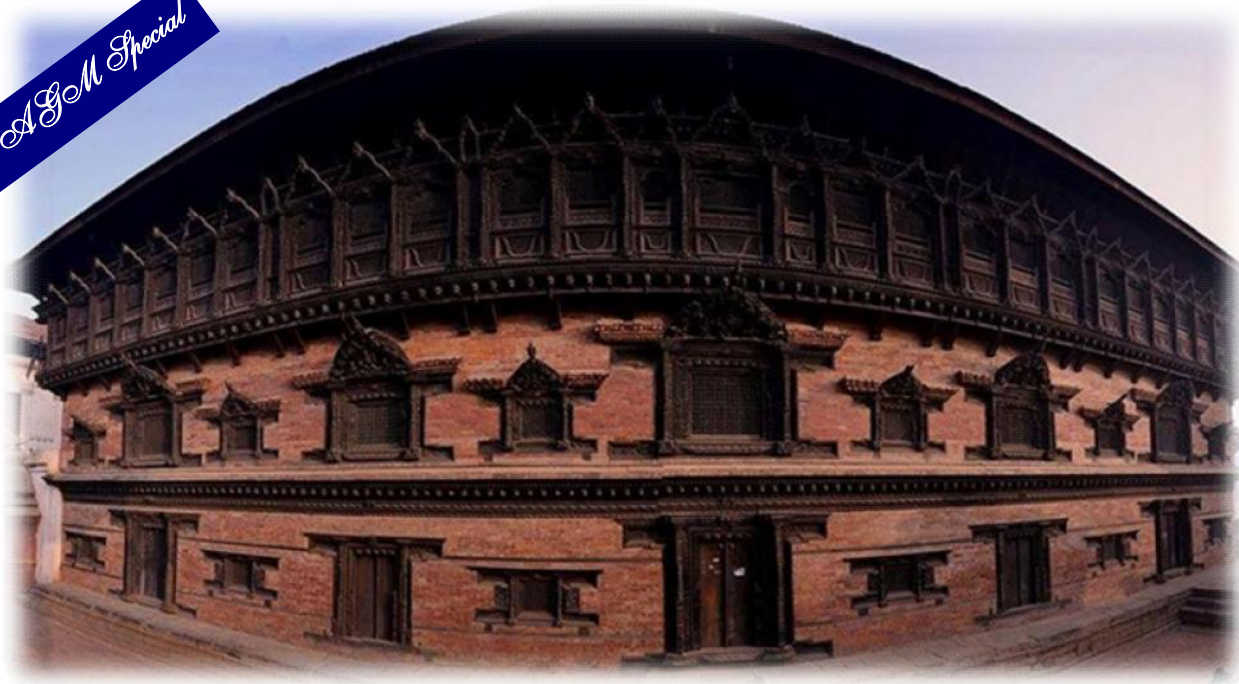


NICCI e~Newsflash

55 Window Palace at Bhaktapur, one of the World Heritage site in Nepal

19th AGM Special



NICCI held 19th AGM

The Seventeenth, Eighteenth & Nineteenth Annual General Meeting (AGM) of Nepal-India Chamber of Commerce & Industry (NICCI) was held on Tuesday, August 6, 2013 (22nd Shrawan, 2070) at Soaltee Crowne Plaza, Kathmandu. The AGM was conducted in three sessions. The first session was inaugural function, the second session was the normal business meeting where agenda-wise discussion was held and the third Session was the Election Session.

The inaugural session was chaired by Acting President of NICCI Sashi Raj Pandey where as the Chief Guest was Right Honourable Vice President of Nepal Parmanand Jha. Charge de' Affaires of the Embassy of In-



dia Jaideep Mazumdar was the Guest of Honour of the inaugural session. Secretary at the Ministry of Commerce & Supplies Janardan Nepal, and other high officials of the Government of Nepal, high officials from the Embassy of India, President of FNCCI Suraj Vaidya, President of CNI Narendra Kumar Basnyat, high officials of the Nepal Rashtira Bank, Office Bearers and Executive Members of NICCI, Presidents of Bi-national

Chambers of Commerce & Industry were also present in the Inaugural Session.

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Welcoming the guests and members in the Inaugural Session, the **Chairperson of the Ceremony and Acting President of NICCI Sashi Raj Pandey** said "No country is bestowed with all the natural wealth across its length and breadth; it is always wise to optimize what we have to the capacity that we have it. Harness what Nature has given us: well in time. It is a pity that we have somehow been unable to forge ahead with the 3 distinct core natural resources: **water, agro climatic zones and natural beauty.**" He further said "Nepal has the hydropower and India is power starved. Where would one find such an abundant complementarities in core competencies I just mentioned? I mean we need to demonstrate it in the right time and the right place. We just need to manage it, political willpower and commitment is essential for this. We need to wake up and wake up fast from our delusions of being able to hold our natural resources."



