communal ownership. As Türkiye charts its course toward sustainable progress, collaborative engagement with countries like India could further fortify the cooperative movement, enabling both nations to harness its potential for the greater good.

*(Views are personal)*



# Strengthen Cooperatives, India's economic backbone



**Mr. G. Chandrashekhar**

*Economic Advisor, IMC*

Cooperatives have traditionally been the backbone of economies, especially agrarian economies. They help leverage the strengths of people with unity of purpose. The core philosophy of cooperatives is highly egalitarian and socialistic.

In India there are approximately 854,000 cooperative societies as per the Statistical Profile of Indian Cooperative Movement-2018 published by the National Cooperative Union of India. Of these, Maharashtra boasts of over 205,000 cooperative societies (representing close to a fourth of the aggregate) followed at a distance by Gujarat, Andhra Pradesh and Telangana.

These cooperatives are engaged in dairy, fisheries, sugar, handloom and other economic activities including banking. Also, there are different cooperative societies covering producers' cooperatives, consumers' cooperatives, marketing cooperatives and so on.

The formation of the Union Ministry of Cooperation in 2021 has provided a new impetus to the country's cooperative sector including cooperative societies from primary to apex level. The ministry's mandate is to strengthen the cooperative movement in the country, deepen its reach up to the grassroots and create an appropriate policy, legal and institutional framework to help cooperatives realize their potential.

In the current context, the cooperative sector in our country with multiple stakeholders is in a

position to play a pivotal role in contributing to economic growth. There is opportunity to partner with other sectors to achieve sustainable growth and share the growth benefits equitably. Sustainability principles have become critical especially after renewed recognition of the dangers mankind faces because of environmental pollution leading to global warming and climate change.

In September 2015, the United Nations announced 17 Sustainable Development Goals (SDGs) to be achieved by 2030.

For the cooperative sector stakeholders it is critical to learn about sustainability principles and apply them to their economic activity. Sustainability is a multi-dimensional term that covers economic, social, ecological and governance matters. Experience of the last four years – pandemic, war, geopolitical instabilities - has shown that the world must all the time 'expect the unexpected' and be in a state of readiness to combat challenges.

This calls for greater resilience to face and overcome daunting challenges. For the cooperative sector this demands an enlightened leadership that would not buckle under the burden of challenges but demonstrate matured leadership and provide practical guidance in times of uncertainty.

The cooperative sector needs sustained growth in sustainable ways. This calls for multi-faceted strategies to ensure growth without

compromising sustainability principles. Regular awareness, training and education programs among stakeholders about the dynamics and drivers of the sector are necessary so that all the time they are ready to face situations.

Introducing ESG (environmental, social and governance) principles to the cooperative sector would help in course of time. Industry-Academia linkages for the cooperative societies with continuous engagement with domain experts would help. For the purpose, the National Council for Cooperative Training, an autonomous society under the Ministry of Cooperation has been set up.

There is a need to strengthen governance, increase transparency and accountability, improve election process and tighten the annual audit mechanism for the sector. A strong regulatory oversight will help. Technology infusion at every level is sure to accelerate work speed and advance transparency.

On its part the government has taken several initiatives to strengthen the cooperative sector. Among the many, there are 14 initiatives to make primary cooperatives transparent and economically vibrant and nine initiatives to strengthen urban and rural cooperative banks.

(G. Chandrashekhar, Economic Advisor, IMC Chamber of Commerce and Industry, is a policy commentator and commodities market specialist. Views are personal)

# Cooperatives: Partners for Accelerated Sustainable Growth

**Mr. Madan Sabnavis**  
Chief Economist, Bank of Baroda



The story of AMUL in India is legendary not just for the very enigmatic advertisements that are brought out to suit contemporary developments but also for the way in which the concept of cooperatives evolved. Getting together thousands of milk farmers to sell milk to the cooperative and take home a healthy return which has kept pace with inflation are the perfect ingredients for a success story. The model has worked very well to usher in the White revolution in the eighties. The point is that this may be the best way to go for the rest of the economy too.

While the corporates contribute to the growth of the economy by the sheer volume of output that is generated, the majority of jobs are being created in the MSME

and agricultural spaces. The idea which can be drawn from the AMUL story is that a similar effort can be made in these areas too. There is talk of cooperation in all areas and by ushering in this mode in the economic field, several objectives can be addressed.

At a totally different level, IFFCO, which is the largest farmer owned fertilizer cooperative in the country, has made a difference in agriculture. It is an amalgamation of 35,000 cooperatives that span the wide spectrum of the value chain from fertilizers to food processing to rural telecom. This has been another success story in the area of agricultural manufacturing. HAFED and NAFED are other examples of successful state cooperative societies

where farmers are members. The society works to the benefit of the members and traverses the entire value chain. The main help comes at the time of marketing with buyback often being pursued to stabilize prices in times of surpluses. On several occasions NAFED has bought up excess oilseeds to stabilize prices hence benefiting the farmers.

When talking of cooperatives one can distinguish between financial and non-financial structures. In the financial side, there already exists the cooperative banking structure both at the urban and rural levels. Here the banks have been targeting the niche segments for disbursement of credit and both the farming and MSME segments have derived benefits. UCBs target MSMEs in particular where the borrowers are members of the bank. But the main thrust of financial inclusion is still with the commercial banks.

