

Dr. V. N. Bedekar Memorial Research Volume - VII 2012

Managed by

Dr. Guruprasad Murthy

Dr. P. M. Kelkar

Dr. K. Suryanarayanan

Edited by

Dr. Amol Gore

Ms. Sukhada Tambe

Mr. Reji Kuruvilla



Vidya Prasarak Mandal's

Dr. V. N. Bedekar Institute of Management Studies, Thane

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Education and Research
in the Field of Management

DR. V. N. BEDEKAR MEMORIAL RESEARCH VOLUME VII 2012

Managed by

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Dr. P. M. Kelkar
Dr. K. Suryanarayanan**

Edited by

**Dr. Amol Gore
Ms. Sukhada Tambe
Mr. Reji Kuruvilla**

DR VN BRIMS PUBLICATION (2012)



Vidya Prasarak Mandal's
Dr. V. N. Bedekar Institute of Management Studies, Thane

Dr. V. N. Bedekar Memorial Research Volume VII

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Published by:

Vidya Prasarak Mandal, Thane

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For Private Circulation Only

Printed by:

Perfect Prints

22/23, Jyoti Industrial Estate

Nooribaba Darga Road, Thane 400601, India

Tel.: 2534 1291 / 2541 3546

Email: perfectprints@gmail.com

DR. V.N. BEDEKAR - A VISIONARY



Dr. V.N. Bedekar

'A Leader's job is to look into future, and to see the organisation not as it is ... but as it can become'

कर्मजं बुद्धियुक्ता हि फलं त्यक्त्वा मनीषिणः।
जन्मबन्धविनिर्मुक्ताः पदं गच्छन्त्यनामयम् ॥

भगवद् गीता - २.५१

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- To standardize and internationalize the academic environment
- To develop promising managers by nurturing their skills
- To facilitate and empower knowledge with practical approach, while imbibing human values

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"Getting it right the first time, every time, on time"

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From The Management

We are happy to release the DR VN Bedekar Memorial Research Volume VII (2012). The seventh volume is an outcome of the efforts of DR VN BRIMS' study of the theme for the academic year 2011-12 viz. '**Management of MSMEs**'. As is the practice, a research monograph on the said theme was launched one year earlier on 12th February 2011, when DR VN BRIMS held the seminar on 'Creativity in Business' for the academic year 2010-11. The research monograph becomes a springboard to provoke all stakeholders into action, which culminates into various kinds of end output through the annual national workshop (1st October 2011) and the national seminar (11th February 2012) in addition of course, to the contributions by research scholars through special articles on the said theme.

The annual national workshop for the year 2011-12 was characterized by an unique feature, which was a competition among students of DR VN BRIMS for making presentations on various sub-topics of the main theme as shown below :

Sr. No.	Title of presentation
1	Financial Issues in MSMEs
2	Marketing Issues in MSMEs
3	Operations Issues in MSMEs
4	Human Resource Management Issues In MSMEs
5	E-Cell Presentation-Battle to Survive

The idea of a competition aroused a lot of enthusiasm among teachers and students, heightened the expectations of one and all on the quality and results of the presentations and of course raised the hopes of the audience including the specialist panel of judges who were all stalwarts from industry. There were three awards. The first position was bagged by the E-cell group and the second and third positions went to operations and finance groups respectively. This was a redeeming feature of the workshop which interested one and all. The proceedings of the workshop that is to say the contents of the presentations indicated above are presented in Section 2 of this volume.

The national seminar of 11th February 2012, a Bombay Management Association (BMA)-DR VN BRIMS event, was once again well attended and had the blessings and participation of eminent personalities from across the globe. We had Mr. C.B.Bhave, former Chairman of Securities and Exchange Board of India (SEBI). Dr.Gautam Sen from the London School of Economics (LSE); an internationally recognized economist and political scientist and eminent personalities from government and industry for the inaugural phase. This was followed by 6 technical sessions

exploring six areas as shown below, in which more than twenty persons presented their views. The proceedings of the seminar are captured in section 1.

Sr. No.	Title of presentation
1	Business Incubation and Monitoring
2	Information Communication Technology for Better Management and Productivity of MSMEs
3	Financial Issues in MSMEs
4	Talent Management for MSMEs
5	a. Marketing Issues of MSMEs b. Blue Ocean Strategy for Marketing
6.	Think Growth, Not Survival

It is interesting to note that the seminar of 11th February 2012 was preceded by an exhibition on MSME which was well received by industry inasmuch as a large number of entrepreneurs of the MSME category participated viz. Pitambari Products Pvt. Ltd., SIDBI, Yajna Fuel Services Pvt. Ltd., Future Education Limited, Fluidtech Pneumatic Pvt. Ltd., MIMIC LED Lamps, Sheetal Medicare Pvt. Ltd., Print Plus Pvt. Ltd., Natu Plastic & Metals Ltd., C. P. Tech. Pvt. Ltd. and Samarth Educational Tour Operator. The Central Bank of India also had a kiosk which displayed their products and services as part of its centennial celebrations. The exhibition was followed by another unique, special and exclusive event - the BMA-DR VN BRIMS award for excellence in different categories viz. professional management, entrepreneurship and education. The details of the exhibition and award function are also captured in section 1.

We place on record the relentless efforts of Dr.P.M.Kelkar in establishing 'industry-academia' partnership through the BMA Thane Chapter and several interactions with MSMEs in course of the year 2011-12. In fact, this year, the annual seminar contents are influenced, at least to some extent, by the suggestions received from the breakfast meeting of 26th November 2011 and also ideas explored with various stakeholders of MSMEs from time to time.

Since 2010, we are also conducting national level summits in the functional areas viz. finance, marketing, human resources, operations and information communication technology. The summit is a platform to enable teachers and students to organize such events and provide an opportunity for sharing of learning experiences from stalwarts of industry and presentations by teachers and students. The teachers in the respective areas of management take a lead in the conceptualisation, design and conduct of the summits, of course, duly guided by the management. This is DR VN BRIMS' posit as a learning organization and also making efforts to enable and empower all its stakeholders to effectively enact and successfully compete through knowledge.

The details of the national sales workshop and summits are also presented in this volume in section 3.

At the start of the academic year invitations are sent for call of papers by scholars interested in contributing to the research volume. We did receive a few papers and the last section presents two papers which have been selected for publication - Migration to Cloud Computing for SMEs and Shri Mahila Grih Udyog - Lijjat Papad.

We hope this volume will be useful to all those interested in management and that the teaching and student fraternity and all other concerned stakeholders will continue to contribute to the cause of management education through this volume and several other events described above. We further hope that DR VN BRIMS will continue its onward march of rising above and beyond excellence in a competitive, globalized, knowledge society. We wish this volume every success!

Dr. V.V. Bedekar

Chairman, Vidya Prasarak Mandal

Dr. Guruprasad Murthy

Director General

DR VN BRIMS

Dr. K. Suryanarayanan

Director

DR VN BRIMS

Dr. P.M. Kelkar

Dean

DR VN BRIMS

NEWS AND VIEWS ON MSMEs

It has been estimated that there exist about 350 SME clusters in India. These clusters are

overwhelmingly predominant with small industries and the share of medium and large industries in the sales turnover, production and employment is nominal. The size in terms of the number of units and the quantum of output of clusters may vary significantly. Some of them are so big that they produce upto 70 to 80% of the total volume of that particular product produced in India. For example, the township of Panipat produces 75% of the total blankets produced in the country. Similarly Tirupur, a small township in the Coimbatore district of Tamilnadu contributes 80% of the country's cotton hosiery exports. Yet another example would be of the city of Agra, virtually a Footwear City with 800 registered and 6,000 unregistered small and cottage footwear production units, making 1.5 lakh pairs of shoes per day with a production value of 1.3 million dollars per day and exporting shoes worth US \$ 57.14 million per year . Similarly Ludhiana in Punjab produces 95% of the country's woolen knitwear, 85% of the country's sewing machines and 60% of the nation's bicycle and bicycle parts.

On the other hand some clusters are very small also, but they are so specialized that about 100

workers each may work in these clusters. For the purpose of the present study clusters which have minimum of 100 registered units in a particular location have been taken. There may be another 50-100 unregistered units along with the registered ones.

Source: <http://www.unido.org/fileadmin/import/userfiles/russof/small.pdf>

From The Editors' Desk

For any economy to take giant strides on the path of success, it is often considered vital that the Micro, Small and Medium Enterprises (MSMEs) should grow at a substantial pace together with the large scale industries. This is particularly true in case of the Indian economy where the MSME sector is already emerging as a vigorous, virile and vibrant sector and further steps are being taken by the government of India and other stakeholders to promote, project and progress MSMEs.

The MSMEs in India are proving extremely valuable towards enhancing employment opportunities, assuring a better equity in distribution of national wealth through industrialization of rural and backward regions and promoting inclusive growth. Today, MSMEs enjoy greater exposure to the opportunities for expansion and diversification across all sectors and the importance given to MSMEs has also increased exponentially in the recent years; it would therefore be appropriate to say that the theme of MSMEs is receiving more attention than ever before. The 12th Five-Year Plan (2012-2017) of the Government of India has proposed allocation of over Rs. 60,000 crores for the 'umbrella schemes' relating to the growth of MSME sector, classified under verticals such as credit and finance, technology and innovation, infrastructure, marketing, skill and entrepreneurship development and institutional structure. Two SME exchanges were launched recently in Mumbai, to enable greater access to finance by Small and Medium Enterprises (SMEs). Again, the Union Budget for 2012-13 has also made some proposals in favour of MSMEs viz.

- ✓ Proposal to establish an India Opportunities Venture Fund to be set up with SIDBI and a sum of Rs.5,000 crores proposed in the budget.
- ✓ Policy proposal requiring Ministries and Central Public Sector Enterprises (CPSEs) to make a minimum of 20 per cent of their annual purchases from MSMEs.
- ✓ Proposal to offer excise duty concessions to small artisans and goldsmiths having annual turnover not exceeding Rs.1.5 crore for units having a turnover below Rs. 4 crores in the previous year.

Reckoning the importance of MSMEs for the Indian economy, DR VN BRIMS organized an annual seminar on the theme "Management of Micro, Small and Medium Enterprises" on 11th February, 2012. As a prelude to the seminar, a workshop was organized on 1st October, 2011. The proceedings of the seminar and workshop are presented in sections 1 and 2 respectively of this research volume.

Every year we also organize national level functional summits in the five functional areas viz. Marketing, Finance, Operations, Human Resources and Information and Communication Technology. The proceedings of these functional summits are compiled and presented in section 3. Furthermore, every year we encourage high quality articles for the research volume. The accepted articles contributed this year have been included in section 4.

At DR VN BRIMS there is a tradition of announcing next year's seminar theme one year in advance. The theme for the ensuing year's seminar, scheduled for 16th February 2013, is "Competing through Talent" and section 5 presents a glimpse of the forthcoming theme.

We take this opportunity to thank everyone who helped us in compiling the information and developing this research volume and hope that this publication would be a value addition to the readers.

Dr. Amol Gore
Associate Professor

Ms. Sukhada Tambe
Assistant Professor

Mr. Reji Kuruvilla
Assistant Professor

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MSMEs: A Holistic Perspective

By
Dr. K. Suryanarayanan
Director, DR VN BRIMS

NEWS AND VIEWS ON MSMEs

“Small scale sector has remained high on the agenda of all political parties, intelligentsia and policy makers since Independence as a legacy of Gandhian philosophy. The special thrust to this sector has been with the multiple objectives of employment generation, regional dispersal of industries and as a seedbed for Entrepreneurship.”

Source:

<http://www.unido.org/fileadmin/import/userfiles/russof/small.pdf>

MSMEs: A Holistic Perspective

The role of Micro, Small and Medium Enterprises (MSMEs) in the economic and social development of the country is well established. In most of the developing countries like India, these industries constitute an important and crucial segment of the industrial sector. They play an important role in employment creation, resource utilization and income generation. The MSME sector is a nursery of entrepreneurship, often driven by individual creativity and innovation. This sector contributes 8 percent of the country's GDP, 45 percent of the manufactured output and 40 per cent of its exports. The MSMEs make over 8000 products; provide employment to over 60 million persons through 26 million enterprises. The labour to capital ratio in MSMEs and the overall growth in the MSME sector is much higher than in the large industries. The geographic distribution of the MSMEs is also more even. Thus MSMEs are important for the national objectives of growth with equity and inclusion.

The Ministry of Micro, Small and Medium Enterprises is the nodal Ministry for formulation of policies, programs and schemes, their implementation and related co-ordination, for the promotion and development of small scale industries in India. The role of the Ministry is to assist the States in their efforts for the growth of the small scale sector, by enhancing their competitiveness in an increasingly liberalized economy. Parliament passed the Micro, Small and Medium Enterprises Act in 2006 as a comprehensive legislation looking into all matters related to the MSME sector. The Act also defined the MSME enterprises engaged in manufacturing as-

- ✓ Micro enterprises: The investment in plant and machinery does not exceed twenty-five lakh rupees
- ✓ Small enterprise : The investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees
- ✓ Medium enterprise: The investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees

In the case of the enterprises engaged in providing or rendering of services, MSMEs are defined as-

- ✓ Micro enterprise: The investment in equipment does not exceed ten lakh rupees
- ✓ Small enterprise: The investment in equipment is more than ten lakh rupees but does not exceed two crore rupees
- ✓ Medium enterprise: The investment in equipment is more than two crore rupees but does not exceed five crore rupees.

The important advantages of MSMEs in India which made them more relevant for the country's development are as follows:

- ✓ Small-scale industries are fairly labour-intensive. They provide an economic solution by

creating employment opportunities in urban and rural areas at a relatively low cost of capital investment.

- ✓ Small-scale industries are flexible in their operation. They quickly adapt to various factors that play a large part in daily management. Their flexibility makes them best suited to constantly changing environment.
- ✓ A small-scale unit is generally a one-man show. It is mostly set up by individuals. Even some small units are run as a partnership firm or a company; the activities are mainly carried out by one of the partners or directors. Therefore, they provide an outlet for expression of the entrepreneurial spirit. As they are their own boss, the decision making process is fast and at times more innovative.
- ✓ Small-scale industries use indigenous raw materials and make intermediate and capital goods. They contribute to faster and balanced economic growth in a transitional economy through decentralization and dispersal of industries in the country. They generally restrict their operation to local areas in order to meet the local and regional demands of the people. They find it hard to enlarge their business activities due to limited resources.
- ✓ Before the return on investment starts every enterprise faces a gestation period. It is the time period between setting the units and commencement of production. Small-scale industries usually have a lesser gestation period than large industries. This helps the entrepreneur to start earning after a short period of time. Thus capital is not blocked for a longer period.
- ✓ The educational level of the employees of small industries is normally low or moderate. There is little need of specialized knowledge and skill to operate and manage the MSMEs.
- ✓ Because of the aforesaid features, MSMEs are supposed to be instrumental in initiating the grass root development and promoting development with equality. However, there are many challenges which are obstructing full-fledged growth of the MSME sector.

Major challenges include:

- ✓ The success of a small enterprise revolves around the entrepreneur and its employees, provided the employees are skilled and efficient. Inefficient human factor and unskilled manpower create innumerable problems for the survival of small industries. Non-availability of adequate skilled manpower in the rural sector poses problem to small-scale industries.
- ✓ Adequate and timely supply of credit facilities is an important problem faced by small-scale industries. This is partly due to scarcity of capital and partly due to weak credit worthiness of the small units in the country.
- ✓ Non-availability of sufficient quantity of raw materials, sometimes poor quality of raw

materials and increased cost of raw materials and above all lack of knowledge of entrepreneurs regarding government policy are other few hindrances for small-scale sector.

- ✓ Another major challenge faced by small-scale units is the absence of organized marketing system. In the absence of organized marketing, their products compare unfavourably with the quality of the product of large-scale units. They also fail to get adequate information about consumer's choice, taste and preferences of the type of product. These problems do not allow them to stay in the market.
- ✓ Small-scale units are striving hard to employ modern machineries and equipment in their process of production in order to compete with large industries. Most of the small units employ outdated and traditional technology and equipment. Lack of appropriate technology and equipment create a major stumbling block for the growth of small-scale industries.
- ✓ Indian economy is characterized by inadequate infrastructure which is a major problem for small units to grow. Most of the small units and industrial estates found in towns and cities are having one or more problems like lack of power supply, water and drainage problem, poor roads etc.
- ✓ Small-scale units not only find it very difficult to compete with the product of large-scale units but also from imported articles which are comparatively very cheap and of better quality than products of small-scale units.

The above mentioned obstacles are not allowing the MSMEs to grow to their full potential. Therefore, the Government of India established a few institutions to look after the challenges faced by the MSME sector. Small Industries Development Organization (SIDO) is the apex organization under the ministry that provides a comprehensive range of common facilities, technology support services, marketing assistance, etc. The National Small Industries Corporation Ltd. was set up with a view to promoting, aiding and fostering the growth of small scale industries in the country with focus on commercial aspects of these functions. NSIC continues to implement its various programs and projects throughout the country to assist MSME units.

The National Commission for Enterprises in the Unorganized Sector was constituted in September 2004. The Commission has recommended measures considered necessary for bringing about improvement in the productivity of the informal sector enterprises, generation of large-scale employment opportunities on a sustainable basis, particularly in the rural areas, enhancing the competitiveness of the sector in the emerging global environment, linkage of the sector with institutional framework in areas such as credit, raw-material, infrastructure, technology up gradation, marketing and formulation of suitable arrangements for skill development.

Although the government was offering a variety of schemes and sops for MSMEs, a majority of enterprises do not utilize them due to lack of awareness and education about the schemes.

Despite of this fact, MSMEs are growing. However, to sustain and reinforce that growth, more focused strategy on MSMEs is required which will not only ensure the inclusive growth - the objective of eleventh five year plan - but also ensure poverty reduction, unemployment reduction and more just and equitable growth.

Management of MSMEs Seminar 2012 and Workshop 2011 were organized to address these challenges and issues, from a management point of view and provide the entrepreneurs the best possible information and solution in a systematic manner. Several areas were covered such as inconsistent government policy, infrastructure limitations, resource constraints especially in terms of power and energy, suffocating tax structures, irrational road tolls and unreasonable regional restrictions. Entrepreneur's Manual in CD format was made and released during the seminar on 11th February 2012.



Section – 1

Proceedings of National Seminar

**‘MANAGEMENT OF MICRO, SMALL
AND
MEDIUM ENTERPRISES’**

held on

11th February 2012

At

Thorale Bajirao Peshwe Sabhagruha

Thane College Campus

BMA- DR VN BRIMS Awards of Excellence Ceremony and MSME Exhibition

Agenda

Friday, 10th February 2012

Time		Session Details
5 to 6 PM		Registration
6.00 PM	Welcome for Exhibition	Dr. P. M. Kelkar, Dean, DR VN BRIMS
6.05 PM	Inauguration of Exhibition	Dr. Vijay V. Bedekar, Chairman, VPM Thane
6.15 PM	Round of Exhibition	All Dignitaries and Invitees
6.30 PM	Saraswati Vandana	Organizing Committee
6.35 PM	Welcome Speech	Dr K. Suryanarayan, Director, DR VN BRIMS
6.40 PM	Introduction: BMA Awards of Excellence	Mr. Bhaskar Joshi, President BMA
6.45 PM	Award Ceremony and Responses by Awardees	Dr. Vijay V. Bedekar, Chairman, VPM Thane, Mr. Bhaskar Joshi, President BMA
7.50 PM	Speech by Special Guest	Dr Gautam Sen, London School of Economics
8.00 PM	Speech by Chief Guest	Dr. Vijay V. Bedekar, Chairman, VPM Thane
8.10 PM	Vote of Thanks	Mr. V. Sarangapani, Executive Director, BMA

DR VN BRIMS-BMA

National Seminar on Management of MSMEs

11th February 2012

Time from	to	Session Details	
08.00 AM	9.00 AM	Tea/Coffee and Registration	
INAUGURAL SESSION			
09.00 AM	9.05 AM	Saraswati Vandana and Lighting of Lamp	DR VN BRIMS Students guided by Asst. Prof. Prema Mahale
09.05 AM	9.15 AM	Welcome Address and Presentation of Bouquets	Dr. K. Suryanarayanan, Director, DR VN BRIMS
09.15 AM	9.25 AM	Chairman’s Address	Dr. Vijay V. Bedekar, Chairman, DR VN BRIMS
09.25 AM	09.30 AM	BMA President Address	Mr. Bhaskar Joshi, President, BMA
09.30 AM	10.05 AM	Chief Guest’s Address and Release of Seminar Souvenir	Mr. C. B. Bhawe, Ex-Chairman, SEBI
10.05 AM	10.40 AM	Guest of Honour Address and Release of Entrepreneur’s Manual CD	Mr. G. M. Ambhore, Director MSME - Development Institute (DI)
10.40 AM	10.50 AM	Special Guest’s Speech and Release of Research Monograph on Talent Management	Mr. Anil Kumar Khadke, GM, Central Bank of India
10.50 AM	11.00 AM	Special Guest’s Speech	Dr. Gautam Sen, Prof. London School of Economics
11.00 AM	11.30 AM	Tea/Coffee Break	

