



American Chamber of Commerce in India

Update

Focus: Foreign Corrupt Practices Act, FCPA

Amcham - The Voice of American Business in India

December 2011 • Issue 07

Chairman's Message

Atul Singh

Chairman, Amcham
President and CEO
Coca-Cola India and South West Asia



Amcham's role in promoting business between India and the US continued; at the Chamber, we organized several programs with Indian and US Governments, at multiple levels. We had several meetings with representatives of important Government offices to discuss issues of concern and policy developments that impact US India trade and business in India.

Amcham representatives met with Mr. Jitendra Singh, Minister of State for Home Affairs, Mr. Chaitanya Prasad, Joint Secretary, Department of Industrial Policy and Promotion, Mr. Mukul Joshi, Secretary, and Mr. Devendra Choudhary, Joint Secretary in the Department of Pharmaceuticals to discuss industry related issues. Several meetings with the US Government representatives were also organised- Assistant Secretary, United States Trade Representative- Mr. Probir J Mehta, Mr. Fransico Sanchez, Under Secretary of Commerce, International Trade Administration, Ms. Teresa Rea, US Patents and Trademarks Office Deputy Director and Deputy Under Secretary for Commerce, Ms. Nicole Lamb-Haley, Assistant Secretary for Manufacturing & Services, US Department of Commerce amongst others.

Partnering with India Trade Promotion Organisation, ITPO, we organized a seminar on "the Changing Security Scenario- Opportunities for Indo-US Cooperation" at Pragati Maidan, New Delhi. This was a well-attended event with participation and excellent presentations on 4 special topics by our US industry representatives and Senior Government Officials on: Counter Terrorism; Cyber Security, Maritime Coastal Security and Critical Infrastructure Protection and Safe City Surveillance.

Our much anticipated annual Amateur Invitational Golf Tournament was held in October this year with enthusiastic participation of interested members. The daylong event held at Qutab Golf Course, New Delhi, is an important networking event for Amcham members. Our Hyderabad Chapter's annual Sports Event is also on- with good participation from local members. A special word of

continued...

H I G H L I G H T S

- Supply Side of Corruption
- Bribery and Corruption risks-the India context
- Public Tender Process Protest In India and defence procurement
- Amcham events
- Amcham Amateur Invitational Golf Tournament-a snapshot
- Amcham Hyderabad Sports

FINALLY A FUND THAT AIMS TO MAKE THE BEST OF ANY MARKET SWING.



Principal SMART Equity Fund is an open-ended equity scheme which invests in equity markets based on market valuations. When markets are expensive, it reduces allocation to equity; protecting downside. When market valuations are attractive, it increases allocation to equity allowing full participation in a subsequent rally. Hence, your investment has an opportunity to thrive, whether it's a bull market or a bear market. To invest in this scheme, contact your financial advisor or speak to us at 1800 22 5600. For more details about this scheme, log on to www.principalindia.com



**Principal
SMART
Equity Fund**

AN OPEN-ENDED EQUITY SCHEME

Toll Free: 1800 22 5600 | Website: www.principalindia.com

Statutory Details: Principal Mutual Fund has been constituted as a trust with Principal Financial Group (Mauritius) Limited, Punjab National Bank and Vijaya Bank as the co-settlers. **Sponsor:** Principal Financial Services Inc., USA (acting through its wholly owned subsidiary Principal Financial Group (Mauritius) Ltd.). **Trustee:** Principal Trustee Company Private Limited. **Investment Manager:** Principal Pnb Asset Management Company Private Limited (AMC). **Risk Factors:** Mutual funds and securities investments are subject to market risks and there can be no assurance and no guarantee that the scheme's objective can be achieved. As with any investment in securities, the NAV of the units issued under the scheme can go up or down, depending upon the factors and forces affecting the capital markets. Past performance of the Sponsor and any of its associates, co-settlers and/or AMC/ Mutual Fund does not indicate or guarantee the future performance of the Schemes of Principal Mutual Fund. The Sponsor and any of its associates including co-settlers are not responsible or liable for any loss resulting from the operations of the Mutual Fund beyond the initial contribution of an amount of ₹ 25 Lakhs towards setting up Principal Mutual Fund. **Principal Smart Equity Fund (An open - ended Equity Scheme)** is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects or returns. Investors in the Scheme are not being offered a guaranteed or assured rate of return. **Investment Objective:** The primary objective is to seek to generate long term capital appreciation with relatively lower volatility through systematic allocation of funds into equity; and in debt /money market instruments for defensive purposes. The Scheme will decide on allocation of funds into equity assets based on equity market Price Earning Ratio (PE Ratio) levels. When the markets become expensive in terms of 'Price to Earnings' Ratio; the Scheme will reduce its allocation to equities and move assets into debt and/or money market instruments and vice versa. **Terms of issue, sale & repurchase of units:** Sale & redemption facility will be available on all business days. **Investor benefits and general services:** The NAVs will be calculated and disclosed at the close of every Business Day. **For detailed risk factors, terms of issue etc. investors are urged to read the Scheme Information Document (SID) / Statement of Additional Information (SAI) and Key Information Memorandum (KIM) carefully and consult with their legal/tax/investment advisor before they invest in the Scheme. Copy of SID/SAI & KIM can be obtained at the investor service centres of AMC and website: www.principalindia.com. Alternately investors can call our Toll Free No: 1800 22 5600 to obtain a copy of the same.**



NATIONAL EXECUTIVE BOARD

National Executive Board

Honorary President
US Ambassador to India

Chairman
Atul Singh
Coca-Cola India

Vice Chairman
Aniruddha Lahiri
Skytech Solutions Pvt. Ltd.

