Confederation of Indian Industry

MSME business

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Chairman, CII National MSME Council

FROM THE CHAIRMAN'S DESK

The MSME sector has played a stellar role in India achieving its current robust economic growth. Down the decades, the sector has accounted for a major share of India's industrial output, exports and employment, besides influencing the country's inclusive growth process and balanced regional development initiatives. MSMEs are pivotal to the growth of all three economic sectors – agriculture, manufacturing and services. Now, with Government and industry focusing sharp attention on manufacturing growth, promotion of manufacturing MSMEs has assumed key importance.

The sector's growth prospects would largely hinge on the MSMEs gaining easier access to timely credit. Addressing this issue, Finance Minister, Mr Pranab Mukherjee, has proposed the setting up of a Rs 5,000-crore India Opportunities Venture Fund for the MSMEs with SIDBI anchoring the fund. The Finance Minister has also proposed exemption of capital gains tax on sale of residential property, if the sale consideration is used for subscription in equity of a manufacturing SME company for purchase of new plant.

With improved financing options, MSMEs would be well placed to drive India's sunrise industries, and develop products that find ready global markets. Today, R&D and innovation are high priorities for MSMEs. The new dynamism is illustrated by the fact that this sector has maintained steady double digit growth in recent years, even as the overall economy ran into stiff headwinds.

Keeping in view the challenges and opportunities that meet the MSMEs in today's dynamic business environment, this edition of 'MSME Business' presents an interview with Mr Arun Maira, Member, Planning Commission, delineating the growth imperatives of the Indian MSME sector.

With increasing globalisation, marketing has assumed strategic significance for Indian MSMEs. The aspiration to function as global suppliers of innovative goods is driving Indian MSMEs to step up the marketing efforts. In this edition, we have captured the captured the trending marketing strategies as well as the Government schemes made available to reinforce the marketing push.

MSME entrepreneurship is coming into own with a whole gamut of start-ups entering the fray spearheaded by the young generation. At the same time there are signs of consolidation in certain business sector, fashioned by M&As. This edition has directed attention on the emerging M&A trends in the Indian MSME sector.

The MSME sector has a key role cut out in the food industry. The food processing industry is powered by numerous MSMEs. Now with Government focusing attention on promoting Mega Food Parks, there is an opportunity for select food processing MSMEs to act in consort and pitch for making investments in these parks. We bring to you an overview of the MSME role in the food processing sector.

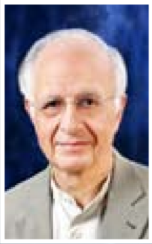
This is the age of big data. Organisations are flush with data on every aspect of business. The opportunity lies in using advanced data analytical tools to build up business intelligence which will serve as strategic inputs for forecasting customer behaviour, market trends, sales, production, among a host of other variables. The MSME sector is alive to the importance of using data analytics for effective business decision making. We present an analytical article on this topic in this edition.

In the international section, we have delineated the opportunity for MSME cooperation between India and Vietnam, a country with whom India enjoys deep diplomatic, political and economic relations.

We hope you will derive good value from the articles presented in this edition, and we invite you to proactively participate in the development of this journal and in the MSME Council's activities. ■

R Datla

Please write to me at: Chairman.CIIMSMEcouncil@cii.in



'MSMEs ARE INDISPENSABLE TOWARDS PROMOTING INCLUSIVE GROWTH'...PG5

Mr Arun Maira
Member, Planning Commission, Government of India

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Mr A L Meena,
Joint Secretary, Ministry of Food Processing Industries, Government of India

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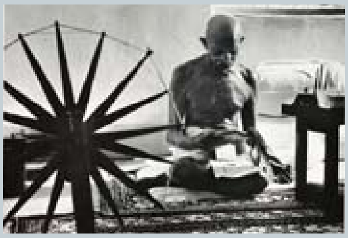
MSME Ministry bats for inclusion of khadi in MNREGA

The Ministry of Micro, Small and Medium Enterprises (MSME) has put forward a proposal to include khadi spinning under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). The MGNREGA is the flagship employment programme of the Government of India, which aims to enhance the livelihood security of people in rural areas. It guarantees hundred days of wage-employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work. Mr Virbhadra Singh, Union Minister, Ministry of MSME, has been quoted saying in the media that the daily wages of those employed to spin Khadi are lower than the minimum wages fixed under MGNREGA, which necessitates efforts to increase the earning of those involved in the Khadi sector as well. The minister said his ministry will submit a proposal to the union cabinet seeking inclusion of Khadi spinning work under MGNREGA. Mr Singh added that he would urge the prime minister and the finance minister to waive the loans of those khadi weavers who are not in a position to repay the same. He revealed that the Government is planning to introduce a khadi mark to ensure genuineness of khadi. ■



'Grant more funds to meet MSMEs' credit concerns'

To address the credit concerns of the micro, small and medium enterprises (MSMEs) in the country, Mr Virbhadra Singh, Union Minister, Ministry of MSME, has urged the finance ministry to allocate more funds in the coming budget. In his letter to the finance minister, Mr Pranab Mukherjee, Mr Singh emphasized that financing should be more transparent. Problems which are being experienced by the sector at present to get finances from the banks should be reduced. The minister has also asked for more equity formation, lowering the interest rate and easy exit system. MSMEs are facing challenges in getting funds from banks and alternate sources of capital like private equity, venture capital and angel funds. ■

Ministry wants 4-fold rise in credit fund in 12th Plan

In order to increase the availability of funds for small businesses, Ministry of the Micro Small and Medium Enterprises (MSME) is seeking over 4-fold hike in credit guarantee fund scheme to Rs 10,750 crore during the 12th Plan period, say media reports quoting an official.

"The corpus of credit guarantee fund scheme has to be enhanced by an additional provisioning of Rs 10,750," the official said. The increase in allocation will help in providing collateral-free loans to micro and small units which are highly unorganised but account for substantial employment in the country. During the 11th Plan, the government had made a provision of Rs 2,500 crore for the scheme.

In view of the problems faced by the MSME sector in procuring loans from banks and financial institutions, the Ministry has suggested to the Planning Commission to raise the allocation for the fund. "Almost 95 percent of the MSME sector is unorganized", the official said, adding that banks are usually reluctant to lend funds to the MSMEs in the absence of adequate collaterals. ■

MSME Ministry mulls raising corpus for innovation to Rs 2500 crore

The MSME Ministry is considering enhancing the corpus towards innovation multi-fold to Rs 2,500 crore to bring forth more innovative products in the sector, thereby increasing competitiveness in the international market. At present, the ministry provides Rs 100 crore annually to micro, small and medium enterprises (MSME) towards innovation which mainly includes setting up of testing centres and R&D facilities. "We will increase the corpus for innovation to about Rs 2,500 crore," said Micro, Small and Medium Enterprises Secretary R K Mathur to the media. He said innovation in MSME clusters is fundamental for growth and employment generation. MSMEs are the backbone of the Indian economy and contribute 45 per cent to the country's total industrial production. ■

SME Exchange a New Way Forward: CII

The launch of BSE SME Exchange has brought cheer to the small sector in the country, as millions of micro small and medium enterprises (MSMEs) have been struggling in accessing both debt and equity capital. Commenting on the launch, Mr Chandrajit Banerjee, Director General, CII said the Ministry of MSME and Securities and Exchange Board of India (SEBI) has facilitated new the way forward for the MSMEs to access equity finance. "SME Exchange will provide a great opportunity for both entrepreneurs and investors community to perform in tandem for betterment of the sector," he said.

Mr Banerjee mentioned that CII has been continuously working to address the issue of financial availability for MSMEs. "It is essential that there are competing segments for MSMEs in the stock market for ensuring that the trading platforms function in the best manner for providing services to MSME and the investing public in a cost effective manner," he said adding that in this environment, MSME would be in a better position to foster equitable economic growth and promote inclusive growth.

Reiterating CII's commitment to work in partnership with all the stakeholders in this sector, Mr Banerjee suggested that procedures related to market making and incentivisation for listing on exchange should be streamlined.

According to the Securities and Exchange Board of India, SMEs are allowed to raise between Rs 5 lakh and Rs 5 crore. Any company whose post-issue capital has a face value of Rs 50 lakh-Rs 10 crore can list on the SME Exchange. Those with a post-issue capital of Rs 10 crore-Rs 25 crore can choose to list on either the SME Exchange or the main exchange. Companies with a capital of over Rs 25 crore will have to list on the main board.

The BSE SME Exchange has been developed after studying the salient features, best practices and business model of the existing exchanges in the world. ■

CII Wants Complete Eco-System to Solve Delayed Payments

Confederation of India Industry (CII) has been advocating for building a complete eco-system for solving the issue of delayed payments, which have continually affected the business prospects of domestic MSMEs. Mr Gurpal Singh, Principal Adviser & Head MSMEs, CII, said, at a recently held round table on Delayed Payments to MSMEs, "Government needs to strictly implement the laws regarding the delayed payments as it will not only effect the financial aspect but also the overall growth prospects of the small enterprises." Mr D Ramakrishna, Member, CII National MSME Council & Managing Director, Efftronics Pvt Ltd, Mr Gagan Kumar, Partner, Archer & Angel. Mr KK Rathi, Assistant General Manager (Finance), Maruti Suzuki India Ltd, Mr Amitava Roy, Finance Head, TATA Motors, shared their respective views on how to tackle the issue of delayed payments.

At the round table CII has made the following recommendation which will be presented before the Government of India: (i) The Ministry of Company Affairs (MCA) may extend the scope of XBRL reporting to cover all companies falling in the MSME category.

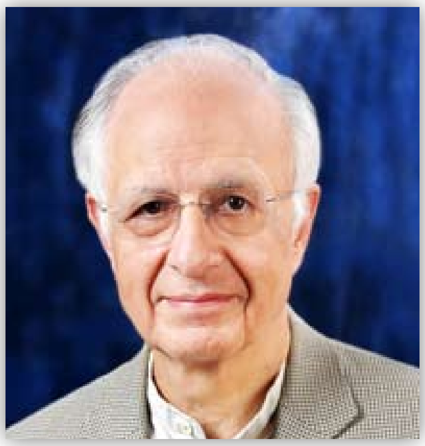
(L-R) Mr Gurpal Singh, Principal Adviser & Head MSMEs, CII, Mr Amitava Roy, Finance Head, TATA Motors, Mr D Ramakrishna, Member, CII National MSME Council & Managing Director, Efftronics Pvt Ltd, Mr Gagan Kumar, Partner, Archer & Angel at the round table on Delayed Payments to MSMEs, in New Delhi.