TECHNICAL SESSIONS			
11.30 AM	12.45 PM	<u>SESSION 1</u>	Panel Chairperson: Dr. P. M. Kelkar
		Business Incubation and Monitoring	Speakers: Mr. Lakshman Gugulothu, CEO, BSE SME Exchange; Ms. Rekha Sanzgiri, Regional Officer, MCED
12.45 PM	1.00 PM	Supply Chain for MSMEs	Mr. Olivier Bruslé, MD, The Supply Chain Foundation
1.00 PM	2.00 PM	Lunch	
2.00 PM	2.45 PM	<u>SESSION 2</u> Information Communication Technology (ICT) for Better Management and Productivity of MSMEs	Panel Chairperson: Ms. Tejal Dhulla Speakers: Mr. Harsh P. Kohli, Associate VP, Zensar Technologies; Mr. R. Krishnan, aspire infinite; Prof. Rajaram, Advisor, Microtechnologies Ltd.
2.45 PM	3.30 PM	<u>SESSION 3</u> Financial Issues in MSMEs	Panel Chairperson: Ms. Simpi Khandelwal Speakers: Mr. Smruti Ranjan Dash, DGM, Central Bank of India; Dr. Vishnu Kanhere, Kanhere Consultants; Mr. Ashish Sable, Senior V.P., SBI Capital Markets Ltd.
3.30 PM	4.00 PM	Tea/Coffee	

4.00 PM	4.45 PM	<u>SESSION 4</u>	Panel Chairperson: Ms. Sukhada Tambe
		Talent Management for MSMEs	Speakers: Mr. Pramoud Rao, MD, Zicom Electronic Security Systems Ltd.; Mr. Subhash Dixit, President HR, Bharati Shipyard; Dr. K. Suryanarayanan, Director, DR VN BRIMS
4.45 PM	5.30 PM	<u>SESSION 5</u>	Panel Chairperson: Ms. Rashmi Nadange
		Marketing Issues of MSMEs Blue Ocean Strategy for Marketing	Speakers: Mr. R. Sriram, President, The Indus Entrepreneur (TIE); Mr. Samir Kaji, MD, Selec Controls Pvt. Ltd.
5.30 PM	6.15 PM	<u>SESSION 6</u>	Panel Chairperson: Dr. Deepika Dabke
		Think Growth, Not Survival: Open Forum/ Panel Discussion	Speakers: Mr. Ramesh Dharmaji, Chief General Manager, SIDBI; Mr. Yogesh Dixit, Head, SME Ratings, CRISIL Ltd., Dr. K. K. Saxena, CEO, Anuvi Chemicals; Mr. R. Seshan, CEO, Small Scale Entrepreneurs' Association; Mr. Ravi Kamat, MD, Aero Pharma Pvt. Ltd.
6.15 PM		Vote of Thanks	Dr. P.M. Kelkar, Dean, DR VN BRIMS



MSME Exhibition: Inauguration by Chairman Dr. Vijay V. Bedekar



MSME Exhibition: Dignitaries watching Pitambari products range

National Seminar on 'Management of Micro, Small and Medium Enterprises ' (MSMEs)

An exhibition related to the MSME theme was inaugurated at 6.00 PM on the 10th February evening by Dr. Vijay Bedekar, Chairman of DR VN BRIMS. Various exhibitors including Central Bank Of India, Pitambari Products Pvt. Ltd., SIDBI, Yajna Fuel Services Pvt. Ltd., Future Education Ltd., Fluidtech Pneumatic Pvt. Ltd., MIMIC LED Lamps, Sheetal Medicare Pvt. Ltd., Print Plus Pvt. Ltd., Natu Plastic and Metals Ltd., C. P. Tech. Pvt. Ltd., and Samarth Educational Tour Operator displayed their banners, posters and showcased their models and products at the venue. Eminent speakers, industry experts and distinguished guests visited the exhibition.

BMA-DR VN BRIMS Awards of Excellence Ceremony

On 10th February 2012, BMA-DR VN BRIMS Awards of Excellence ceremony was held to recognize successful entrepreneurs and professionals in Thane district. During this ceremony, Human Resources stalwarts like Mr. Vikas Shirodkar, VP HR of M/s. General Motors; Mr. R.N. Mhatre, founder of M/s. Sachins Impex; Mr. Srikanth Bapat, MD of M/s. LabIndia Instruments Pvt. Ltd. and eminent educationist Dr. Guruprasad Murthy, Director-General, DR VN BRIMS were felicitated with prestigious BMA-DR VN BRIMS Awards of Excellence. During the Award function address, BMA President Mr. Bhaskar Joshi appreciated the efforts made by Dr. P. M. Kelkar, Dean and Dr. K. Suryanarayanan, Director DR VN BRIMS in organizing this kind of awards function for the first time in Thane. He thanked Dr. Vijay Bedekar for the kind cooperation and continued support given to BMA by VPM. Awardees shared experiences on how starting from

a modest beginning, they are competing successfully today in the international market.

Seminar on Management of MSMEs

MSME exhibition was followed by a seminar on 11th February 2012. Dr. K. Suryanarayanan welcomed the delegates and informed the audience about DR VN BRIMS tradition of organizing seminars and conferences on industry relevant topics. He expressed his ideas on the theme of the seminar and said that such gatherings provide a unique platform to address current issues and ways for tackling these issues for the benefit of society. Dr. Bedekar; Mr. C. B. Bhawe, Ex-Chairman SEBI; Mr. G. M. Ambhore, Director MSME; Mr. Bhaskar Joshi, President BMA; Mr. Anilkumar Khadke, General Manager Central Bank of India and Dr. Gautam Sen, Professor at London School of Economics inaugurated the seminar by the official release of the Seminar Souvenir, Entrepreneur's Manual CD and Research Monograph on the next year's seminar on 'Competing Through Talent'.

While addressing the audience, Dr. V. V. Bedekar- Chairman of DR VN BRIMS said that "the current policies, interest rates, tariffs systems in the country need to differentiate education from manufacturing and services industry sector because it leads to a lot of burden on the education sector". He emphasized that transparent, responsible and credible system is the need of the hour. Mr. Bhaskar Joshi- President BMA commended on the work done by the institute in the last two years, particularly in organizing such a big event.

Mr. C. B. Bhawe- Ex-Chairman SEBI was the Chief Guest for the seminar. He spoke on the

fleeting nature of subsidies, grants, concessions, etc. He said 'when we talk of MSMEs the first thing that comes to our mind is subsidies, various schemes/ concessions applicable to MSMEs. However, they are temporary in nature and moreover the key is in hands of somebody else. He underscored the fact that today's business environment is dynamic. Mr. Bhawe was the Chairman, Security Exchange Board of India (SEBI) from 1996-2008. He was the one who took the initiative to set up NSDL (National Securities Depository Limited). This was his first experience in running a commercial enterprise. He decided not to avail any concessions for running NSDL. Time taken by the government to clear the concessions is very high and one does not realize the damage. It is important to shorten time between conception and realization. The concessions come with a cost. The question is whether it is really worth it? The cost involves the cost of setting a plant, raw materials, huge administrative cost, inspection, training, etc.

His advice to the management students was to spend 3-4 years in the industry and observe the administrative procedures. There is no substitute for this. This will give them training on the job. There is a distinction between the successful and not successful people. He and his team at SEBI did a study of award winning industries for past 10-15 years. They made a questionnaire and distributed it to these industries. 80% of them returned the questionnaire. The observation was that most of the winners came from the business or trading families and had worked in the industry for 3-4 years. Freshers do not have industry exposure. Here you learn at the cost of

somebody else. Make that extra effort to learn'- he made a genuine appeal to the youngsters.

He also talked about the 'value added proposition'. He was of the firm opinion that there are no easy areas. There is 'No Easy Money.' 'Being good in exam is different from understanding concepts which is more important than passing an exam. Small businesses fail because of not understanding simple things. He said, "All cash flow is not profit and all profit is not cash Flow. All enterprises should know this and understand what should be the financial structure of their enterprise. Success or its delay all comes in the matter from within". If Government and statutory authorities do their role of facilitation well, then emphasis on subsidies and concessions would reduce. Mr. Bhave emphasized the point that MSMEs should not unduly depend on the subsidies given by the Governments as it leads to handing over control in the hands of other people. The audience appreciated the clear and transparent views expressed by him.

Mr. G. M. Ambhore, Director MSME - DI, mentioned that the contribution of MSMEs was the second largest (next to agriculture) to the Indian economy. Besides he also spoke on the education and IT (Information Technology) sector. He began by saying that a country like India has huge contribution from SME. Mahatma Gandhiji had a vision to develop our villages and rural areas through khadi gramodyog industry. Promotion of MSMEs is combined responsibility of state government and central government. He discussed the services provided by State government like consultancy (train people how to start/ select

business), providing economic information, entrepreneurship/skill development, marketing assistance, technology and quality upgradation, assistance for export promotion, common facility services, cluster development and consultancy. He said that the Government of India made a survey of MSMEs in 2006. The report estimated more than six crore people got employment in this sector. About 8000 products are made in MSMEs. 50% products are exported from MSMEs. He quoted Mr. Bhave on the role of Government of India as a facilitator to make MSMEs more competitive so that they can survive in the present day scenario. He mentioned the need to develop entrepreneurship. He gave an example of the process in UK where students are given a project to start an enterprise. He opined that there is a visible presence of technical and management people in this sector and that MSME sector success depends on the management. He said the government survey also found that there are thousands of unregistered and unorganized enterprises. Earlier they had SMEs Act which included only SME units. Now there is the MSMEs Act. Services like consultancy agencies, schools etc. have been included under MSMEs.

Mr. Anil Kumar Khadke, GM of Central Bank, who delivered special guest speech, began with saying that more than six crore people form the MSME sector and it is mostly unorganized. He quoted Mr. K. C. Chakrabarty, Dy. Governor, RBI and said that about 92% of MSMEs seek finance which they get not from banks but from private people, friends and relatives. There is a vast scope for institutional financing in India. At this point he gave a message to the students to be good in

whichever area they are in. If you are engineer, be a good engineer; if you are management professional, be a good management professional. He continued by saying that it is not easy to start an MSME. It involves lots of problems in form of shortage of working capital, shortage of labour (skilled) and moreover that it is usually a one-man show. He gave an example of his friend who is a textile engineer and an MBA who was suggested to start his own enterprise to which he said in business, capacity to sustain losses is required which he lacks. Central Bank of India has more than 200 branches that are financing for MSMEs. They have 4000 branches spread over different districts and states in India, 70 branches for medium scale industries and that Central Bank has financed more than Rs. 30000 crores to MSME sector. He emphasized that GOI has also realized that MSMEs should be strengthened through finance. He said that Central Bank has started Centralized Credit Processing Cell (CCPC) at 74 centres across India. New scheme for MSMEs is necessary as there is a lack of working capital, collateral security or no guarantors for new entrepreneurs. He informed about Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme of Central Bank where finance up to one crore is provided without any guarantee and collateral. He ended his presentation by thanking the management of DR VN BRIMS for inviting him to the seminar.

Dr. Gautam Sen, Professor at London School of Economics was the special guest for the seminar. He redefined the little understood concepts of skills and complimented MSME entrepreneurs who with their educational qualifications have an edge in this competitive

world. He opined that after listening to the previous speakers, he sees himself as a micro entrepreneur. He stressed the importance of providing infrastructure facilities, power, connectivity etc. to MSMEs. He said that there is a policy paralysis, by which he regretfully meant that the parties that pass the legislation and equate it with policy implementation. But the reality is that there is a gap between the passing of legislation and its implementation. Then he continued by saying that the number of people employed in MSMEs can grow much large, if the agricultural sector is also included because the hurdles that they face are also enormous. He reiterated that 'Finance' continues to be the key concern for MSMEs.

The seminar souvenir containing a detailed agenda, introduction of speakers, messages related to the theme, various courses and MDPs offered by DR VN BRIMS institute was released at the hands of Mr. Bhave. Entrepreneur's Manual a CD containing detailed information on various aspects of MSMEs, list of Industry Associations, duties of entrepreneurs etc. was then released by Mr. G. M. Ambhore. After an enthusiastic and motivated speech by Dr. Gautam Sen- Professor at London School of Economics, a high power panel discussion was conducted by the speakers.

This was followed by six technical sessions on MSMEs graced by CEO of BSE SME Exchange Mr. Lakshman Gugulothu, Regional Officer Maharashtra Centre for Entrepreneurship Development (MCED) Ms. Rekha Sanzgiri, Associate VP of M/s. Zensar Technologies Mr. Harsh P. Kohli, Mr. R. Krishnan of M/s. Aspire infinite; M/s.

Microtechnologies Ltd. Advisor Prof. Rajaram, Kanhere Consultants Dr. Vishnu Kanhere, Senior V.P. of SBI Capital Markets Ltd. Mr. Ashish Sable, MD of Zicom Electronic Security Systems Ltd. Mr. Pramoud Rao, President HR of M/s. Bharati Shipyard Mr. Subhash Dixit, The Indus Entrepreneur (TIE) President Mr. R. Sriram, M/s. Selec Controls MD Mr. Samir Kaji, Chief General Manager of SIDBI Mr. Ramesh Dharmaji, Head of SME Ratings at M/s. CRISIL Ltd., Mr. Yogesh Dixit, CEO of M/s. Anuvi Chemicals Dr. K. K. Saxena, CEO of Small Scale Entrepreneurs' Association Mr. R. Seshan and MD of M/s. Aero Pharma Pvt. Ltd. Mr. Ravi Kamat.

Business Incubation and Monitoring - Session 1

This session was chaired by Dr. P. M. Kelkar, the Dean, DR VN BRIMS. Ms. Rekha Sanzgiri¹ emphasized on the role of MCED, its programs and their implementation. She emphasized the awareness campaign conducted by the government for MSMEs. Mr. Lakshman Gugulothu spoke on raising capital via equity markets and its requisites, history of stock exchanges across the globe and steps taken by BSE SME Exchange. He said that SME exchange is totally an entrepreneur type of a project, which is supported by various people from the government and SEBI at different levels, chambers and forums which are related to capital market. He said that market intermediaries seem to be against the SME exchange, that they are not actually against the SMEs, but the regulations passed indicated so. Hence, they had to start the project from scratch. They went to channels like CNBC, consulted capital market experts and spoke to merchant bankers and qualified members of

exchange.

He informed that SME exchange will focus on:

Market Intermediaries - They spoke to officials of stock exchange, regulators, and members of exchange to know the constraints. Exchange is a platform and facilitator. At one side there are entrepreneurs and SMEs and on the other side there are investors. Exchange links entrepreneurs and SMEs with investors and facilitates the raising of equity capital for entrepreneurs and SMEs which is called Risk Capital. To reach out the entrepreneurs and SMEs across the country they got a list of SME clusters. They collaborated with chambers of commerce (national and state); various bodies associated with SMEs at state level, professional bodies like ICAI (Institute of Chartered Accountants of India) and collected data from them. They conducted 75-80 seminars across 20 states. As a result they came to know the requirements of the entrepreneurs and helped create awareness.

Focus on Investors - Investors, especially like venture capitalists and private equity funds (from major cities like Delhi, Mumbai and Bangalore) have potential to help MSMEs. They are focusing on how through SME exchange these sources (i.e. venture capitalists and Private Equity Funds) can be channelized. They are planning to reach out to mutual funds and banks that can be made to work for the SMEs. Long-term saving habits of people have changed and the focus is now more on short term saving. The savings of the middle class is not getting tapped in the capital market. SMEs generally

¹ Mrs. Rekha Sanzgiri's detailed powerpoint presentation is available towards the end of the write-up

required medium to long term capital.

One of the delegates suggested to Mr. Lakshman Gugulothu that can there be a way of financing MSMEs through convertible equity i.e. reverse of convertible debt whereby investors will have an option that if MSME is not performing well, equity will be converted into debt; may be after four or five years. Here, MSMEs must have that much money that support can be given by the government as a guarantor. The investors will also then come forward and if they do not feel comfortable with risk factor associated with equity, they may have the option of converting equity into debt after some time and Government can take a part of the risk associated with success of MSMEs. Mr. Lakshman appreciated this innovative idea and expressed his willingness to discuss this idea. This was followed by another question by Dr. P. M. Kelkar to Mr. Lakshman on how to choose incubation (as an entrepreneur). To which he answered, innovation should not be restricted to laboratory. Instead it should be a part of our day to day living. Developing innovative product (successful product) takes a huge time. Commitment is also very important. There is nothing like good or bad incubation, what makes the difference is whether it is badly managed or well managed. People are more important than infrastructure. Individual commitment can make MSMEs successful. In the next question asked by Dr. P. M. Kelker to Mrs. Rekha he wanted to know as to what kind of entrepreneurs they have helped through MCED. She said that variety of entrepreneurship training is provided at MCED for people interested to undergo training. Then they start their own business. Such people include college professors, women (not only

catering to household products but technical projects as well). The duration for training of MCED varies from one to six weeks. They arrange awareness camps at colleges including VPM's Thane's Polytechnic. They have a standard syllabus for training.

There was a special presentation by Mr. Olivier Bruslé MD, Supply Chain Foundation, UK. He is launching a product on certified supply chain. They provide certified supply chain trainers. Oliver started his presentation by explaining "What is supply chain management?" He said "supply chain management is sum of all the organizations involved in providing services to the customers, right from suppliers to manufacturers to distributors and down to the customers. One of the reasons is that companies are outsourcing lots of activities which involve dependence on external supply. Another important aspect is cash improvement, which will come as a gain from the reduction in working cost, purchasing cost, and transportation cost etc. We can track everything in supply chain but we should have processes in place to update information daily. He pointed out that people are very important. No organization can work if people are not part of the game. 30 to 50% of job operations relate to supply chain management. Supply Chain Foundation addresses the challenge of attracting people, training them and developing them and a lot of knowledge sharing is undertaken. He ended by asking the audience to refer to website for more information.

² Mr. Harsh Kohli's detailed power point presentation is available towards the end of the write up

ICT for better Management and Productivity - Session 2

This session was chaired Ms. Tejal Dhulla, Asst. Prof. DR VN BRIMS. Mr. Harsh P. Kohli² of M/s. Zensar Technologies presented on the vital role of SMEs (leading OEMs-Original Equipment Manufacturers) to provide best in class hosted ERP software to SME automotive cluster. The session began with his power point presentation. He said most of the IT companies do not take interest in investing in MSMEs basically for two reasons:

- ✓ Adoption of IT is difficult among the MSMEs as they are at different learning stages.
- ✓ When IT companies think about their profit margins, the MSMEs do not provide the margins which IT companies can get otherwise.

“About two years back, Zensar started working with Confederation of Indian Industries (CII) which understands the need to get more IT solutions for markets in India. Zensar has headquarters in Pune and has 7000 employees. There is a data that they have compiled from trade journals, and by also working with some MSMEs. The most important thing mentioned was that in MSMEs there are no IT managers, because they cannot afford them. Secondly, there is a lot of attrition of IT persons in MSMEs which calls for retraining the people. ICT users are considered complex. It is assumed that Information, Communication, Technology (ICT) is for bigger companies and not for smaller companies. Any company which is below Rs. 20 crores can manage with MS Excel or any other similar package. When the company grows to more

than Rs. 20 crores, say up to Rs. 200 crores, then the company cannot do without an ICT integrated solution such as an ERP solution. Other key factors are lack of implementation knowledge and availability of affordable ICT packages for MSMEs. There is also over dependence on vendors. He then introduced the concept of “SaaS”- software as a service. SaaS now is more like a “Plug in pin” where only one pays for those software they require and one does not own the software, but has a license to use the software. There is no capital expenditure involved. There are two ways of having SaaS, either through licensing or hostage solutions. In traditional ways there was implementation of IT solutions in your own premises but under hostage IT team is not required in your campus (it is on air). It is good for MSMEs. The system is configured as per the needs of the customer. It involves customization. A standard ERP might not work for all. Then he gave the reasons as to why the hostage solutions are less expensive because the costs is divided between different companies providing SaaS, so the cost of ownership for the end user comes down. The cost benefit comes to 1/5th of cost required to implement ICT in a traditional way. He described financial benefits and ease of using hostage solutions and implementing to make MSMEs efficient. He illustrated this by the example of Business continuity and centralized data with backup as some other benefits of using ICT in MSMEs.

Mr. R. Krishnan spoke on data security, innovative ideas on sale of software like SaaS to MSMEs. He encouraged MSMEs to invest in software. Mr. Krishnan stated that at “Aspire” they take the responsibility for improving the profitability of MSMEs. They do this by taking

responsibility of:

- ✓ Growth (find market potential and translate into host of marketing strategies)
- ✓ Improve profitability that they need to improve the throughput from the
- ✓ Get into people change management because in MSMEs you have the owner and there is very little or no middle management. Things are directly executed.

What they actually start off with is coaching. This involves talking to the owners, telling them how to look at businesses, what is budgeting, what is review, what is planning and other processes. The next thing in setting IT system is people and change management. These three things give results. At “Aspire” fees are linked to benefits. Then he shared some insights core to IT and MSMEs. The first thing is that when vendors look at MSMEs, they look at the bottom of the pyramid, which means there are a host of opportunities. Vendors feel that if big companies have IT applications so even MSMEs should have it. But by going to MSMEs they realized MSMEs require some simple and straightforward IT solutions. Unlike big organizations, MSMEs do not require big Management Information System (MIS) as there is less departmentalization and less complexity. What requires attention is that MSMEs need IT solutions that extrapolate beyond transactions and help them in planning. E.g. A system which tells them when their capacity would fall short is more useful to them.

In short if you can get the consulting, bring in the IT tools, bring in the change management, put it all together and make it

work with these people and for the company and show results only then MSMEs are interested.