The idea of a cooperative movement is that all members of the group are part of the association and work together for collective benefits. Therefore there is an ownership stake that is present which in turn, provides an incentive to work in this direction. Let's look at agriculture first. Presently farming is fairly fragmented with multitude of producing units. However, there are strengths in growing specific crops in certain geographies which is where there is scope for creating cooperatives. For example, soybean is a major crop in MP and farmers



working in contiguous locations can come together and form a cooperative to improve productivity and hence output as well as get a better price in the market. The Farmers laws had suggested ways to get better income, which however have now been kept in abeyance. Forming cooperatives for soybean in MP, pulses (in Maharashtra), groundnut (Deccan region) can replicate the AMUL model. These cooperatives also lead to other collateral benefits such as sharing of know-how to improve productivity as also bring about standardization in produce to gain better bargaining power in the market.

In fact, formation of cooperatives also would work for horticulture especially tomatoes, onions and potatoes. These three products have been the Achilles heel of farmers as there have been sharp peaks and troughs in production historically. The cooperatives should strive for the following. First, is to work together to use latest technology which covers all aspects of cultivation for enhanced output. Second, is to provide market intelligence which covers weather patterns as well as prospects and prices to farmer members. Third is to create strong post-harvest infrastructure which includes warehousing, assaying and transportation. Fourth, is to bargain for better prices in the market. Presently in the mandi system the buyer who is an intermediary is able to dictate terms to the seller. This balance of power should be restored. Fifth, such cooperatives by pooling the products that are being sold can also take positions in the commodity futures market so that price hedging mechanisms are in place. Intuitively it can be seen that seeking finance from banks can also become easier as the institution deals with a large association rather than multitude farmers. Hence, this can lead to commercialization of agriculture

which is the untapped potential of agriculture in India on account of the activity being very fragmented.

A similar template can be created for MSMEs though this could be a bit more challenging given that the businesses that they are operate will vary significantly. Currently there are product associations that work for their betterment but these have not been very effective and end up being lobby groups. Therefore the clue is to have cooperatives for these players that are able to talk to the common customers and get better deals at the time of contracting with the parties. This is where the cluster approach has been in vogue though this model has worked more from the point of view of having access to infrastructure and state benefits. This has worked for textile weavers fairly well in the southern states.

The biggest challenge for small players is negotiating contracts with upstream supply chain players as well as in marketing. Creating cooperatives will serve to address these problems to a certain extent

and hence makes a lot of sense. This would automatically also bring about technological change that is necessary to stay competitive in the market. Hence there can be cooperatives in these clusters which may be dealing with auto components, electronics, bricks, tiles, etc.

Starting the cooperative movement at these two levels should be the goal of all state governments which should have a separate wing looking into this sector. Given the way in which most activity has been structured it is hard to conceive of such movements starting without government support. It would also help in terms of targeting any benefits for a sector as the cooperative becomes the face. The next five years can be targeted for bringing about this movement in at least three sectors in each of the two segments. This will help to not just bring about growth in the economy but also create jobs and income which is required for a more equitable society.

*(Views are personal)*



# Mainstreaming Cooperatives Banks: An Issue of Compulsion, Not of Choice



**Dr. Manoranjan Sharma**

*Chief Economist, Infomerics Ratings*

## Introduction

Considered in a proper historical and comparative perspective, Cooperative Banks in India started in 1906. But cooperatives were not unique to India. For, the Fenwick Society was established way back on March 14, 1761 in Scotland. The co-operative movement in India has its genesis in the Co-operative Societies Act of 1904. The announcement of a National Co-operative Policy in 2002 together with some legislative reforms by enacting the new Multistate Co-operative Societies Act, 2002 strengthened co-operatives. Generic issues of governance and transparency affect PSBs, private banks, and non-banking financial companies (NBFCs). But the cooperatives are greatly hit. While no economy is immune to banking crises, cooperative banks in India failed with unfailing regularity, e.g., Ahmedabad's Madhavpura Mercantile Cooperative Bank failure of 2001 because of Ketan Parikh (uncannily similar to HDIL in Punjab & Maharashtra Co-operative Bank Limited-PMC Bank). PMC Bank scam was a function of several forces and factors and their inter-linkage with the broader macro system.

Cooperatives have failed (despite stray examples like Amul, Indian Farmers Fertilizer Cooperatives-IFFCO) but cooperatives must succeed. Cooperative banking in India has historically played an

important role in rural banking reflected in branch expansion, deposit mobilization and credit deployment. The system, however, continues to be affected by corruption and flawed managerial and operational systems. Hence, despite their relative decline, they are still important, particularly at the bottom of the income pyramid, viz., greater outreach to rural households, rural employment and cost of purveying rural credit. In conformity with the inexorable reform logic, the number of cooperative banks in India steadily declined from 1926 in 2004 to 1551 in 2018.

## Committees on Reforming Cooperative Banks

The cooperative movement in India is riddled with persisting weaknesses and structural deficiencies. Several Committees attempted to streamline cooperative banks, e.g., Satish Marathe Committee (1991), Madhav Rao Committee (1999), N.H. Vishwanathan Working Group on augmenting capital of UCBs (2005), R Gandhi Working Group on information technology systems in urban cooperative banks (2007-08), VS Das Group on an umbrella organisation for the UCBs (2009), YH Malegam Committee on licensing of new UCBs (2011) and R. Gandhi Committee (2015). The R. Gandhi Committee recommended, inter-alia, creation of an umbrella organization for cooperative banks and instituting a board of management, an

accelerated winding up/merger process without involving other regulators under the cooperative societies' laws, effective regulation of such banks and allowing conversion of UCBs into small finance banks subject to their fulfilling RBI norms.