Vice Chairman
Russell Parera
KPMG in India

Hon. Secretary
Bipin Pendyala
CA (India) Technologies Pvt. Ltd.

Hon. Treasurer
Atul Dhawan
Deloitte Haskins & Sells

Hon. Member
Judy R. Reinke
US Embassy

Hon. Member
Blair Parks Hall, Jr.
US Embassy

Members ...
Sonjoy Chatterjee
Goldman Sachs (India) Securities Pvt. Ltd.

Ambarish Dasgupta
PricewaterhouseCoopers Pvt. Ltd.

Zubin Irani
United Technologies Corp. India Pvt. Ltd.

Raj Kumar Jain
Bharti Walmart Pvt. Ltd.

Balvinder Kalsi
E. I. DuPont India Pvt. Ltd.

Dinesh Keskar
Boeing International Corp. (I) Pvt. Ltd.

George Mathew
J235 Software India Pvt. Ltd.

Rajiv Memani
Ernst & Young Pvt. Ltd.

Hina Nagarajan
Mary Kay Cosmetics Pvt. Ltd.

Kaku Nakhate
Bank of America Merrill Lynch

R. Ramkumar
Cognizant Technology Solutions

Roger M. Rose
Lockheed Martin India Pvt. Ltd.

Gulshan K. Sachdev
Quaker Chemical India Limited

Amit Sharma
ATC Tower Company of India Pvt. Ltd.

Joginder Singh
Ford Business Services Center Pvt. Ltd.

Venkatesh Valluri
Ingersoll Rand (India) Limited

Laxmikanth Venkatraman
Broadridge Financial Solutions (I) Pvt. Ltd.

Ajay Singha
Executive Director

continued from page 1

thanks goes to our sponsors of both the events- General Motors India, Brown-Forman Worldwide LLC, 3M India Ltd, Honeywell International (I), Coca - Cola India, EMD Locomotive and Protiviti Consulting for Delhi Golf, and Capital IQ, Ernst &Young, Qualcomm and ITW India for the Hyderabad Sports events.

Amcham and US Trade and Development Agency, USTDA in cooperation with the Ministry of Civil Aviation, U.S. Federal Aviation Administration, U.S.-India Aviation Cooperation Program (ACP), and Federation of Indian Chambers of Commerce and Industry jointly organized the 'U.S. - India Aviation Partnership Summit at New Delhi from 16-18th November. The summit addressed issues such as air traffic management and safety, air navigation and communication systems, aircraft security, general aviation, airport development, air cargo infrastructure, and airspace architecture.

Amcham has partnered with Apex Cluster Development Services to organize workshops on Unfair Competitive Act, UCA, of US to create awareness about the new Act. Several workshops across different cities have been held and few more are planned.

People all around the world are demanding more transparency and participation in the functioning of the government and the administrative machinery. This issue of the Update

focuses on Foreign Corrupt Practices ACT (FCPA). One of the main reasons for companies to focus on FCPA in India is the prevalent bribery culture in the country. For companies eager to do business in India, compliance with the Foreign Corrupt Practices Act (FCPA) is an increasingly urgent priority as regulators around the world step up enforcement efforts. The FCPA prohibits making and offering to make, payments to foreign public officials, including members of political parties, to further business interests. It also requires that accurate books and records be kept for all transactions. As a prerequisite for early detection and prevention, multinational companies may want to make sure they fully understand the FCPA and its ramifications before expanding into India. No longer is a standard compliance program acceptable. Recent judicial decisions under the FCPA, the growing relevance of foreign bribery laws including the UK Bribery Act, and commitment by other countries to join the US in investigating and prosecuting corruption are all game changers. Active participation and partnership of all sides in a full practical engagement for reform, modernization and good governance is the key.

I hope you will find the articles on FCPA featured in this issue, of relevance to your business concerns. Wishing you all a Wonderful New Year of progress and prosperity.

Supply side of Corruption



Anupama Jha

Executive Director

Transparency International India

The Bribe Payers Index 2011 done by global corruption watchdog Transparency International (TI) found that India ranks 19th out of 28 leading international and

regional exporting countries, indicating that Indian businesses are likely to pay kickbacks to win business abroad. The story is not very different for private

companies operating in India who bribe in order to win contracts, especially for infrastructure, public works and defence equipments. It also helps them in getting concessions which they would not have otherwise won.