Prof. Rajaram talked about cloud computing for better management and productivity through a case study on Fleet Management System, touching upon the need to upgrade software and meet overheads. He started his talk by raising the question that is there a need to really invest in the latest technology. Therefore, they go for a solution in which an upfront investment is not required. IT today makes you more efficient, more competitive and more responsive to changes in technology so that your product sells at international forum also. SaaS is an extremely important development. It helps you to avoid certain pressure of developing software in-house. Then he talked about some other services like cloud computing which is a model that can be enabled immediately, is on demand and provides network service, storage and application services, all on pay basis. In cloud computing large number of servers are put together and placed where power/electricity overheads are lower. We get services at low cost and on pay. Some of the questions taken in the question answer session were as follows:

Q1) How to overcome barriers to adoption of ICT in MSMEs and how ICT adoption can improve management of MSMEs?

Mr. Kohli answered that relevant and scalable IT solutions that are not very expensive are available and also pointed that a change management as mentioned by Mr. Krishnan is also important. He further stressed on adoption of IT solution. Without IT, sustainability of any solution will remain only for two or three

months. Barriers to adoption of ICT in MSMEs are:

- ✓ how to get the manpower that would use the system
- ✓ the IT solution itself

Q2) How can MSMEs invest minimum amount in ICT and get the most out of it?

Mr. R. Krishnan answered as follows:

- ✓ MSME themselves need to get involved
- ✓ Service providers /vendors should provide flexibility and connectivity to clients.
- ✓ Eco system i.e. Government should give incentives and tax breaks to MSMEs for adoption of ICT

Q3) how are the ICT adoptions in MSMEs compared to large organization in MSMEs?

MSMEs lack of Manpower - there is a need for trained manpower because there is attrition. One of the things that Zensar does is they follow a cycle of adoption of 8 to 12 weeks where it is not just about understanding the IT tool but understanding the business process. ICT system depends on the entire business process. So MSMEs should first know their business process and Mr. Krishnan added that it is time that one needs to take decision in the initial stage. In large organizations you are in replacement mode where already they have some system in place. Then second phase is business mapping phase where you have people who would actually look into system software and the process. But as far as MSMEs are concerned, they do not have the people and the system so at "Aspire", they tell MSMEs to use the system for a two months phase and then come back and tell their requirements.

Financial Issues in MSMEs - Session 3

This session was chaired by Ms. Simpi Khandelwal, Asst. Prof. DR VN BRIMS.

Dr. Vishnu Kanhere gave some relevant suggestions:

- ✓ Relevance of MSMEs today-Yes. Size does not matter but your efficiency, grace and excellence matters.
- ✓ Relevance of financial issues- It is all about money. Finance is the life blood throughout the business life cycle.

He enumerated specific issues as follows:

- ✓ When to setup a business is very important. We need to learn from financial leaders. Unfortunately not many people understand finance. As quoted by Mr. Bhave, "All cash flows are not profits and vice-versa."
- ✓ Tax Literacy - People have advisors and consultants, yet are not tax literate.
- ✓ Literacy in taking capital structure as well as capital investment decisions.
- Lack of foresight
- One needs figures of viability of one's own working
- ✓ Getting finance is considered most difficult as it sounds but servicing money it is what really is important and most failures occur due to it.

Next thing is operational issue- Physical discipline and governance. It lacks in most SMEs as they work as proprietors. So whatever money comes in is income and whatever goes out is expense. There are no financial records properly kept and no governance leading to a situation where they are able to manage their risks.

Mr. Ashish Sable, V. P. of M/s. State Bank India Capital responded to the question of 'Is finance for SMEs and large corporations different' in the following way:

Suicides of farmers occurred due to mismatch of financing. People have overestimated their earnings and underestimated their expenses causing deficit and then it was not known how to finance. Managing finance is also important in personal life. One should see if his lenders / investors are happy. One gets exposed to larger risks as he moves ahead in life. Maintaining cordial relations with the bankers/ investors is very important. He said that:

- ✓ Equity is all about vision, debt is all about today. Mr. Sable also advised to keep practical projections and stick to them. He said that anxiety comes and goes but it is the conviction which stays.

- ✓ Value of Enterprise = $e = mc^2$

Where, m=management of people, c=cash flow, e=credit

Mr. Smruti Ranjan Dash from Central Bank of India said that,

- ✓ It is observed that there is a reluctance to start an enterprise and a preference to take a job because of difficulty for entrepreneurs to start, run and derive economic value

- ✓ He provided a few tips to start the business

- ✓ And accessing credit

MSMEs should move out of comfort zones to start new things. Collateral free loan of Rs. 10 lakhs to fund any project coming up is available with any commercial bank in India.

As per Government of India and RBI guidelines, there is no need to offer any collateral security to the bank. Just convince the bankers about the idea. Credit Guarantee Funds having come into existence through offers by SIDBI – Loan required of up to Rs. 1 crore being taken care without insistence on any collateral security. Financing cost of any enterprise is around of total operating cost.

Mr. Ashish Sable: Initial funding or equity funding has to be in place. The business plan should give confidence to the bankers and initial investors. Try to get people on board by sharing your vision. He gave example of Bharati Shipyard in approving loan to them.

Mr. Dash: Banks are not money lenders; they try to partner with you. The entrepreneur needs to discuss the nitty-gritty of the business with the banker. Once the banker is convinced, there is no problem in accessing credit. As banks, we are custodians of public funds. 90% of the credit we give is from the public money. So if an entrepreneur wishes to start just on the basis of idea perhaps he should visit a venture capitalist or an angel investor. We just look at the man behind it. With our experience, we judge his commitment to his own ideas.

Vishnu Kanhere said, a) Problem of producing track record in SME b) Absence of tangible capital in spite of a good business plan and c) Unacceptable organization structures are some of the other issues in financial management of MSMEs.

Talent Management - Session 4

This session was chaired by Ms. Sukhada Tambe, Assistant Professor, DR VN BRIMS.

Mr. Subhash Dixit- President HR at M/s.

Bharati Shipyard, in his opening thoughts said that the challenges are more in terms of talent management in MSMEs. Acquisition of the right talent is important. Potential is abundant, the entrepreneurs have to identify the latent potential in the employees and they should nurture them. Successful entrepreneurs harness this potential. He underscored the importance of decision-making. He emphasized the need to create learning organizations.

Mr. Pramod Rao- Managing Director at M/s. Zicom Electronics Security Systems Pvt. Ltd. shared his experiences as an entrepreneur for past decade and a half. He proudly accepted that the top management personnel viz. CEO, CFO, Head of Marketing, HR, etc. had been working with him since the inception of the company. Their main ethos is 'Leadership at the top'. He was of a very strong opinion that talent management is a top-down function. He said that in addition to the financial security, what employees look for is recognition and autonomy to take decisions. They should be given a free hand. It is important to develop the spirit of *Intrapreneurship*. Employees should be allowed to think and take decisions. Talent management is both, an art and science. It is all about connecting with people. Everybody is a leader. As an entrepreneur, one must *Never Stop Innovating*. Passion is of essence. There is no substitute to hard work. The entrepreneurs must have the self-actualization that we are making difference to people's life.

Dr. K. Suryanarayanan discussed talent management at the international level and the best practices in talent management. He made a very interesting comment that internationally there are at least 7-8% people who are left-handed, but there are hardly any machines/

mechanisms to cater to the left-handed people. One has to be sensitive about the requirements of people. They should be allowed to take decisions. There are different ways of motivating people, it could be an emotional appeal, loyalty, or goal-oriented.

Responding to a very important question from the audience as to how to identify right talent, Mr. Pramod Rao said that browsing through the bio-data is the last thing he does in the process of selection. He prefers to have an informal chat with the prospective employee to understand the ecosystem around him. His family background and other details like his interpersonal relations with his parents, children, domestic maid, driver, etc. gives a deeper insight into the personality and the character of the individual. Interview is only a trailer. You never get Mr. Right in any interview. What one must look for is the person with the right attitude.

There was a question on job rotation from the audience, which was taken by Dr. K. Suryanarayanan. He said that no two human beings are same. Thus there has to be a planned approach for job rotation. The employee has to spend reasonable time on each job before he is rotated to the next. Job rotation depends on the competency of the employee. Thus competency profiling and certain psychometric tests can be of great help for job rotation. What is most important is to create a more conducive environment.

Marketing Issues and Blue Ocean Strategy - Session 5

This session was chaired by Ms. Rashmi Nadange, Assistant Professor, DR VN BRIMS.

Worldwide in many companies marketing operates within a volatile external environment that includes customers, competitors and legislators, and an internal environment that is subject to constraints and change. Further, this is exacerbated with regard to MSME marketing as it is likely to be haphazard, informal, unstructured and reactive, built upon and conforming to industry norms. Company revenues can be skewed by one or two large customer changes and firm's management may not believe in waiting for years to see the value of the long term effects of marketing. Hence, the choice of marketing activities would tend to favour those with more immediate effects and since in small organizations, the culture is often closely set by the long-standing owner or manager, personal prejudices can creep in. Furthermore, MSMEs may focus to a large extent on servicing customers they already know well or potential customers that are somehow proximal and may be apprehensive in investing in sustained advertising that might be required to drive improved brand awareness in their target markets.

The first Speaker Mr. R. Sriram, President, The Indus Entrepreneur (TIE), spoke about how to build a successful enterprise rather than limiting to just MSMEs. He said that building a successful enterprise was more important be it a small or a medium scale enterprise. He also shared that many businesses like the entertainment companies, pharmaceutical companies all have a failure rate. The question that he threw for the audience was, are there a set of principles that we could apply that could increase our business success rate? He made it clear that before starting a business, we should know what is success for us - Is to be rich, to be powerful or to create and add meaning to life?

He explained how the founder of the Aravind Eye care built one of the most successful companies without charging customers.

He suggested that companies should first look at how they can enrich customers' experiences with their product rather than highlighting how awesome is the technology that they use. According to him business should work backwards understanding how do they want their customers to feel after the usage of their products/ services and later sit down and decide what technology to build to get there. He mentioned that there are three types of strategies which are better, different and new and 90% of the companies follow the better strategies, a few with a different vision follow a different strategy and a fewer the new strategy, However there are three questions that we need to answer what is the need that we have to satisfy, what is the value proposition (entire set of experiences that our customers should have) and how are we going to deliver it thereby building a 'Blue Ocean' for oneself. He once again restated the fact that brilliant businesses do not merely mean satisfying customers but it should be transforming their lives where the customer feels he/she can't do without you and this cannot be done without having the right people, right organization and most of all right culture. According to him an organization can't do well with the external customer until it's designed well with the internal customers. He concluded saying always learn to challenge the conventional method that's what the Pandavas did when they chose Lord Krishna over the army.

The next speaker Mr. Samir Kaji, MD of Selec Controls Pvt. Ltd. started off with a story of Kent Water purifiers of how Marketing can turn a small enterprise towards a medium and later a large organization. He shared his

valuable experience and threw light on the challenges faced by small entrepreneurs compared to big players like the ITC and other companies that could afford to wait for a long time to see profits for a brand. He stated the importance of market intelligence for a company that would focus on the need of the customer thereby adding value to his purchase. He also shared an idea with the students planning for internship to reach out to small companies and conduct research on how small companies could build what is needed and also differentiate their products from current market offerings. He believed that small enterprises required more innovative strategies compared to larger players in the market and also make product that would be more visible.

The panel discussion was followed by Q and A session where issues such as high interest rates, poor infrastructure and government policies were discussed.

Think Growth, Not Survival - Session 6

This session was chaired by Dr. Deepika Dabke, Assistant Professor, DR VN BRIMS.

Worldwide, MSMEs have been accepted as the engine of economic growth and a means of equitable development. Despite constituting more than 80 % of the total number of industrial enterprises and supporting industrial development, MSMEs face many problems such as sub-optimal scale of operation, technological obsolescence, supply chain difficulties, increasing domestic and global competition, shortages of fund, change in manufacturing/marketing strategies and turbulent and uncertain market scenario. Until the first half of this decade of the new millennium, MSMEs have been primarily known to have cited survival as their top priority.

However, in recent times MSMEs expect their companies to not just survive, but also grow. They are willing to take financial risks to fund expansions, incorporate technology into their marketing plans, take calculated risks and look forward to investing in social media networking. Is this a mindset that has shifted from survival to growth? What would the secret recipe for the success of MSMEs constitute? These and many more thought processes were churned in the session 'Think Growth not Survival'.

The panel members for the session were Mr. Ramesh Dharmaji, Chief General Manager SIDBI; Mr. Yogesh Dixit, Head SME Ratings, CRISIL Ltd.; Dr. K. K. Saxena, CEO Anuvi Chemicals; Mr. R. Seshan, CEO Small Scale Entrepreneurs' Association and Mr. Ravi Kamat, MD, Aero Pharma Pvt. Ltd.

The session was chaired by Dr. K. K. Saxena. In his opening statement, Dr. Saxena shared his valuable experiences of growing Anuvi Chemicals to its current stature. He stated that Survival and Growth go hand in hand and all MSMEs should realize that they have to organize themselves well to do business. At Anuvi, they achieved this by appointing two directors, Dr. Rajan Saxena, Ex Vice Chancellor of Narsee Monjee Institute who would open up the windows of new market ideas and Prof. Malshe, UDCT who would open the technological windows for Anuvi. He also cautioned the audience that initially the bottom line may go down due to good hiring. However that has to be treated as a part of the growth plan. He also suggested that businesses should increase verticals that can cash on new opportunities and embrace volatile market conditions efficiently. According to Dr. Saxena, investment in innovation is a must for growth and companies

should look at creating a culture of innovative, responsive and ethical functioning.

Mr. Ramesh Dharmaji reiterated SIDBI's position that MSMEs are an important growth engine and SIDBI keenly wants their businesses to grow. While spelling out the key factors for growth, he maintained that desire or attitude to grow is the foremost thing required for growth. This is followed by availability of resources and market opportunities. Growth, according to Mr. Dharmaji can be organic, inorganic or strategic. He stated that the current trend is towards consideration of acquisition as a strategy to grow faster. While speaking of some of the challenges in the growth path, he mentioned that availability of funds is not a very big challenge as banks and financial institutes are very eager to fund projects which are viable. Technological advancement can be one of the challenges that should be met by optimum utilization of cost-effective technologies. According to him, one strategic mistake that most MSMEs make is of not hiring good and talented people. He urged the audience to consider HRD as the key to success and invest in right set of people. The next challenge that he underlined is about corporate governance and the laxity of following rules and regulations. He once again urged businesses to follow governance principles and make the best of available funds, subsidies and government support and schemes.

Mr. R Seshan believed that it is not hard to be an entrepreneur but it is indeed hard to be a good entrepreneur. He expressed his confidence in the generations to come who can make a big difference to the functioning of MSMEs and urged them to be mentally ready for the fact that there are a lot of challenges in front of them while growing businesses. He

opined that the subsidy mentality needs to be changed to ensure proper growth. He believed that reliance on subsidies kills growth initiatives. He also expressed that governments should create infrastructure to help in the growth of MSMEs. On the part of the entrepreneur, they should be prepared to deal with the rapidness and pace of change as change is the only constant.

Mr. Ravi Kamat, a first generation Entrepreneur, shared his 26 years of experience of growing Aeropharma and underlined the need for good industry exposure and experience needed to develop one's own business. He spoke about the importance of business discipline that he gained while working at Johnson and Johnson which helped him develop a strong base. Some of the key elements in the growth process according to him are as follows:

- ✓ Establish trust through transparency and integrity
- ✓ Empower teams
- ✓ Be flexible
- ✓ Be a good learner
- ✓ Take small steps
- ✓ Leverage core competencies
- ✓ Make best use of Information and Communication Technology

Mr. Yogesh Dixit believed that growth calls for being at times offensive rather than defensive. He stated that one has to be extremely focused, planned; develop a good network in order to grow. According to him, growth is life and being at a standstill can get one on a downward spiral. He mentioned that there is continuous volatility in the economy and effort is the only constant which can help deal with this volatility. Only then can one survive

and then zoom to success. Volatility can only be countered by strategies to create innovative products, hire and develop a good human resource pool. He believed that conditions in India are very conducive for MSMEs to grow provided they put in a planned effort.

Every speaker had unique points to offer and successfully managed to captivate the crowd. However, the underlying message that resonated through every address was that all MSMEs have potential to make difference in industry and contribute towards economic

growth as proven by the current 17% contribution by MSMEs to India's GDP.

More than 75 industrial associations were invited for this event and about 20 industry key figures actively participated in the seminar. Management of MSMEs National seminar was organized for the twin benefit of the small scale entrepreneurs in and around the Thane belt and for the DR VN BRIMS management students. The sessions by these stalwarts met desired expectations of small scale entrepreneurs and students alike.



MSME Exhibition: Dignitaries watching range of LED lamps



MSME Award Function: BMA president Mr. Bhaskar Joshi addressing the gathering



MSME Award Function saw Mr. Vikas Shiroadkar being felicitated with Award of Excellence for HR Management



MSME Award Function: Dr. Guruprasad Murthy being felicitated with shawl and citation



MSME Seminar: Chief Guests Mr. Chandrasekhar Bhawe, Mr. G. M. Ambhore and Dr. Vijay Bedekar lighting the lamp



MSME Seminar: Chief Guest Mr. C.B. Bhavare makes a point



MSME Seminar: Release of Seminar Souvenir



MSME Seminar: Guest of Honour Mr. G. M. Ambhore lists support given by MSME by ministry



MSME Seminar: MSME Business Incubation and Monitoring session in progress



MSME Seminar: Engrossed audience



MSME Seminar: Panel discussion on IT issues for MSMEs



MSME Seminar: Panel discussion on Financial Issues in progress



MSME Seminar: Panel discussion on HR Issues in progress



MSME Seminar: Panel discussion on Marketing Issues and Blue Ocean Strategy

Speaker: Mr. Ambhore

Policy Initiatives and Schemes of Government of India for Development of MSMEs

MSME-DI, MUMBAI is the field Office of the Ministry of Micro, Small and Medium Enterprises, Government of India in the State of Maharashtra for promotion and development of MSMEs by extending various policy promotional measures through programmes and schemes

Mr. Ambhore

INDIAN MSMEs - STRENGTHS

- Number – 26.1 Million MSMEs
- Employ 59.5 Million People
- Give 45% of Industrial Production
- Account for 40%+ of Exports
- Exports: Rs. 177 Bn USD
- Production: Rs. 5.9 lakh cr. (\$ 140 Bn)
- Nos. of Items Mfg. in MSME : 8000
- Nos. of Women Entrepreneurs : 7.4%

Services recored

- ❖ Consultancy
- ❖ Providing Economic Information
- ❖ Entrepreneurship / Skill Development
- ❖ Marketing Assistance
- ❖ Technology and Quality Upgradation
- ❖ Assistance for Export Promotionv
Common Facility Services
- ❖ Cluster Development

Consultancy

Management Consultancy

- Management Trainings
- Seminars & Workshops
- Feasibility Studies
- Guidance for Improvement of Management Capability

Technical Consultancy

- Product Selection
- Project Report
- Selection of Raw Material
- Selection of Machinery
- Selection of Technology

Technology and Quality Upgradation

- ❖ Technology Resource Programmes for Upgradation of Technology
- ❖ Pollution Control
- ❖ Meetings with Foreign Delegations for Technology Transfer
- ❖ Programmes on ISO 9000, Standardization etc
- ❖ Guidance on Incentives

National Manufacturing Competitiveness Programme (NMCP)

Objective

To support the manufacturing sector, particularly MSMEs in their endeavour to become competitive in global markets.

Speaker: Ms. Rekha Sanzgiri

**MAHARASHTRA CENTRE FOR ENTREPRENEURSHIP
DEVELOPMENT
(M.C.E.D)**

(An Autonomous organization promoted by Directorate of Industries Govt. of Maharashtra)
ISO 9001 : 2008 certified organization

OVERVIEW OF ACTIVITIES

Head Office:- A-38, MIDC, Railway station
Aurangabad

Region Office :- MCED, 512, Kokan
Bhavan,
CBD, Belapur, Navi Mumbai.
mumbaiomced@gmail.com



MISSION STATEMENT

Facilitating creation of entrepreneurial and managerial capabilities in individual and organization; by achieving total customer satisfaction using emerging technologies, ethics and values, be a financially strong and globally excellent organization appropriately matching with employees' aspirations



Special Features

- Udyojak Magazine since 20 Years.
- The only Marathi magazine on entrepreneurship
- Empanelment of self employers
- Portal – a gate way of information (www.mced.nic.in)
- Show casing and Intranet
- Video Conferencing
- Digitization
- ISO Certification
- 90% Internet Banking
- Partner Institute of MSME
- Goa, Delhi and Assam Activities
- Academic collaboration with educational institution



**Cloud Computing for Better
Management and Productivity**

Ramaswamy Rajaram

Micro Infotech Park, E-225,
TTC Industrial Area, MIDC, Mahape,
Navi Mumbai-400710



Micro Technologies (India) Ltd.
(An ISO 9001 Company)

ICT Support

- Without the support of ICT challenges will be insurmountable
- Every company recognizes the importance of computer hardware and software for survival
- Fortunately cost of computation is decreasing exponentially
- Every company tries to make use of this to surge ahead

What is Cloud Computing?

Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (e.g. networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.