Further, the XBRL reporting requirement for MSMEs may be modified wherein the MSMEs report the receivables from the large units. With XBRL data, the government can also match the data and take immediate action on matters concerning MSMEs. (ii) Mandatory payment of interest by government departments, PSUs and large organisations if payment is delayed for more than 45 days (iii) Consider payment of dues, which is beyond 45 days, to MSEs as income in the books of PSUs and large organisation, (iv) Provide more powers to the facilitation councils, which is established to address the issue of delayed payments, as per the MSMED Act 2006, (v) Large firms should be given tax benefits if the firms make minimum 20 per cent of procurement from MSEs and subsequently the payments are completed within 45 days, and (vi) Promote 'factoring' as mandated under MSMED Act 2006. The provision stipulated mandatory factoring of a receivable of an MSME in case the payment is delayed beyond 45 days. That is, in the delay period the receivables would automatically become eligible for factoring on a non-recourse basis.

Towards this a financial institution should be created and funded with an initial corpus for factoring of delayed payments to MSME units. This Institution should be self-sustaining by meeting its costs by charging interest rates permitted by RBI and penalty should be levied from the auditors who fail to report on delayed payments in the annual report of the large firms. The penalty should be calculated as per the percentage of the delayed amount not reported. ■

‘12th Plan Will Emphasise on Implementation of Policy Framework’

Mr Arun Maira, Member, Planning Commission, Government of India gives his perspective on MSME growth, and central focus of the Planning Commission in the next plan period in an exclusive interview. Excerpts:



Mr Arun Maira
Member, Planning Commission, Government of India

The MSME sector accounts for over 40% of India’s industrial output, employment and exports. Keeping in view the country’s growth imperatives, what policy steps would you recommend in accelerating MSME industrial expansion during the 12th Plan period?

Enactment of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 was instrumental in defining the legal and institutional framework for promoting the development of MSME sector in India. However, implementation continues to remain an Achilles heel. Taking the example of delayed payments, the Act clearly stipulates that MSMEs should be paid within a period of 45 days while in a study published by Crisil it was found that the average receivables position was 80 days for MSMEs which was hampering their profitability by nearly 15%. Further now with the recent Cabinet nod on 20% of procurement of central ministries and public sector units to be sourced annually from the MSME sector, the country seems to be challenged less by the existence of policy measures and more by its inability to forge links in the causal chain to obtain the relevant outcomes.

Twelfth Plan through focused improvements in the policy framework will emphasise on the implementation process to be able to ensure that the requisite benefits of policy interventions are availed by the MSME sector. Bearing in mind the recommendations of the Prime Minister’s Task force, focused improvements would include strengthening of the MSMED Act 2006, introduction of uniformity in relevant policies on environmental issues with appropriate relaxation for MSME’s and consolidation of the plethora of labour laws into one user friendly law.

Scheme and programme based intervention will also be facilitated to ensure industrial expansion. These will focus on areas of Credit and Finance, Technology, Infrastructure, Marketing and Procurement and Skill Development. The nature of these interventions has been detailed in subsequent questions.

MSME growth and development greatly shapes the inclusivity dimension of India’s growth process. What measures are needed to strengthen the sector from the inclusivity standpoint?

MSMEs are indispensable towards promoting inclusive growth as they contribute significantly towards employment generation and poverty alleviation. All measures taken to promote development of MSMEs, both organized and unorganized, will facilitate inclusive growth. However, skill development and social security of the employed workforce will have to be central to the MSME inclusive growth agenda. Skill development is critical towards ensuring competitiveness and sustainability of MSMEs while social security measures will be imperative for assuring social stability and preventing marginalization of workers, especially in the unorganised sector.

Credit is a crucial input for promoting MSME growth. What kind of an eco-system would you recommend for facilitating easy credit flow to MSME's, particularly to MSE?

Building an eco-system for facilitating credit flow to MSMEs is extremely important. Under the Twelfth Plan focus will be on strengthening credit flow to the MSE sector, particularly micro sector by strict implementation of guidelines for year-on-year growth of MSE credit and its prescribed flow to the micro-sector. This will be supported by enhancing reach of the MSEs to the banking network through setting up of branches near clusters. Overall, improving information flow and transparency, through use of IT, would be facilitated to ensure the processing of adequate, timely and affordable credit to the MSME sector.

I would repeat again that the larger companies must pay their MSME supplies on time. This will reduce the need for MSMEs to go to banks and other sources for more credit facilities.

These measures would be supplemented by enlarging alternative sources of capital such as private equity, venture capital and angel funds which will enable growth of knowledge based enterprises and emerging specialised advance technology related enterprises.

The Prime Minister's Task Force on MSME's has identified low technology, generally used by the MSME's, as a major cause for poor competitiveness of the sector. What steps would you suggest to increase adoption of new technologies in the MSME sector?

Technology will play a pivotal role in enhancing the global competitiveness of MSMEs in India. Concerted effort will be undertaken under the Twelfth Plan to promote development of indigenous technologies through collaborations between Public / Private R&D institutions with the cluster/industry associations. As such developments will be demand led; this will ensure acceptability and adoption among MSMEs. Focus on adoption of innovative renewable energy based technologies will also boost adoption by lowering transaction costs. Further, this will be followed by setting up of a Technology Acquisition and Support Fund with adequate allocation to assist both development of indigenous technology and acquisition of global technology by Indian MSMEs. This is in line with the recommendation made by the Prime Ministers Task Force on MSMEs.

Consolidation of multiple schemes of the Ministry of MSME along with specific interventions for high tech and emerging sectors, such as, establishing modular industrial estates in close proximity to premier technical institutions and linkages to angel/venture capital for sourcing the initial capital requirement will be other facilitating factors for both development and adoption that will be implemented under the Twelfth Plan.

The Prime Minister's Task Force has also identified lack of skilled manpower as a road block to MSME development. What steps are needed to bridge the skill gap in the sector?

The issue of lack of skilled manpower besides technology has acquired national importance across all sectors of the economy. This has typically led to the dilution of India's much talked about demographic dividend. In order for the nation to circumvent this roadblock, up scaling supply has to be accompanied with requisite quality. For the MSME sector specifically, Ministry of MSME has been mandated to develop skillsets of 4.2 mn people under the Twelfth Plan, through the PPP mode, and ensure quality through establishment of web based information portals and toolkits.

This will be supplemented by establishment of Tool Rooms/ Technology Development Centres which will provide specialised training to the existing and prospective workers of the MSME sector which will be graduated to become self-financing over time in order to ensure sustainability. Industry associations will be involved in developing training programs as it will be critical towards assuring the relevance and quality.

Cluster based intervention has been acknowledged as one of the key strategies for the comprehensive development of Indian industries, particularly MSE's. What is your assessment of this approach?

Cluster based intervention has been recognized as an effective tool for industrial development in India, especially for MSMEs. The positive externalities of cluster based industrial development adds immensely towards promoting competitiveness of enterprises and this approach is thereby likely to only grow in importance and scale under the Twelfth Plan and beyond. Clusters will be valuable in fostering the inclusive growth agenda and can perhaps even be a vehicle for bringing the unorganized sector within the organized fold.

However, given the nature of heterogeneity across clusters, interventions towards development need to be customized. A combination of hard infrastructure led interventions need to be adequately balanced with softer interventions such as capacity building. In order to ensure this an important impediment that needs to be overcome is trust deficit and thereby the formation of a single rather than multiple aggregators based, Cluster Management Organization. This will help provide the much needed representation and facilitation of interests of individual Cluster and also allow sharing of best practices under the proposed establishment of the Central Cluster Cell in the Twelfth Plan. Better integration of key drivers of growth such as finance, creation of market linkages etc. can also possibly be influential in leading the informal sector towards formalisation, though this aspect remains to be investigated further.

A significant number of MSME's continue to operate in the unorganised sector. What steps would you advocate to bring the majority of these units into the organised fold during the 12th Plan period?

Besides the growth potential of the unorganized sector and its critical role in manufacturing, heterogeneity of this sector is an important aspect that needs to be factored into policy making and program implementation. Ministry of MSME will have to actively provide an enabling environment for the unorganized sector to flourish and integrate with the organized sector. Policy focus is needed especially in the areas of skill formation and credit & technology up gradation. Further, emphasis on providing social security to the unorganized workers in the MSME sector in terms of the mandate under Unorganised Workers Social Security Act (UWSSA) will be imperative. ■

Budget to Boost MSMEs: CII

CII welcomes the announcement of Rs 5,000 crore India Opportunities Venture Fund, views the Budget progressive and pragmatic for small sector growth

Access to adequate finance has always been a constraint for the micro, small and medium enterprises (MSMEs) sector; and the sector rely primarily on loans from banks and informal sources to raise capital. Now, the Union Budget 2012-13 has brought optimism to MSME sector, as Mr Pranab Mukherjee, Finance Minister, has proposed the setting up of a Rs 5,000-crore India Opportunities Venture Fund with SIDBI to help small businesses in the country. "SMEs are the building blocks of our economy," he said in his Budget speech.

Welcoming the proposals, the CII termed the Union Budget as pragmatic, as it would provide a booster dose to the sector. "We hope that setting up of the India Opportunity Venture Fund will enable the sector access the much-needed capital," the CII said in a statement.

In the pre-budget memorandum, the CII had suggested establishment of a venture capital fund with a corpus of Rs 10,000 crore. "A PPP mode of operations for the fund with budgetary support and ownership with SIDBI may be considered. The fund could be set up with a seed fund corpus of Rs 3,000 crore and enlarged to Rs 10,000 crore during the 12th Plan period with contributions from the banking sector. From this fund, 'Anchor Investment' of 15% should be provided to any SME focused VC Fund launched in the country," the CII had suggested in the pre-budget memorandum.