In a country already rocked by corruption scandals, ranking very low on TI's Corruption Perception Index 2010 (87th position out of 178 countries) and with a low human development index, corruption by private and multi-national companies has undermined development, deepened poverty and may eventually lead to even the collapse of the market.

As a result of the supply side of corruption by Indian as well as transnational companies, the country suffers from deepening of poverty and inequality. This, in other words, translates to economic, political, social and cultural divide among people, which has far reaching negative consequences. The Maoist insurgency which has increased in the recent times, covers 40,000 square kilometres across Central and Eastern India, is just one example of what corrupt practices by companies can do. Money that could be spent on developing the social infrastructure, eradicating poverty and empowering the poor (who could be potential market for the multinationals) goes into the hands of few individuals making them richer and increasing the rich-poor divide.

Corruption of this sort also disadvantages law abiding and compliant firms and distorts decision making in favour of projects that benefits few rather than many. Eventually, companies prosper while the country suffers.

Many private companies operate with

increased impunity, resorting to bribery and semi-legal fees or 'commissions', and inflated or marked-up prices. In contracts guaranteed by export credit agencies, such 'commissions' are included in the costs and thus in the total contract value covered by the guarantee-practices which Transparency International says is "an indirect encouragement to bribe which, in future, brings it close to complicity with a criminal offence." Until recently, many countries including France, Germany and the UK treated bribes as legitimate business expenses which could be claimed for tax deduction purposes.

In other words, the companies resort to unfair means to make profit, leading to higher rent giving capacity and ability to manipulate polity and policy with scant regard for improving governance of those very countries which offer them huge markets.

It has also been found that some companies from countries who are signatory to OECD Anti bribe Convention are also resorting to bribing foreign public officials. When the OECD Anti-Bribery Convention came into force a decade ago it was a historical and much needed leap forward in the fight against corruption worldwide. The rich countries of the world committed to bringing their house in order, deal a major blow to the supply side of corruption and give the fight against poverty, worldwide, a real chance to succeed. However, unless the OECD makes it an urgent, high-level priority for all parties to enforce the convention, inaction by some countries will encourage backsliding by others.

In order to check corruption by companies doing business abroad, it is important that developing countries impose effective sanctions against this kind of corruption. It also requires greater political

transparency to remove the secrecy under which corruption flourishes; and resistance to the uncritical extension of privatization and neo-liberal economic policies.

Private companies can no longer claim to be hapless victims of the culture of corruption in the developing world. Rather, these agent provocateurs play a very exposed role as suppliers of corrupt payments to civil servants, members of government and political parties.

For their own good it is important that companies engage in ethical practices while doing business abroad. Because, if companies continue to resort to corrupt means to generate profit, the 'liabilities sector' may become too big in size and drag down the "asset sector"; or there could be an adverse reaction through violent political forms, which may be difficult to control.

On the other hand, by providing for 'clear rules of game' and 'checks and balances' good corporate governance system will enable lowering of costs for capital gain and production. Right now corruption is often a dilemma between short term profit and long term interest. Although there is insufficient empirical evidence, there are enough examples before us that companies that follow ethical conduct make profits in the long run.

Time has come for private and transnational companies to adopt ethical governance as a cornerstone, genuinely. It will enhance their reputation and create a level playing field overcoming the 'prisoner's dilemma'. It improves public trust in business and they will obtain the competitive advantage of becoming the preferred choice of ethically concerned customers/consumers.

Bribery and Corruption risks – the India context



Amit Rahane
Associate Director
Ernst & Young
Fraud Investigation &
Dispute Services



Arpinder Singh
CA, CPA, CFE
Partner and National
Director, Ernst & Young
Fraud Investigation &
Dispute Services

Corruption unfortunately is perceived to have become a part of the way to do business in India and many believe that it is an acceptable practice to expedite routine governmental action as well as to get favorable treatment when dealing with the government as a regulator or a customer. India is ranked at 132 out of 183 economies in the overall "Ease of Doing Business" index of the World Bank highlighting the various delays and difficulties in even setting up businesses and getting routine licenses and permits.

It will be a challenge for US companies and their subsidiaries operating in India to operate in such an environment while meeting the norms of the Foreign Corrupt Practices Act (FCPA). US companies with a presence in UK, will now also have to adhere to the UK Bribery Act.

Enforcement Actions

The increasing trend of FCPA enforcement that started five years ago continues. The FCPA cases involving bribery in India are also on the rise. We have observed that the Securities and Exchange Commission (SEC) and the (Department of Justice) DOJ are sharp to identify the red flags like corruption schemes and use of intermediaries. Once identified, the SEC and DOJ identify the companies that meet these criteria and could subject them to increased scrutiny. This has forced companies to proactively revisit their business models to spot such identified/ known vulnerabilities and plug the gaps.

For instance after the regulators identified defense canteen sales as a probable vulnerability (based on a recent judgment) we have seen numerous companies revisiting this element of their business model to identify and plug the risk related to bribery and corruption. *[Canteen sales are the sales made through defense canteen. For further information please refer to <http://csdindia.gov.in/>]*

What US Companies Operating in India have to be watchful about?