MSME Seminar: Mr. Ravi Kamat, MD, Aeropharma sharing his experience



MSME Seminar: Panel discussion on theme: Think Growth; Not Survival! In progress



Section – 2

**Proceedings of National Workshop
on
'MANAGEMENT OF MICRO, SMALL
AND
MEDIUM ENTERPRISES'**

held on

1st October 2011

At

**Thorale Bajirao Peshwe Sabhagruha
Thane College Campus**

National Workshop on

MANAGEMENT OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES)

Date : 1st OCTOBER, 2011

Venue: Thorale Bajirao Peshwe Sabhagruha

ACTIVITIES	TIME
1. Lighting of the Lamp/ Felicitation 2. Welcome Address– Dr. K. Suryanarayanan, Director, DR VN BRIMS 3. Theme introduction - Dr. P. M. Kelkar, Dean, DR VN BRIMS 4. Expectations and outcome - Dr. Guruprasad Murthy, Director General, DR VN BRIMS	09.30 am – 09.45 am
Students' presentation (Finance)	09.45am – 10.30am
Tea / coffee break	10.30 am – 11.00 am
Students' presentation (Marketing)	11.00 am – 11.45 pm
Students' presentation (Operations)	11.45 am – 12.30 pm
Students' presentation (HR)	12.30 pm – 01.15 pm
Lunch	01.15 pm – 02.30 pm
Students' presentation (E-Cell)	02.30 pm – 03.15 pm
Students' presentation on (Global outlook on MSMEs)	03.15 pm – 04.00 pm
Valedictory session/ Vote of thanks	04.00 pm – 04.30 pm

Dr. P. M. Kelkar
Dean, DR VN BRIMS

Introduction of the Theme

Good Morning Director Dr. Suryanarayanan and Director-General Dr. Guruprasad Murthy, Members of Experts Panel Mr. Fatehi, Mr. R. Seshan and Shrirang Deshpande, members of the teaching and non-teaching staff, and my dear students! It is my pleasure to provide you with a background of how this theme “Management of MSMEs” was chosen by us for the National Workshop in October this year (2011) and Seminar later in February 2012.

As per our yearly practice, I was required to submit a list of 10 management relevant topics to our Chairman Dr. Vijay Bedekar. This topic was first on my list and was also supported by Dr. Murthy. We were able to convince the Chairman appropriateness of taking up management of MSME issues as a seminar subject and there we are. We also printed a Research Monograph on this topic and released it on Saturday the 12th February 2011.

In management institutes, we have often been talking about engaging with the industry and building industry-institute partnerships for mutual benefits. In Dec. 2008, we made a presentation on industry-institute partnership to HR Committee of Bombay Chamber of Commerce and Industry (BCCI). Such partnerships can result into consulting assignments for teachers, summer and winter projects for the students and jobs for those who complete MMS and PGDM courses with us. Industry also would benefit from availability of ready to deploy, qualified and trained manpower. For the past 6 years, we have been

organizing thematic seminars every year e.g. Challenges for Indian Multinationals in 2006, India- A Super Economic Power by 2050 in 2007, Consolidation-The New Business Mantra (i.e. Mergers and Acquisition) in 2008, Global Meltdown-Lessons to be learnt in 2009 and Creativity and Innovation in Business in 2010 etc. and expected industry members to take advantage of it which unfortunately they did not to the extent we anticipated.

We at DR VN BRIMS are fortunate to be in the heart of Thane-Belapur-Turbhe-Kalyan-Dombivali-Ambernath-Badlapur MIDC, New Bombay, Taloja industrial belt which hosts large number of small and medium scale industries supported by the associations like TMA, TBIA, TISSA, SSEA and TTC etc. Most of these associations are involved in resolving purely local issues and have no time for partnership with us. I remember having sent at least 400 letters on our management development programs, seminars and even brochures to these industries without any response. We then realized that if we organize a seminar which addresses concerns of these very industries, we will have a win-win situation and would be able to develop better partnerships. I am sure these industries and their associations will now respond positively to our plans.

At this time I feel it is worthwhile to take a review how SMEs emerged in India. When I started working for an MNC 35 years ago, there were no MSMEs as we call them today. Even today, in large industry, they do not refer to SMEs or MSMEs. Providers of Raw Materials, Packaging Materials and Packing Materials are called as Suppliers and providers of Service as

Contractors, Consultants, Auditors, etc.

Government classifications given to SMEs in mid-50s were Small Scale Industries (SSI), Central Small Industry (CSI), Cottage Industries, Handicraft, Khadi and Village Industries, and Home industries etc. Government reserved some products exclusively for the manufacture by the SSIs and CSIs. Definitions of SSI were based upon the number of people employed in industry with or without electrical power and the capital deployed. In 1956, the responsibility of industrial growth was assigned to the state government and it is here that the states like Maharashtra took lead. Period 1956 to 1986 was the period of growth for SSIs as Government provided them lots of incentives. Industry policy of 1977 (when Janata Party came to power) with an objective of restricting concentration of economic power, promoted SSI and curtailed the large scale sector. It defined small scale sector into Cottage and Household, Tiny Sector and SSIs with investment of INR 10 to 15 Lakhs with or without ancillaries. Period of 1980 to 2003 saw number of SMEs grow exponentially at a compound annual growth of 14%. In 2010, they contributed to over 50% of GDP.

It was then and even now, a common practice that a senior member of management (not a worker) after retirement or a middle management employee would start manufacturing and selling some products in his/her company with technology and sometimes even the machinery from the main company. I have seen numerous such instances in Ciba-Geigy, Roche Products, Johnson and Johnson, and many others. All such suppliers were trained by original company personnel

through Supplier Development Programs. All suppliers were called yearly to a Supplier Recognition Program/Night and best amongst them (as measured by quality, cost, lead time and delivery etc.) were awarded a plaque or a trophy. This was the beginning of Contract Manufacturing in India. Pharma company medical representatives with access to customer list also started their own small companies.

Tough labour laws, poor productivity of organized labour, poor patent protection and absence of product patent, extreme Customs, Excise Duty and Sales Tax Controls, stringent health, safety and environmental pollution controls, stricter quality requirements of the Originating Company made big industries transfer some of their operations to suppliers' premises.

Emergence of Japanese total quality practices including Quality Circles, JIT Inventory Management, Kaizan, Kanban, 1984 Philip Crosby's Quality Improvement Process, 1986 ISO Standards, Malcolm Baldrige Quality Management Model of 1987, GE's Six Sigma Methodology and Lean Business management principles further required companies to transfer lower end jobs to suppliers and concentrate on the customer-value added operations.

Some of the early industries which went SME way were the fabrication industry, automobile component and accessories industry, pharma and engineering equipment industry, leather, dyes and textile industry, plastics containers, toothbrush, moulded products, adhesives and paint industry, printing and packaging material industry, oil industry,

followed by the Intermediates, fine chemical industry, electrical and electronic components, media and advertising agencies etc. For technically qualified engineers, taking an agency of a Foreign Equipment Manufacturer in form of Sole Selling Agents became another way of entering into SME market.

Government restrictions on import of chemicals, tools, equipment and packaging materials forced even big players to look for alternative sources of machinery, raw materials, packaging materials and packing materials. All such restrictive government policies resulted in strong growth opportunity for small scale industries. R and D activities in 1970 to 1991 were mainly restricted to process development and import substitution. Warehousing and Distribution became a separate part of SMEs.

When customers started demanding high quality at low cost, companies were required to look at the entire value chain and outsource all non-value added activities. This gave rise to Service Industry. When qualified labour costs became exponentially high in USA and Europe, they started 'contract research' in India. Boom in IT industry after 1995 and availability of large number of graduates with knowledge of English gave qualified people in India an additional opportunity to start SMEs with specialized knowledge of IT, BPO and KPO, Media Sales etc.

Today, we have reached a situation where big pharma companies may not even manufacture any product in India but concentrate only on research, sales and service except in the areas covered under the Patent Act (2005).

The first company in India to achieve 6 Sigma level Quality consistently and receive GE

Award was Sundaram Fasteners which made radiator caps for cars of General Motors, USA. Today, many SMEs have achieved excellence and started exporting their products and services. They participate in global tenders through advanced E-Bidding systems. Micro industries were added to SMEs in MSMED act of 2006. In 2010, MSMEs contributed to over 45% in gross industrial value, over 40% of exports value, manufactured over 6000 products and employed 42 million i.e. largest numbers of people. Service Industry which contributes to over 55% tax collections today largely consists of MSMEs.

Details of global picture on MSMEs, various facilities given by the Government, list of products reserved for MSMEs, Contribution to GDP, Investment in MSMEs, their production in INR Crores, employment generated by them, exports, financial issues and success stories are given in our research monograph.

However, we all know that the road from Micro to Small to Medium (and even to large) Enterprises is not easy and is full of challenges. Today's workshop is expected to cover most of these challenges and provide some useful solutions. I wish the program a grand success.

The National workshop on MSME i.e. Micro, Small and Medium Enterprises was held on 1st October, 2011. Various presentations were given by students from different streams representing Finance, Marketing, Human Resource and Operations. There were also groups which represented E-cell and Global Outlook.

The workshop started with presentation made by Finance Group of students.

Students' Presentation: FINANCIAL ISSUES IN MSMEs

The presentation topic was **“Financial Outlook for MSME and Financial Modeling”**.

Finance forms the most critical input for a business enterprise whether large or small. All firms require financing to grow and survive. Sources may be external, such as loans, equity infusions, subsidies and government grants, or internal source such as internally generated cash flows. Many firms are self-financed in the beginning. Once the firms reach certain degree of maturity in the development of their product line and customer base, external finance becomes available. Micro, Small and Medium enterprises (MSMEs) constitute the dominant form of business organization worldwide.

The flow of institutional finance is linked with the creditworthiness of the enterprise. Small enterprises, due to their small size and low capital base, generally find it difficult to satisfy the conditions laid down by the banks, particularly, in establishing the viability of the project, meeting collateral requirements and making timely repayment of loans. Hence, they do not find a place among the preferred clients of the banks.

Before the commencement of this presentation there was a question for the audience - to identify the letter as highlighted in the slide i.e. “O”, it was stated that some may read it as an ‘opportunity’ or some may read it as an ‘obstacle’. An optimist will read it as an opportunity while a pessimist will read it as an obstacle. Similarly, in India we see MSMEs either as an opportunity or an obstacle depending on our perception. What we need to

do is to revamp our vision to benefit from this sector.

The presentation on finance included two dimensions viz. Financial Outlook and Financial Modeling for MSME.

Financial Outlook for MSME covered various aspects of MSME finances like criteria for MSMEs, current status, its contribution towards the economy, highlights of budget 2011 as relevant for MSME and finally various financial issues faced by the MSME discussions including suggestions pertaining to working capital shortages, finance and credit policies, third party credit rating, interest rates and service charges, term loans and access to funds.

The concept of Foreign Institutional Investments (FII) and Small and Medium Enterprises (SME) Stock Exchange for MSME's and its SWOT analysis was also introduced, presented and discussed. The benefits to the FIIs and to the companies were highlighted. MSMEs frequently face problems of funding in the initial stage and in the later stage for working capital management. Banks ask for collateral and charge relatively higher rate of interest on loan due to high default risk faced by banks.

Introduction of FIIs was seen as a solution to this problem but there was no appropriate structure for the same. The introduction of SME's Stock exchange has once again opened the door for FIIs. Allowing FIIs to invest in the MSME sector will provide easy access to capital. Further, it will also improve the infrastructure facilities which can help companies to run their operation efficiently. FIIs can bring new updated technologies too

from outside.

The last phase included a live interview session where two personalities were interviewed viz. Mr. K.B Jain and Mr. Prakash Parakh.

In the second part of the presentation 'Financial Modeling' for MSMEs, the group presented an idea of starting a company named "**FastFin**" with an intention to aid MSME's in facilitating its sound functioning from a financial point of view.

The idea was presented as follows:

The office would be situated in Thane (Ghodbunder Road), where clients would be guided in person to help them understand the products of **FastFin**. For 15 days free access would be given to customers and thereafter the customers will have to pay the membership charges and become member to avail of the services and further guidance.

All the information pertaining to **FastFin** is available on its website which is duly updated from time to time along with the daily tips which will be sent to the customers via SMS. The product is designed after taking into account legal, taxation and other financial requirements prescribed by the government.

The objective of setting up **FastFin** is that those who want to avail all the updated information can do so just with a click.

The products of **FastFin** include:

1. Smart Fin Planner
2. FinPitch
3. Tax and Tricks
4. MSME Mantra

Smart Fin Planner

It is a financial model which can help the MSME's to project their financial data. This will help them with pricing of their product, profitability after accounting for all possible expenses. This model will be customized to suit the needs of the customers. Whoever is buying this product would just need to fill in a few basic details and then Smart Fin will provide the required data. Example: How much funds to allocate for each expense head? How much will be the profitability at different pricing levels, all other things remaining the same?

FinPitch

Do start-up small scale companies have problem in procuring loans for their business? Do several levels of loan procuring procedure prove to be an obstacle to the companies in their loan processing. With multiple and various documentation process many small scale companies lose out on getting their loans passed from financial institutions which result in delay in their projects or in starting up their business leading to missed opportunities and obstacles to their growth. To tackle these problems of having to fill multiple forms and processes, a new product viz. "FinPitch"- a red carpet to your loan has been developed. FinPitch is a all in one loan seeking online form which answers all documentation requirements of banks and financial institutions including credit rating agencies. FinPitch helps in documentation of loans of small start-ups and small scale companies. Following are the features of the FinPitch:

- ✓ Online Simplified Form – It is an online form with user friendly step by step

process guiding the user with form filling process. The form would be made available on the website wherein users can access the form only after they enter their login-id and password.

- ✓ Concentration on Important Data – As compared to existing multiple forms which contain the same information again and again, this form would get rid of the requirement of entering data and concentrate on just important data required by these agencies for calculations of certain standards.
- ✓ Automatic Calculations – The form would have the feature of automatic calculation of the standards and ratios required by banks and credit rating agencies. Form would perform the calculation immediately as the user enters the data.
- ✓ Check List – For seeking loan, banks and credit rating agencies have a list of documents which have to be provided along with the loan application form which most of the companies miss out. This leads to non approval of their application for loans. FinPitch would include an automatic list of documents which would alert and flash a message for providing the required documents without which the form would not be accepted by the website for further processing.
- ✓ Documents in Scan and Fax Mode – The documents attached by the user would be in scan or fax mode. Since the form is an online form, the documents would

be either scanned or faxed to the concerned authority along with the form. This would help in faster transmission of documents and avoid loss of documents in the process.

- ✓ Approval Check List Box – An approval check list box would be included at the end of the form. This box would serve as a status bar for the user to check the application process status. The box would include the names of the authorities involved along with a check list box. The authorities would then clear the document once all the formalities match their requirements.
- ✓ Form Information – It provides all the information pertaining to filling the application form.
- ✓ Complete Information – FinPitch will make sure that complete and only important data is provided to agencies and no redundant data is provided.

Tax and Tricks

Points pertaining to Tax and Tricks were also presented and discussed.

- ✓ Regular Tax applicable on various companies - specific slabs.
- ✓ Dividend Distribution Tax (DDT) is not applicable as small companies do not issue share capital.
- ✓ 100% outright excise duty exemption for the period of 10 years from the date of commencement of commercial production.
- ✓ 100% Corporate Income tax exemption for initial period of five years.

- ✓ 30% Corporate Income Tax for companies and 25% for other than companies for a further period of five years

Tips to reduce the tax burden is:

- ✓ Social Cost Benefit Analysis (SCBA)
- ✓ Introduce ample of employment opportunities
- ✓ Deal with Customer Relationship Management (CRM)

MSME Mantra

It covers and represent latest news bulletin relating to MSME.

At the end the Income Statement and Balance Sheet were also presented for the FastFin with a profit of Rs. 3.1 Lakhs on an investment of Rs. 103.65 Lakhs.

CONCLUSION

Overall presentation presents the wide picture of MSMEs from financial point of view. At the beginning, the introduction of all the norms for MSMEs was made clear to the audience. Subsequently, light was thrown on the problems faced by MSMEs. Each and every, small and big, problem was highlighted. Solutions which were practical and could be implemented were suggested. It also represents how a financial company commences business and how financial modeling can be done. Thus, if a person wants to set up a business then this was a presentation which added value to all. If a person has the capital and strong urge to succeed as an entrepreneur, he or she can surely take away this idea of **FastFin** and make it a real business as it can prove a boon to the new comer in the business world.

FINANCIAL OUTLOOK FOR MSMEs



Finance and Credit Policies

ISSUES	SUGGESTIONS
<ul style="list-style-type: none"> • Poor quality of service • High cost of credit • Lack of transparency • Deficiency of domain knowledge among branch managers 	<ul style="list-style-type: none"> • Induction of greater competition in the banking sector • Effective Regulator of banks • To improve transparency scoring report must be shared with borrower

Working Capital Shortages

ISSUES	SUGGESTIONS
<ul style="list-style-type: none"> • Inadequacy of working capital . • Requests for enhancement of working capital limits . 	<ul style="list-style-type: none"> • Rise In working capital by 20% should be considered without asking for additional collateral security • A Task Force should be established to identify policy/ legal impediments in use of Factoring

Interest Rates and Service Charges

ISSUES	SUGGESTIONS
<ul style="list-style-type: none"> • Big Customer versus Small Customer • Rates not charged as per guidelines 	<ul style="list-style-type: none"> • RBI should benchmark maximum service charges • Balancing the rights of lenders with the rights of borrowers • Incentives need to be created for banks complying with RBI guidelines on interest rates

Benefits

To Foreign Institutional Investors (FI)	To Companies
<ul style="list-style-type: none"> • Sharing in profit • Role in Management of Companies • Higher returns • Low transaction cost 	<ul style="list-style-type: none"> • Easy access to Capital • Infrastructure • Improvement in technology levels

Students' Presentation:

MARKETING ISSUES IN MSMEs

The Current Scenario

In the last two decades, there has been a concerted effort to modernize the MSME sector in Indian markets. Of the 2.6 crore units, about 95 percent are unregistered, as per the MSME Report submitted by the Prime Minister's Task Force set up in 2010. This in itself poses a huge problem for the government to reach any benefits it announces for this sector.

Since MSMEs cover a huge spectrum of activity, to highlight the most active and promising sectors to showcase their achievements, the top 10 sunrise sectors are:

- ✓ **Textile:** Ailing and unorganised until a few years back, the Indian textile industry today is one of the largest in the world.
- ✓ **IT and ITES - advantage India:** India's youngest industry is also a major source of employment for its youth. The nation took its first step in this sector as a hub for providing IT services, but it has become more product-oriented over the years.
- ✓ **Food processing - A power packed sector:** The Indian Foods and Beverage industry is poised for a significant leap forward. As the pace of urban lifestyle quickens, supermarket shelves are bulking up with grab-and-go foods. And that is good news for the industry.
- ✓ **Travel and Tourism - Coasting along:** India holds a timeless exotic appeal for the world traveler. The staggering

diversity of this nation is unmatched, and increasing media build-up is powering the sector to charming heights.

- ✓ **Leather - Looking good:** The Indian Leather industry has immense potential to generate employment and utilize available raw materials to increase its export volume.
- ✓ **Auto components - Riding a boom:** The fast growing auto component sector contributes some 2.3 percent to India's GDP and has been riding a boom.
- ✓ **Pharmaceuticals - In good health:** In July 2010, this highly organized sector reached a whopping US \$ 10.04 billion in size. A report by McKinsey and Company states that this figure can touch US\$ 55 billion in 2020, with the potential to reach US\$ 70 billion if growth is aggressive.
- ✓ **Manufacturing industry - Making good progress:** Indian manufacturing industry's current growth rate of 7 percent and 17 per cent share of the GDP has unquestionable potential to be a world manufacturing power.
- ✓ **Engineering - The engine of growth:** Employing over 4 million skilled and semi-skilled workers, the engineering sector is by far the largest sector of the overall industrial segments in India. Highly structured and technology-driven, this sector accounts for 12 per cent of India's economy.

- ✓ **Electrical equipment - All charged up:**
The Rs. 52,000 crore electrical equipment industry, which sells cables, switchgears, transformers and other large electrical products, is seeing a surge in growth.

Among the ground-level realities that face an MSME entrepreneur are access to funds, absence of equity investment, a tough labour policy and limited access to infrastructure such as power, water and roads.

Marketing Issues and challenges (Core Marketing challenges)

In terms of marketing, challenges are there in the field of consumer awareness, effective advertising and USP development for their products, creation of brand image, distribution and supply chain management.

✓ **Customer Awareness**

Customer awareness is a major concern for MSMEs, especially when it comes to expanding their markets in new territories. Due to the lack of implementation of proper advertising strategies using mass media channels for communicating their product, MSMEs fail to create awareness in their target markets. As major chunk of their sales revenues come from a single customer so they are less bothered about creating new customer base and only the personal contacts act as Public Relations. Moreover, Customer Relationship Management is usually not an organized effort in MSMEs, so even retaining the existing customers is a major issue. MSMEs seldom avail

services of market research agencies so they even fail to assess the level of consumer awareness for their products.

✓ **Clear STPD (Segmentation, Targeting, Positioning and Differentiation)**

Identification of precise market segments to be targeted and crafting their product communication to compliment the proper positioning of the products in the target markets has not yet been considered as a vital marketing activity by MSMEs. Predefined approach with a clear approach of measurable, accessible, substantial and actionable segments and targeting their offerings only to suitable segments can save upon the unwanted expenses on distribution. Since product portfolio is usually small for MSMEs, and most of the players have products for niche segments, crafting a proper positioning statement for target segments can create wonders for them. Also the element of differentiating their product from rest of the players in the market is essential to combat the fierce competition. There has to be some tangible element of difference other than cost to lure the customers that has to be incorporated by reading the pulse of the customer.