In order to augment funds for SMEs, Mr Mukherjee proposed to exempt capital gains tax on sale of a residential property, if the sale consideration is used for subscription in equity of a manufacturing SME company for purchase of new plant and machinery. It is viewed that capital gains tax exemption would give a lot of relief to the micro sector and would spur investments in the case of new units.

MASTERSTROKE FOR SMALL SECTOR

- **Rs 5,000-crore India Opportunities Venture Fund to be set up with SIDBI**
- **Presumptive taxation raised from Rs 60 lakh to Rs 1 crore for SMEs**
- **Weighted deduction of 200 per cent for R&D expenditure for another five years**
- **PMEGP allocation increased by 23 per cent from Rs 1,037 crore to Rs 1,276 crore**
- **Exemption in capital gains tax on sale of a residential property, if the sale consideration is used for subscription in equity of a manufacturing for purchase of new plant and machinery**
- **A Rs 3384-crore financial package for handloom weavers**
- **Setting up of two mega handloom clusters in Andhra Pradesh and Jharkhand, and three Weavers' Service Centres at Jharkhand, Mizoram and Nagaland**
- **Rs 500-crore pilot scheme in the 12th Plan for promotion and application of geo-textiles in the North-East Region.**
- **Launch of two SME Exchanges for better access of equity finance.**
- **Government approves a policy that requires ministries and CPSEs to make a minimum of 20 per cent of their annual purchases from MSEs. Of this, 4 per cent will be earmarked for procurement from MSEs owned by SC/ST entrepreneurs.**
- **Revised guidelines on priority sector lending to be issued after stakeholder consultation**
- **Rajiv Gandhi Equity Savings scheme allows for income tax deduction of 50 per cent to new retail investors, who invest up to Rs 50,000 directly in equities and whose annual income is below Rs 10 lakhs. The scheme will have lock-in period of three years.**

The Budget proposal has also extended the weighted deduction of 200 per cent for R&D expenditure in an in-house facility beyond March 31, 2012 for a further period of five years. "It will motivate the industry to focus on innovations and new product development," CII said.

The Budget has proposed setting up of two mega handloom clusters in Andhra Pradesh and Jharkhand, and three Weavers' Service Centres at Jharkhand, Mizoram and Nagaland. Mr Mukherjee also announced Rs 500 crore pilot scheme in the 12th Plan for promotion and application of geo-textiles in the North-East Region and a Rs 3384 crore financial package for handloom weavers. "Shortage of skilled manpower has been an issue of significant concern in the industry," the CII said adding that SMEs are the engines of the manufacturing sector and proposed measures for skill development are the right steps.

Further, the turnover limit for compulsory tax audit of accounts as well as for presumptive taxation has proposed to be raised from Rs 60 lakh to Rs 1 crore for SMEs. To encourage micro enterprises, the allocation for Prime Minister's Employment Generation Programme (PMEGP) programme has been increased by 23 per cent from Rs 1,037 crore in 2011-12 to Rs 1,276 crore in 2012-13.

A new scheme, Rajiv Gandhi Equity Savings scheme, is proposed in the Budget to encourage flow of saving in financial instruments and improve the depths of domestic capital market. The scheme allows for income tax deduction of 50 per cent to new retail investors, who invest up to Rs 50,000 directly in equities and whose annual income is below Rs 10 lakhs. The scheme will have lock-in period of three years. ■

Taking The M&A Route

As economic scenario leads to lower market valuations, a number of smaller firms are looking at M&As as an effective strategy for growth and expansion

Whether it is to strengthen their market position, enhance product portfolios or to take advantage of the current economic scenario, companies are increasingly adopting the M&A route for expansion. According to a survey conducted by global consultancy firm Grant Thornton, more and more companies are likely to take advantage of relatively lower valuations amid global economic uncertainty.

The survey, conducted in the last quarter of 2011, is based on 100 responses from different Indian companies. As many as 19% respondents believe that global uncertainty and fears of recession will make overseas companies attractive as acquisition targets. About 51% respondents also appeared bullish on the domestic front as M&A activities could be driven by stronger fundamentals, greater availability of finance options and improved stock markets.

Analysts point out that the driving factors for MSMEs could be very different from that of larger companies. While the large companies go for M&A to increase their customer base and market share, the smaller companies generally look for acquiring depth and knowledge, which is critical for their survival.

The current year is also likely to witness a lot of consolidation and cost cutting, say analysts. The increasing trend towards M&As could also be fuelled by favourable regulatory changes such as FDI relaxation, government supporting cross-border deals and so on.

A Sectoral View

In terms of sector-wise M&A trends, the Grant Thornton survey indicates that the pharmaceutical sector would dominate both domestic and cross border activities, while manufacturing is expected to come a close second this year. Some of the key factors that will drive M&As in the pharma sector include impending patent cliff in the US, rising attractiveness of India as a low-cost R&D destination and increasing number of Indian firms getting Abbreviated New Drug Application (ANDA) approvals.

The banking, financial services and insurance (BFSI) sector is also likely to witness significant domestic M&A activities, while IT & ITeS is expected to be an active sector on the cross-border front, said the survey. Although the IT-BPO sector has always been accustomed to M&A activity among the larger players, over the years even the small and mid-sized companies have jumped into the fray.

Another survey conducted by global advisory firm Megamart shows that the industrial and chemicals sector will see the highest number of transactions in 2012. This upward M&A trend will be spurred by reduced inflation and lowered interest rates at home while the cautiously improving US economy bodes well in terms of inbound American-interest from cash-rich companies, says Megamart.

A number of smaller companies today look at acquisitions as an effective way to enhance their delivery capabilities and develop leadership in certain niche areas. Companies are increasingly realising that it is much less risky to expand by acquiring an existing business rather than building a capability from scratch.

Dealing With Challenges

MSMEs in India have to deal with numerous challenges such as lack of adequate funds and resources, technological obsolescence, access to markets, etc. These problems usually come in the way of their growth and expansion.

A well charted out M&A strategy can prove to be a major growth facilitator for smaller companies. However, they would need to address the challenges of ensuring cultural integration and creating synergies within these extremely complex deals.

Analysts predict that M&As will continue to dominate the Indian MSME segment as they continue to consolidate and expand their businesses. These companies could, however, minimize the integration challenges if they are able to find the right partner sharing the same vision, creating a win-win partnership for both. ■

INSPIRING TAKEOVERS

- **Subex Systems, founded by Mr Subhash Menon, acquired UK-based Azure Solutions in a stock deal exceeding $140 million.**
- **Subex Systems acquired Toronto-based Syndesis for $164.5 million, a largest overseas acquisition by an Indian IT company.**
- **Sandhar Locking Devices acquired Adeep Group.**
- **BPO firm TransWorks acquired Minacs Worldwide for $125 million. After the acquisition, Transworks Minacs with a revenue of $300 million became the second-largest BPO company in India.**
- **Manugraph acquired Dauphin Graphic Machines Inc (DGM), a $70 million Pennsylvania-based manufacturer, for a cash consideration of $ 19.2 million. Manugraph DGM is now the largest manufacturer of single width press in th'e world.**
- **Allcargo Movers India, a Chennai based logistics company, acquired Belgium-based ECU Line Group, a leading global player in air, sea and road transportation. The acquisition gives Allcargo access to the high-margin markets of Europe, Latin America and Africa as well as the high-volume markets of the US and China.**

In Need of a Boost

A well developed food processing industry will increase farm gate prices, reduce wastages, ensure value addition, promote crop diversification, generate employment opportunities and export earnings

The food processing industry is one of the largest industries in the country and is ranked 5th globally in terms of production, consumption and export. Significantly, the sector employs over 16% of total workforce in the organised manufacturing sector, whereas it is 32% of the total workforce in the unorganised sector. In absolute numbers terms, the industry, at present, employs around 13 million people directly and 35 million people indirectly, according to the annual report of the Ministry of Food Processing Industries. It also has the potential to generate significant employment as the multiplier effect of investment in food processing industry is 2.5 times higher than in other industrial sectors, says the report. Even within the food processing industry, the employment intensity is significantly higher in the small scale and unorganised sectors as compared to the organised sector. The small scale and unorganised sector, constituting about 70 per cent, contribute more than 70% of the output in volume terms and around 50% in value terms. Mr A L Meena, Joint Secretary, Ministry of Food Processing Industries, Government of India, said the food processing sector is at an inflection point, and SMEs can play an important role in its growth. He added that the private sector footprint has grown quite remarkably in the 11th Plan period.

Challenges

While the food-processing sector offers several opportunities and shows high potential, it faces constraints as well. The major challenges the industry faces are inadequate infrastructure, lack of skilled manpower, high cost of transportation, lack of R&D initiative, non-availability of easy credit facilities, absence of market driven farming and lack of quality standards to mention a few.

a) Infrastructure: Lack of infrastructure for post harvest handling and storage, absence of cold chain facilities and fragmented supply chain of food products are some of the critical reasons holding back the growth of food processing industry in the country. There is no institutional mechanism to mitigate the small and fragmented size of farm holdings and to facilitate linkage between the farmer and the market. As in the case of infrastructure, a reliable database for the food processing industry does not currently exist in the country, and this adversely affects the planning process. Considering the high risk involved in food processing, a supportive insurance policy is critical to the growth of the sector, which does not exist at present.

b) Manpower: Even at the current level of operations, there is shortage of skilled manpower at various levels right from the farm to processing. An industry survey estimates that shortage of refrigeration mechanics, electricians and fitters exists to the tune of 65%. In addition, shortage of agricultural scientists exists to the tune of 60% and shortage of food safety professionals exists to the tune of 70%. There are no specialised institutes for imparting specialised skills in bakery and confectionery. Besides CFTRI, there are very few institutions, which provide qualified manpower for food processing sector.

c) Transportation: The non-availability of climate controlled con-

Mr A L Meena
Joint Secretary, Ministry of Food Processing Industries, Government of India

"The Mega Food Parks scheme has been developed with an objective of facilitating the creation of adequate infrastructure facilities along the value chain. Interested SMEs could benefit from the scheme by forming their own consortium to set up mega food parks."

tainers coupled with the high costs, temperature abuse in transit capacity, high costs of packaging, etc negate the advantage of low production cost.

d) R&D: R&D in the food processing sector in the country is largely governed by universities and institutions with very little involvement of industry. The research is also on traditional lines with less emphasis on market preferences..

e) Credit Facilities: Setting up of the food processing units is capital intensive due to huge initial capital cost requirements. In order to assist this high growth industry to realise its potential, the government has declared the financing of food processing sector as a priority area. However, the processing industry is not content with the way the scheme is being implemented and procedural hurdles that are involved in realizing loans and subsidy from financial institutions and supporting agencies and other state government promotional agencies.

f) Obsolete Technologies: Many of the food processing plants are old and use traditional technologies, resulting in low processing efficiency realisation. This increases the per unit operational cost of processing. Most of the enterprises are run on a small scale and have limited ability to do product development by themselves, or the technology for improving their quality. Many enterprises experience difficulties in coping rapidly with market changes, owing to lack of new technology and development of new products and improvement of processing technology.