US public companies and issuers subject to the FCPA's books and records provisions remain particularly at risk given the ease of prosecution for any small payment, regardless of materiality, and the broad interpretation of the statute by regulators to include any type of improper payment, including commercial bribery.

Most of the US companies operating in India already have an anti-bribery and corruption compliance framework at a Global level in place, however they should be watchful of how effectively it has been implemented and demonstrated in their Indian operations.

Another aspect every business should be watchful about is- "Bribery cannot be outsourced". A new trend that we have observed is that corrupt payments are routed through subcontractors of third party vendors to avoid detection. In fact in one case we have observed 4 layers of middlemen. Without an effective due diligence process it is impossible to detect such a scheme

Some high risk operational areas that are vulnerable to bribery and corruption risks are elucidated below:

Area	Issues
Sales to Government owned entities	Many industries in India are dominated by government owned entities, making them more susceptible.
	Government tendering is high risk with malpractices like splitting of orders and sharing of pricing info.
Logistics	Transporters and cargo services are exposed to corruption risks.
Canteen Sales	Most of the companies have third party agent to do liaisoning with the army canteen authorities
Licenses and permissions	Agents are appointed to obtain government permissions and licenses. Loose contractual terms, no due diligence and lack of oversight over its operations may expose the company to the corrupt activities performed by the agent.
	Excess fees paid to the agents for getting such licenses as against very nominal government charges are possible indications of corrupt payments being made by agents
Infrastructure Sector	Several consents and approvals- involvement of multiple authorities and significant involvement of government
Agents	A common theme in India-related FCPA cases is the use of agents or consultants to mask the true destination of improper payments

OUR COMBINED STRENGTH DELIVERS THE ADVANTAGE



Innovation



Understanding



Confidence



Power

When it comes to defense and security solutions, Textron Systems provides a powerful combination of unique capabilities and proven expertise to solve our customers' vital requirements.

Individually, our operating units are known for precision smart weapons, intelligent battlefield systems, surveillance systems, intelligence software solutions, piston engines, armored vehicles, maritime vehicles and unmanned aircraft systems.

Together, our combined strength delivers the advantage.



Performance



LYCOMING

OVERWATCH

TEXTRON Defense Systems

TEXTRON Marine & Land Systems

www.textronsystems.com

© 2011 Textron Systems Corporation. All rights reserved.
Textron Systems, a Textron Inc. (NYSE: TXT) Company

TEXTRON Systems

Changing Indian Regulations

In recent times, there have been a number of changes to various laws and regulations around bribery and corruption. We have captured below some of the salient features

Regulator/ Law	Salient features
The Prevention of Bribery of Foreign Public Officials (FPO) and Officials of Public International Organisations (OPIO) Bill 2011 (India's FCPA equivalent)	Criminalizes acceptance or solicitation of bribes by FPO, and OPIO Also, Offering or promising to offer a bribe to any FPO and OPIO for obtaining or retaining business;
Lokpal Bill 2010 (Citizen's ombudsman Bill) (in draft stage)	Establishment of the Lokpal for inquiring into complaints of corruption against certain public servants and may recommend disciplinary action to the competent authority
Proposed Amendment to the Indian Penal Code, 1860	- Obligation under UNCAC to have legislation on private sector bribery - Broadly "inspired" by UK Bribery Act - Bill not in public domain yet
The Prevention of Corruption Amendment Act, 2011 (Proposed Amendment to the PCA, 1988)	- New sections which empowers the Act to deal separately the offence of violating the norms of constitution, influencing the public servant, misusing the official powers and causing loss to government exchequer. - The act has also been empowered to seize, attach and confiscate the property of convict which have been amassed by ill-gotten money.
Companies Bill 2011 seek to provide more teeth to Serious Fraud Investigation office (SFIO).	SFIO will be headed by a director, who will have a multi-disciplinary team of experts to assist him. It will have the powers to probe companies suspected of frauds.
	SFIO's report filed in a court for framing of charges will be equivalent to a police report under the Code of Criminal Procedure, 1973.
	It shall have powers to arrest persons for suspected fraud. SFIO will also be able to coordinate with other investigating agencies such as CBI or Enforcement Directorate.
Central Vigilance Commission (CVC Act 2003 Amendment)	Revamped CVC Act will cover complaints other than class A officers. Any offence, under PC Act, of demanding and receiving illegal gratification and offence of causing loss to public exchequer of an amount more than INR One lac will be investigated and prosecute by CVC

Recommendations

The good news is that a number of companies-no matter where their domicile is, are paying heed to the risk of bribery and corruption. Accordingly it appears that the world is changing and setting up an anti bribery and corruption framework - beyond just form, by looking at the substance of the transaction, is the order of the day.