✓ **Advertising and Public Relations**

Most of the MSME players go for advertising on local media due to low cost and effective target market coverage but they forget about creation of effective advertising message, due

to lack of expertise knowledge on this aspect of marketing. Due to absence of effective content and communication, product fails to create their brand image and an impact on the minds of customers. Thereby failing to stand in competition with the strong brands in the market, which extensively use the mass media channels and spend heavy budgets for hiring services of professional agencies for designing their ad content.

✓ **Strong Branding**

Absence of strong branding initiatives affects customer loyalty. MSMEs are reluctant to focus upon branding strategies including an effective brand name, logo creation, compliance with quality norms of service or product. In the absence of advertising, they fail to create an image of a trustworthy brand in the minds of customers. This is due to one or more reasons like shortage of funds, absence of organized marketing department to carry all the related branding activities and doubtful attitudes about getting assured Returns on Investments on branding exercise.

✓ **Effective USP Creation**

Creation of an effective Unique Selling Proposition is also an important issue for most MSME players who predominantly focus on low cost products thus ignoring the need for effective USP in any form like better value proposition, quality assurance or even in terms of any sales promotional offer to boost up the sales.

Of course the lower prices in comparison to bigger competitors is the major USP for most of the players but sometimes it is perceived as low quality product so effective USP creation is one of the concern.

✓ **Distribution and Supply Chain issues**

MSMEs that are struggling with constraints like finance, infrastructure, human resources etc. find it very difficult to add modern Supply Chain Management practices into their strategic set-up. MSMEs fail to validate centralized organizations for supply chain management involving large corporate staffs in the various business functions. So they go for decentralized supply chain organization. They even lack skilled personnel who have knowledge of sophisticated supply chain. This results in a localized approach, with a focus on local efficiencies rather than on cross-enterprise opportunities. As a result MSMEs have:

- ✓ higher total corporate costs
- ✓ lower overall efficiencies
- ✓ higher costs per unit because of low volumes

MSMEs have to try too hard just to get a supplier as the latter prefers big parties. The problem becomes more acute for the MSME when it decides to work with outsourced supply partners. In that case, the inconsistent product data and IT systems make it difficult to match all the manufacturing and

distribution activity. Another area of concern is the lack of detailed process documentation.

Marketing Opportunities

Role of IT

The online marketing arena has experienced significant growth over the past few years, while traditional marketing has deteriorated mainly due to its higher costs, specifically for MSMEs which go for cost effective marketing. With this kind of marketing, entrepreneurs are able to control and discover key revenue streams and make the right decisions with advanced reporting technology. It has been noted that advertisers are more aggressive now in terms of performance marketing with more than half of them planning to maintain or even increase investments in email and search engine marketing channels. This is aimed towards creating repeat customers and generating greater ROI.

MSMEs can implement a business process inventory across the company. This requires personnel to identify and document all current business processes and then see if each process is currently automated via information technology.

Cloud Technology

A lot of MSMEs who previously did not have the ability to scale due to their lack of IT-infrastructure now have the ability to do so because of the cloud. But the number of businesses that actually end up scaling will depend on the grade of innovation. Many Indian start ups, like travel and education portals, are already moving to provide services in the cloud.

Opportunities for MSMEs:

- ✓ SaaS (Software as a service).
- ✓ Pay-per-use business model.
- ✓ Align sales and marketing.
- ✓ Manage marketing campaigns.
- ✓ Generate leads
- ✓ Lead routing and assignment
- ✓ Better customer service

Social Media Marketing

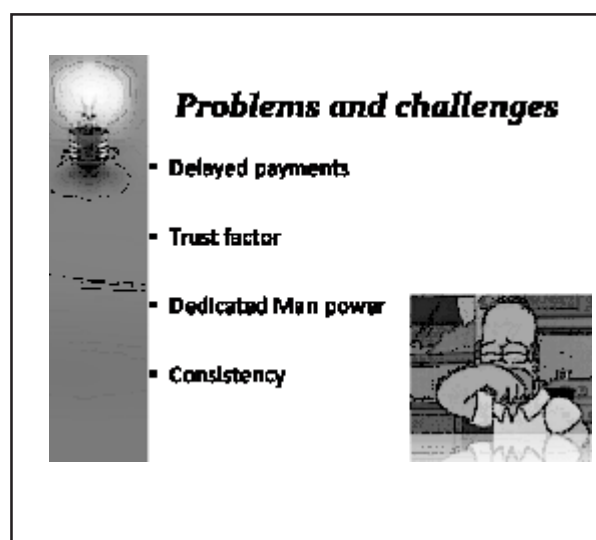
with online communities to generate exposure, opportunities and sales. The number-one advantage is generating exposure for the small businesses, followed by increasing traffic and building new business partner-ships. Examples of social media marketing are Youtube, Facebook, LinkedIn, Twitter, Myspace, Flickr, etc. which provide good opportunity for MSMEs to generate exposure.

Emergence of Digital Marketing

MSMEs can adopt digital marketing very quickly as it offers tremendous advantage to them at lower cost as compared to conventional marketing. Some of them are listed below:

- ✓ Choice of their own budget and time of advertisement and marketing efforts.
- ✓ Results can be measured in most digital marketing campaigns and efforts can be modified based on the feedback received from the initial launch.
- ✓ Internet marketing is relatively inexpensive when compared to the ratio of cost against the reach of the target audience.

- ✓ Internet marketers also have the advantage of measuring statistics easily and inexpensively. Nearly all aspects of an internet marketing campaign can be traced, measured, and tested.
 - ✓ Internet marketing as of now is growing faster than other types of media. Because exposure, response and overall efficiency of internet media are easier to track than traditional off-line media through the use of the group b analytics for instance Internet marketing can offer a greater sense of accountability for advertisers.
 - ✓ In social media marketing though the results cannot be so clearly measured and the matrices not well defined, but still it offers great advantage compared to traditional media in leveraging the persuasive approach of the social contacts (as in word of mouth publicity).
 - ✓ The mobile offers a great benefit to be able to verify the receipt of the message and find out the feedback almost at the same time, thereby reducing the overall effort to close a sale.
 - ✓ Twitter combines the best of web and mobile media marketing and actually allows the marketer to influence the social contacts in a highly targeted and persuasive manner.
 - ✓ The interactive kiosks are not just digital marketing channels but also act as delivery channel for sales of information/ product or service.
 - ✓ The interactive kiosks are also direct to customer approach, so it does away with any channel intermediary, thereby offering tremendous advantage to the MSMEs to operate at low overheads.
- Overall, digital marketing offers an unmatched advantage for MSMEs to reach out globally to their target customers at a fraction of the traditional marketing costs. It would be of great interest to all Indian MSMEs to explore the same to gain a competitive advantage by adopting Digital Marketing.





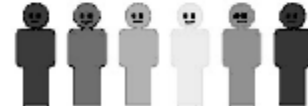
Organic growth

- Acquiring more customers
- Persuading each customer to buy more products
- Persuading each customer to buy more expensive products or up selling each customer
- Persuading each customer to buy more profitable products



Organic growth

- Segmentation
 - Measurable
 - Accessible
 - Substantial
 - Actionable



Why a concern ???

- Tough competition
- Difficult to cope up with large enterprises
- Have to rely on outside sources
- Lack of knowledge and experience
- Unwillingness for efficient marketing techniques
- Lack of funds and resources
- Weak bargaining power



Digital Marketing for MSMEs

Why it is Important ?

Rise of social media.

- Branding, Advertising, PR activities through Digital marketing channels
- Global reach
- Cost effective
- Easy to control
- Easy to track performance
- Connect with customers



Real life example

- SUMEDH SAMARTH
- Runs a firm SWARAJYA EVENTS
- Micro level entrepreneur
- Not a well established brand but struggling



Problems and challenges

- Delayed payments
- Trust factor
- Dedicated Man power
- Consistency



Students' Presentation: OPERATIONS ISSUES IN MSMEs

The example of briquette manufacturing was sought as a business opportunity for the MSMEs. The current scenario of coal and furnace oil is alarming in India. The reason for discussing coal and furnace oil here is, briquette tries to replace both of these traditional sources of energy in the boiler operations. The total reserves of coal in India are about 276.81 billion tonnes¹. This is largely an inflated figure as around 55 billion tonnes is considered extractable, which the Coal Ministry says would last for about 100 years at the current production rate of 550 million tonnes. As for the furnace oil – major source is crude oil from which it is extracted. India imports around about 80% of the domestic crude oil consumption². As for the environmental impact of the furnace oil – it contains about 75% carbon by weight, there burning of 100 gm of furnace oil will produce 320 gm of CO₂ (carbon dioxide), which is terrible as it's a greenhouse gas and causes global warming.

Briquette is used as an alternative / replacement fuel to fossil fuels such as coal and furnace oil. Briquette is a block of flammable matter which is made from the agricultural waste.



The briquette as a fuel is extremely environment friendly as it follows closed loop system i.e. burning of briquettes doesn't produce any new CO₂; in fact it is the same CO₂ that is trapped by the plants for the process of

photosynthesis. The plants trap CO₂ in the process of photosynthesis; and gets converted to biomass as a part of the natural process. This biomass (agricultural waste) is then converted into briquettes. These briquettes are then used in the boilers and furnaces as a fuel which would release CO₂ into the environment. The released CO₂ will be trapped by the plants for the process of photosynthesis and the same process is repeated suggestive of it as a closed loop system.

The briquette can be made from the agricultural wastes such as

Calorific value comparison

From the Table it can be observed that the ash content of the coal is about 20 % to 40 %, where as ash content of briquettes range from 0.7 to 4.1 depending on the input material. Also the calorific value of the briquettes is comparable to that of the coal.

Fuel	Ash Content (%)	Calorific Value (kCal/Kg)
Coal	20-40	3800-5300
Biomass Briquettes		
Bagasse	1.8	4380
Groundnut shells	2.4	4626
Saw Dust	0.7	4600
Soya bean Husk	4.1	4170

Process in brief

The raw material i.e. agricultural waste is received and stored before getting converted. If the moisture is more than 5% to 8% it is subjected to drying. If the moisture content is between 5% and 8% it is subjected to grinding. If the material is less than 20 mm in size then it is directly taken for briquetting. Briquettes are manufactured in the briquetting machine by compressing the material into cylindrical

¹ <http://www.thehindubusinessline.com>, article published on March 7, 2011

² <http://en.wikipedia.org>

blocks. Briquettes are then loaded into transport vehicle and dispatched to the customer.

Environmental management in Biomedical Waste

In the service sector, the group has selected medical waste management as a business opportunity for MSME. This area has major opportunities that are waiting to be tapped. In current scenario, the major facilities available for medical waste management are government owned. But the amount of medical waste generated is so high that government facilities prove to be inadequate for the management of the same. This typically results in neglecting this problem altogether or use of a “time-being” solution, which is almost always hazardous ultimately to the environment. Hence, the group has in tried to cover some aspects of the field of medical waste management that may present as a business opportunity to the entrepreneurs in MSMEs.

In the presentation, the group has first discussed of the definition and the types of medical waste as specified by the rules set by the relevant authorities. This was followed by statistics on the amount of medical waste that gets generated in the state of Maharashtra and in India as a whole. Subsequently the group covered color coding of the medical waste segregating methods, the need for medical waste management and the impact that it has on the individuals that come in contact with it and also on the environment as a whole.

The final phase of the presentation identified the opportunities that were in store for any MSME. Opportunities in segregating

and transporting the medical waste, in transporting it to the medical waste treatment facilities, and also in the step of treatment and disposal of the waste were acknowledged. Prospects in recycling and reuse of the treated medical waste were also recognized. Opportunity in opening up a waste treatment facility was identified as the well. All members in the group have portrayed the current scenario in this field and the leverage that MSMEs can get by foray in the field of medical waste management.

Types of Waste

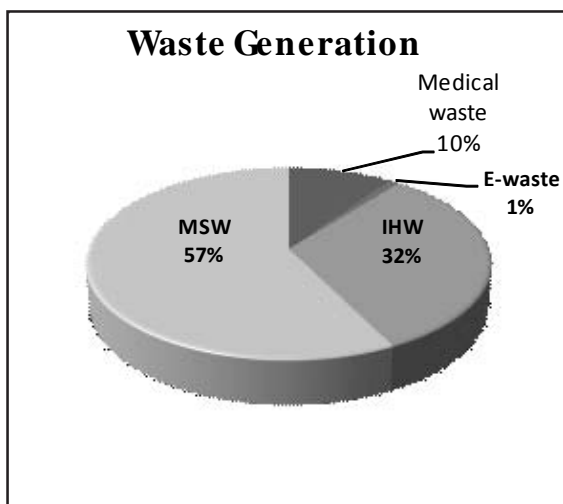
- ✓ **Municipal Solid Waste:** Municipal Solid Waste (MSW) is commonly known as trash or garbage is a waste type consisting of everyday items which people consume and discard. It predominantly includes food waste, yard waste, containers and product packaging.
- ✓ **Industrial Waste:** Industrial waste is a type of waste which is produced by industrial activity such as that of factories, mills and mines. Industrial Waste can be broadly classified into two categories.
 - ✓ Hazardous Waste
 - ✓ Non Hazardous Waste
- ✓ *Hazardous Waste:* A hazardous waste is a waste that poses substantial or potential threats to public health or the environment. Characteristic hazardous wastes are materials that are known or tested to exhibit a hazardous trait such as: Ignitability (i.e., flammable),

Reactivity, Corrosiveness and Toxicity.

- ✓ **Non Hazardous Waste:** Non-hazardous waste is waste that is not specifically designated as hazardous, or having hazardous properties.
- ✓ **Biomedical Waste:** Biomedical waste consists of solids, liquids, sharps and laboratory waste that are potentially infectious or dangerous and are considered bio-waste. It must be properly managed to protect the general public, specifically healthcare and sanitation workers who are regularly exposed to biomedical waste as an occupational hazard.
- ✓ **Agricultural Waste:** Agricultural waste is the waste generated in agricultural premises due to agricultural activity.
- ✓ **E-Waste:** E-Waste consists of all the discarded electrical or electronic items.

Facts:

- ✓ 50% of the total industrial output in India is contributed by the MSMEs whereas they account for 60-65% of the total Industrial Pollution.



- ✓ 7.2 million tons of hazardous waste is generated in India per year.

Waste generated in Year 2007 and estimates for 2012¹

Types of waste	2007 (Million Tons)	2012 (Million Tons)	Annual Increase (%)
MEDICAL WASTE	5.00	7.00	8
E-WASTE	0.33	0.80	55
MSW	30.00	38.00	4
ISW	16.50	41.00	20
FLY ASH	100.00	150.00	9
TOTAL	151.83	236.80	9

From the above facts it is clear that there is a huge opportunity for the MSMEs which can be exploited and converted into a profitable business making model.

Major Aspects of Waste Management

- ✓ The partnership between the Government, the private sector, the NGOs, and the public is crucial in the progress of the national waste management agenda.
- ✓ The SME's have a major role to play in assisting the Government to achieve its recycling goals, by creating mechanisms to facilitate the segregation of recyclable wastes and to ensure that these wastes are sent to the relevant parties instead of being dumped in landfills and illegal

³ All figures are rounded; the base year is 2007. Source: Frost and Sullivan



Environmental Management

A purposeful activity with the goal to maintain and improve the state of an environmental resource affected by human activities.

Environmental resources are,

- ◊ Air
- ◊ Water
- ◊ Land

Human activities affecting environment

- ✓ Industrial
- ✓ Agricultural
- ✓ Health care
- ✓ Transportation
- ✓ Energy Generation



"Various Activities tend to pollute the environment."

Waste Management: Why & How?

Waste affects our,

- ✓ Climate
- ✓ Coastal and Marine environment
- ✓ Health

Managing waste involves its disposal in environmental friendly manner;

- ✓ Resource recovery
- ✓ Recycling
- ✓ Reclamation
- ✓ Direct re-use
- ✓ Alternative uses

It's high time to conserve natural resources

MSME and Waste MANAGEMENT

- ✓ Social responsibility
- ✓ Business opportunity

City spend: INR 1.25 crores per day to manage it in the dumping site

INR 125 crores a year for garbage collection and disposal

Spent, A. & Prasad, Green waste in city dump, 2017



Medical Waste

Medical waste refers to all waste generated, discarded and not intended for further use in clinics, pathology laboratories or hospitals.



Generalized Classification of Medical Waste

- ✓ General waste
- ✓ Pathological waste
- ✓ Infectious waste
- ✓ Sharps
- ✓ Pharmaceutical waste
- ✓ Chemical waste

Classification of Medical waste

- Category 1- Human Anatomical Waste
- Category 2- Animal Waste
- Category 3- Microbiology and Biotechnology Waste
- Category 4- Waste Sharps
- Category 5- Discarded Medicines and Cytotoxic Drugs

Source: <https://www.dhs.gov>

Classification of Medical waste

- Category 6- Solid Waste (items contaminated with blood)
- Category 7- Solid Waste (disposable items)
- Category 8- Liquid Waste
- Category 9- Incineration Ash
- Category 10- Chemical Waste

Source: <https://epack.com.br/>

Medical waste management: An opportunity for MSMEs

Disposal Facilities

- ✓ Incineration
- ✓ Sharp Pit
- ✓ Secured Landfill



Students' Presentation:

HUMAN RESOURCE MANAGEMENT ISSUES IN MSMEs

As per Confederation of Indian Industries (CII) Survey of the year 2008, in 80% of Indian Micro, Small and Medium Scale Enterprises (MSMEs), Human Resources as a function cease to exist. But most of these MSMEs are plagued by HR problems. These problems start from the fact that in a country of a billion people skilled labour is still in scarce. Further in mostly family managed MSMEs, there is limited scope for growth. In these enterprises problems arise due to inappropriate job design, Performance Management System (PMS), organization structure and design.

A study was done to design a common solution to these problems at a medium scale multi brand car servicing enterprise. The solution was designed on the basis of findings of incorrect compensation and benefits package, lack of career planning and succession planning and lack of business excellence.

During the study it was discovered that one of the reasons for low productivity amongst the shop floor workers was the unique compensation and benefits package of the company that provided more fixed pay and meagre performance pay, which was quite contrary to the industry standards. So there was a lack of motivation amongst the employees to exceed the productivity. Based on these findings recommendations were made to apply the new compensation and benefits package so that employee productivity could be enhanced.

To ensure career planning and succession planning activities are done appropriately, the

company identified certain key positions and opted for competency mapping for those positions. Subsequently the company was furnished with valuable data regarding the level of competencies expected for a position and in case of gaps how would they be taken care of was to be monitored on regular basis as a plan of action.

To attain business excellence, the company opted for upgrading standards of its activities to that of Integrated Management Systems (ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007). It was done through a series of activities that included standardization of processes, followed by their communication, then training of internal auditors, who subsequently audit the processes to discover the non conformities which when worked upon makes the company ready for external audit followed by certification. This project focuses on the immortal nature of business where employees may or may not be with company but the company would function with excellence as always.

When the three step solution is applied by the MSME the expected result would be better process compliance coupled with world class safety standards. It would inculcate better accountability amongst employees through improved management control system. The project enhanced the employee employer relationship through mutual trust and reliance.

CHALLENGES IN TALENT WAR HUMAN RESOURCE MANAGEMENT OF MSME

- Functions and Benefits of HR
- Overview of MSME
- Role of HR in MSME
- Current Scenario



TALENT WAR IN MSME

Job Description	• No. of employees to be hired • Key player / Key role • Skills / Education to match the job
Job Advertisement	• Job location / Region • Job title / Role / Position • Job description / Skills / Education
Recruitment process / HR process	• Training and development • Recruitment cycle time
Employee Structure	• Professional Structure • Employee structure
Employee Development	• Employee training • Employee development program
Employee Retention / Turnover	• Rate of turnover • Rate of attrition • Rate of replacement of employees



COMPETENCY MAPPING PROCESS



STEPS OF IMPLEMENTATION

- Identification of Process Champions
- Documentation - SOP Finalizing
- IMS Manual Draft
- Training and Awareness
- Environment Programs



Students' Presentation:

E-Cell

Students of e-cell visited the MSME Shree Satyanarayan Masala, which is a FMCG company and Temple Packaging Pvt. Ltd., a carton printing and packaging company (that prints and packs cartons for various products ranging from pharmaceuticals to cosmetics). During the presentation students showed the recorded interview to the audience and they raised questions related to various issues and challenges in MSMEs such as labour issues, retaining workforce, direct marketing and promotions, designing and distribution, supply chain management, finance, government policies and lack of skilled manpower. Students narrated the story of how the business of packaging has grown from small to large including various challenges faced by entrepreneur, strategies adopted, policies followed etc. The driving force behind their success is an entrepreneur's zeal, confidence and hard work that took them to the heights where they stand today. An advice given by them for the upcoming and aspiring entrepreneurs is that "For every job there is a salary and for every risk there is a profit (loss)". Further, the students informed that the Government of India has two guiding centres for MSMEs, one of them is Ministry of Micro, Small and Medium Enterprises and another one is MSME Development Institute. To keep the spirit of entrepreneurship, a business plan was presented in the workshop as

a part of the E-genesis presentation. Their new idea is to have a mobile fleet of specially designed tricycles catering healthy and unique food for masses at economical pricing.

The Story of a Small Scale Industry: Shree Satyanarayan Masala

An entrepreneur faces various challenges in their business. These are related to demand, government policy, skilled manpower, technology and money. The students visited the Shree Satyanarayan Masala on 25th September 2011 to understand the practical problems and challenges faced by entrepreneurs. Shree Satyanarayan Masala is a FMCG company located at Ulhasnagar established in the year 1989. The proprietor is Mr. Subhash Goplani and the company is registered under Small Scale Industries (SSI) and Food and Drug Administration (FDA). Mr. Goplani is B.E. (Mechanical) who joined family business in the year 1992. He says "Entrepreneurship itself is being a challenge and the only way to get noticed amongst people is to do quality work and always keep innovating."