Government Initiative

There is a paramount need to take big ticket measures to catapult the growth of the food processing sector to a high growth trajectory and make an important mark in the global food arena as a large producer and exporter of agro food products. A favorable policy environment and holistic approach in addressing the major challenges would help put the industry on the fast track and for India to become one of the leading food producing nations of the world.

a) Mega Food Parks: The Mega Food Parks scheme has been developed with an objective of facilitating the creation of adequate infrastructure facilities along the value chain. The scheme provides for creation of a Special Purpose Vehicle for the establishment of the Mega Food Park. Financial assistance under the scheme is through provision of a onetime capital grant of 50% of the project cost (excluding land cost) for general areas, and 75% in difficult, hilly areas and ITDP notified areas subject to a maximum of Rs 50 crore per project. Mr Meena said that interested SMEs could benefit from the scheme by forming their own consortium to set up mega food parks.

b) Scheme of Technology upgradation: Under the scheme, financial assistance of 25% of the cost of plant and machinery and technical civil works subject to Rs 50 lakh in general areas and 33% subject to a maximum of Rs 75 lakh for difficult areas (NE region, J&K, HP, Uttarakhand, A&N Islands, Lakshadweep and ITDP areas) is provided for technology up-gradation, modernisation of food processing industries in sectors like fruit & vegetables, cereals, meat, poultry, oilseed products, rice milling, flour milling, pulse processing, flavors and colours, oleoresins, spices, coconut, mushrooms, hops, etc.

c) Scheme for R&D: The objective of the scheme is to promote new products and new cost effective technologies for preservation and packaging of food products and standardisation of food additives like colours, flavours, coloring agents, preservatives etc.

d) Scheme for Human Resource Development: Financial assistance up to Rs 75 lakh is made available to educational institutions like universities, colleges running degree/diploma course is food technology for starting the course as well as for up-gradation. The assistance is for creation of infrastructure like technical/academic books, laboratory equipment, pilot plant etc. Financial assistance up to Rs 2 lakh per Entrepreneurship Development Programme is made available to government organisations, R&D institutes, universities, state level consultancy organisations, state nodal agencies, reputed NGOs to train farmers, and to prospective entrepreneurs/unemployed youth to encourage them establish food processing industries.

Conclusion

There are many other Ministries in the Government of India which are contributing to the growth of the food processing sector such as agriculture, MSME etc. A proper convergence and coordination system has to be in place to fully leverage the growth potential of the food processing industry, which presents a very large opportunity to every stakeholder. Besides, to tap the growth potential of this sector, current challenges that are being faced by the industry need to be properly addressed and steps need to be taken to remove the bottlenecks hampering growth. ■

'Credit Rating Helps SMEs to Access Capital'

Ms Kanchan Jain, President, Structured Products & CRO, Religare Finvest Limited, gives her views on SME growth opportunities and answers a few questions on the importance of SME credit rating.

What is the importance of credit rating for SMEs in the current scenario?

A credit rating is an independent assessment of financial health of a company and its ability to repay obligations. One of the most critical inputs for the growth of SMEs is access to capital. A credit rating can substantially improve the possibility of SMEs to have access to capital from the market. It can significantly shorten the process of loan disbursements and also opens up new non-traditional sources of financing for the SME sector. The credit rating also brings organised finances, external validation of the business, capital structure, discipline in cash-flow management and better governance. Certain other types of ratings can be useful for promoting new alliances.

How much value does Religare Finvest Limited (RFL) give to the ratings for a SME?

We are a SME focused lender with a mission to provide growth capital to SME businesses in a timely and efficient manner. Our underwriting involves a detailed look at the business cash-flows and understanding the customer need to tailor a financial solution for the customer. We are working closely with the rating agencies to bring the benefits of financial structuring and lending to as many SMEs as possible. Our focus in the immediate term would be to widen the base of rated SMEs and make finance available all such SMEs.

What steps does RFL take to get the SMEs rated?

We have tie ups with various rating agencies. We encourage our customers to get rated as this helps us in building a stronger loan book.

How does the credit rating process benefit SMEs?

Like any other certification, a rating is a gauge of strength and clarity of business. Rated SMEs surely have an edge over the non-rated ones as rating lends additional credibility to the business. Having gone through a rigorous rating process, the business benefits from having better organised finances, an independent assessment of the business risks and from demonstrating and maintaining strong governance in the business.

According to you, which are the best credit rating agencies in India?

Every rating agency has its own capacity and capability. All agencies are equally competitive and good to partner with.

Why are the SMEs reluctant of getting themselves rated?

In our ecosystem, there are several hurdles to growth faced by entrepreneurs; some real and some perceived. These are to do with regulatory set-up, political risk and interference, and ineffective legal and enforcement infrastructure, lack of organised information sources, and access to capital, to name a few. There is a common belief among SMEs that full disclosure may result in lack of control over their business and bring unwarranted attention to their business.

For the smaller SMEs, the cost of having organised finances is perceived to be too high. This misperception can be removed by educating them. The cost of rating is also a hurdle. SMEs can often access unorganised sector finance without having to go through the rating process. With a focused organised effort all of these can be addressed.

What is your view on the growth opportunities for SME's?

At present, SMEs contribute 8-10% of the GDP, which is substantial, and is expected to grow to 15%-18% by 2015-17. We believe SMEs play a very important role in the Indian growth story. With its employment generation capability, it can truly address wealth creation at the grassroots level while rewarding and encouraging entrepreneurship. What SMEs need is a timely supply of capital, which RFL is committed to provide. ■

Ms Kanchan Jain has been with Religare Finvest Limited since August 2011, as the Chief Risk Officer and is based out of Delhi. She holds the responsibility of developing and executing the business plan on structured financing besides running the risk function. She has over 17 years of rich experience in the areas of fixed income, project finance, capital markets and global structured products across Europe & Asia.

Marginal Dip In CII BCI For MSMEs In Q4

The imminent arrival of GST and implementation of the much awaited Public Procurement Policy will have a beneficial effect on MSMEs

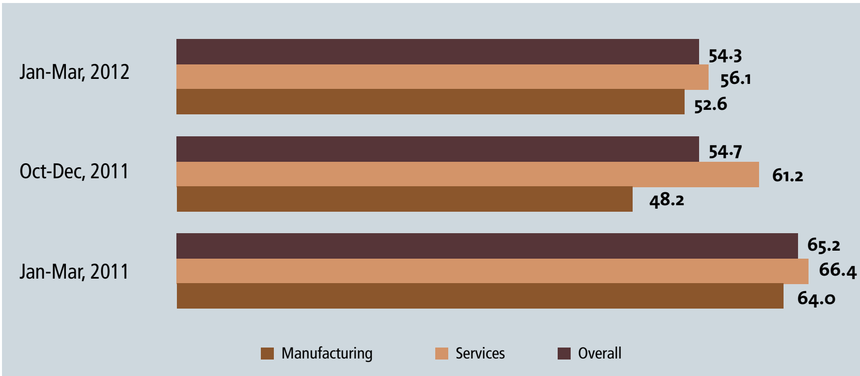
CII's Business Confidence Index (BCI) for MSMEs has declined marginally for the quarter of January-March 2012. According to the recently concluded survey, the index has dropped by 0.3 percentage points to a value of 54.3 from a value of 54.7 for the previous quarter (October-December 2011). The survey is calculated on a scale of 0-100, moving from an unfavourable to a favorable situation.

The index has recorded a dip for the fifth consecutive quarter although the decline for the January-March 2012 quarter is only marginal. The survey findings also indirectly support the rebound in the Index of Industrial Production (IIP) in November 2011 over the previous month, thereby reaffirming that industrial growth is not on a downward spiral.

Key Government of India policy decisions announced during the last quarter are also likely to have a positive impact on the sector. The Factor Regulation Bill will help in improving liquidity of the sector. Another initiative that will help the liquidity of the sector is where the Micro Finance Institutions will be allowed to draw $10 million in External Commercial Borrowings (ECBs). These two decisions, as well as the Public Procurement Policy will take Indian MSMEs to a different pedestal while the depreciating rupee is a concern for MSMEs as the import bills are bound to rise and affect the trade balance, said Mr Ramesh Datla, Chairman, CII National MSME Council and Managing Director ELICO limited.

According to Mr Gurpal Singh, Principal Advisor and Head MSMEs, CII, "This decline is not like previous downward spiral and we expect things to push up once policies implemented by the Government are in full force. The Union Budget 2012-13 and the RBI's upcoming Monetary policy review next week will also have a bearing on how quarter pans out", he added.

BCI FOR MSMES: JAN-MAR 2012



The Q4 BCI for MSMEs has included three new variables - rupee volatility, impact of Goods and Services Tax (GST), and policy initiatives undertaken by the Government of India.

Of the 17 variables that now constitute the BCI for MSMEs, the highest performing variables include gross sales (69.6), new orders/contracts (63.9), capacity utilisation (65.7), impact of GST (72.4) and policy initiatives (61.3). With a value of 60 and above, the variables are more stable than the others included in the index, such as rupee volatility (rupee depreciation).

Manufacturing sector has done well this quarter and moving up to 52.6 percentage points as against 48.4 percentage points in the last quarter. The imminent arrival of GST and implementation of the much awaited Public Procurement Policy will have a beneficial effect on MSMEs.

Within the overall BCI, the BCI for the services sector has outperformed the manufacturing sector. Services sector have done better than the manufacturing sector in 13 out of the 17 variables analysed.