Recalling his long association with NICCI, Chairperson Pandey said "It is really exciting for me to recall 19 years' history of NICCI and my association with this Chamber in all capacities of the Executive Committee. During this period, I have witnessed every step of progress and prosperity of this Chamber very closely with my predecessors and existing colleagues, whose visualization, dynamic role and contribution has brought NICCI to where it is today. This is also the outcome of our continuous association with the Embassy of India and Embassy's incessant support extended to us."

Highlighting the importance of bilateral trade, investment and relationship with India, Acting President Pandey said "I am convinced that the extensive privileges, facilities and assistance extended by India to Nepal, coupled with India's own economic growth and a market of 1.2 billion people, have a huge potential, and Business Community to act as a catalyst for driving Nepalese economy towards high growth if these efforts are complemented by the Government of Nepal through renewed commitment, determination and firmness for improving the investment and business climate in Nepal."



Pandey further said "Contrary to this, our trend of increasing imports over the last decade has shown a severely growing trade deficit. Time has come to check at the Balance of Payments and not merely the trade deficit alone. The inadequate political framework continues to hamper productivity and factors of production and so the trade deficit may take a while to heal; but a thorough approach of analyzing the Balance of Payment may lead to creative ways of re-designing the economy. The game changer here can be hydropower. Even if not a single MW is exported to India, Nepal can absorb this power in industries making her a manufacturing hub for many products that can competitively be exported to the neighbouring states of India."

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19 AGM of NICCI- Inaugural Session contd...

He also briefed the upcoming events and Nepal-India monthly business conclave – the talk series is to generate awareness and also to find possible solutions for the day-to-day issues of Nepal-India trade - which was started from the last week of July 2013.

Inaugurating the Annual General Meeting, **Chief Guest and Right Honourable Vice President of Nepal Parmanand Jha** said “Currently Nepal has been bearing the broth of huge the trade deficit with India. We need to look ways to expand and increased trade export to India considerably to meet this huge trade gap. In this context India’s sustained economic growth and development can be an energizing and healing factor for the whole economy of Nepal. Having closely interconnected economic ties the growing Indian economy can provide space for stimulus to Nepal’s drive towards faster economic growth.”



Inviting the investors from India Vice President Jha further said “I would also open up broad areas for cooperation for the two countries. As Nepal has pursued foreign investment friendly economic policy, I urge the Indian businessmen continue to come forward and invest more and more in Nepal. It will certainly help boost Nepal’s desired rapid economic development. Similarly it is necessary for business people and entrepreneurs of Nepal to explore the potential areas of trade and commerce with India bringing immense gains to the Nepalese economy.”



Highlighting the Indian investment and assistance in Nepal and mutual benefit, Vice President Jha said “India is also a major source country of Nepal’s foreign direct investment and good numbers of joint venture projects with Indian investment are also in operation in Nepal. India has been extending economic and technical support to Nepal in different sectors like infrastructure, health, education and other technical fields. There are many potential areas like hydropower, transportation, agriculture, information technology, tourism etc. We the both countries can work together for mutual benefit and gains.”

Talking on forthcoming election of second constituent assembly Vice President Jha said “I am hopeful that the election will ensure the Nepalese people with fully democratic constitution with cooperation of their genuine aspirations and restore peace and the stability in Nepal which is so crucial for our economic development.”

Earlier, addressing the gathering, **Guest of Honour and the Charge de’ Affaires of the Embassy of India Mr. Jaideep Mazumdar** said “The Government of India’s objectives in the area of trade, commerce and investment in Nepal are perfectly aligned with those of NICCI. Our common objective is to promoting trade, facilitate transit for Nepal and promote investment in Nepal which contributes to employment, export, tax revenue and general level of prosperity in the country. When NICCI was set up in Nepal in early 1990s India was just beginning to set free the boundless energies of its own entrepreneurial class. Today’s corporate India is a far from what it was then. Today it is able to take on the best in the world and also to take over the best in the world.”