Their business revolves around manufacturing of papad and masalas and in India they have six dealers. Their major products are exported to Dubai, Singapore, Malaysia, Hong Kong, Philippines, South Africa and turnover of the company is Rs. 8 crores. As an entrepreneur he also struggles with problems in core management areas like: Human Resources - labour issues and managing work force; Marketing- promotions; Operations- designing, distribution, supply chain management; and Finance: funds availability and management; and to overcome these

challenges he has to be on his heels all the time managing the problems with proper strategic plans.

Temple Packaging Pvt. Ltd

The Story of How an MSME Grew into a Large Scale Business

Temple Packaging is a carton printing and packaging company that prints and packs cartons for various products ranging from pharmaceuticals to cosmetics for many major companies across the globe. It was established in the year 1989. It all began from a small shop in Mumbai which currently is the head office of the company. The plants are located in Daman (Union Territory), Baddi (Himachal Pradesh) and Hyderabad (Andhra Pradesh) which are in close proximity to their major clients so as to facilitate proper supply. Hyderabad plant was started recently. In the beginning the company was doing small business and took small orders. Their turnover prior to the year 2000 was in lakhs of rupees whereas in the year 2003 it was about four crores rupees and in the year 2010 the turnover was Rs. 135 crores.

The person who is the driving force behind the success of Temple Packaging Pvt. Ltd. is Mr. Pranav Joshi, who started this company along with his brother in 1989. Mr. Joshi began his career as a salesperson obtaining orders for photocopies from various companies as during that time photocopier machines weren't easily available. It was during this stint as a salesperson, the entrepreneur in him took up the decision to drift from the job and begin his own venture. In the initial days the company used to sell fax roll papers and later as the experience in the field increased they shifted

to printing. They got very small orders that helped them to survive in the market. But there was one client that changed everything for them and helped to carve their name in the market. Ranbaxy around 1991 was looking for a specific quality for printing which was hardly available in Indian market during those days. It was Mr. Joshi's efforts that helped in getting the big order from Ranbaxy. For the same, Mr. Joshi specially imported a specific machine that cost him a few crores of rupees. This risk that he took helped him to get the orders and ever since then Ranbaxy's Revital (a health supplement) has been a regular product printed by Temple Packaging. Soon Ranbaxy began to give orders for their other products too. Then the news spread in the market and a host of other companies also began to give their orders to Temple Packaging. So it can be said that Ranbaxy brought in the change in the company and thus began the journey from a small scale business to a large scale business flourishing every year. It was in the year 2004 that Mr. Joshi roped in a team for sales and marketing. Prior to this there wasn't a specific team that handled this aspect of business. This also brought in huge business for the company. Apart from Ranbaxy that Temple Packaging serves clientele includes : Lupin, Faber Castle, Dove, Dr. Reddy's, L'Oréal, Wockhardt, Zydus Cadilla, Garnier to name a few. Temple Packaging now also has many export orders. They print cartons in Braille and export it to countries like Spain, Brazil etc. While conversing with Mr. Pranav Joshi, he emphasised on the fact that there is lack of skilled manpower available for MSMEs. Amongst the available skilled manpower very few are ready to join any MSME because it does not offer a very attractive package to them.

Such factor hampers the growth and one has to then work with the available limited manpower. Such people learn on the job but they lack current knowledge of external environment as they are exposed to just one type of industry and their practices. Also during the conversation, many issues that a MSME faces came into light. Mr. Joshi said that often marketing is the one function that is neglected by MSMEs. Marketing is one such function that consumes a huge sum of amount, though this helps in generating revenue, small industries don't invest money as they often are short of money. This has been experienced by Mr. Joshi himself. His business grew in double folds only when an effective sales and marketing team was introduced almost after 15 years after being in the business. His turnover jumped from Rs. 3 crores to Rs. 135 crores within a span of 7 years. While talking about his business he mentioned that in the initial days he was not aware of the subsidies given by the Government. Had it been known, his business would have flourished faster and would have expanded earlier. He expressed that the Government should make efforts to reach to every small, medium and micro industry such that they could take utmost benefit from such subsidies. Other challenges that Mr. Joshi faced during his earlier days of business were keeping him abreast with the latest technology. The industry of printing and packaging is fragmented and the products need to be customised according to the customers' requirement, hence technical know-how is very important.

On a parting note he emphasised that entrepreneur needs to often make decisions intuitively which can be arrived after sound analysis. For successful business all functions

should be given equal importance, as each function is linked with other, and there is interdependence.

Guiding Centres for MSMEs

It was observed that a common problem faced by these two entrepreneurs is lack of awareness about government facilities provided to MSMEs.

Government of India has two guiding centres for MSMEs, one of them is Ministry of Micro, Small and Medium Enterprises and another one is the MSME Development Institute. They organize various programs and schemes for the betterment of MSMEs.

They provide information about Acts, Rules and Regulations for MSMEs and also provide information about their own functioning through Right to Information Act. As said earlier, they organize various programmes and schemes. One of this is Rajiv Gandhi Udyami Mitra Yojana, the objectives of which is to provide handholding support and assistance to the potential first generation entrepreneurs who have already successfully completed Entrepreneurship Development Programs (EDP) / Skill Development Program (SDP) / Entrepreneurship cum Skill Development Program (ESDP) or vocational training from ITIs (Industrial Training Institutes) through the selected lead agencies i.e. Udyami Mitra in the establishment and management of the new enterprise, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise. Another guiding centre is MSME Development Institute. It provides services such as - 1) Technical Consultancy Services; 2) Chemical division, Foods division

etc.; 3) Managerial consultancy; 4) Economic investigation; 5) Industrial Management and Training Division; 6) Export Promotions and Marketing; 7) International Trade Fairs; 8) Common Facility Workshop; 9) Modernization and Technology Upgradation etc. Due to lack of communication and technology advancement, many MSMEs are not benefited by these programmes, schemes and facilities. So it is important to note that in this knowledge driven era, knowledge will be shared only when they will contribute and gain through these programmes. So MSMEs must spend more time to get good people who will be able to use their knowledge aptly and optimally for the benefits of organization and resort to re-engineering; if required.

Legal Aspects Related To MSME

Top of Form
Bottom of Form
New simple steps to take care of legal aspects of setting up a business are- to register the unit with relevant organization, check out the labour laws that would be applicable, pay commercial taxes and taking care of environmental aspects. Each of these aspects are discussed below in detail.

Registering a MSME Unit

Medium, small scale and ancillary units should seek registration with the Director of Industries of the concerned state government. The main purpose of registration is to maintain statistics and maintain a record of such units for the purposes of providing incentives and support services. States have generally adopted the uniform registration procedures as per the guidelines. However there may be some modifications done by States. It must be noted that small industries

are basically a state subject. States use the same registration scheme for implementing their own policies. It is possible that some states may have a 'Small Industries Development Organization (SIDO) registration scheme' and a 'State registration scheme'.

Benefits of Registering

The registration scheme has no statutory basis. Units would normally get registered to avail some benefits, incentives or support given either by the Central or State Government. The regime of incentives offered by the Centre generally contains the following:

- ✓ Credit prescription (priority sector lending), differential rates of interest etc.
- ✓ Excise Exemption Scheme
- ✓ Exemption under Direct Tax Laws (Income Tax Act, 1961)
- ✓ Statutory support such as reservation and the Interest on Delayed Payments Act, 1993

It is to be noted that the Banking Laws, Excise Law and the Direct Taxes Law have incorporated the word SSI (Small Scale Industries) in their exemption notifications, though in many cases they may define it differently. However generally the registration certificate issued by the registering authority is seen as proof of being SSI). States/UTs (Union Territories) have their own package of facilities and incentives for MSMEs. They relate to development of industrial estates, tax subsidies, power tariff subsidies, capital investment subsidies and other support. Both the Centre and the State, whether under law or

otherwise, target their incentives and support packages generally to units registered with them.

Objectives of the Registration Scheme

- ✓ To enumerate and maintain a record of small industries to which the package of incentives and support are targeted.
- ✓ To provide a certificate enabling the units to avail statutory benefits mainly in terms of protection.
- ✓ To serve the purpose of collection of statistics.
- ✓ To create nodal centres at the centre, state and district levels to promote SSI.

Features

Department of Industries and Commerce (DIC) is the primary registering centre.

- ✓ Registration is voluntary.
- ✓ Two types of registration are done in all States. First a provisional registration certificate is given. And after commencement of production, a permanent registration certificate is given.
- ✓ PRC is normally valid for five years and permanent registration is given in perpetuity.

Provisional Registration Certificate (PRC)

- ✓ This is given for the pre-operative period and enables the units to obtain term loans and working capital from financial institutions/ banks under priority sector lending, obtain facilities for accommodation, land, other approvals, etc.

- ✓ Obtain various, necessary No Objection Certificates (NOC) and clearances from regulatory bodies such as Pollution Control Board, Labour Regulations etc.

Permanent Registration Certificate

PRC enables the unit to get the following incentives/concessions

- ✓ Excise exemptions.
- ✓ Income-Tax exemption and Sales tax exemption as per State Government Policy.
- ✓ Incentives and concessions in power tariff etc.
- ✓ Price and purchase preference for goods produced.
- ✓ Availability of raw material depending on existing policy.

Food 'O' Wheels

Students presented their novel idea of starting their own business. Future business ideas were presented in the form of business plan.

Idea Generation:

The idea was generated from the observation of selling of two products :

- ✓ Cornnetto Ice-cream at Worli Sea Face, and
- ✓ Recent promotion done by Dainik Bhaskar Group for the launch of Marathi newspaper DivyaMarathi in Nasik

Concept: To have a mobile fleet of specially designed tricycles catering healthy and unique food for masses at economical pricing.

Vision: To be the leading food services group in the India providing consistent quality products and exceptional customer focused services.

Mission: To provide a healthy and tasty experience with top quality food and rapidly grow as India's most creative food joint!

We promise to provide creative, healthy and easy access enjoyment to every customer at every visit.

Tagline: "Tasty food to the core, Now comes to your door

"Launching the new business " Food 'o' wheels"

- ✓ Initially we will have a fleet of 20 tricycles, customized them all and appoint 30 riders who would be given proper training and company uniform.
- ✓ Tricycles will move in a group of four, in targeted areas.

Operations Planning

- ✓ Fixing operating locations
- ✓ Central kitchen (recipe controlled by the company)
- ✓ Each tricycle will have measured food material
- ✓ Transactions track through billing machine
- ✓ Positions track by Global Positioning System (GPS)
- ✓ Maintaining inventories and building suppliers

Human Resource Planning

- ✓ Nos. of employees - 30 (20 on the road and 10 in the main kitchen and other preparation)
- ✓ Rs. 6500/- as monthly salary, uniform, medical and other facilities to be given

Place : Probable Locations – Kothrud, Sinhgad and nearby areas (Pune)

Reasons to choose Pune as a place: Cost benefits (cheaper real estate), great mix of the target customers in the city (huge youth crowd, working professionals, baby boomers, cultural mix, booming restaurant business). There is a significant growth in the middle class.

Marketing Research: Research has been conducted and it was found out that the above mentioned place has a huge number of colleges, offices, households and schools. Research has also been conducted to see the spending capacity of the individuals, food eating habits to design the menu and the number of hangout spots.

Competitors: Restaurants and food joints that are wide spread in the city

Promotions: "Promotion will be done each and every time as we hit the road" as our Tricycle has the company's logo and tagline. Pamphlets and chocolates vouchers would be given in local newspapers three days and one day before the launch. Advertisement: banners, making use of local shops, radio and newspaper promotions

Special features:

Helpline – 9.00 am to 9.00 pm (Selected places).

Browse your favourite book and newspaper on every cycle joint. Open kitchen wherein the customers can see what is cooking. Menu card includes calorie count and an option to reduce calorie count of dish.

Challenges: To protect the business model, retain employees, funds, manpower availability, working capital management, supply of fresh stock, regular supply of raw material transportation problems which means items :

Procedure For Registration Features of the present procedures are as follows:

- A unit can apply for PRC for any item that does not require industrial license, which means items
- ✓ listed in Schedule-III and items not listed in Schedule-I or Schedule-II of the licensing exemption
- ✓ Notification. Units employing less than 50/100 workers with/without power can apply for registration even for those items included in Schedule-II.
- ✓ Unit applies for PRC in prescribed application form. No field enquiry is done and PRC is issued.

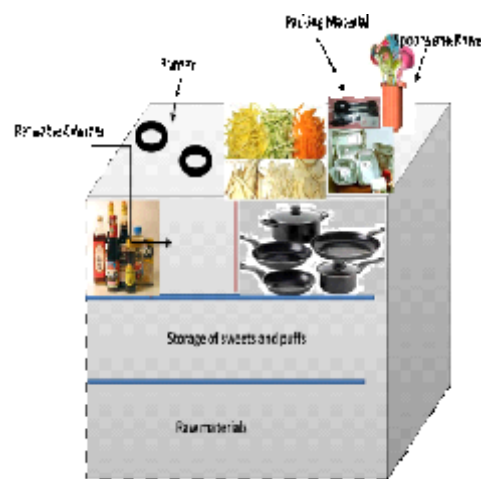
PRC is valid for five years. If the entrepreneur is unable to set up the unit in this period, he can apply afresh at the end of five years period. Once the unit commences production, it has to apply for permanent registration on the prescribed form. The following forms the basis of evaluation:

- ✓ The unit has obtained all necessary clearances whether statutory or

administrative. e.g. drug license under drug control order, No Objection Certificate (NOC) from Pollution Control Board, if required etc.

- ✓ Unit does not violate any location restrictions in force, at the time of evaluation.
- ✓ Value of plant and machinery is within prescribed limits.
- ✓ Unit is not owned, controlled or subsidiary of any other industrial undertaking as per notification.

FOOD 'O' WHEELS



Centres and organizations dealing with MSMEs

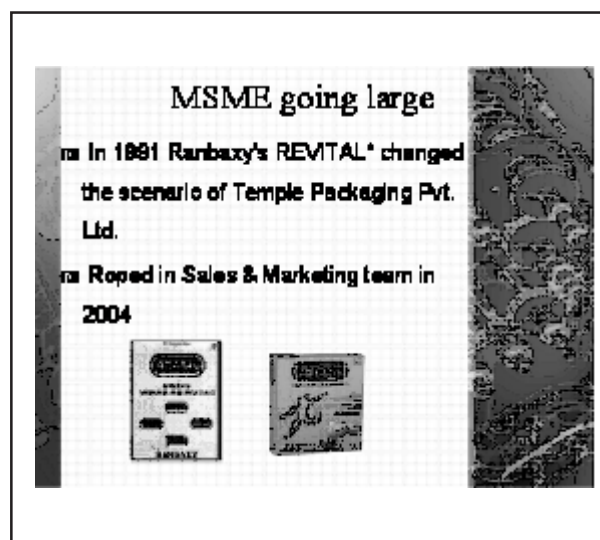
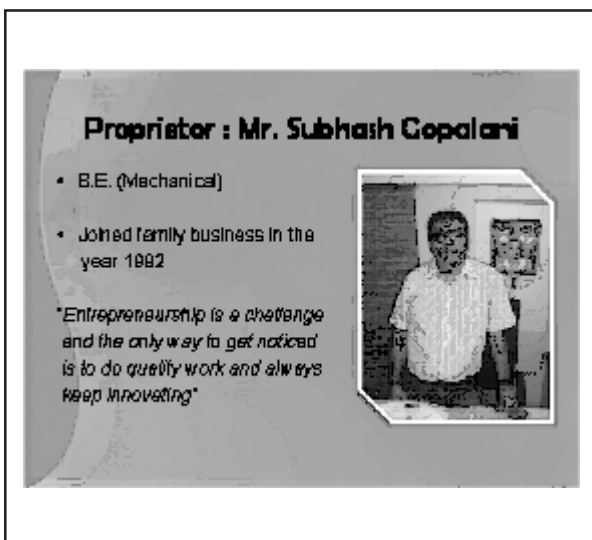
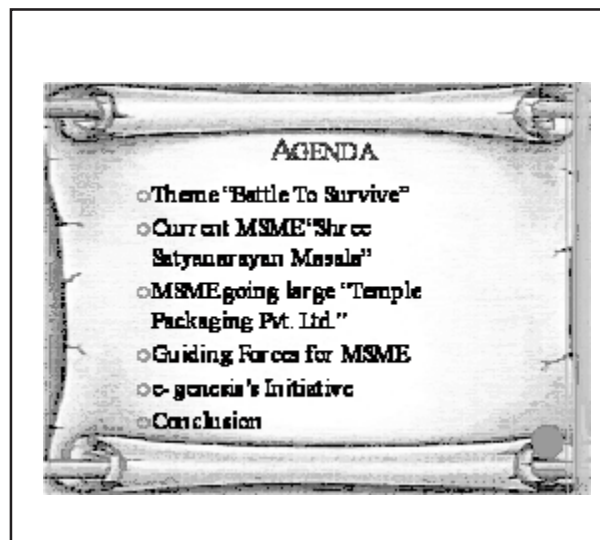
- ✓ Government Organizations and Educational Institutions in Maharashtra
- ✓ Jagatik Marathi Chamber of Commerce and Industries
- ✓ The National Small Industries Corporation Ltd.,
- ✓ India International Trade Center (IITC)
- ✓ Maharashtra Industrial Development Corporation (MIDC)
- ✓ Udyog Mitra
- ✓ Small Industries Development Bank Of India (SIDBI)
- ✓ Trademark, Copyright, Patent and Design Registrations
- ✓ Maharashtra State Financial

Corporation (MSFC)

- ✓ Maharashtra Economic Development Council (MEDC)
- ✓ The State Industrial and Investment Corporation Of Maharashtra Limited (SICOM)
- ✓ Small Industries Service Institute (SISI)

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Challenges Faced...

- ▣ Skilled manpower
- ▣ Effective Marketing Team

A word for Aspiring Entrepreneurs

- One has to have a dream and should put continuous efforts that will add cumulative value
- There is salary for everything. . . but for every risk there is profit

Ministry of Micro, Small & Medium Enterprises

- Provide guidelines in English and Hindi
 - Acts, rules and notifications
 - Right to Information act
 - Programs and schemes
 - * Rajiv Gandhi Udyam Arogya Yojana
 - Skill development & training
 - International cooperation

IDEA GENERATION

- Cornetto Ice-cream @ Worli Sea Face
- Recent promotion done by Dainik Bhaskar Group for the launch of Marathi news paper Divya Marathi in Nasik
- Concept : To have a fleet of specially designed tricycles catering to health conscious and unique food for mobile masses at economical pricing

FOOD OVERFLOW COMPANY

Vision:

To be the leading food services group in India providing consistent quality products and exceptional customer focused services

Mission:

To provide a healthy and tasty experience with Top Quality food and rapidly grow as India's most creative Food Joint!

We promise to provide creative, healthy and easy access enjoyment to every customer at every visit

OPERATIONS PLANNING

- Fixing operating locations
- Central kitchen (recipe controlled by the company)
- Each tricycle will have measured food material
- Transactions tracked through billing machine
- Positions tracked by GPS
- Maintaining inventories and building suppliers

MARKETING PLAN

○ Market Research

- Probable Locations – Kothrud, Sinhgad and nearby areas
- No. of colleges
- Offices
- Households
- Schools
- Restaurants (food joints / canteens)
- Gardens
- Spending capacity
- Food eating habits

FINANCIAL PLAN

PHASE I

- Office and kitchen rent
- Initial capital investment – Rs. 5 Lakhs
- Funds Borrowing – Rs. 5 Lakhs
- Total Budget => Rs. 10 Lakhs

CHALLENGES

- To protect the business model
- Retain employees

MSME OVERVIEW:-

The MSMED (Micro, Small, and Medium Enterprises Development) Act (2006), which came into force with effect from 02/10/2006, defines the Micro, Small, and Medium Enterprises. As per the Act, the activities are classified into Manufacturing and Service category. Initially the MSMED Act 2006 had not given the definition of “Services sector” and RBI’s guidelines were awaited. However, subsequently (2007) RBI has defined the services sector and the activities that can be covered under MSME (Services) Sector.

Table 1: MSME – SIZE LIMITS - INDIA

Enterprise	Engaged in Manufacturing / Preservation of Goods (incl. Processing Units)	Engaged In Providing/ Rendering of Services
Micro Enterprise	Not to exceed Rs. 25 lakhs.	Not to exceed Rs. 10 lakhs.
Small Enterprise	More than Rs. 25 lakhs but does not exceed Rs. 5 crores.	More than Rs. 10 lakhs but does not exceed Rs. 2 crores.
Medium Enterprise	More than Rs. 5 crore Rupees but does not exceed Rs. 10 crore.	More than Rs. 2 crore Rupees but does not exceed Rs. 5 crore.

Source: RBI circular ref. RPCD.PLNFS. BC.No.63/ 06.02.31/ 2006-07 dated April 4, 2007.

Table 1 indicates the threshold investment levels for both manufacturing sector (Investment in Plant and Machinery)

* and Services sector (Investment in Equipment)

* for the above three categories of manufacturing and services enterprises.

* While calculating the investment in plant and machinery/equipment referred to above, the original price thereof shall be taken into account, irrespective of whether the plant and machinery/equipment are new or second hand.