Services sector recorded higher BCI in cases of gross sales (71.6 against 67), capacity utilisation (66.6 against 64.9), capacity expansion (59.3 against 56.8), exports (59.4 against 56.2), selling prices (55.5 against 53.7), credit cost for working capital (49.6 against 42.5), employment (66.0 against 51.3), net profit margin (51.5 against 47.0), credit availability for working capital (60.2 against 45.2). However, manufacturing sector has done better than the services sector in the case of new orders/contracts which stood at (66.1 against 61.7), policy initiatives (63.5 against 59.0), introduction of GST (76.2 against 68.6) and rupee volatility (37.5 against 36.5).

With the credit demands of service based organisations generally lower than organisations involved in manufacturing it is not a surprise that services have scored higher. Services also get massive advantage in variable like inventory levels which are relatively less and input costs which are minimal compared to enterprises in manufacturing sector. Considering all of this, it comes as no surprise that the profit margins are higher for the service sector. ■

Going Big On Data

Business intelligence tools including data analytics enable enterprises to strengthen their business forecasting capabilities

This is the age of 'Big Data'. Today enterprises are awash with data generated at all stages of business transactions. According to Google CEO Eric Schmidt, globally 5 exabytes (billion gigabytes) of information was created between the dawn of civilisation and 2003. The astounding fact is that this volume of data is now created every two days. Fortunately for enterprises, the cost of storing the data has reduced considerably over the years, although the technologies to move, manage, organise, retrieve, mask and secure the data are becoming complex.

Enterprises look to capture and analyse the data exhaust of their customers, users, vendors, partners, collaborators, competitors, and their own employees, assets, processes and systems. However, there are two key challenges to be addressed. Firstly, these different classes of data tend to be stored in silos that prevent the business leadership from obtaining a total view of the data flow and patterns. Second, the quality of data itself is uncertain in many cases, rendering them unreliable for analysis.

Experts points out that data formats are not necessarily standardised. Therefore, enterprises that aim to leverage the whole sweep of data need to integrate the data flows, as well as institute mechanisms to capture robust data points. By using business intelligence tools including data analytics, enterprises are better equipped to forecast their sales and production levels for a considerable length of time. Data analysis also yields rich, actionable information on customer behavior and market trends.

Data Matters

Micro, small and medium enterprises (MSMEs) are alive to the opportunity of using data analytics to attain competitive advantage. In the normal run, most MSME business owners take important decisions based on their own guesstimates and understanding of the business scenario. But with competition in all business sectors hotting up, MSME business owners are necessarily taking cognizance of the importance of using data analytical tools although many are still weighing the pros and cons of using business intelligence systems owing to the cost factor.

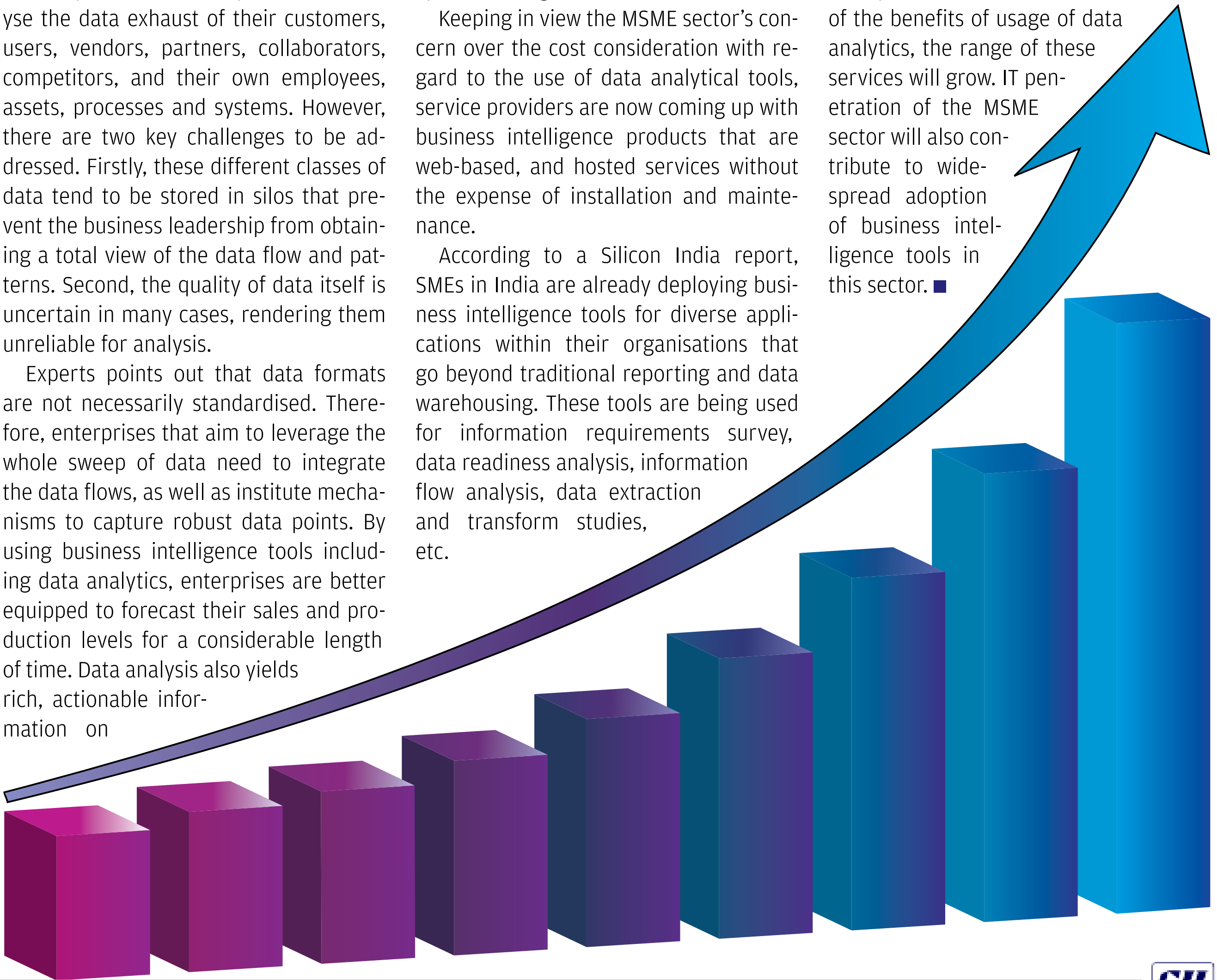
Keeping in view the MSME sector's concern over the cost consideration with regard to the use of data analytical tools, service providers are now coming up with business intelligence products that are web-based, and hosted services without the expense of installation and maintenance.

According to a Silicon India report, SMEs in India are already deploying business intelligence tools for diverse applications within their organisations that go beyond traditional reporting and data warehousing. These tools are being used for information requirements survey, data readiness analysis, information flow analysis, data extraction and transform studies, etc.

Cost-Effective Solutions

The business intelligence applications are implemented in two ways – inhouse or through an externally hosted secure data centre. The latter is a more cost-effective proposition wherein the customer can access the business intelligence tools on the Internet using a standard web browser. The main business intelligence tools used in SMEs are the same as those used in large corporates: dashboards, scorecards, and business analysis tools.

Most large IT infrastructure service providers in India have spotted a huge opportunity in extending business intelligence services to Indian MSMEs. As these enterprises become more aware of the benefits of usage of data analytics, the range of these services will grow. IT penetration of the MSME sector will also contribute to widespread adoption of business intelligence tools in this sector. ■



Orchestrating Growth

The service orchestration model promises to lend greater depth and scale to MSME business engagements in an increasingly competitive business scenario

Limited access to capital; lack of sufficient R&D support; inadequate exposure to regulations, import-export policies, and government incentives; inefficient supply relationships; shortage of labour and material inputs; problem of identifying potential customers. These are some of the major shortcomings that micro, small and medium enterprises (MSMEs) face when doing business in a highly competitive environment.

To help MSMEs bridge these gaps, Mr N Viswanadham, Clinical Professor and Executive Director, Centre for Global Logistics and Manufacturing Strategies, Indian School of Business (ISB), and Mr S Kameshwaran of IBM Research-India, have come up with a business model called 'Service Orchestration'

In a research article titled 'Service Orchestration of SMEs in Emerging Economies' the proponents have suggested the need of an orchestrator. "The orchestrator is a management literature metaphor to describe the role of a player who organises and manages a set of activities in a network, by ensuring value-creation opportunities in the system and value appropriation mechanisms for each player," the paper says.

How Orchestration Works?

The orchestration of services can take the following forms:

- **Service request:** A customer or client can go to the orchestrator with any service request. The customer need not have visibility into the service providers and the orchestrator will serve as the single point of contact owning all responsibilities for the service delivery and the associated risks.
- **Service unbundling:** A service request may be unbundled or disaggregated into smaller or atomic services. Unbundling of a complex service into smaller constituent services is a necessary requirement for inclusive growth of MSME players. By disaggregating a complex service into smaller services, the orchestrator leverages the specialisation and expertise of appropriate MSMEs in executing the respective smaller services.
- **Service composition:** The orchestrator, with complete knowledge of the MSMEs in the network, will assesses their capabilities and limitations, special skills, and business practices. Based on this, the orchestrator will build the service composition.
- **Service execution:** The service composition is the planning stage, whereas in execution, the orchestrator coordinates each of the atomic services. By coordination, the orchestrator will not specify in detail the activities required for accomplishing the atomic service, but rather focus on the end result and interfaces. Given the requirements, the MSME can accomplish the service its indigenous way using its system.
- **Service delivery:** The orchestrator will deliver the required service as per the customer's demand and requirements. The customer usually has no prior knowledge of the internal workings of the orchestrator and the service is delivered as if executed by a single service provider. The orchestration is a service-oriented activity, even if the deliverables are tangible, manufactured products.

MSME Advantages

The orchestrator obtains business engagements for an MSME. The participating MSME may not be even aware of the original complex service request or the customer for whom it is being delivered. To an MSME, the orchestrator is not a single potential business partner, but a source for various businesses. Without the orchestrator, the search costs will be too high for an MSME to find a large customer. Thus, the presence of the orchestrator provides tangible positive economic incentives and intangible future growth prospects by working on service requests of global standards.