## Differences between Commercial and Cooperative Banks

Commercial banks vis-à-vis cooperative banks have a much higher capital base (capital base of ₹ 25 lakh for urban cooperative banks, ₹ 100 crore for small finance banks and ₹ 200 crore for a new commercial bank, to be raised to ₹ 300 crore within 3 years of business); subject to greater regulatory rigors; and unlike commercial banks, which are structured as joint stock companies, Urban Cooperative Banks (UCBs) are structured as co-operatives, with unlimited liability of their members. Further, a clear distinction exists between a commercial bank's shareholders and its borrowers. But UCB borrowers are shareholders; generally, manpower and operational efficiency levels are discernibly higher in commercial banks and commercial banks are also subject to market discipline because of their listing on the Stock Exchanges. A committee of officials from Departments and Ministries may examine vulnerabilities for a robust and scalable strategy for cooperatives.

## Supervisory and Regulatory Issues

There were ineffective off-site surveillance and oversight and gaps in audit and inspection conducted under Section 35 of the Banking Regulation Act (B.R. Act), 1949 (As Applicable to Cooperative Societies-AACS). In flagrant violation of all canons of banking and the proven principles of prudent risk management, 73 % of the total loans went to HDIL in PMC Bank.

The rural credit system is characterized by somnolence and fragmentation (Sharma, 2001). Stark fragmentation is reflected in 1,551 urban co-op banks and around 96,600 rural co-operative banks - primary agriculture credit societies (PACS) and large size Adivasi multi-purpose societies (LAMPS). Historically, the dual control of the State government (i.e., “back-seat driving”) and the RBI necessitate greater transparency about possible conflicts of interest, check egregious violations of sound banking principles and practices, meet evolving regulations and reporting requirements.

Dual control stems from the application of the B.R. Act, 1949 (As Applicable to Cooperative Societies) (AACS) to cooperative banks in 1966. Regulatory aspects, viz., issue of licence, maintaining cash reserve ratio (CRR), statutory liquidity ratio (SLR) and capital adequacy ratios, and inspection were taken over by the RBI. But the Registrar of Cooperative Societies (RCS) retained control of management elections, administration and auditing. The State Department of Co-operation is also involved in cooperatives - a classic case of too many cooks spoiling the broth!

Depositors are lured by higher rate of interest but are fleeced later. The ease with which India’s cooperative banks are brought to the precipice is symptomatic of a larger malaise: the devastating crisis of confidence reflected in the failure of internal and statutory audits and the RBI inspection to unearth over 24,000 accounts with the same address and ownership in PMC Bank. There is a rising sense of dread with the atrophied condition of cooperative banks requiring an accent on the principles of robust banking.

The RBI may circulate some model inspection reports among their IOs, modus operandi of frauds, their detection and remedial measures to prevent the recurrence of such frauds. The RBI may also direct their IOs to closely examine outlier events, e.g., if loan growth in the region, the Bank and at the national level is 10 %, but if a branch or a cluster of branches records 50 % loan growth, such transactions and deviant conduct be examined.

Technology and risk-based inspection need to be increasingly leveraged by technology-driven mode and simple programming languages, e.g., Python to examine large databases to identify risks, particularly concentric risks to trigger structural changes for a transformative effect. Big data analytics also significant impact security and fraud management (Srivastava, et al, 2015).

Despite checks and balances, credit risks are camouflaged in credit approval and disbursement by ever greening of loans (“transactions suggestive of book adjustments”), round tripping of money through group companies, repaying interest charges on or slightly before due dates, and even fraud. The loan

size keeps getting bigger and when the balloon bursts, as eventually it would, the hit would be far greater than if the loan would have been rightly classified as a dud loan straightaway. This corollary requires changing the rules of the game by automated analysis tools, sector-oriented benchmarking solutions, data visualization tools, behavioral analytics, deep learning and the internal audit function. Decisive action requires a streamlining of both process reform and behavior change in the credit system, a paradigm shift in the asymmetric relationship between the bank manager and the borrower by deft use of technology, data and artificial intelligence for approval and disbursement mechanisms and a modified credit rating system. Directors and auditors must reassure accurate financial statements.

In some cases, banks were guilty of fraud while in other cases, the customers tricked the banks. Gross underreporting stems at least partly from flawed due diligence. Banks are reluctant in coming clean because of reputational risks, interference of probe agencies, and the instinct of self-preservation. But such ill-conceived measures are counter-productive because inadequate and misleading disclosure falsifies liquidity, inflates revenues and delinquency, cheating both the stakeholders and investors. It is, therefore, a disclosure breach, a data fraud and a capital market fraud. Complete disclosure is also hampered by other accentuating factors, viz., failure of the third-party ecosystem or auditors to focus on risks. Hence, the RBI’s DG stressed adherence to compliance and exhorted all bankers to develop a ‘compliance culture’ in banks (Jain, 2019). Eventually the

problem of frauds cannot be looked at as an isolated problem of banks and is a systemic failure (Rajan, 2018). There were also inadequate and misleading disclosures. A holy grail of banking and finance is eternal vigilance with robust regulatory framework, market infrastructure and diligent rule enforcement.