Lauding the importance of NICCI Charge de’ Affaires Mazumdar said “NICCI’s history parallels the remarkable growth and diversification in India-Nepal commercial and economic relations over the last 19 years. I am glad to hear from Shree Suraj Vaidya that this chamber is one of the most active bi-national chambers in Nepal. NICCI’s area of responsibility covers 2/3 of Nepal’s trade and nearly half of its entire foreign investment. It has therefore bearing not only on India-Nepal relations but also an important bearing on overall economy of Nepal.”

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Inspiring Nepalese business community in attracting sufficient FDI from India, Guest of Honour Mazumdar said "Cumulative outward investments from India to the rest of the world in the last 7 years have been 102 Billion US\$. In comparison however the amount of foreign investment coming from India into Nepal in the last 8 years is a 2 million US\$ which is 0.0019 percent of India's total outbound investment. NICCI has an important role to play in trying to make Nepal an important investment destination for India and Nepal certainly has the potential to be a very large destination for Indian outbound investment."



Suggesting the keys to attract FDI, Mazumdar said "We in the Government of India are working to put in place infrastructure for the day when the boundless energies of Nepal's own entrepreneurial class will be released. It will happen when the 3Ps come about - Political stability, Policy predictability, and Power Availability."

Briefing the Indian assistance in up-gradation of physical infrastructure in Nepal for favourable business climate, Charge de' Affaires said "Our building of 1500 KMs of roads, 4 Giant integrated Check Posts, 5 Railway line that will integrate Nepal with Indian Railway Network, building through

soft credit 3 corridor transmission lines as well as a 1000 MW cross border transmission line, all these are to put in place infrastructures that will be necessary when Nepal riches take off stages in terms of trade and economic development and we hope that that day is not far away."

He further said "In the long run however sustained and rapid economic growth to investments in manufacturing, power, agriculture, services and tourism sectors is the only means of transforming the lives of the people of this country. India supports Nepal's economic growth through improved access to the Indian market, encouraging Indian investments in Nepal and assisting in creating economic infrastructure."

Emphasizing the importance of tourism he also recalled the recent events in tourism and said "Beyond trade and investments we are also ready to forge closer linkages between the two countries to boost tourism. In consult with the Nepal Tourism Board the Embassy of India organized the first Cross Border Travel Mart in Lumbini earlier this year which coincided the closing ceremony of the Visit Lumbini year. Bringing Lumbini into the highly successful Buddhist Tourism Circuit will boost third country tourism to Nepal. Going beyond the Buddhism Circuit, integrating the tourist markets of India and Nepal will boost the tourism industry in Nepal in a big way. Nepal's request for additional air corridors will be considered at the next civil aviation talks. This has the potential of integrating Nepal's tourism destinations with more cities in India which will bring in significant numbers of Indian tourists."

Earlier, giving the remarks, **President of Confederation of Nepalese Industries (CNI) Narendra Kumar Basnyat** said "Because of being a landlocked country, Nepal's import export trade being operational on the base of treaties, agreements, understanding done with India, the transit issue is also another important part of Nepal and India. In this sector, various technical and infrastructural development arrangements, treaties, agreements and understanding have been done."



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Basnyat opined "Making all these treaties and agreements having done as per the international practice, bilateral understanding and arrangements more effective and easy, and we have realized the importance of infrastructure development and good management to make transit cost less. On that background it is necessary to develop the fast track mechanism to move ahead reviewing the Transit Treaty as per need of the time and on the basis of bilateral relation thereby solving the problems related to trade and transit."



Appreciating the performance of Indian JVs in Nepal and growing bilateral trade with India, CNI President Basnyat further said "According to the statistics of eleven months of the fiscal year 2012/13, 66 percent of total trade of Nepal has been with India and deficit also as per the same ratio. Likewise the statistics as on 2011, Nepal has received 48 percent of the total foreign investment from India and the companies established with Indian investments have been able to give not only high returns but also have made contribution in export of Nepal, employment and revenue to the government. That is the happiest part of the bilateral relation."



Expressing dip concern on alarming trade deficit with India CNI President Basnyat said "However seeing a volume of trade imbalance, we have found it has increased and it becomes a concern and worry to all of us. Despite zero tariff rate on custom to Nepalese goods we have realized that the export of exportable goods of Nepal to India have been in awkward due to additional taxes at different states of India and quality and quarantine problems." He further said "Mainly the bilateral trade diplomacy should be moved ahead in this connection. Also, the continued joint effort between Government to Government, Business to Business, Government to Businessman, with programs and developing new planning are needed. I would like to express that the private sector of Nepal is ready to assist the Government during this process."