Benefits For Clients

The customer needs a complex service to be delivered as per the requirements at the lowest cost possible. The orchestrator unbundles the complex service into atomic services. Unbundling is economically advantageous as the original complex service market has very few or no service providers. If there are only few service providers, then the pricing will not be favourable to the customer. However, the atomic service markets are generally competitive and each of them can be obtained with lower cost. Thus the complex service could be obtained economically, including the cost of coordination and profit margin of the orchestrator. ■

Markets Far & Wide

MSMEs are opting for a mix of traditional and new methods to extend their market access

Evolving marketing needs and competition from large domestic and international enterprises demand a swift response from the MSMEs. However, key constraints with respect to market access, brand promotion solutions, marketing support, logistics and sales support, and information and communication technology (ICT) support have hampered MSME growth to the next level. The sector is in dire need of better market access facilities to sustain and enhance its collective contribution towards output, employment generation and exports.

Marketing includes a whole gamut of activities such as packaging, labeling, trade mark, bar coding, brand building, advertisement, domestic and international exhibitions, buyer-seller meet, marketing intelligence, e-marketing and customer service to name a few. Compared to large industries, MSMEs face several constraints in the marketing and procurement front due to their limited maneuverability in a wide range of activities either owing to lack of finance or awareness.

Global integration has deepened the international market for MSMEs in comparison to domestic market. Gradually, the MSME share in manufacturing exports has risen to a healthy 40%. However, this number comes with a caveat that hardly 1% of MSMEs are exporting units. This calls for widening and expanding the international reach of MSMEs on war footing.

Globalisation and WTO norms cast a profound impact on the market of MSMEs. This apart, MSMEs need to gear up to tap the growing domestic market owing to rising income, especially rural income. Aggressive marketing, improved technology, and better competitiveness will help MSMEs counter market invasion from branded products.

Internationally, web marketing tools are extensively used by MSMEs to reach out and generate leads. These include social networks, website syndication tools, gadgets and RSS feeds. B2B sites have also emerged as a viable platform for promoting business in an evolved and effective way. They facilitate in establishing new business relationships and retaining existing ones in an e-marketplace. They serve as a medium for wholesalers, distributors, suppliers, manufacturers and retailers to conduct business in the e-arenas. Low investment online marketing tools include sponsored links as they establish an instant connect with laser-targeted prospects, though in-depth research and suitable ad words are required to identify industry trends and to keep the campaign effective.

The Ministry of MSME has taken several initiatives to enhance their market access both within and outside the country. Various organisations under the Ministry of MSME organise exhibitions/ fairs and buyer-seller meets across the country, providing MSMEs with an opportunity to display their products and capabilities.

Government Assistance

Under this single point registration scheme, the Government of India has extended various facilities to the MSMEs registered with the National Small Industries Corporation (NSIC). In addition, 358 items are reserved for exclusive purchase from the MSME sector.

Under the MSME Marketing Development Assistance (MDA) Scheme, assistance is extended to participants for showcasing their products in overseas fairs/ exhibitions/ study tours. The Ministry of MSME has also formulated two schemes under the National Manufacturing Competitiveness Program (NMCP) to smoothen the marketing of MSME products. The activities supported under these components include assistance for adoption of bar code, technology upgradation in packaging and skill upgradation/development for modern marketing techniques.

Vendor Development Programme for Ancillarisation

Vendor Development Programmes (VDPs) are organised by the MSME Development Institutes (DIs) across the country. It provides a common platform for buyers and sellers to interact with each other and identify emerging market demands, while simultaneously providing an opportunity for displaying capabilities of small scale entrepreneurs. Such programmes help in locating suitable sellers for Public Sector Enterprises, various Wings of Defense, and Railways and help them indigenise purchase of several products which hitherto were imported at a colossal cost.

In conclusion, access to markets can be achieved by building and coordinating the efforts of various institutions at state, regional and cluster levels and also by involving MSME bodies in the country to undertake various marketing functions. The Ministry of MSME could also enlarge its existing schemes relating to product designing, packaging, and setting up of marketing hubs and expand the reach and coverage of MSME units. ■

8 Simple Steps To Keep Your PCs Shut To Online Criminals

A single cyber attack could put a small company out of business or irrevocably cut into the annual profits of a medium-sized business

With the diversity of security attacks globally, it is becoming increasingly difficult and complex for small and medium businesses (SMBs) to assemble the right in-house resources to protect themselves against the cyber threats they face, whether it's a data breach through the network, data leakage by employees, or lost laptops/mobile devices. We have also seen an uptick in the number of court cases where SMBs have had six figure amounts stolen out of their bank accounts by cyber thieves. The liability for these breaches is being shifted to the CIOs and IT managers as SMBs are being accused of not taking the appropriate precautions to protect their data. The need for comprehensive information security is more pressing now than ever before.

According to the Norton Cybercrime Report 2011, the cost of global cybercrime is $114 billion annually. Based on the value victims surveyed placed on time lost due to their cybercrime experiences, an additional $274 billion was lost. In India it is estimated that more than 29.9 million people fell victim to cybercrime last year, suffering $4 billion in direct financial losses and an additional $3.6 billion in time spent resolving the crime.

For a growing business, a single financial attack could put a smaller company out of business or irrevocably cut into the annual profits of a medium-sized business. The implications of a financial breach can be a matter of life or death for SMBs.

Ensuring that organisations not only have the right network security solutions in place but have implemented comprehensive endpoint security is important to defending against the current and emerging cyber threats. This is especially relevant as we have seen hackers move from attacking the network to attacking the PC. Organisations should re-evaluate their current security precautions on a regular basis and make sure these measures are communicated companywide. Here are eight simple steps to help protect financial data and minimise risk:

- Use a dedicated computer for financial matters such as online banking and bill payment. That computer should not be used for extraneous activities such as sending and receiving emails or surfing the Web. Web exploits and malicious email are two key infection vectors for malware.
- Avoid clicking on links or attachments within emails from untrusted sources. Even if you recognise the sender, if an attachment is unexpected or looks suspicious, you should confirm that the sender has sent the specific email before clicking on any links or attachments.
- Reconcile your banking statements on a regular basis with online banking and/or credit card activity to immediately identify abnormal transactions that may indicate an account takeover.
- Advise your employees against visiting small, hosted websites that feature community forums for hobbies involving sports, computer games, etc. These small community forums are often hosted by Internet Service Providers (ISPs) which are not diligent about securing their hosted websites.
- If you are visiting a website and are not sure if it has been secured from viruses, observe the quality of the site. Watch out if the website appears to be quickly put together and is not sophisticated or has a disclaimer that warns browse at your own risk and indicates the authors are not liable for any information you might see on the site.
- Do your homework before selecting an anti-virus vendor, ensuring that they not only provide coverage for the key threats but also respond quickly with protections when new ones are introduced. Invest in an anti-virus product instead of using "trial versions" as your source of protection. Trial versions of anti-virus products are good for testing products but they do not receive updates, so any new virus that is introduced after the trial version was released will have total access to your PC.
- Make sure you have your security protections in place throughout the organisation and install regular updates for your applications and for your computer's operating system.

The bottom line: It's much more expensive to deal with the consequences of a financial breach than it is to prevent one. Don't wait until the last minute to find out just how essential it is and start putting your security precautions into place before it's too late. ■

MSMEs Rely On Debt Financing: CII Survey

MSMEs foresee credit costs to have an adverse affect on their processes

"More than 60% of the Indian MSMEs rely on debt as a mode of financing for their long-term needs," finds the latest Confederation of Indian Industry Snap Poll on Credit Cost-Interest Rates on MSMEs. In the short-term, the dependence on debt is even more profound with close to 78% of MSMEs relying on debt as compared to 22% on equity.

Overdraft facility and the cash credit facility is the most preferred debt financing options amongst the Indian MSMEs with nearly 85% opting for these. Other institutional credit comes a distant second with 7% of the respondents opting for that instrument. In case of the equity options available, the common stock remains the most chosen with 73% going for the same. And, 17% of the respondents prefer options like promoter's contribution and immovable property mortgage.

The CII survey shows that many of the Indian MSMEs are disappointed by the current structure that is being followed by the authorities when it comes to lending to one of the most promising sectors in India. The amount of credit made available to the Indian MSMEs has been abysmally low given their contribution to the Indian economy.

It says that the Indian MSMEs on average have been paying an interest of 13.75% on their term loans with a standard deviation of 1.39 where as the average interest rate on the working capital has been 13.79 with a standard deviation of 1.52. This represents a value which is on the higher side especially for the MSMEs with base rate near 10.5%. The range for both the term loan and loans for working capital was 11.5% - 18%. The respondents (90%) feel that the interest rates in India are higher than the ones that are being followed by other countries. This is making Indian products uncompetitive against imports. The situation has not been helped by the fact that in last few months the inflation has been sky high which has compelled the lenders to lend at high rates.

The optimism about the policies is also represented in the survey. The respondents believe that the spate of policies aimed at helping the Indian MSMEs will bring their due rewards, as 33% of the respondents believe that these policy actions will work in favour of the intended beneficiaries and it will cause lending institutions to not only lend more but also lend at reduced costs. However, 37% of the respondents believe the situation is not likely to change only because of the policy. "Certainly the recent policies should encourage the lenders to lend more as the risk of NPA (non performing assets) is greatly reduced," said Mr Gurpal Singh, Principal Advisor and Head MSMEs, CII. Overall the sentiments remain positive on the back of these policy initiatives.