### Roadmap Ahead

Given the systemic gravity and enormity, leveraging information and communication technology (Sharma, 2010), heightened communication and accessibility of data to implement a system-wide fraud mitigation mission, streamlined fraud detection, mitigation and control mechanism is necessary.

The 17th Indian Cooperative Congress held in July 2023 charted a pathway for the cooperative movement.

Key recommendations to resuscitate the cooperative credit system in the Indian economy included:

- Enhance the financial capacity and stability of cooperative credit institutions.
- Strengthen governance and risk management practices.
- Promote cooperation among cooperative credit institutions and mainstream financial institutions.
- Institutional credit should replace private lending among the farmers, as only 20% of them have access to institutional credit.
- Need to focus on strengthening cooperative credit structure by improving the functioning of PACS, UCBs and CCSs.



- To ensure funding of non-farm activities, NBFC like para-banking units be established with suitable regulations.
- To be autonomous and competitive cooperatives, the needed '3R' strategies are:
  1. Restore the confidence in cooperatives to reap the benefits through them.
  2. Recapitalize cooperatives resuscitate them into healthy enterprises.
  3. Recapture the spirit of cooperatives ACRC.
- Interlink agricultural processes and cooperatives for revitalized functioning.
- The banks should follow the three steps of "Detection, Protections, Prevention", besides following the RBI's cyber compliance protection system.
- The banks should conduct security assessment audits, follow RBI's compliance, and train their employees in cyber security to keep them updated and alert.
- While outsourcing any data to a third party, a proper outsourcing agreement should be made for the prevention of any leaks /threat/crime.

### References

Jain, MK (2019). "Regulatory and Supervisory Expectations on Compliance Function in Banks", *Financial Institution Benchmarking and Calibration (FIBAC) 2019*.

Rajan, Raghuram G. (2018). *Note to Parliamentary Estimates Committee on Bank NPAs*.

Sharma, Manoranjan (2001). "Rural Financial Institutions in Early Third Millennium", *Emerging Institutions for Decentralised Rural Development (ed.) S.P. Jain, NIRD*.

Sharma, Manoranjan (2010). "Information and Communication Technologies: Crafting the Future of MSMEs". *The Indian Banker*. March.

Srivastava, Utkarsh, et al (2015). "Impact of Big Data Analytics on Banking Sector" 2nd International Symposium (ISBCC'15). *Procedia Computer Science*.

(Views are personal)

# Cooperatives: Partners for Accelerated Sustainable Growth



**Dr. Soumya Kanti Ghosh**  
*Group Chief Economic Adviser  
 State Bank of India*

Cooperatives play a significant role in economic development in a country, especially in a developing country like India. These not only provide credit, strengthen input and output agriculture market, but also provide support to the micro, small and medium enterprises, small shops and businesses in India. The contribution of cooperatives to growth has been accepted universally and the UN observed the 2023 International Day of Cooperatives on 1 July.

Globally there are around 30 lakhs cooperatives contributing to the sustainable economic growth and stable, quality employment, providing jobs or work opportunities to 28 crore people across the globe — 10% of the world’s employed population. India too has a vast cooperative network

with about 8.5 lakh cooperative units out of which 23% or 1.77 units are credit cooperatives and the rest are non-credit units. As per the National Cooperative Database of the 7.8 lakh primary cooperative societies, housing cooperative societies constitute 24%, followed by dairy cooperatives (18%), primary agriculture credit society (13%), credit & thrift society (10%) and labour society (6%), these five together accounting for 71% of the total. These are spread across the country but the five states Maharashtra, Gujarat, Telangana, Madhya Pradesh and Uttar Pradesh account for 58% of the total primary cooperatives. Besides, cooperative banks, national federations, multistage cooperatives, cooperative agriculture and rural development banks are playing their

part in socioeconomic upliftment of the local communities.

Cooperatives are considered an integral part of our development process right since the independence. The government has done a great deal to promote the cooperative movement in India. Various committees were formed to build the infrastructure required for promoting the cooperatives in India. The current government has set up a separate ministry in 2021 with an aim to strengthen cooperative movement in the country & deepening its reach up to grassroots; and creation of appropriate policy, legal & institutional framework to help cooperatives realize their potential. This has been a step in the right direction as it has led to

COVER STORY





many reforms in two years, including economic strengthening of Primary Co-operative Societies by introduction of Model Bye-Laws for making PACS Multipurpose, computerization of PACS, establishment of Multipurpose PACS/Dairy/Fisheries Cooperative Societies (2 lakh new societies) in every Panchayat/Village, new Farmer Producer Organizations (FPOs) by PACS, PACS as Jan Aushadhi Kendra for access to generic medicines, PACS as Fertilizer Distribution Centre, Micro-ATMs to Bank Mitra Cooperative Societies, Rupay Kisan Credit Card to Members of Cooperative Societies among others. Further, the government has provided relief in income tax law to cooperative societies through reduction in surcharge and minimum alternate tax, tax cut for new manufacturing Cooperative Societies to name a few. The government has also formulated a new cooperation policy and set up a new National Cooperative Database.

All the efforts for promoting the cooperatives in India have led global agencies to enumerate our success stories. World Cooperative Monitor 2022 released by the International Cooperative Alliance (ICA) and the European Research Institute on Cooperative and Social Enterprises (Euricse) in Dec'22 shows that in the Top 300 ranking based on the ratio of turnover over gross domestic product (GDP) per capita, two Indian producer cooperatives, The Indian Farmers Fertiliser Cooperative (IFFCO) and Gujarat Cooperative Milk Marketing Federation Limited reach the first and second positions, respectively.