In case of imported machinery/equipment, the following duty/charges/costs shall be included in calculating their value:

- ✓ Import Duty (not to include miscellaneous expenses such as transportation from the port to the site of the factory, demurrage paid at the port);
- ✓ Shipping charges;
- ✓ Customs clearance charges; and Sales Tax or Value-added Tax

Costs which are incidental to manufacturing activities, such as installation costs, supporting inventory, bank charges, energy producing equipments, technical knowhow charges, storage facilitating assets, fire fighting equipment, shall be excluded from the definition of the expression ‘cost of the plant and machinery/equipments’.

In case of service enterprises, the original cost to exclude furniture, fittings and other items not directly related to the services rendered. Land and building would also not be included while computing the machinery/equipments cost. MSMEs would henceforth be meant to include Micro Small and Medium Enterprises (MSMEs). The above definitions of MSMEs would be in place of the existing definitions of Small and Medium Industries and Small Scale Service Business Enterprises / Tiny Enterprises.

- ✓ Micro Enterprises would include Tiny Industries also.
- ✓ Small Enterprises (Manufacturing) would mean Small Scale Industries (SSIs).

- ✓ Medium Enterprises (Manufacturing) would mean Medium Industries (MIs).
- ✓ Small Enterprises (Services) and Medium Enterprises (Services) would mean other Small and Medium Enterprises

Thus, MSME lending (advances) would be categorized as under:

- ✓ All advances to segments viz. Micro, Small and Medium Enterprises in the Manufacturing sector irrespective of sanctioned limits, (including advances against TDRs (Troubled Debt Restructuring)/ Government Securities etc for business purposes to these categories of Borrowers), and
- ✓ Advances to services sectors such as retail traders, professional and self-employed, small business enterprises, and small road/water transport operators and other enterprises
 - o Engaged in providing/ rendering of services,
 - o Conforming to the above investment criteria and
 - o Enjoying borrowing/ non-borrowing facilities with the bank (including advances against TDRs/ government securities etc. for business purposes to these categories of Borrowers).
- ✓ Those enterprises exceeding above investment ceilings would be categorized as Large Enterprises and be outside the purview of MSMEs.
- ✓ The sanctioned limits would no longer

be the criteria for determining the status as micro or small or medium enterprises in these cases.

- ✓ As per RBI guidelines, advances made to micro and small enterprises would be categorized as Priority sector advances whereas lending by banks to medium enterprises will not be included for the purpose of reckoning of advances under the priority sector.

The characteristics of a SME reflect not only the economic, but also the cultural and social dimensions of a country. Not surprisingly, very different practices prevail across countries and also over time. Some countries tend not to make a distinction between legal and statistical definitions. The definition can be based on a threshold in revenue, like it is the case of Canada. In the UK it is based on number of employees.

In most European Union (EU) countries, there is a distinction between the legal definition and the statistical definition. The legal definition, based on EU recommendation number 2003/361/EC takes into account the number of employees, annual turnover, annual balance sheet and et al. More generally, this definition has served as a basis for other European countries, such as accession countries and Turkey.

Other EU countries use a simplified legal definition based on employment and turnover, In New Zealand there is no common administrative definition; turnover is used by some, taxes on employee salaries and wages by other administrations. In Brazil, different criteria and thresholds are used for different

legal, fiscal and trade purposes.

Switzerland does not use a legal definition. In Japan, the regular workforce, together with capital or investment, determine the size class. However, thresholds vary for the different activity classifications. This is also the case in Korea, where MSMEs are classified by the number of permanent workers, capital and sales. In the US the number of employees is used to identify small businesses in most sectors, except in the non goods producing sectors where annual receipts are the criteria. The statistical definition is generally based on the number of employees or a mix of the number of persons employed and turnover. However, a

number of countries do not differentiate SME statistics collection from other statistics; this is the case, for instance, in New Zealand and the US too.

Size thresholds and the definition of a SME vary according to the sector of economic activity too. Different combinations of criteria are sometimes used. For instance, in Australia employment is used as a criterion for identifying size classes in all sectors except agriculture. In the agricultural sector, size classes are defined using the Estimated Value of Agricultural Operations (EVAO) that is evaluated based on physical production criteria and sales value.

TABLE 2 (A) MSME – CONTINENT WISE DEFINITIONS – NON ASIAN

Continent	Country	Nature of Enterprise			Range Nos. of Employees			Turnover in USD in Million		
		<i>M</i> <i>i</i>	<i>S</i>	<i>Me</i>	<i>Mi</i>	<i>S</i>	<i>Me</i>	<i>Mi</i>	<i>S</i>	<i>Me</i>
South America	Argentina	X	X	X	-	10 - 15	-	≤ 0.6	Approx. 3.6	Approx. 28.8
	Brazil	X	X	X	0-9	10-49	50-249	-	-	-
North America	USA	-	X	-	-	≤ 500	-	-	7.0	-
	Canada	X	X	X	0-49	50-99	100 - 499	-	5.0	-
Europe	European Union	X	X	X	0-9	10-49	50-249	≤ 2.68	≤ 13.4	≤ 57.56
	Turkey	X	X	X	0-9	10-49	50-249	≤ 0.81	≤ 4.0	≤ 20.28
	UK	X	X	X	0-9	10-49	50-249	≤ 2.68	≤ 8.72	≤ 57.56
	Russia	X	X	X	0 - 15	15 - 100	100-250	1.90	12.68	31.72
	Belarus	-	X	-	-	0-100	-	-	-	-
Australia	Australia	X	X	X	0 - 5	5 - 20	20 - 200	-	-	-
New Zealand	New Zealand	X	X	X	0-9	10-99	100 - 499	-	-	-

Source: <http://www.bankofindia.com smepol.aspx>

TABLE 2 (B) MSME – CONTINENT WISE DEFINITIONS –ASIAN

Continent	Country	Nature of Enterprise			Range Nos. of Employees			Asset in USD in Million			Turnover in USD in Million		
		<i>M</i> <i>i</i>	<i>S</i>	<i>Me</i>	<i>Mi</i>	<i>S</i>	<i>Me</i>	<i>Mi</i>	<i>S</i>	<i>Me</i>	<i>Mi</i>	<i>S</i>	<i>Me</i>
ASIAN	China	-	X	X	-	0 - 100	≤ 3000	-	< 6.3	6.3 t ≤ 62.99	-	-	-
	Bangladesh	X	X	X	0-9	10-49	50 - 99	-	1.3	3.91	-	-	-
	Indonesia	X	X	X	0-3	5-19	20 -99	≤ 0.006	≤ 0.06	≤ 0.279	≤ 0.036	≤ 0.279	≤ 0.558
	Japan	-	X	X	-	0-20	20 - 300	-	0.65 t ≤ 3.88		-	-	-
	Republic of Korea	X	X	X	0-9	10-49	≤ 300	-	-	-	2.60 t ≤ 26.04		
	Pakistan	-	X	X	-	≤ 250		-	≤ 0.28		-	≤ 2.83	
	Sri Lanka	X	X	X	0-9	10-49	50 - 99	≤ 0.009	≤ 0.176	≤ 0.439	-	-	-
	Singapore	-	X	X	-	≤ 200		-	< 11.49		-	-	-
	Thailand	-	X	X	-	0-49	50 - 99	-	1.6	≤ 6.4	-	-	-
	India	X	X	X	-	-	-	≤ 0.047	≤ 0.95	≤ 1.913	-	-	-
	Kuwait	-	X	X	-	-	-	-	≤ 0.52	≤ 1.7	-	-	-

Legend : Mi means Micro, S means Small, Me means Medium

Source: Kushnir, Khrystyna, Melina Laura Mirmulstein and Rita Ramalho. 2010. "Micro, Small, and Medium Enterprises around the World: How Many Are There, and What Affects the Count?" IFC and the World Bank. <http://www.ifc.org/msmecountryindicators>

USD Rate as per–date 23/11/2011-<http://coinmill.com>

Interpretations of Tables 2(A) and 2 (B):

- ✓ The tables capture the criteria for Micro, Small and Medium enterprises which are expressed in terms of number of employees, asset size and turnover in USD million.
- ✓ All countries do not necessarily provide for a three tier classification of enterprises in terms of number of employees viz. micro, small and medium. Some Non-Asian countries focus on small to the exclusion of others

(Argentina, USA, Belarus vide Table 2A).

However in Argentina a criterion for micro, small and medium enterprises exists in terms of turnover in USD million (Table 2A). Further Brazil, Belarus, Australia and New Zealand do not provide for criterion for micro, small and medium enterprises in terms of turnover (Table 2A). Again most Asian countries ignore turnover in USD million as a criterion for classifying micro, small and medium enterprises. The exceptions are Indonesia, Republic of Korea and Pakistan (Table2B). While a few Asian countries focus on small and medium to the exclusion of micro industries (China, Japan, Pakistan, Singapore vide Table 2B), surprisingly more Asian countries exclude micro from the definition list in relation to Non- Asian countries.

- ✓ The range of number of employees varies from country to country viz.

Micro, Small and Medium as seen in Tables 2(A) and 2 (B) respectively.

- ✓ Asian countries do capture the criteria for defining micro, small and medium enterprises in terms of number of employees, assets in USD million and turnover in USD million (Table 2B). However Non-Asian countries do not use investment in assets as a criterion (Table 2A).
- ✓ Tables 2(A) and 2(B) provide an overview of different practices in different countries regarding definition of Micro, Small and Medium Enterprises.

SECTOR WISE CONTRIBUTION OF MSME:-

NON- ASIAN COUNTRIES

- ✓ In Australia and New Zealand the MSMEs contribution to GDP is 33%
- ✓ In UK from 22.8 million employees it has increased to 4.8 million private sectors enterprises in the 2009
- ✓ In Russia MSMEs provides 45% of total employment and accounts for 40% of total sales

ASIAN COUNTRIES

- ✓ In India around 60 million people are employed through 26 million enterprises. It manufactures over 6000 products.
- ✓ The contribution of SME's alone has been greater than 7% to GDP and 45% to Industrial production.(Source : http://www.smeindia.net/export_schemes/OverviewofMSME.html)

- ✓ China generates more than 82% of employment opportunities through MSMEs and manufactures over 13000 products and also contributes to nearly 80% of China's GDP.
- ✓ In Japan SME's sector cover 70% to 80% of the total employment and manufactures over 12000 products. MSMEs also contribute nearly 50 % to GDP.

ISSUES FACED BY MSME

"The dynamic engine of a nation's economic growth is driven by a collective of small and medium enterprises (MSMEs) whose activities contributed to aggregate economic and social benefits. Several studies confirm that a nation's growth and sustenance is dictated, to a large extent, by the performance of small businesses. However, the reality is that MSMEs are constantly struggling to survive and maintain their schedule of activities."

"The limited availability of technological, human, financial, and management resources on the one hand, and the weaker capability and bargaining power of MSMEs on the other hand, are amongst the most crucial barriers that must be overcome when it comes to dealing with actors in their external environment, including suppliers, clients, the labour market, development agencies, and fund providers." (Source : [http://www.business-asia.net/Pdf_Pages/Guidebook on Technology Transfer Mechanisms/SME in National Systems of Innovation.pdf](http://www.business-asia.net/Pdf_Pages/Guidebook%20on%20Technology%20Transfer%20Mechanisms/SME%20in%20National%20Systems%20of%20Innovation.pdf))

Marketing Issues

	Asian Countries	Non- Asian Countries
Marketing	<ul style="list-style-type: none"> • Un-remunerative price is one of the shortcomings. • Tough competition in the market. • Ineffective marketing network. • Inadequate knowledge and experience. • Inadequate marketing knowhow. 	<ul style="list-style-type: none"> • Lack of expertise being identified in communications. • Also lag behind in networking.

The failure of MSMEs to conduct a professional market research deprives them of an accurate evaluation of the market potential (Avnimelech and Teubal, 2003; Mann, 1989). This is especially so in the case of start-ups, which are at a disadvantage because of their limited or complete absence of focus on marketing channels which include distributors, wholesalers, retailers, and such other entities. Motohashi (2003) observes that MSMEs concentrate too much on immediate sales and show scant attention to the importance of collating and analyzing broad-based information and formulating a long-term strategy for dealing with major fluctuations in the business environment.

Thus MSMEs have a rather myopic view of business with focus on the outcomes of the immediate financial year end results in the terms of sales, profits and tax liability.

In the case of combating competitiveness, the major shortcoming of MSMEs is the total disregard of an assessment of suppliers and

competition (Berry, 1997; Grieve, 2004). Their study highlights the MSMEs stance on the lack of assessment of market size, segmentation, customers, suppliers, competitors, price, etc. on the part of technology providers. MSMEs feel that some effort towards such estimation needs to be carried out at the source. MSMEs say that the technology provider is unable to outsmart competition in similar business; and that its grasp of the tactics of competition warfare is deficient (Porter, 1990).

Financial Issues

	Asian Countries	Non- Asian Countries
FINANCE	<ul style="list-style-type: none"> • Lack of adequate and affordable access to various facilities. • Inability to meet institutional requirements. • High risk borrowers. • Inefficient and expensive financing services from informal sources. • Limited financial support in form of convenient amortisation plans 	<ul style="list-style-type: none"> • Difficulties in getting access to finance in early stages. • Complex tax regimes. • No financial resources. • Limited opportunities of access to loans, credits and state financial support.

Specific problems of financing MSMEs – lack of access

Finance has been identified in many business surveys as the most important factor determining the survival and growth of MSMEs in both developing and developed countries. Access to finance allows MSMEs to undertake productive investments to expand their businesses and to acquire the latest technologies, thus ensuring their competitiveness and that of the nation as a whole. Poorly functioning financial systems can seriously undermine the microeconomic fundamentals of a country, resulting in lower growth in income and employment. Despite their dominant numbers and importance in job creation, MSMEs traditionally have faced difficulty in obtaining formal credit or equity. For example, maturities of commercial bank loans extended to MSMEs are often limited to a period far too short to pay off any sizeable investment. Meanwhile, access to competitive interest rates is reserved for only a few selected blue-chip companies while loan interest rates offered to MSMEs remain high.

Moreover, banks in many developing countries have traditionally lent overwhelmingly to the Government, which offered less risk and higher returns. Such practices have crowded out most private sector borrowers and increased the cost of capital for them. Governments cannot expect to have a dynamic private sector as long as they absorb the bulk of private savings. In the case of venture capital funds, they have been concentrated in high technology sectors. Likewise, the international financial institutions have ignored the plight of MSMEs. For example, the Basle capital accords have not been

analysed and framed with any consideration for their impact on the ability of the commercial banks to service the SME sector. These preferences and tendencies have exacerbated the lack of financing for MSMEs.

Key reasons for the phenomenon

Traditional commercial banks and investors have been reluctant to service MSMEs for a number of well-known reasons, which have been explored in numerous expert meetings organized by United Nations Conference on Trade and Development (UNCTAD). They include the following:

- ✓ MSMEs are regarded by creditors and investors as high-risk borrowers due to insufficient assets, low capitalization, vulnerability to market fluctuations and high mortality rates;
- ✓ Information asymmetry arising from MSMEs, lack of accounting records, inadequate financial statements or business plans makes it difficult for creditors and investors to assess the creditworthiness of the potential of MSME proposals;
- ✓ High administrative/transaction costs of lending or investing small amounts do not make MSMEs financing a profitable business.

As a result, commercial banks are generally biased toward large corporate borrowers, which provide better business plans, have credit ratings, more reliable financial information, better chances of success and higher profitability for the banks. When banks do lend to MSMEs, they tend to charge them a commission for assuming risk and apply tougher

screening measures, which drives up costs on all sides. Commercial banks in developing countries and countries with economies in transition often prefer to lend to Government and thus the public sector crowds out the private sector.

Human Resources (HR) Issues: interface management

	Asian Countries	Non- Asian Countries
HR	<ul style="list-style-type: none"> • Difficulty in talent management systems. • Lack of employees training and also want of reward recognition system. • Remunerative salaries are lacking. • Failure to recruit and motivate skilled managerial and technical personnel. 	<ul style="list-style-type: none"> • MSMEs find it difficult to recruit or find people to work for them. • Lack of capacity to attract and retain talent. • Can't afford to train and develop their employees.

The small firms find it extremely difficult to accept and to implement available technology, as their employees lack the requisite education and the appropriate skills (Andersen and Lundvall, 1988; Lundvall, 2002). There is a lack of proper documentation and inept handling of information and people at different stages of recruitment and inability of planners or key decision- makers to extend their 'field of vision'.

Human Resources are one of the most essential growth indicators for these organizations. Growth-hungry large companies are scouring the market for human resources, leaving only crumbs for MSMEs who can never out pay the big ones when it comes to salaries.

Special HR challenges in MSMEs

- ✓ Active database of potential recruits missing– Advertisements are placed each time there is a vacancy without harnessing past database effectively.
- ✓ Comprehensive hiring channels such as referral, graduate recruitment, internal transfers etc. not made use of.
- ✓ Job analysis inadequacies leads to ineffective recruitment. It is not known what the key criteria are for hiring the personnel and key success factors on the job.
- ✓ Employer branding is weak.
- ✓ Candidates do not have a good knowledge of the overall organization or do not have a good experience during the recruitment exercise.
- ✓ Salaries and other related benefits are not motivating enough.
- ✓ Comprehensive orientation program or induction training is missing.
- ✓ Clear career path development for individual staff does not exist.
- ✓ Communication of corporate goals/ vision is wanting.
- ✓ MSMEs lose talents as they are not able to provide new learning opportunities within the organization by redesigning jobs or providing for job rotation.
- ✓ Training and development budgets are woefully inadequate.

Other factors that affect the hiring in MSMEs are: employer branding, talent shortage,

ineffective hr sourcing and talent retention

Talent Management Issues:

MSMEs face the same fundamental talent issues that large firms do. They need to attract, select, motivate, deploy, develop and retain talent. However, MSMEs face some particular constraints that are more pronounced in the smaller firm. These constraints are:

- ✓ **Lack of Specialized Expertise-** Large firms will have experts in specialized areas of talent management. For example, they may have experts in assessment methodologies, diversity or instructional design. Smaller firms may know that sourcing is important, for example, but not have much specialized expertise in the subject.
- ✓ **Limited Economies of Scale-** Large firms can afford to invest in researching what psychometric tests are best or which talent-management software is most reliable. Smaller firms often cannot afford to do the kind of in-depth assessment of talent management tools they would like. This matters because not all tools are appropriate and/or good for every company.
- ✓ **Criticality of Each Hire-** A firm with 1,000 call centre representatives will not be much affected by a very bad or very good hire. However, if you only have five representatives then each representative is touching 20 per cent of your customer base.
- ✓ **Criticality of Turnover-** The smaller the firm more the continuity problem it

faces when there is turnover in key jobs. For example, the loss of one marketing person may mean losing the relationship with the advertising agency and all the associated knowledge. Interestingly, the reverse problem can also occur. Ann Bartelstein, who spent many years in HR in MSMEs, says lack of turnover can also mean that the firm is stuck with the wrong people.

Technological Issues:

The success of technology transfer depends largely on the decisions made prior to the acquisition of the technology in question. Here, planning has to take place at different levels, be it the organizational and management aspects of technology choice, or organization preparedness for the acquisition. From the organizational and management perspective, MSMEs as recipients feel hindered by the lack of a formalized and institutionalized mechanism within the firm, where technology choice could be discussed comprehensively. Alternative or similar

	Asian Countries	Non- Asian Countries
TECHNOLOGICAL	<ul style="list-style-type: none"> Techniques used are outdated Non-affordability of state of the art investments 	<ul style="list-style-type: none"> Lack in information technology support An uneven IT Awareness and Management No proper skills systems and procedures
	Lack of information about knowledge and procurement of technology Technology spending rather limited due to want of finances Lack in robust technology system	

technologies are not evaluated, particularly in terms of their pricing (Voll, 1980; Godkin, 1988). MSMEs admit that often they fail to be realistic, and their selection of technology is inappropriate (Godkin, 1988; Roberts and Frohman, 1978).

Probing a little more into the absence of institutional mechanisms, we observe a lack of coordination among different planning entities and their inability to reach a consensus on the criteria to be used for technology choice as also on prioritization, if more than one related technology needs to be acquired. Observations have been recorded on inadequate planning in choosing appropriate technology for adoption/adaptation at the pre-acquisition stage, laboratory scale, pilot plant, or commercially proven level – as the case may be (Desai, 1985; Kahen, 1995; Rosenberg and Frischtak, 1985; Saad et al, 2002; Ramanathan, 1994). Want of professional technological inputs and managerial incompetence hinder the progress of MSMEs.

A crucial issue often ignored by MSMEs management is the lack of provision of incentive systems for learning and assimilating new technologies or the process thereof. Chen and Sun (2000) have recorded their observations on the lack of motivational policies for professionals to engage in the technology transfer process. Another crucial problem during the post-acquisition stage is the inability of MSMEs to adapt the chosen technology to local needs (Ranis, 1984; Dahlman and Valadares Fonseca, 1987, Katz, 1984; Chaudhuri, 1980). This is often due to the high cost and the poor quality of locally available materials.

Operational Issues:

	Asian Countries	Non- Asian Countries
OPERATION	<ul style="list-style-type: none"> • Expertise in executing operations is inadequate. • Managerial skills are rather poor. 	<ul style="list-style-type: none"> • Expertise in executing operations is limited. • Managerial skills are lacking.