Though most of the US companies may already have a framework, we have listed down some of the basics that should definitely be followed-

- A strong tone at the top
- Regular class room training for employees
- Ethics and integrity due-diligence before hiring third parties.
- Right to audit and affirmative declarations with anti bribery and corruption clauses in third party contracts.
- Adopt policies for retaining agents, consultants and other vendors
- Implement anti-corruption financial controls
- Monitoring of transactions
- Periodically re-assess risk and modify the program
- Formalizing of 'gift' process – maintain gift logs
- Bid for tenders directly
- Use the same distributor for all business including with the government
- Make sure all the invoices have backup
- Get operational write ups on each risk area
- Appoint a compliance officer



The continuing threat of terrorism over the last 26 years has forced many American companies to seek advice and assistance from the U.S. Government, particularly the Department of State. The "Overseas Security Advisory Council" – or OSAC – is a special advisory council that links the U.S. Embassy in New Delhi with American businesses operating throughout India. The purpose of OSAC is to provide regular and timely interchange of information between the private sector and the U.S. Embassy concerning developments in the India's security environment. Quarterly OSAC meetings help American businesses generate methods to protect their employees and improve their competitiveness in the cities of New Delhi, Bangalore, Hyderabad, Chennai, Mumbai, and other important commercial areas. In the wake of the death of Osama Bin Laden and other high-

profile terrorists, there was widespread concern in India about reprisal attacks on American businesses by local terrorist groups who were sympathetic to Al-Qaeda. OSAC's response was to immediately organize an information session for all members with a detailed discussion of the threat environment. OSAC members were able to receive direct engagement and reassurance from the U.S. Embassy during this tense period.

OSAC-India encourages managers of U.S. organizations to cope with security-related problems by pooling their resources. As part of the U.S. Embassy's diplomatic mission, key representatives from the Regional Security Office develop working relationships with local police and other law enforcement entities. Through these relationships, OSAC is able to acquire and share information about trends in safety, crime, and terrorism in tandem with the State Department's worldwide Travel Advisories.

Membership in the OSAC Council is limited to American-owned companies in India or foreign-owned companies in India who employ Americans. For more information, visit www.osac.gov or contact OSAC-India, Regional Security Office, Embassy of the United States of America, New Delhi, India, +91-11-2419-8000. For membership inquiries, send an email to OSAC Coordinator Mridulssar, IssarM2@state.gov.



Public Tender Process Protest In India and defence procurement



Anand S. Dayal

Chairman

Amcham's Anti-Corruption (FCPA)

Compliance Committee

Partner

Koura & Company, Advocates

Defence procurement in India is subject to the legal and regulatory framework governing general public procurement. As a result, governmental procurement processes in India's defence sector must conform to all applicable public

procurement laws, in addition to the guidelines set forth in the Defence Procurement Procedure, 2011, issued by India's Ministry of Defence. A key measure for ensuring transparency and accountability with respect to public

procurement is an effective and independent administrative mechanism whereby participating vendors may challenge the lawfulness of the bid solicitation, review and/or award processes. For example, the UNCITRAL Model Law on Procurement of Goods, Construction and Services (1994) provides for such a review process, and has served as a guide to legislative enactments in other developing countries. Given the absence of this administrative mechanism under Indian law, the judicial system remains the only viable avenue for relief for vendors seeking to challenge the conduct or outcome of the Indian public procurement process....[For full version of the article please visit http://amchamindia.com/working_group/anticorruptioncompliance.htm](http://amchamindia.com/working_group/anticorruptioncompliance.htm)



AMCHAM EVENTS

Delhi

Meeting with Mr. Chaitanya Prasad, Joint Secretary, Department of Industrial Policy and Promotion

Amcham Executive Director, Mr. Ajay Singha and Deputy Executive Director Ms. Madhvi Kataria met with Mr. Chaitanya Prasad, Joint Secretary, Department of Industrial Policy and Promotion, New Delhi on September 29th, 2011.

Meeting of Amcham's IPR committee with Mr. Probir J Mehta, Deputy Assistant United States Trade Representative

A meeting chaired by Mr. Tabrez Ahmed, Chairman Amcham's Intellectual Property Right (IPR) committee and Director, IPR Policy, Legal & Corporate Affairs, Microsoft Corporation, was held at Amcham office on October 3rd, with Mr. Probir J Mehta, Deputy Assistant, United States Trade Representative.

ITPO - AMCHAM Seminar

ITPO - AMCHAM Seminar on "The Changing Security Technology Scenario - Opportunities for Indo-US Cooperation" was held on October 13th, at Hall No. 11, Pragati Maidan, New Delhi. Opening and theme presentation was given by Mr. William Blair, Chairman - Amcham's Homeland Security committee & President, Raytheon India. Speakers at the seminar

AMCHAM EVENTS



were Mr. Mackay Spears, Deputy ICE Attache, US Embassy, by Mr. Ved Marwah, Chairman Task Force, National Security and Criminal Justice System, Centre State Commission. The seminar was sponsored by: CISCO, General Dynamics, Honeywell and Raytheon.