There have been various illustrations of the work done by the cooperatives in India in the field of women empowerment, water, sanitation, biomass-based power among others which supports their role in sustainable development. The SEWA federation, the Lijjat Gruha Mahila Udyog model have done spectacular jobs in generating self-employment opportunities contributing to women's social-financial inclusion

and empowerment. Success story of water cooperatives in Olavanna, Kerala which helped in providing water even in remote locations is well known. Likewise, the National Cooperative Housing Federation (NCHF) mobilised the urban poor in numerous housing cooperatives, with a membership of millions of people, constructing and financing housing units, majority for low-income families.

India has been the hotbed of frugal innovations in co-operatives practices, from products to services, best examples being in sugar productions and dairy technologies (products) and a slew of banks (Urban as also Rural institutions) that have catapulted the country to the top echelon globally in select niche areas. With an all-pervasive technology centred architecture intent on harnessing the digital rails like identification/payment/mobility systems built at population scale, its high time to seek operational excellence along same lines in other verticals. That should also give boost to employment and job opportunities in rural areas, while also checking the seasonality of mass migration from select geographic terrains. Cross-sectional and collaborative Cooperative movement

at scale in various agri and allied activities, ensuring adoption of better practices from pre to post harvest, while tilted towards optimal price discovery with MSP/GeM as overarching tenets of market linkage should usher in progressive and continually evolving benchmarks, taking the spirit of cooperatives to an equitable and sustainable highs for the masses.

The world is facing unprecedented challenges and still reeling under the influence of the pandemic and Russian Ukraine with higher inflation, debt crisis and climate related crisis. A large proportion of the citizens are dependent on agriculture and allied activities. Like other activities, agriculture and allied sector is also being influenced by climate adversely. Against this backdrop, cooperatives can play a key role in sustainable inclusive by mobilising adequate, affordable finance. Focus should be on strengthening international cooperation for providing innovative and sustainable solutions to the current issues like rising temperatures, employment, depletion of water resources, degradation of natural resources.

*(Views are personal)*



# Türkiye and India: Collaborating within the “China Plus One” Strategy for Mutual Growth



**Mr. Cüneyt Yavuzcan**

*Consul General of Türkiye, Mumbai*

In today's era of globalization, businesses are constantly seeking innovative strategies to expand their horizons and secure their operations. One such strategy that has gained traction is the “China Plus One” strategy. This approach involves companies diversifying their manufacturing and sourcing activities from China to other countries, mitigating the risks associated with excessive reliance on a single market. Türkiye and India have emerged as attractive alternatives within this framework due to their unique strengths, geographical advantages, and investment-friendly environments.

## The “China Plus One” Strategy and its Rationale

China's position as the global manufacturing hub has long been acknowledged. However, the escalation of labor costs, trade tensions, and disruptions stemming from the Covid-19 pandemic have illuminated the vulnerabilities of solely depending on China for production and sourcing. The “China Plus One” strategy addresses these concerns by decentralizing operations to various countries while retaining the advantages China offers. Türkiye and India, with their skilled workforces, strategic locations, and conducive business climates, stand out as promising destinations for companies looking to diversify.

## Türkiye's Allure: Skilled Workforce and Strategic Geography

Türkiye boasts a highly educated and skilled workforce, particularly in technical fields. This ensures companies can access adept personnel capable of handling intricate manufacturing processes. Moreover, compared to Western and European nations, Türkiye offers competitive labor costs, an appealing proposition for maintaining quality while reducing expenses.

Türkiye's strategic location at the crossroads of Europe, Asia, and the Middle East amplifies its appeal. This geographical advantage facilitates access to numerous markets and trade routes, positioning the country as an optimal location for establishing regional hubs and distribution

centers. Its membership in the Customs Union with the European Union further grants preferential access to the EU market, enhancing its desirability as a manufacturing base.

## Favorable Business Environment and Government Initiatives

Türkiye has proactively implemented policies to attract foreign investment. The Turkish government's initiatives, including tax incentives, streamlined administrative procedures, and investment promotion programs, have engendered a welcoming business environment. These measures have resulted in increased foreign direct investment, solidifying Türkiye's status as a prime destination for companies adopting the “China Plus One” strategy.





### India's Potential within the Strategy

India, too, possesses considerable potential to capitalize on the “China Plus One” strategy. Several factors contribute to its attractiveness:

**Foreign Investment:** With a robust IT sector and a vast consumer market, India can lure foreign investment from companies seeking diversification.

**Manufacturing:** India's skilled workforce, conducive business climate, and evolving infrastructure render it a compelling alternative for companies looking to expand manufacturing operations.

**Market Access:** India's participation in regional trade agreements, such as SAFTA and AIFTA, provides companies with access to extensive markets spanning South Asia and Southeast Asia.

**Government Support:** India's government has rolled out policies and incentives to attract foreign investment, creating an environment conducive to international companies' establishment and growth.

### Collaborative Potential between Türkiye and India

Within the framework of the “China Plus One” strategy, Türkiye and India can collaborate in several ways to enhance their economic ties and stimulate mutual growth:

**Supply Chain Diversification:** Both countries can serve as alternative manufacturing and sourcing destinations, offering companies options beyond China. Türkiye's manufacturing base and strategic location appeal to those seeking diversified supply chains, while India's advanced capabilities and strong ties to the US make it an attractive choice.