The government has taken few policy actions to help the Indian MSMEs; these include a SME Exchange for which the announcements are imminent. SME Exchange will help SMEs towards wealth creation by the SMEs, through inclusive economic growth, unleashing valuations and, also, creating wealth for all stakeholders. SME Exchange will also facilitate generation of financial resources for SMEs to sustain and grow their businesses. The public procurement policy will go a long way in helping the MSMEs. With mandatory procurement coming from MSMEs, banks and other authorities will be willing to lend higher amounts at lower costs to MSMEs. The National Manufacturing Policy (NMP) will allow capital funds to come in with a focus on MSME sector. It will create a separate fund to come in which will cater to any shortfall that the sector may have. The NMP will also strengthen the equity base of NSIC and provide easier access to bank finance through easier lending norms. The FDI in retail will also present a big opportunity to the Indian MSMEs by opening up different sectors. FDI in retail will also help Indian MSMEs to merge with foreign companies and improve their business processes. ■

From a Humble Beginning To a Strong Player

Now, SRD Group provides employment to over 1,200 local youths of Assam

Late Sunanda Ram Deka, the founder of the SRD Group, began his business in 1931 in a humble way by setting up a small restaurant, Repose, at Mangaldoi, a small town in Darrang district, Assam. Later, in 1943, he established a wholesale grocery shop at Mangaldoi and in 1946 set up a small bakery. However, setting up of a roller flour mill in 1988, in the name of SR Deka & Company Pvt Ltd with an investment of Rs 1.2 crore, was his first major step in establishing a business group. It was the first medium scale industry at that time, set up by a local entrepreneur in the north-eastern region. Commercial production of the flour mill started in 1989.

Success followed, and in 1997, the SRD Group started a modern mechanised bakery unit, SRD Bakers, at Mangaldoi with an investment of Rs 0.7 crore. In 2005, the group expanded further, established a new unit with latest technology, with an additional investment of Rs 0 .8 crore. In 2000, the group started a similar project at Guwahati with an investment of Rs 1.3 crore, in the name of Repose Foods Pvt Ltd, which is now one of the leading brands in Guwahati and adjoining areas.

After the announcement of North East Industrial Policy in 1997, the group was planning to set up a major food processing unit at Mangaldoi. Meanwhile, in 2001, Glaxo SmithKline Consumer Healthcare Ltd has selected the SRD Group as their franchisee for setting up a Horlicks processing and packaging unit. In 2007, the unit, named SRD Nutrients Pvt Ltd, started manufacturing activities. The project is considered to be one of the best in the entire South East Asian region.

Besides, in 2007 the group set up Sunandaram Foods Pvt Ltd, an ISO–22000:2005 certified company for manufacturing varieties of cakes in collaboration with Britannia Industries Limited with an investment of Rs 17.0 crore. It is a fully automatic plant equipped with latest technology and machineries imported from Italy, having a production capacity of 200 tonne cakes per month. The unit, which follows food safety management system, has bagged IMC Ramakrishna Bajaj National Quality Award 2010 for Performance Excellence, a prestigious award in the country.

The group has also set up Repose Snacks & Sweets, a technically advanced snacks manufacturing unit at Mangaldoi with a project cost of Rs 1.2 crore. This unit is solely managed by women employees.

Recently the group entered into a joint venture with one of the top pharmaceutical companies to set up a unit at Mangaldoi for manufacturing ORS-L to cater to the requirement of the entire north east region. The construction of this unit is in progress.

The group is also engaged in warehousing and real-estate business at Guwahati, Mangaldoi and Kharupetia. The group is also actively involved in trading business since the past six decades under the name Sunandaram Deka.

The SRD Group has also played a major role in socio-economic development in the district of Darrang. It has made innumerable contribution to the district not only by way of providing direct employment to the people but also by carrying out social development projects like construction of parks, open stages, criminations grounds, schools, etc.

The vision of the founder of the group, Mr Sunanda Ram Deka, is now being carried out by his four sons Mr Mukul Chandra Deka, Mr Rajib Deka, Mr Anupam Deka and Mr Samrat Deka. ■




Vietnam: A High Potential Neighbour

Vietnam has embarked on a major economic re-construction programme with focus on the small business sector, and India is well placed to assist in the development of industrial and economic infrastructure with affordable technology, advanced skill development and capacity development

Vietnam is an important regional partner in South East Asia. India and Vietnam closely cooperate in various regional forums such as ASEAN, East Asia Summit, Mekong Ganga Cooperation, Asia Europe Meeting (ASEM) besides UN and WTO. In recent times, India's thrust under the 'Look East' policy combined with Vietnam's growing engagement within the region and with India has paid rich dividends.

(L-R) Dr Manmohan Singh, Prime Minister of India, Ms Mai Thi Hanh, HE Mr Truong Tan Sang, President of Vietnam and Mrs Pratibha Patil, President of India, in New Delhi.

Trade Cooperation

Vietnam and India have been enjoying bilateral cooperation via many agreements that cover a broad range of areas including economic, trade, investment, science and technology, culture, education and training. India's relations with Vietnam are marked by growing economic and commercial engagement, as India is among the ten largest exporters to Vietnam. Two-way trade reached $3.9 billion in 2011 (Indian exports: $2.34 billion; Vietnamese exports: $1.56 bn). With the increasing acceptance of Indian products in the Vietnamese market, the prospects of a further spurt in India's exports to Vietnam are bright.

With the signing of the India-ASEAN FTA on Trade in Goods, bilateral trade with Vietnam is poised to grow faster, and the two sides have set a target of $7 billion for bilateral trade by 2015. The main items of India's exports to Vietnam are cattle feed ingredients, pharmaceuticals, plastics, machinery and equipment, steel, textile machinery and fabrics, chemicals, wheat and spices etc. On the other hand, Vietnam exports to India include mobiles phones & spare parts, machinery, equipment and spare parts, natural rubber, artificial resins, aniseed, tea essential oils and cosmetic preparations, non-ferrous metals, chemical material and products, raw silk, silk yarn, paper board and manufactures, wood and wood products.

However, experts opine that India needs to aggressively develop its trade ties with Vietnam to take bilateral relations to the next level. Particularly since Vietnam has emerged as one of the most important destinations for trade in India's 'Look East' policy . Not enough has been done by both nations to benefit economically from each other, and experts feel the time is ripe for a review of the variables driving India-Vietnam relations and infusing a fresh spirit of cooperation.

At the Vietnam India Business Forum in Mumbai, Mr Nguyen Xuan Phuc, Deputy Prime Minister of Vietnam, said, "Vietnam and India have a time honoured tradition of friendship. The two nations trust each other. And though India is one of the top ten business partners of Vietnam, bilateral business is much below potential. The need is thus for strategic partnership

and economic relations."

He envisaged cooperation between the two countries in "high-tech training, infrastructure development including roads and urban transportation, electricity, waste treatment, development of a national telecom system, response to climate change etc."

Investment Cooperation

Besides increasing trade volume between the two countries in recent years, there have been positive developments in India-Vietnam relations, reflecting in increasing investments by Indian companies in Vietnam.

Vietnam's economic policies have opened up significant opportunities for Indian investment, both for tapping the growing domestic market and for exports. The investment environment becomes much more attractive with the implementation of the "one-stop-shop" policy in licensing, the introduction of favorable conditions for investors by reducing land rent, granting exemption and reduction in import duties, preferential profit tax and so on.

Several Indian companies in sectors as diverse as oil and gas, steel, minerals, tea, coffee, sugar and food processing have invested in Vietnam. OVL, Essar Exploration and Production Ltd, Nagarjuna Ltd, Venkateswara Hatcheries, Philips Carbon and McLeod Russell are some of the major Indian investors. Tata Steel plans to invest more than $5 billion in a steel plant in Vietnam. In the field of IT training, NIIT, APTECH and Tata Infotech have so far opened more than 50 franchised centers spread all across Vietnam.

Small Biz in Vietnam

Like in India, micro, small and medium enterprises (MSMEs) have played an important role in the Vietnam economy. The sector has long been a major source of employment generation accounting for about 85% of the total corporate workforce. The contribution of the MSMEs stood at around 40% of GDP. MSMEs are a considered the main vehicle for poverty alleviation, particularly in rural areas, and narrowing development gaps among provinces, urban, and rural areas. In addition, MSMEs help maintain the high flexibility of the labour market and have contributed significantly to absorb the aftershocks of the transition from a centrally planned economy to a market-oriented one, especially the collapse of the socialist bloc in Eastern Europe.

After two decades of Doimoi (economic renovation), Vietnam has attained remarkable economic growth and sustainability, foreign trade expansion, attraction to foreign investment, poverty reduction and human development.

However, despite this impressive achievement, Vietnam's MSMEs remain weak in terms of competitiveness, innovativeness, human resource, and readiness to globalization. The MSMEs' these shortcomings and weaknesses have been largely due to poor access to capital or credit, lack of competitive technology and poor quality of skilled work force.

MSME Cooperation

Support has been provided by Indian government for the development of small and medium enterprises in Vietnam. India has set up the Vietnam-India Entrepreneurship Development Centre and Vietnam-India Center for English Language Training as part of its support to the Initiative for ASEAN Integration which provides technical assistance to the Government of Vietnam.

In the ICT sector, India has set up the Vietnam-India Advanced Resource Centre in ICT in Hanoi at a cost of approximately Rs 100 million. The Centre provides a wide range of training in ICT, application of e-learning technology in education, infrastructure for digital library, for web-portal creation and service and for GIS application development. India is also providing a PARAM Supercomputer to Vietnam at a cost of Rs 40.6 million.

CII Initiatives

Recently the Confederation of Indian Industry (CII) hosted Mr Truong Tan Sang, President of the Socialist Republic of Vietnam at the Vietnam India Business Forum in Mumbai. At the event, the visiting President called upon Indian companies to avail the preferential policies of his government to promote investment in Vietnam. "Beginning 2010, Vietnam has implemented a 10-year-long modernisation policy which has thrown open the need for products and services worth millions of dollars. India with a long standing expertise in the sectors like healthcare, oil & gas, manufacturing, agro-industry, pharmaceuticals, automotive, IT, shipping and ports, electrical consumer appliances, education, road infrastructure, can take advantage of the same," he said.

Mr Farhad Forbes, Past Chairman, CII (WR) & Director Forbes Marshall, said, "Bilateral trade with Vietnam stands at close to $4 billion, ten times more than what it was in 2000. Vietnam's exports to India crossed $1 billion in 2010-11, a jump of 92% over the previous year and India's exports to Vietnam also increased to $2.6billion." He expects bilateral trade between the two countries to cross $7 billion by 2015.