Presentations were made on 4 special topics by US representatives and Senior Government Officials on Counter Terrorism, Cyber Security, Maritime Coastal Security and Critical Infrastructure Protection and Safe City Surveillance.

Amcham General Counsels' roundtable

Amcham organized a round table meeting on October 14th of General Counsels in collaboration with Michigan-Jindal Centre at JGLS (Jindal Global Law School). The purpose of this meeting was to share perspectives, determine the composition of a steering committee, and establish a research agenda. Mr. Anand Dayal, Chairman, Amcham's Anti Corruption (FCPA compliance) committee & Professor Charles Maddox of JGLS led the discussions.

Meeting with Mr. Mukul Joshi, Secretary, Department of Pharmaceuticals

AdvaMed representatives held a meeting with Mr. Mukul Joshi, Secretary, Department of Pharmaceuticals at New Delhi. The meeting agenda was to have a discussion on the need of a robust Regulatory system for Medical devices in India.

Meeting with Ms. Teresa Rea, US Patents and Trademarks Office

On October 20th, Amcham met with Ms. Teresa Rea, Deputy Director and Deputy Under Secretary for Commerce, US Patents and Trademarks Office. The meeting was hosted by Mr. A.S Krishna, Director-External Affairs, MSD Pharmaceuticals.

Amateur Invitational Golf Tournament-2011



AMCHAM EVENTS



The 4th Amcham India Amateur Invitational Golf Tournament took place on October 22nd at the Qutab Golf Course, Press Enclave Road, New Delhi. This full day event included golf, lunch and prize distribution over a cocktail reception. Members of Amcham, senior dignitaries from Government of India, select invitees of the US Embassy and Indian corporates participated in the event.

Coca-Cola India, General Motors India Pvt. Ltd., Brown-Forman Worldwide LLC, 3M India Ltd., Honeywell International (I) Pvt. Ltd., EMD Locomotive and Protiviti Consulting Pvt. Ltd. sponsored the event.

Meeting of Amcham's ICT committee

A meeting of Amcham's Information and Communication Technology, (ICT) committee was held under the chairmanship of

Mr. Amit Sharma, Chairman, of the committee, and Executive Vice President – Asia, ATC Tower Company of India, on October 24th at ATC office in New Delhi. The meeting was convened to discuss and prepare Amcham's feedback on the National policies on Electronics, IT, Telecom, announced by the Government of India.

Meeting with Mr. Timothy G Haley, Regional Security Officer, US Embassy

Amcham held a meeting on November 3rd, with Mr. Timothy G Haley, Regional Security Officer, US Embassy. The need for US companies to join Overseas Security Advisory Council". The need for US companies to join OSAC- was taken up. Please visit www.osac.gov for more information.

AMCHAM EVENTS

Meeting of Amcham's Tax, Tariff and Regulatory Affairs Committee

A meeting of Amcham's committee on Tax, Tariff and Regulatory Affairs was held under the chairmanship of Mr. Ajay Kumar, Executive Director, PricewaterhouseCoopers Private Limited, on November 4th, at PwC Office, Gurgaon. A draft Pre-Budget Memorandum, prepared by PwC and based on the recommendations received from Amcham members, was placed before the members for their consideration and two sub-committees on Indirect Taxes and Direct Taxes were constituted.

Roundtable meeting with Mr. Francisco J Sanchez, U.S. Under Secretary of Commerce for International Trade

Amcham and USIBC jointly organized a Roundtable meeting with Mr. Francisco J. Sanchez, Under Secretary of Commerce for International Trade, U.S. Department of Commerce, International Trade Administration, on November 7th, in New Delhi. The meeting was chaired by Mr. Venkatesh Valluri, Member, Amcham's National Executive Board, and Chairman & President, Ingersoll Rand India.

The participants provided specific information relating to Healthcare, Energy, Homeland Security, Defense, IT, Telecom, Pharmaceuticals, and other sectors.

Dinner with Ms. Huguette Labelle, Chairperson of Transparency International



Mr. P S Bawa, Chairman Transparency International India with Ms. H. Labelle

Amcham hosted a dinner in honor of Ms. Huguette Labelle, Chairperson of Transparency International on November 15th. Ms. Labelle is a "Companion of the Order of Canada" and has been awarded honorary degrees from twelve Canadian Universities.

USTDA - ECP round table meeting

U.S. India Energy Cooperation Program, (ECP), housed at



Amcham, held an interaction with the Director, United States Trade and Development Agency (USTDA), Ms. Leocadia Zak, Regional Director, USTDA, Mr. Henry Steingass and other officials accompanying the delegation. The session was chaired by Chairman ECP, Mr. Zubin Irani, and an update on the various initiatives and outreach activities of ECP was presented to the USTDA team. The event was hosted by ExxonMobil Gas (India) Private Limited at The Lalit, New Delhi on November 15th.