**Trade and Investment:** Türkiye's textile and apparel sector can complement India's strengths in IT, pharmaceuticals, and automotive. Strengthening trade and investment ties in these sectors can lead to mutually beneficial outcomes.

**Infrastructure Development:** Joint investments in infrastructure projects can enhance connectivity, facilitating trade and economic integration. Collaboration in port, railway, and highway development can unlock new trade corridors.

### Technology and Innovation:

Türkiye and India can collaborate in research, development, and innovation to foster the creation of cutting-edge technologies, products, and services that enhance global competitiveness.

**Multilateral Platforms:** Participation in platforms like the G20 offers Türkiye and India opportunities to jointly address global challenges and promote sustainable economic growth.

### Conclusion

As companies worldwide recognize the importance of diversifying operations to mitigate risks, the “China Plus One” strategy gains prominence. Türkiye and India, with their distinct strengths and strategic advantages, can play pivotal roles in this strategy's implementation. By leveraging their skilled workforces, strategic locations, and investment-friendly policies, Türkiye and India can form a potent partnership, enhancing each other's economic landscapes and contributing to a more resilient global manufacturing ecosystem.

*(Views are personal)*

# 115th Annual General Meeting of the Chamber

7th July, 2023

NETWORKING SERIES

IMC Chamber of Commerce and Industry held Public Session of its 115th Annual General Meeting on July 7, 2023. **Shri Hardeep Singh Puri**, Hon'ble Union Minister of Petroleum & Natural Gas and Housing & Urban Affairs delivered Chief Guest address on **"A Journey of India 2014-23"** and **Shri Ridham Desai**, Managing Director, Morgan Stanley, Research delivered Special Guest address on **"Indian Economy Going Forward"**.

Delivering inaugural address at the 115th Annual General Meeting of IMC, Hon'ble Union Minister of Petroleum & Natural Gas and

Housing & Urban Affairs, Shri Hardeep Singh Puri, spoke about GOI investment in urban rejuvenation, metro rail network and pro-growth reforms and initiatives. Talking about E20 fuel which is blend of 20 per cent ethanol with petrol, Shri Puri said that by 2025, the entire country will have special fuel stations drawing from confidence of faster than expected rollout of such fuel stations.

The Minister also announced on the IMC AGM platform that his ministry would be launching as soon as the end of July, the global biofuel alliance. He further added that the government was relentlessly pursuing

initiatives and targets with the belief that it would usher in a new era of sustainable and secure energy for India, bolstering our economic growth while safeguarding the environment for our future generations.

Delivering special address on **"Indian Economy Going Forward"** at the **115th Annual General Meeting of IMC**, **Shri Ridham Desai**, Managing Director, Morgan Stanley, Research, Mr. Desai discussed about why India held bright prospects to become global economic power going forward.

### Glimpses of the event



## Meeting with the Dean of the University of Indonesia in Jakarta

15th August, 2023

Ms. Sheetal Kalro, Deputy Director General, IMC met with Dr. Ari Fahrial Syam, Sp.PD-KGEH, Dean, Prof. Dr. Dwiana Ocviyanti, SpOG (K) M.P.H, Vice Dean and Ms. Indah Sasanti, S. Hum MM, International Business Coordinator of the the Universitas Indonesia on August 15,2023 at Depok, West Java and Salemba, Jakarta, Indonesia. She also felicitated Mr. Cestarangaa Adhikerta, Student of Universitas Indonesia, the best student speaker for the topic: “ Inclusive Technology for All.” at the IMC YLF Youth Conclave 2023 - Social Fiction Competition by presenting him with a certificate at the occasion.



## Online Seminar on Commodity Fundamentals Forum: ENERGY

17th August, 2023

IMC Chamber of Commerce and Industry in association with MCX organised Online Seminar on Commodity Fundamentals Forum covering ENERGY.

Mr. Samir Somiaya, President, IMC, in his welcome address mentioned that the global energy market is currently torn between demand concerns and supply side issues. It is necessary for stakeholders to have a clear view of the dynamics and direction of the energy market. Therefore, a sound understanding of the market fundamentals is necessary to be able to read the emerging market trends reasonably correctly; and thereby make informed trading and investment decisions, he stated.

The key speakers were Mr. Vikas Shenoy, Director, Commercial and

Green Solutions, Asia Pacific, ENGIE, Singapore; Mr. T. Gnanasekar, Director, CommTrendz Research; Mr. Rahul Chahal Manager, Products Management Team- Energy MCX and G Chandrashekar, Economic Advisor, IMC and Director IMC-ERTF. They shared their insights regarding the market's drivers, dynamics, and outlook of the global energy market. Supply and demand fundamentals including production cuts and slowdown risks were discussed.

Speakers emphasised that energy markets have been on a roller-coaster ride since last few years. Currently it is observed there is supply tightness and rebound in demand. Energy crunch in different parts of the world have resulted in rising energy product



**Mr. Vikas Shenoy,**  
Director, Commercial  
and Green Solutions,  
Asia Pacific, ENGIE,  
Singapore

**Mr. G.  
Chandrashekar**  
Economic Advisor,  
IMC and Director,  
IMC-ERTF



**Mr. Rahul Chahal**  
Manager, Products  
Management Team-  
Energy MCX

**Mr. T. Gnanasekar,**  
Director,  
CommTrendz  
Research

prices and inflation. Crude oil and natural gas markets has flared up. Prices of these commodities have a bearing on the rate of inflation.