Likewise, expressing the views, **President of Federation of Nepalese Chambers of Commerce & Industry (FNCCI) Suraj Vaidya** said "NICCI is definitely one of the most active Bi-national chambers we have, in the family of FNCCI. We like to congratulate you and we like to salute you for your continuous work on improving Nepal-India's Private Sector trade and investment."



Highlighting NICCI involvement in concluding historical Trade Treaty with India and comparing the existing bilateral trade situation FNCCI President Vaidya said "We did with Nepal-India Chamber of Commerce & Industry in the early 90's is really improving the trade regime and breaking down the barriers for private sector investment. I truly believe that, that leadership that was taken by Mr. Rana and the team there fostered the investment that came into Nepal. The Dabur, Unilever, Surya Nepal, Asian Paints, Coca-Cola, a lot of these investments came through a breakthrough that was made during the Trade Treaty in which we acknowledge both the government for taking the private sector's view. Probably the time has come again, first, look and what need to be initiated."

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19 AGM of NICCI- Photo Feature



19 AGM of NICCI- Photo Feature



19 AGM of NICCI- Inaugural Session Contd..



Recalling the presentations at the NICCI's program held earlier week in town FNCCI President remarked "I remember recently hearing from Asian Paint's the presentation on the cost of doing business in Nepal has increased because lack of energy. So having said that energy is important, the ways that investment going to come from, how it will go to be moved forward is critical. He further said "Probably India comes in my mind and I think it has been said many times that India will be a vital partner for Nepal's hydropower development. But the reality is once we have sufficient power we need to export them. If we can make a breakthrough in energy we will achieve a lot."

Regarding political commitment in economic development of Nepal FNCCI President said "We have started recently to work with the political parties to make sure that in the manifesto of the election that is coming up that economic agenda is addressed well in their manifesto. We have met and invited all big and small parties for this purpose"

At the end of the inaugural session of the 19 AGM, bidding the vote of thanks **Vice President Shyam Kumar Lohia** said "I would like to thank Right Honourable Vice President of Nepal Mr. Parmanand Jha, who took all the pains to attend this ceremony despite his busy schedule. My heartfelt gratitude for his

encouraging address."

Lauding the continued support of the Embassy of India, Kathmandu Vice President Lohia said "I would also like to thank His Excellency Mr. Jayant Prasad, Ambassador of India, who has always given his time and energy to us whenever we have demanded. From his day one in Nepal, he has been very encouraging us in boosting up the Chamber and its activities always. Though he has not been able to be with us due to his unavoidable travel to New Delhi, we feel that he is here in this gathering. In absence of His Excellency, we have here the Charge de Affairs Mr. Jaideep Mazumdar, who is our source of inspirations, well-wisher and a very good guide for NICCI, who shared a lot of his precious time to strengthen NICCI at its activities."

He also extended sincere thanks to Anju Ranjan, First Secretary (Commerce) for her proactive role and said "She has always been playing for expansion of NICCI Activities in association of the Embassy of India. She is truly one of the driving forces behind NICCI's success." He also appreciated Mr. Pankaj Singh, First Secretary (Economic) who has been playing a very posi-



tive role from very beginning of his term in Nepal in promotion of bilateral trade and resolving the difficulty that the business community of Nepal faced from time to time.



While bidding vote of thanks, Vice President Lohia extended gratefulness to Founding Members and imminent personalities in the Executive Committee in the past, whose vision, dynamic role and contribution has brought NICCI to where it is today. Likewise, he also thanked to Suraj Vaidya, President of FNCCI, Narendra Kumar Basnyat, President of CNI, distinguished guests, Secretaries of Government of Nepal, High officials of the Government of Nepal, Embassy of India, Nepal Rashtra Bank, members of NICCI Executive Committee and NICCI members for their kind support and presence, Hotel Soaltee for their warm hospitality, Bachelors students from Thames College for volunteering in inaugural session and finally NICCI secretariat for the excellent management of the Annual General Meeting making the event very successful.

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19 AGM of NICCI- In-house Working Session



The agenda-wise discussion started after the inaugural function and tea break. The Second Session discussed on regular business like presentation of Annual Report, Financial Statements and amendment in constitution at the presence of the Office Bearers, Executive Committee members and the General Members of NICCI. Treasurer Rajendra Man Sherchan presented the Annual Report, tabled it and adopted by the General body after discussion.



Similarly, Treasurer Rajendra Man Sherchan also presented the audited financial statements of the Fiscal Years under review and the house unanimously adopted the financial statements after discussion over the same. Under normal business session, the house also appointed auditors to audit the accounts of FY 2013-14, approved the amendment in some clauses of NICCI Constitution to make it at par with time and situation, nominated a member from the house to sign the minutes of the AGM on behalf of the General Members of NICCI.