Meeting with Mr. Devender Chaudhary, Joint Secretary, Department of Pharmaceuticals

Amcham's Medical Devices and Equipment committee members met Mr. Devender Chaudhary, Joint Secretary, Department of Pharmaceuticals, to submit industry recommendations to the Planning Commission. The committee chair, and members' emphasized the need to increase number of Public Private Partnership projects to improve the quality of Healthcare in India and to have an unambiguous and independent regulatory body. Mr. Chaudhary acknowledged the need for regulatory framework for Medical Devices industry and welcomed proposals from committee members on possible Public Private projects with NIPER for research and development and training of resources.

U.S. - India Aviation Summit

The U.S-India Aviation Summit took place from 16th - 18th November at the Taj Palace Hotel, New Delhi. USTDA partnered with the India's Ministry of Civil Aviation, the U.S.-India Aviation Cooperation Program, and the U.S. Federal Aviation Administration, to host this event. Amcham was one of the supporting organizations at this event.

Meeting with Ms. Nicole Lamb-Hale, Assistant Secretary for Manufacturing and Services, US Department of Commerce

Ms. Nicole Lamb-Hale, Assistant Secretary for Manufacturing

AMCHAM EVENTS



and Services, U.S. Department of Commerce addressed members of Amcham on November 18th, at The Taj Palace, New Delhi. The discussion focused on ICT and Retail sectors. Ms Hale heard issues and concerns of the ICT and Retail sectors from Amcham members which, she assured, will be taken up with the US Department of Commerce in the course of their engagement with the Government of India.

Meeting of Amcham's committee on Defense Equipment

Amcham's Defense Equipment committee held a meeting under the chairmanship of Mr. Roger Rose Chief Executive, Lockheed Martin at ACSA, U.S. Embassy on November 21st.

Meeting with Minister of State (Home Affairs) Mr. Jitendra Singh

Amcham's Executive Director, Mr Ajay Singha met with Minister

of State for Home Affairs, Mr. Jitendra Singh on November 24th for a discussion on holding a seminar on US India Homeland Security with the support of Indian Government.

Interactive session with Mr. Doug Hagerman, SVP, General Counsel and Secretary, Rockwell Automation



Amcham organized a breakfast interactive session with Mr. Doug Hagerman, SVP, General Counsel and Secretary, Rockwell Automation on November 25th, ACSA, US Embassy, New Delhi. Mr. Hagerman, spoke on "Enabling Growth and Managing risk". Mr. Anand Dayal, Chairman – Amcham's committee on Anti-Corruption (FCPA) compliance, & Partner, Koura & Company, chaired the meeting.

Hyderabad

Reception for US Under Secretary, International Trade & Commerce

Amcham Hyderabad Chapter, on November 8th, hosted a reception for the US Under Secretary for International Trade and Commerce – Mr. Francisco Sanchez and his 20 member clean energy delegation at the Taj Krishna. Mr. Paul Brown of International Paper India, and Amcham member, gave a brief presentation on the clean energy initiatives of International Paper. The Consul General of US Consulate Hyderabad and the Vice Chairman & CAO of D E Shaw Mr. Madhu Poomalil spoke about the Energy Cooperation Program, ECP, at Amcham.

Under Secretary Francisco Sanchez addressed the gathering which was a mix of IAS / IPS officers and representatives from member companies.

Interactive Session with US Consular Officers

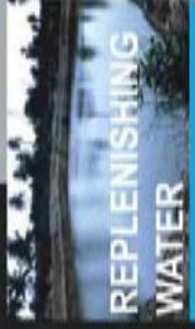
Amcham Hyderabad organized a meeting for its members on US Visa procedures with the officers from the Consulate on

Mumbai

Interactive discussion of Amcham's members with Mr. Russell Green, US Treasury Dept. on US India Financial Regulatory dialogue

The American Chamber of Commerce in India (Mumbai) organised an Interactive Discussion of Amcham's members with Mr. Russell Green, US Treasury Dept. on US India Financial Regulatory dialogue. The interaction provided an opportunity for a meaningful discuss on issues of concern, specially in areas where there is disagreement between regulators from the US and Indian side. Issues such as Bond Market, clarity on regulations regarding anti laundering, and other financial matters were discussed. Mr. Green shared information on the likely implications at a global level. The meeting was well attended by senior representatives from Battery Ventures, Kroll, Brickwork, Fiserv, Risk Pro, Marriott Hotels, US Consulate and others.

Quenching India's thirst for progress



Positive Water Balance in 2009

In 2009, PepsiCo India gave back more water than it consumed. Through its pioneering initiatives such as 'Direct Seeding' of paddy and many other programs covering water recharge through community programs and harvesting water within its manufacturing plants, **PepsiCo saved over 6 bn litres of water in 2009.**



Benefitting more than 22,000 farmers

PepsiCo India continues to strengthen its partnerships with farmers across the country to boost their productivity and income by providing 360 degree support to the farmers through quality seeds, disease control packages, bank loan & insurance support and technological interventions.



Benefitting 450,000 people

PepsiCo India's award winning partnership with NGO Emora for Household Waste Management helps recycle 97% of household waste across seven cities, benefitting more than 450,000 people.