Global crude oil market currently stands at an elevated level. If geopolitical tensions worsen, there is

risk Brent Crude faces upside price risk. If geopolitical tensions abate and slow down materialise, crude oil has the potential for price correction.

Energy fuels economic growth but given India's commitment towards decarbonisation and energy transition

consumption of fossil fuel will gradually topple down.

In conclusion, speakers mentioned that the global energy market are interestingly poised with a possibility of upside price risk on current reckoning.

## Session of the Series ARBITRATION KNOWLEDGE & STUDY CIRCLE

26th August, 2023

IMC's Arbitration Committee, had initiated a new series of online '**Arbitration Knowledge & Study Circle**' for persons interested in or practicing in the field of arbitration, with the purposes of (a) creating a better and wider awareness about the law and practice of arbitration; (b) focusing on varied aspects of arbitration law and practice; (c) sharing and disseminating knowledge, skills and practical experiences; through expert and eminent speakers from all over the world, with particular emphasis on domestic arbitrations.

The **Third Online Session / Webinar** of this series, was held on August 26, 2023 on a very important topic of "**Enforceability of an Arbitration Agreement which is not stamped**".

The speaker, Mr. Anant Shende, Advocate, Arbitrator and a member of IMC's Arbitration Committee spoke

in considerable depth and with great clarity, about the recent landmark judgment delivered by the five judge Constitutional Bench of the Hon'ble Supreme Court of India in the case of - N. N. Global Mercantile (P) Ltd. v. Indo Unique Flame Ltd. (2023) on legality and enforceability of unstamped main and arbitration agreements, consequences of non-stamping and under stamping and explained the consequences of such agreements.

The Committee Chair of the Arbitration Committee Mr. Gautam T. Mehta introduced the speaker of the webinar and gave the welcome address. In his welcome address, the Chairperson touched upon IMC's role as a prominent chamber of commerce, as also, on IIAC as an institutional ADR centre.

More than 60 participants attended this session. Several of the participants appreciated this initiative



*Mr. Anant Shende*

of IMC and its Arbitration Committee and, remarked that this series of online sessions / webinars under '**Arbitration Knowledge & Study Circle**' was very informative and helpful to the participants.

## NETWORKING



*Meeting of IMC Officials with Mr. Damian Irzyk, Consul General, Consulate General of the Republic of Poland in Mumbai - August 4, 2023*



*Meeting with General (Dr.) V. K. Singh PVSM, AVSM, YSM (Retd.), Hon'ble Union Minister of State for Civil Aviation & Road Transport and Highways - August 9, 2023*



*Meeting with Dr. Bhagwat Kishanrao Karad, Hon'ble Union Minister of State for Finance, Ministry of Finance - August 10*



*Meeting with Shri. Ashish Kumar Sinha, Joint Secretary (G20 - II), Ministry of External Affairs - August 10*



*Meeting with H.E. Dr. Ralf Heckner, Ambassador and Mr. Jean-Baptiste Délèze, Counsellor & Head of Economic, Trade & Finance Section, Embassy of Switzerland - August 10*



*Meeting of IMC Officials with Ms. Zakia Wardak, Consul General of Islamic Rep. of Afghanistan in Mumbai - August 30, 2023*

NETWORKING SERIES

# John Forbes Watson's the Textile Manufactures of India

6th July 2023

The guided walk through on John Forbes Watson's - the textile manufactures of India was an enchanting exploration curated by Ms. Savita Suri.

Hosted by the Asiatic society of Mumbai in collaboration with IMC

Ladies Wing, the guests were mesmerized by the rich history and exquisite craftsmanship, with a special treat as the curator showcased the vintage saree collection alongside a myriad of captivating textiles and clothes.



**Ms. Amrita Somaiya** – President, IMC Ladies' Wing with **Ms. Savitha Suri** – Textile Curator



*Tour of the gallery*

LADIES' WING

# Special Screening of the Film - Kathal

17th August 2023

A special screening of the film Kathal was hosted NH SRCC children's hospital, Centre for Child Development.

The screening was graced by the director of the film - Mr. Yashowardhan Mishra; who shared his thoughts on the nuances of the film and his experience whilst making the film. The quirk, eccentricities and twists of the jackfruit theft mystery was hilarious and members had great time watching the film.



**Mr. Yashowardhan Mishra** – Indian Film Director



**Ms. Yama Maskara** – Chairperson, Cinema and More Committee, **Mr. Yashowardhan Mishra** – Indian Film Director, **Ms. Jyoti Doshi** – Vice President, IMC Ladies' Wing



**Mr. Yashowardhan Mishra** with Cinema and More Committee Members



# | A Country Called Childhood: A Memoir — 29th August 2023

From her experience of penning down the book to her tryst with Indian cinema, Ms. Deepti Naval – Renowned Indian Actor; shared her thoughts about it all in a candid chat.

She read the excerpts from her new book - 'A Country Called Childhood'; moving and illuminating, that a beautifully told memoir that shows her early love affair with cinema and the experiences of her childhood shaped her career as one of the country's most admired actors. The event was held at the renowned book store - Kitab Khana.