Earlier, CII and Vietnam Chamber of Commerce and Industry (VCCI) had signed a Memorandum of Understanding (MoU) to strengthen trade and investment between India and Vietnam. The MoU was to cooperate to further improve and expand trade, investment and technology cooperation and to pursue the establishment of the Vietnam-India Business Forum for creating a permanent vehicle for the promotion of bilateral cooperation. ■

A roundup of major MSME linked initiatives taken by CII regional offices

NORTHERN REGION

5th HR Conclave Held at Jaipur

CII Rajasthan organised its flagship event, 5th HR Conclave-2012, at Jaipur. The theme of the conclave was "Future is Here: Leveraging HR for Organisational Success". The event witnessed national level deliberations on the issues related to both industry and academia. Parallel to the conclave, a CEOs' meet, focusing on 'Leadership Driving Growth and Managing Talent in SMEs', was also organised.

With the objective of educating the manufacturing community to adopt good manufacturing practices for sustainability and to move up the global value chain, a two-day workshop on 'Good Manufacturing Practices' was organised on 2nd and 3rd February, 2012 at Kala Amb. Mr Ravinder Kumar, Senior Counselor, CII, Avantha Center for Competitiveness for SMEs, was the faculty at the workshop, in which the concepts of Kaizen, 5S and 3M were discussed.

(L-R) Mr Malvinder Mohan Singh, Vice Chairman, CII, Northern Region & Managing Director, Dion Technologies, Mr Vijay Thadani, Chairman, CII, Northern Region & CEO, NIIT Ltd, Mr Mayank Ajay Gupta, Chairman, CII Western UP Zonal Council & Director & CEO, Olympic Zippers Ltd, Mr G M Tayal, Business Head, Arkay Fabsteel Systems Pvt Ltd.

CII Western UP Zonal Council organised an interactive session with Mr DP Singh, Superintending Engineer, Paschimanchal Vidyut Vitran Nigam Limited (PVVNL), Noida, to discuss the issues faced by the industries in the western parts of Uttar Pradesh. Also, CII Western UP organised a training programme on "How to bring out the best in your team members" on 16th February, 2012, in which visits of around 38 delegates to various organisations using environment friendly technologies, were organised. The visits included meetings with senior management, presentations on best practices and discussions.

CII Himachal Pradesh State organised a seminar on Income Tax and Investment Planning on 24th February, 2012 in Chandigarh. ■

SOUTHERN REGION

MoU Signed For Training

An MoU has been signed between CII (Southern Region) and Coaching Foundation India to provide coaching services to CII members. Under the agreement, signed on 19 January 2012 in Chennai, value added services like Business Mentoring Service and Senior Expert Advisory will be provided to MSMEs. Senior Expert Advisory service will be provided through an empanelled group of experts. The experts would extend support and guidance to MSMEs in the areas of total quality management, lean manufacturing, green technology, energy efficiency, quality, 5S, kaizens, etc.

With an objective to create awareness on the importance of the environmental sustainability, a conference on 'Sustainability Reporting for MSMEs' was organised on 15 February in Chennai.

To educate marketing opportunities for MSMEs, a conference on "Emerging Opportunities for New Business & Industry" was organised on 24 February, 2012, in Salem. A parallel session on IT for MSMEs was held on 25 February, to encourage MSMEs to adopt ICT tools and applications in their production and business process.

Mr Ramesh Datla, Chairman, CII National MSME Council addressing the audience at the Investors Meet for MSMEs in Hyderabad. Seated (L-R) Mr J Meghanath, DGM, RBI, Mr S Venkataraman, GM (Technology), State Bank of Hyderabad and Mr Y V Krishna Mohan, Chairman, CII Vijaywada Zone

A roundtable on 'MSMEs in Kerala' was held on 16 February in Kochi. The meeting evaluated the current scenario of MSMEs and discussed the way forward for the small units in Kerala.

To educate the MSMEs on various credit schemes available with banks and financial institutions, a seminar on 'Finance Availability for MSMEs' was organised on 17 February in Visakhapatnam. Investors Meet for MSMEs was organised on 22 February in Hyderabad to introduce MSMEs to equity financing and the impending need for a shift towards a more robust capital structure. ■

WESTERN REGION

Best Practices Seminar Organized

With an objective to give an insight on various best practices in quality management system (QMS) and implementation processes, CII organised a workshop on 'Best Practices in QMS' on 3 February 2012 at CII House, Ahmedabad. Meanwhile, in collaboration with GESIA, CII Gujarat Task force on Techno-entrepreneurship organised the 12th Business Opportunities Seminar Series on Knowledge Process Outsourcing on 10 February 2012 at Vadodara.

To educate MSMEs on the benefits of clustering, CII Rajkot organised an interactive meet on cluster programming for MSMEs on 7 February at Rajkot. The session focused on how MSMEs can make themselves more efficient.

(L-R) Mr Sukhvir Singh Mahal, Managing Director, Indore Warehousing Pvt Ltd (on podium), Mr Sandeep Naolekar, Chairman, Madhya Pradesh State Council & Managing Director, Darling Pumps Pvt Ltd, Mr Anil Sonawane, Chief Manager, Container Corporation of India, Mr Rajesh Mittal, Senior Vice President, Manufacturing Operations, VE Commercial Vehicles Ltd and Mr Nitesh Srivastav, Regional Head Sales, Western India, Federal Express (India) Pvt Ltd.

CII Malwa Zonal Council organised a one-day workshop on 'Export Policy, Procedures and Documentation' on 28 January 2012 at Indore, with the objective of equipping and developing the knowledge and skills of officials representing industries. CII Madhya Pradesh organised a one-day seminar on 'Supply Chain & Inventory Management' on 7 February 2012 at Indore. The objective of the seminar was to highlight the importance of supply chain & inventory management and to learn the best practices. ■

EASTERN REGION

'Delay in payments a major problem for MSMEs'

One of the major problems faced by the MSME sector is delay in payments. This was stated by Dr Anup Chanda (IAS), Additional Chief Secretary, Department of MSME & Textiles, Government of West Bengal, at a one-day conference organised by CII in Kolkata. The objective of the conference was to discuss issues and challenges of the MSME in the eastern region. He said MSMEs are the vital contributors to the national GDP.

At the conference, Mr Ramesh Datla, Chairman, CII National MSME Council, explained how the paradigm shift in global economic trends like innovation, knowledge driven economy and people management have affected the MSME sector in the country.

(L- R): Mr J B Pany, Co-Chairman, MSME Subcommittee, CII Eastern Region, Dr AK Chattopadhyay, Chairman, MSME Subcommittee, CII Eastern Region, Mr Ramesh Datla, Chairman, CII National MSME Council, Dr AK Chanda, IAS, Additional Chief Secretary, Department of MSME & Textiles, Government of West Bengal, Mr R K Agrawal, Deputy Chairman, CII Eastern Region, Mr N Raman, Executive Director, SIDBI; Mr Gurpal Singh, Principal Adviser, CII during the MSME East in Kolkata.

Speaking on the occasion, Dr A K Chattopadhyay, Chairman, MSME Subcommittee, CII Eastern Region, said MSMEs in food processing and automotive sectors should exploit their full potential. Mr J B Pany, Co–Chairman, MSME Subcommittee, CII Eastern Region, stated that the chamber is committed to provide a platform for MSMEs to address the issues pertaining to capital crisis, lack of market penetration, advance use of technology & quality, need of skilled workforce in areas of manufacturing and heavy engineering equipments, vendor management and regulatory compliance.

A newsletter on best practices in MSMEs was unveiled on the occasion. The conference has also provided an opportunity for the MSMEs to present their business plans before prospective financers. ■

MSME focused Events/Programmes (March-April 2012)

CII Northern Region

Title/Theme	Date	Venue
Session on Shaping Developmental Agenda for Rajasthan	17 March 2012	Jaipur
Workshop on Textiles	24 March 2012	Baddi
Quality Mission	April 2012	Jaipur / NCR
Consumart 2012 – B2C show for MSMEs	12-15 April 2012	Hotel Rudra Continental, Rudrapur
Study Mission to Bangalore	19-20 Apr 2012	Bangalore
Training Program on Power of Responsibility	24 April 2012	Hotel Rudra Continental, Rudrapur
Training Programme on Communication & Presentation Skills	26 April 2012	CII, Conference Hall
MSME Conclave 2012	May 2012	Jaipur
Training Programmed on Sustainability Reporting (as per GRI G3 Guidelines)	17 May 2012	Haridwar

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CII Western Region

Title/Theme	Date	Venue
Session on Post Budget Analysis	March 2012	Rajkot
Finance for MSME (Interaction with Banks and Financial Institutions)	March 2012	Mumbai
IT for SME Sector: IT Enablement of SME Sector through SaaS/Cloud Computing And Other New Innovative Techniques	March 2012	Mumbai
Interaction with Collector Gwalior	March 2012	Gwalior
CII CGZC Annual Day & Leadership session with Mr R Gopalkrishnan	March 2012	Vadodara
Sourcing and Vendor Management: Best Practices	16 March 2012	CII House, Ahmedabad
2nd Edition of Innovation Conclave	17 March 2012	Vadodara
Accelerating your Supply Chain	April 2012	Goa
Mission to Israel	April 2012	Israel
CII-s Seminar on Environment, Health & Safety	April 2012	Gujarat
CII-s 2nd Interactive Meeting on Human Resource Development	April 2012	Gujarat
Training Programme on Supervisory Development	April 2012	Rajkot
One Day Training Programme on Time Management	7 April 2012	Gwalior
SOURCE 2012 Exhibition & Buyer Seller Meet	11-12 April 2012	The Autocluster, Chinchwad, Pune
2nd Batch of Lean Championship Course	23 April 2012	Vadodara
One Day Workshop on Hazardous Waste Management	27 April 2012	Indore
Workshop on Wining Customer Loyalty	May 2012	Gujarat
Session on Contract Labour	May 2012	Rajkot
One Day Training Programme on Leadership & Motivation	9 May 2012	Gwalior
HR Skills for Non-HR for Cross-functions for improving Operational Efficiency	11 May 2012	Goa
Good Practices in HR for Promoting Organisational Efficiency	12 May 2012	Goa
Workshop on Amendments in Select Labor Laws	16 May 2012	Vadodara
Manufacturing Mission to Pune	17 May 2012	Bhopal
One Day Training Programme on Seven QC Tools	29 May 2012	Indore

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