Awards

- CII National Award for Excellence in Water Management
- UNESCO - supported Water Digest Award in CSR for Water Practices
- Golden-Peacock Award for Innovative Product/ Services for 'Direct Seeding' initiative
- Best Practices in CSR Award by the Bombay Stock Exchange, NASSCOM Foundation & Times Foundation



AMCHAM EVENTS

Amcham Hyderabad Sports 2011

Amcham's Hyderabad Sports 2011 event saw the culmination of some of the events in the schedule for this year. Badminton, Table Tennis, Carom, Chess, Tennis, Basket Ball, Foot Ball, Volley Ball for both men and women and Throw Ball for women. The Sports 2011 event began with 22 cricket teams. As the players vie to get into the top spot, we are looking to wrap up this event with the finals on December 18th. Prizes will be given away on the annual day celebrations of Hyderabad chapter in February 2012.



November 15th. Mr. Andrew Chapman briefed the gathering on the US Visa procedures while Ms. Lori Johnson spoke on Fraud and Fraud detection and how they can be prevented. Mr. Michael Yoder and Counsel General Katherine Dhanani spoke on how Hyderabad was making an impact in terms of processing visas with the numbers going up each day.

At the Q&A session the Consular officers answered the queries of the executives of member companies. It helped them better understand the visa process and the class of visa that needs to be considered based on the purpose of the visit.

Breakfast meet with Governor of Maryland

Amcham, TIE and IACC jointly hosted a breakfast meeting on November 29th, at the Emerald, Taj Krishna, for their members in connection with the visit of the Mr. Martin Joseph O'Malley, Governor of Maryland, US along with his 65 member biotech delegation.



AMERICAN CHAMBER OF COMMERCE IN INDIA

Established in 1992, the American Chamber of Commerce in India (Amcham India) is an association of American business organizations operating in the country.

Amcham India has around 500 members, spread across the nation. The Chamber enjoys a close relationship with the U.S. Embassy, which supports its objectives and helps in fulfilling them. The incumbent U.S. Ambassador to India is the Honorary President of Amcham.

Mission

Amcham's principle objectives are to:

- Promote activities that encourage

and stimulate investment by U.S. companies in the country.

- Support the business operations of its members.
- Encourage bilateral trade between India and the U.S.

These primary objectives are fulfilled by:

- Providing a forum for U.S. – based business organizations to discuss and identify common issues, economic and commercial interests in India and/or the U.S.
- Instituting Sectoral Committees which implement the primary objectives in their respective sectors.
- Reviewing policies and procedures in various sectors that affect the

members as well as growth of foreign direct investment.

Affiliations

Amcham is affiliated to the following Chambers in the U.S.:

- Chamber of Commerce of U.S.A in Washington, D.C.
- Asia Pacific Council of American Chambers of Commerce (APCAC)
- Amcham's in other countries.

Regional Chapters

Amcham's National Secretariat is based in New Delhi with six Regional Chapters in Bangalore, Chennai, Delhi, Hyderabad, Kolkata and Mumbai.

American Chamber of Commerce in India

PHD House, 4th Floor, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi - 110016, INDIA

Tel : 91-11-2652 5201, Fax : 91-11-2652 5203, Email : amcham@amchamindia.com

Website : www.amchamindia.com

Published by

Ajay Singha, Executive Director, Amcham India

Shivani Raina, Deputy Editor, Amcham India; shivani@amchamindia.com



AMCHAM INDIA SPECIAL PROMOTION

SMALL LUXURY HOTELS OF THE WORLD™
EXPERIENCE ANOTHER WORLD

Winter Offers by Small Luxury Hotels of the World™

It's the perfect time of year to surround yourself in luxury whilst visiting friends and family, to indulge in retail therapy or to leave the world behind in a snow-covered hideaway. Whether it's a city sanctuary, a deluxe ski resort or a nearby spa, you're sure to find your perfect retreat this winter with Small Luxury Hotels of the World (SLH). Valid for stays from Thursday 1 December 2011 to Wednesday 29 February 2012 unless otherwise specified.



Choose from this fantastic range of offers:

Complimentary Nights

Save more when you stay longer! With excellent offers including our favourite "stay 3, pay 2", receive complimentary nights in many SLH hotels this winter.

Great Savings

Take advantage today! Choose from a selection of hotels and enjoy up to 10%, 15% or even 20% off the best available rate this winter.

More Value

Something special included! Maybe complimentary wine tasting or a free massage, for example? Book a More Value rate with SLH this winter.

To see more, click here | www.slh.com



Progress. One powerful idea.

A 24% reduction in water consumption. A 22% reduction in greenhouse gas emissions. United Technologies has set and exceeded aggressive environmental goals for our facilities and processes. We hold our products to the same rigorous standard, developing breakthroughs in performance using fewer resources.



United Technologies

TEL: +91 11 40881000



Carrier



Hamilton Sundstrand



Otis



Pratt & Whitney



Sikorsky



UTC Fire & Security

Water and greenhouse gas reductions are over a four-year period ending 2010.