**Ms. Amrita Somaiya** – President, IMC Ladies' Wing



**Ms. Deepti Naval** – Renowned Indian Actor, Author and Painter



**Ms. Yama Maskara** – Chairperson, Cinema and More Committee, **Ms. Rina Deora** – Chairperson, Events and More Committee, **Ms. Jyoti Doshi** – Vice President, IMC Ladies' Wing, **Ms. Deepti Naval** – Renowned Indian Actor, Author and Painter, **Ms. Amrita Somaiya** – President, IMC Ladies' Wing

HT PAREKH  
CONFERENCE ROOM

Chamber of Commerce and Industry



SEATING: 25 PEOPLE

Arbitrations, Training programs, Board Meetings,  
COC meetings, Business Interviews etc.

Facilities Available

Audio Visual arrangements

High speed Internet/Wifi

Audio/ Video conference (Zoom, Webex etc.)

Catering service

For details, contact: [venue@imcnet.org](mailto:venue@imcnet.org) | [+91 9821602081](tel:+919821602081)

[f @IndianMerchantsChamber](https://www.facebook.com/IndianMerchantsChamber)
[X @IMC\\_India](https://twitter.com/IMC_India)
[@indianmerchantchamber](https://www.instagram.com/indianmerchantchamber)
[in @imcchamberofcommerceandindustry](https://www.linkedin.com/company/imcchamberofcommerceandindustry)

LADIES' WING




# CONFERENCE ROOM


(Location - Vashi, Navi Mumbai)

Buyers Sellers Meet, Business Interviews, Small Family Programs, Workshops, Seminars, Product Launch, Press Conference, Board Meetings, Arbitrations, Mediations, Client Meetings, Co-working Spaces


### Facilities available:

 PA system

 Audio Visual arrangements




 High speed internet/Wifi

 Catering service

 Audio/ Video conference (Zoom, Webex etc.)

Seating:  
**28**  
people

For details, contact:  [imcvashi@imcnet.org](mailto:imcvashi@imcnet.org) |  +91 9769064636

 @IndianMerchantsChamber  @IMC\_India  @indianmerchantschamber  @imcchamberofcommerceandindustry

# IMC

Chamber of Commerce and Industry

## IMC Commercial Examination Board (CEB)

IMC Commercial Examination Board was established in 1927 by late Prof. Sohrab R. Davar for the purpose of offering courses in various Subjects like Advanced Certificate in International Trade (ACIT) and Advanced Certificate in Logistics and Supply Chain (ACLSC). Commercial Examination Certificate course aims to encourage youth to pursue a career in business by providing them with valuable commercial education. The course content is contemporary and takes on board likely future developments.



**ADVANCED  
CERTIFICATE IN  
INTERNATIONAL  
TRADE**



**ADVANCED  
CERTIFICATE IN  
LOGISTICS &  
SUPPLY CHAIN**



**ADVANCED  
CERTIFICATE IN  
FINANCE &  
BANKING**

### INSTITUTES RECOGNIZED BY IMC TO CONDUCT THE COURSES:



Akbar  
Academy



ETTI Export Import  
Management  
Institute



India International  
Trade Center



National Institute  
of Foreign Trade



Vishwa Academy of  
International Trade

### KEY BENEFITS

■ Skilling & Upskilling

■ Secured Future

■ Build Domain Knowledge

■ Improved Profile

■ Job Opportunities

■ Launchpad for Career Growth

Contact: Ms. Anita Naik | [✉ anita.naik@imcnet.org](mailto:anita.naik@imcnet.org) / [asstceb@imcnet.org](mailto:asstceb@imcnet.org) | [☎ +91 22 7122 6633](tel:+912271226633)

**Partnering For Sustainable Growth**

# IMC

Chamber of Commerce and Industry

## Enroll as a New Member for the year 2023-24

### About IMC

- **Established in 1907** and having its headquarters in Mumbai
- **Voice of Business** within the State and Central Government
- Connected to more than **150 Chambers / Associations** representing over **4,00,000 businesses**
- **Strong relations** with Foreign Diplomatic corps based in Mumbai and Delhi
- Promoting bilateral trade through linkages with over **150 MoUs with Chamber in 50 countries**

### Benefits ✨

- Participate in various **high-level business delegations**
- Numerous opportunities to **network** and **promote** your business
- Online IMC **Membership** portal
- Access to **23 expert** committees across all important sectors
- **100 plus** IMC Seminars/ Workshops/Conferences/ Training
- Timely industry **insights** and **up-to-date** policy information

### Help Desks

- **MSME** Help Desk
- **International** Help Desk
- **Indo-Africa** Desk
- **India-Japan Bilateral** Business Forum

### Discounts

- Venues with **state-of-the-art** logistic facilities at concessional rates for members
- Discount of **Certificate of Origin Services** of IMC
- Free Access to **IMC Library**

Website: [www.imcnet.org](http://www.imcnet.org) | Email id: [membership@imcnet.org](mailto:membership@imcnet.org) | Phone no: 022 7122 6633

IMC Bldg., IMC Marg,  
Churchgate,  
Mumbai 400020

616/617, The Commodity  
Exchange Bldg, IMC Marg,  
Sector 19A, Vashi,  
Navi Mumbai 400705

405, Centre Square,  
A-Wing, 4th Floor,  
S. V. Road, Andheri (W)  
Mumbai 400058

16A, 16th Floor,  
Atma Ram House,  
1-Tolstoy Marg,  
New Delhi 110001