In the working session, Mukesh Bhattarai, Senior Vice President of Eastern Region Chapter of NICCI at Biartnagar made a presentation on the activities carried out by the Chapter in the last couple of years including their initiative towards simplification and promotion of trade, redressal attempts they had made to remove the hiccups that occurred in customs clearance and trade between the two countries. He also briefed on the social activities the Chapter of NICCI had carried out during the period.



During floor discussion, Executive Chairman of the Hydro-Solutions P. Ltd. Gyanandra Lal Pradhan suggested that NICCI being the only platform at the private sector to promote trade and investment between Nepal and India, it must be proactive in this field and should encourage those industries who can add values on the products so that we could mitigate trade deficit, and it could also help minimise the scarcity of Indian currency in the country. He also suggested promoting Indian tourists in Nepal and earning Indian currency through economic activities in the country. His main focus was on creation of appropriate atmosphere for development of hydropower in Nepal so that the issue of Indian currency could



be corrected through huge investment that could come from India and other countries as FDI in this sector.

Chairperson of the working session Sashi Raj Pandey thanked Pradhan for his in depth suggestions for upliftment of Nepalese economy and for his kind words and suggestions to NICCI and its team and assured that NICCI will be providing best services and play proactive role in promotion of bilateral trade, investment, hydropower, tourism etc. in new leadership in future.

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Chamber of Commerce & Industry**

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19 AGM of NICCI- Election Session

In the last session of the AGM, Election Officer Sitaram Tiwari announced the election result for the post of President and 9 Executive Members of the NICCI for the term 2013-15. As per the election result, Acting President Sashi Raj Pandey was elected as the President unanimously. Similarly, Buddhaditya Mukherjee, Cabinet Shrestha, Pronab Sen, Rajendra Man Sherchan, Saurya SJB Rana, Shyam Kumar Lohia, Srikanth Sinivasmadhavan, Suhrid Jyoti and Syed Mahmood Ahmad, in alphabetical order, were declared elected unopposed as Executive Members for the term.

After announcement of the election results, the 19th Annual General Meeting ended with congratulations to newly elected President and Executive Members and a vote of thanks to all the members by the Chairman. The AGM was followed by cocktail and dinner.



Election Officer Sr. Advocate Sitaram Tiwari announcing the Election Results



Group Photo Election Results

Formation of Executive Committee by the first EC meeting held after the 19th AGM

The first meeting of the Executive Committee elected by the 19th Annual General Meeting of NICCI held on Thursday 8th August 2013 at the Secretariat of NICCI, Naxal, Kathmandu.

In the meeting, President Sashi Raj Pandey nominated Mr. Shyam Kumar Lohia, MD of Aarti Vegatable Pvt. Ltd. as Vice President, Mr. Syed Mahmood Ahmad, MD of Surya Nepal P Ltd. as Vice President (Designate), to be automatically confirmed after ratification of the amendment of the NICCI Constitution by the concerned Government Office. Similarly, Mr. Saurya SJB Rana, President, Sipradi Trading P Ltd. was nominated as the Secretary General and Mr. Rajendra Man Sherchan, Chairman, Himalayan Centre for Education and Development P. Ltd. as Treasurer. Likewise, President also nominated Mrs. Shreejana Rana, Director (CSR/R&D) of Hotel De l' Annapurna, and Mr. A K Ahluwalia, CEO of Everest Bank Ltd. as Executive Members.

After the nominations, formation of the Executive Committee is as follows:

Mr. Sashi Raj Pandey	President
Mr. Arun Kumar Chaudhary	IP President
Mr. Shyam Kumar Lohia	Vice President
Mr. Saurya SJB Rana	Secretary General
Mr. Rajendra Man Sherchan	Treasurer
Mr. A K Ahluwalia	Executive Member
Mr. Buddhaditya Mukherjee	Executive Member
Mr. Cabinet Shrestha	Executive Member
Mr. Lalit Lohia	Executive Member
Mr. Pronab Sen	Executive Member
Mrs. Shreejana Rana	Executive Member
Mr. Srikanth Sinivasmadhavan	Executive Member
Mr. Suhrid Jyoti	Executive Member
Mr. Syed Mahmood Ahmad	Executive Member

We solicit suggestions/feedback from all members and readers for NICCI e -Newsflash at secretariat@nicci.org

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