MSMEs also experience difficulty in team integration. Another barrier to technology is the problems encountered in the integration of new technology. This arises from the neglect to monitor the performance of the new technology and its synchronization with other technology interfaces. In other words, the key people involved in implementation fail to grasp the essentials of plant and machine layout, equipment positioning, repairs and troubleshooting, testing, quality control, and other operational procedures (Bell and Pavitt, 1993; Mowery and Rosenberg, 1989). Other closely related problems arise from constraints in production and conformity assessment (Preece, 1990; Bessant and Lamming, 1985; Rothwell, 1977; Saad et al, 2002), where the technology's novelty has been wrongly assessed, particularly in the absence of a comparative evaluation with other domestic or international counterparts. Further, the failure to estimate the technology's cost and pricing and arrange working capital for smooth operations add to the existing risks.

Other Issues:

OTHER ISSUES	Asian Countries	Non- Asian Countries
	<ul style="list-style-type: none">• Scant attention to quality.• Delayed payments by customers.• Different problems that are related to raw materials and product.	<ul style="list-style-type: none">• Insufficient access to regional, national and international business information.• Delayed Payments by customers.

Hypothesis to be explored through research- study:

- ✓ MSMEs have higher average cost of production/unit of output for want of economies of scale.
- ✓ MSMEs require less capital/worker
- ✓ MSMEs have lower wage/worker
- ✓ MSMEs generate higher output/unit of capital

In the past Dr. J.C.Sandesara, former Professor of University of Mumbai had conducted extensive research on above propositions. However he said that “The available empirical evidences on the above hypothesis is by no means ideal nor meager but it is various and complex and is not easy to interpret”*

Hence, the above propositions have to be revisited through a research study to meet the challenges of MSMEs in an era of liberalization, privatization and globalization.

RECOMMENDATIONS:

- ✓ Professional IT education
- ✓ Better financial support

- ✓ Better marketing
- ✓ Manufacturing excellence
- ✓ Bondage and loyalty as key factors
- ✓ Multitasking
- ✓ Better friendship amongst partners and family members- family quarrels serious issue
- ✓ Affordability of services a serious problem hence networking amongst MSMEs required
- ✓ Large scale units to give better deal to MSMEs
- ✓ Entrepreneurial spirit
- ✓ Improved managerial competencies

To Conclude:

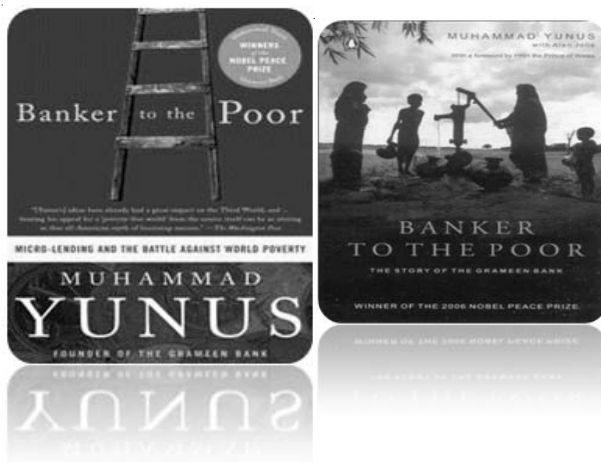
- ✓ MSMEs are engines of economic growth facilitating multipronged initiatives, enabling and empowering people at bottom of pyramid that encourage development of skills and training
- ✓ Asian countries emphasize on money invested and non-Asian countries emphasize on number of employees
- ✓ MSMEs are developed in a manner to achieve objectives of: low investment requirement, low intensive imports and capacity to develop appropriate indigenous technologies.

“Easy access of credit and easy access to a global network of information for the poorest women and men anywhere in the world will

Source: * Dr. J.C.Sandesara, The small industry questions, issues, evidence and suggestions. (Publication of Lala Lajpat Rai College of Commerce and Economics, for a UGC sponsored seminar)

eliminate poverty from our planet more surely and speedily than anything else will. But this is not to argue that all other initiatives and investments must stop while we are busy bringing credit and information to the poor. They are all complementary strategies, not substitutes for one another.”

Source: Banker to the Poor -Muhammad Yunus



Khadi is the ‘Symbol of Unity of Indian Humanity of its economic freedom and equality’ - MAHATMA GANDHI

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Micro Small Medium Sized Enterprises (MSMEs)



NON - ASIAN

Economy	No. Of Emp.	Industry	Assets/ Capital/ Turnover/ Investment	Definition, distinguish MSME
U.S.A , Canada, Argentina	✓	✓	✓	✓
U.K, E.U., Russia, Turkey	✓		✓	✓
Russia	✓	✓		
Australia & New Zealand, Brazil	✓			✓



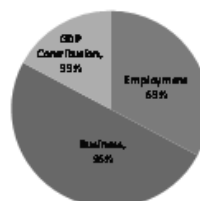
ASIAN

Economy	No. Of Emp.	Industry	Assets/ Capital/ Turnover/ Investment	Definition distinguish MSME
Japan, Thailand, Bangladesh, Singapore, China, Korea Republic	✓	✓	✓	
Indonesia			✓	✓
Malawi			✓	
India		✓	✓	✓
Pakistan & Sri Lanka	✓		✓	



NON - ASIAN

AUSTRALIA & NEW ZEALAND



U.S.A

Employer Firms 99.7%

EUROPE

❖ United Kingdom (UK)

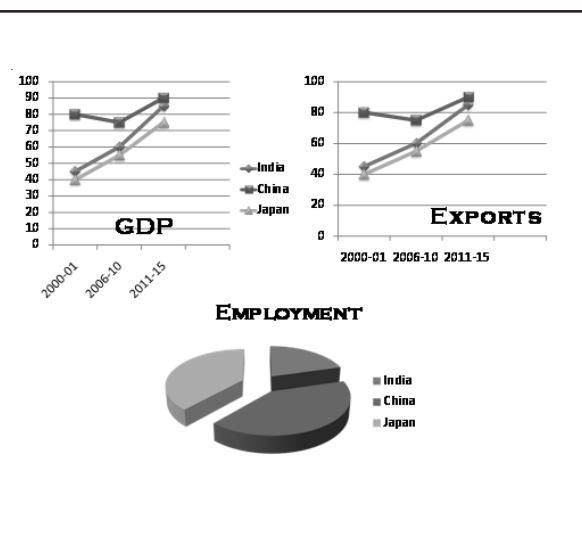
- Since the start of 2008 - 22.8 million employees, Increased to 4.8 million private sector enterprises in the – 2009
- Turnover in SMEs in UK is estimated at £1,589 billion, £88 billion (5.8 per cent) higher than 2008.

❖ Russia (USSR)

- – SMEs in Russia provide 45% of total employment
- – SMEs account for 40% of total sale in Russia

MSMEs IN ASIAN COUNTRIES

	MSME	EMPLOYMENT	PRODUCTION
INDIA	Legislation of Micro, Small and Medium act 2006, the sector has been liberalize.	It employees around 60 million people through 26 million enterprises.	It manufactures over 6000 products.
CHINA	SME's in China greatly enhance global competitiveness, generates & spread innovations and distribute broad-based benefits.	It generates more than 82% of employment opportunities in China.	It manufactures over 13000 products.
JAPAN	They form the Economic base of the industrial value chain & the underpinning of the Japanese economy.	SME's cover 70% to 80% of the total employment in Japan.	It manufactures over 12000 products.



DIFFERENTIATING FACTORS

- ❖ **Marketing Issues:**
 - Inefficient marketing network
 - Non-Asian countries are superior and technologically advanced.
- ❖ **Finance Issues:**
 - Difficulties in getting finance, particularly seed capital at early stage
 - Tax laws are complex in Non-Asian countries
 - Inefficient and expensive financing services
 - Lack of requisite collateral in Asian countries

MAIN DIFFERENTIATING FACTOR

- ❖ **HR Issues:**
 - Talent acquisition and retention
 - Lack of manpower is issue for non-Asian countries
 - Management of huge human resource is issue in Asian countries
- ❖ **Technical Issues**
 - Upgradation of the technology and achieving economies of scale and scope
 - No optimum utilisation of available technology few non-Asian countries
 - Outdated technology is an issue of concern in Asian countries

MAIN DIFFERENTIATING FACTOR

- ❖ **Operation Issues:**
 - Lack of management expertise- planning, control & execution affected
 - Managerial incompetence and administrative delays inhibit MSMEs.
- ❖ **Other Issues:**
 - ❖ Increasing competition resulting in incidence of sickness
 - ❖ Inefficient access to regional, national & international business information is problem in Non-Asian countries
 - ❖ lack of infrastructure are issues in Asian countries

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Section – 3

**Excerpts of National Sales Workshop
and
Functional Summits**

2011 - 2012

AT

DR VN BRIMS

Thane

Excerpts of National Sales Workshop and Functional Summits

EVENTS	THEME	DATE/S
National Sales Workshop	There is Sales in everything we do	22nd & 23 rd July 2011
National HR Summit	HR at it's Best	03rd September 2011
National Finance Summit	Finance in Reel & Real Life	12th November 2011
National Operations Summit	Amazing Operations	19th November 2011
National Information & Communication Technology Summit	ICT for Better & Functional Governance	07th January 2012

National Sales Work Shop 2011

Dr. V. N. BEDEKAR INSTITUTE OF MANAGEMENT STUDIES

(DR VN BRIMS)

AN ISO 9001:2008 CERTIFIED INSTITUTE

'Mining the Gold'

"There is Sales in Everything We Do"

ON 22nd and 23rd July 2011

Venue: Thorale Bajirao Peshwe Sabhagruha

WORKSHOP SCHEDULE

Date : 22nd July 2011 : Session 1

Time	Programme	Speaker	Topic
9:00 - 9:10	Lighting the Lamp		
9:10 - 9:15	Welcome Speech	Dr. Prabhakar M. Kelkar Director, DR VN BRIMS	
9:15 - 9:20	Special Address	Dr. V.V. Bedekar Chairman, VPM	
9:20 - 9:25	Speech	Dr. Guruprasad Murthy Director General, DR VN BRIMS	
9:25 - 9:30	Event Overview		
9:30 – 11:00	Presentation	Dr. Anil M. Naik Chief Executive, Sudit Consultancy Services	How to make a Career Choice
11:00 - 11:10		TEA BREAK	
11:10 - 12:00	Workshop	Mr. Virendra Varma Trainer, 'The Centre For Excellence' Setting Expectations & Exploding Myths about Selling	

Time	Programme	Speaker	Topic
12:00 – 13:30	Workshop	Ms. Nirmala Mehendale CEO, Mind Movers Management Consultant Limited	Selling Competencies and Skills
13:30 -14:30	LUNCH BREAK		
SESSION 2			
Time	Programme	Speaker	Topic
14:30 - 16:30	Workshop	Ms. Ansoo Gupta COO, Digital Marketing & Advertising Company Pinstorm	Advertising & Media Sales
16:30 - 16:45	TEA BREAK		
16:45 -17:45	Workshop	Mr. Deepak Onkar Consultant	Life, Non Life and Health Insurance
17:45 -18:05	Speech	Ms. Lajja Reshamwala (Alumnus DR VN BRIMS)	
18:05 – 18:10	Day 1 Summary		

Date : 23rd July 2011 : Session 1

Time	Programme	Speaker	Topic
9:00 – 10:30 Development	Workshop	Arun Chitlangia, Learning Facilitator, Training Tree	Business
10:30 –10:45	TEA BREAK		
10:45 – 12:45	Workshop	Mr. Shamik Vora Vice President HR & IT – The Bombay Store	Retail Sales – What to Expect?
12:45 -13:45	LUNCH BREAK		
SESSION 2			
13:45 – 15:15	Workshop	Mr. Suresh Ramani Techgyan (Microsoft certified sales Professional)	Corporate Sales
15:15 – 15:30	TEA BREAK		
15:30 -17:00	Workshop	Mr. Virendra Varma Trainer, ‘The Centre For Excellence’	RM’s Role in BIFS Segment
17:00 – 18:30	Workshop	Mr. Vinod Singh General Manager, Sales & Marketing, Beumer Technologies India Pvt. Ltd	Industrial Selling / Technical Sales
18:30 – 18:45	Day 2 Summary		
18:45 – 19:00	Vote of Thanks		



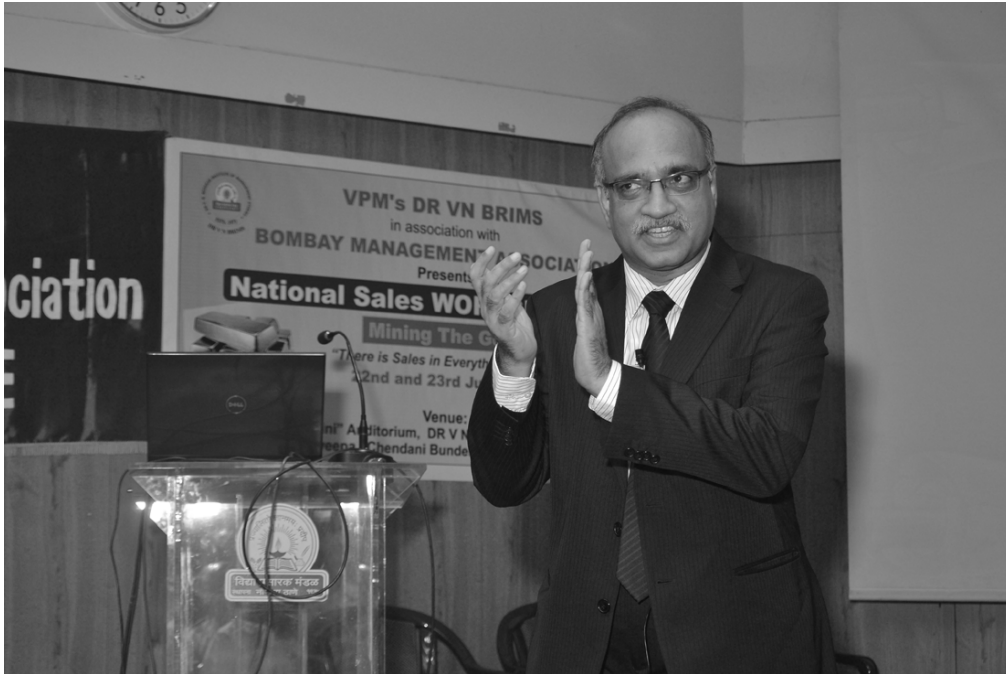
**National Sales Workshop: Chairman Dr. Vijay Bedekar
addressing Sales and Marketing Workshop**



**National Sales Workshop: Ms. Nirmala Mehendale,
CEO Mind Movers, receiving flower bouquet from Director Dr. Kelkar**



**National Sales Workshop: Virendra Varma, CEO- Centre for
Excellence addressing participants**



National Sales Workshop: Arun Chitlangia, CEO, MindTree making a point



National Sales Workshop: Alumnus Ms. Lajja Reshamwalla sharing her experience is sales management

“Everyone lives by selling something”, said Robert Lewis Stevenson. The fact is whatever area you work in, you do have clients and you do need to sell. The dilemma which most management students face when they opt for placements is “To sell or not to sell”. In order to address this key concern of students and to demystify the phenomenon of selling Dr. V.N. Bedekar Institute of Management Studies (DR VN BRIMS) in association with Bombay Management Association (BMA) organized a National Sales Workshop 2011 titled ‘Mining the Gold’ - *There is sales in everything we do*. The workshop was spread over a period of 2 days i.e. 22 and 23 July 2011. Well known industry stalwarts addressed the students on key issues concerned with selling and how everything in life involved sales. Students did a good job of conducting stage matters.

On the first day there were 4 speakers; the first speaker Mr. Virendra Verma was a trainer from the Centre for Excellence. The session was very interactive where Mr. Verma involved students in many activities. He also asked them about their Expectations from the workshop and Likes as well as Dislikes about Selling. Then through questions and answers, he engaged students in a discussion which helped in setting expectations and exploding myths about selling.

The next speaker was Ms. Nirmala Mehandale CEO, Mindmovers Management Consultant Ltd. In her workshop, she addressed students on Selling Competencies and Skills. She very successfully drew the students into engaging conversations which clarified the skills that would give an edge over others while selling. She also arranged an interview session with Mr. Rebeiro, an entrepreneur who shared his

experience on how selling was an inherent part of entrepreneurship.

This was followed by a session on Advertising and Media Sales by Miss Ansoo Gupta, COO, Digital Marketing, Pinstrom. She gave practical insights into the role of a sales manager in the media industry.

In the last session, Mr. Deepak Onkar, a consultant with more than twenty five years of experience in the insurance industry, addressed students on Life, Non-life and Health Insurance. He cleared various myths of selling in the insurance sector and shared his view of insurance selling being a novel as well as a social career as it may be the only saving grace for people faced with adversities. He also reflected the brighter side of insurance by showing how lucrative an insurance sellers job could be.

The second day of workshop began with session on the subject of ‘Business Development’ by Mr. Arun Chitlangia, Learning Facilitator, Training Tree. He explained how a career in business development can be rewarding in monetary as well as other ways because of the respect one earns from clients and the vast exposure from domestic and international travels.

The second speaker for the day, Mr. Shamik Vora Vice President HR and IT – The Bombay Store shared his experiences on topic ‘Retail Sales’ and provided deep insights into retail sales and how it is different from sales in other sectors. He also touched upon the scope for career in this sector.

This was followed by an impromptu session on leadership by Mr. Soeb Fatehi, a

consultant in the engineering field and also a BMA Executive Board Member. He conducted a very lively session and enriched the students with his knowledge on leadership by giving many examples. He said, “Leader is one who leads by example.”

Ms. Lajja Reshamwala, an alumna of DR VNBRIMS, presently working for P9 Integrated, the in -film marketing agency from Percept Group shared her personal experiences in cine-advertising and sales industry. She said that one should select the type of job based on his/her interest and ability and not just because of more payments.

Mr. Suresh Ramani, CEO Techgyan and a Microsoft Certified Sales Professional spoke on the subject of ‘Corporate Sales’. He emphasized on various qualities of an ideal salesman. He spoke on the importance of valuable references and testimonials especially in selling a service. He shared many practical examples to give an overview of corporate sales process.

Mr. Virendra Verma after an excellent session on the first day maintained the momentum on the second day also with his camaraderie with the students and engaging activities such as the mind tickling task of kite making. He spoke on the role of a relationship management (RM) with a special reference to the BFSI segment.

In the concluding session of the workshop, Mr. Virendra Singh, General Manager, Sales and Marketing, Beamer Technologies India Pvt. Ltd. explained beautifully various aspects of Industrial and Technical Sales relating academic knowledge with practical examples. He also made the students enact a role play simulating the live scenario existing in the industry.

The workshop got an overwhelming response and proved to be a mind changer for students regarding perception about jobs related to sales.

National HR Summit 2011

HR at its BEST

3rd September 2011

Time	Speaker	Topic
9.30 - 9.35	Lighting the lamp	
9.35 - 9.40	Audio Visual	
9.45 - 9.50	Event Overview	
9.50 – 10.00	Dr. P. M. Kelkar Director, DR VN BRIMS	Welcome Speech
10.00 - 10.10	Dr. Guruprasad Murthy Director General, DR VN BRIMS	Speech
10.10 - 11.10	Dr.Sushma Powdwal University Librarian & Head, at SHPT School of Library Science, Performance SNDT University	Training Techniques for Effective
11.10 – 11.20	Question & Answer Session	
11.20 – 11.30	Tea Break	
11.30 – 12.30	Mr. Dolphy Goveas Head HR & Admin - South Asia for BBraun Medical India	Campus to Corporate - How to manage your anxiety during your early working days?

12.30 – 12.40	Question & Answer Session	
12.40 – 13.00	Best HR practices - video	
13.00 – 14.00	Lunch Break	
14.00 – 15.00	Mr. Dilip Mandlik VP (P & A),Larsen & Toubro Ltd.	Leaders Through MBA
15.00 – 15.10	Question & Answer Session	
15.10 – 15.20	Tea Break	
15.20 – 16.20	Mr. Sharad Gangal EVP HR,IR & Admin. Tharmax	The Paradox of Aspirations and Capabilities
16.20 – 16.30	Question & Answer	
16.30 -16.40	Event Summary & Vote Of Thanks	



National HR Summit: Director Dr. Kelkar welcoming the participants



National HR Summit: Student introducing a speaker



National HR Summit: Mr. Dilip Mandlik, VP(P&A) L&T addressing participants

National HR Summit was organized at Dr. V. N. Bedekar Institute of Management Studies (DR VN BRIMS) on 3rd September 2011. The theme of the Summit was 'HR at its Best'. The theme aimed to emphasize the contribution of human resources to the growth of the organization through succession planning, talent management, competency mapping, leadership development and change management as well as improving productivity by enhanced motivation, feeling of belongingness and non-ambiguous expectation setting.

A video was screened as a prelude. To educate the students on the current happenings and trends in the world of human resources across different industry verticals, stalwarts from the industry were invited. They were from education, manufacturing, infrastructure and consumer goods segment.

The morning session began with opening remarks by Dr. P. M. Kelkar, Director, DR VN BRIMS and Dr. Guruprasad Murthy, Director-General, DR VN BRIMS. Their ideas were focused on how qualities of human resources have to be imbibed by all other functionalities in different walks of their professional life. Expectation setting, leadership development, competency mapping are some skills that every marketing, operations as well as finance professionals need, to sustain and enhance the

levels of efficiency and effectiveness.


Dr. Sushma Powdwal, the first speaker provided a ready reckoner to all the students on the arena of "Training Techniques for Effective Performance." Her ideas were in line with the training practices followed in the industry.

The transformation that every student undergoes when he or she enters the industry and the expectations each industry has from them; was explained by Mr. Dolphy Goveas in a very lucid manner. He explained what an individual could contribute or achieve in a value based organization in the present scenario.

Mr. Dilip Mandlik expressed the need to develop good leaders in the world's most booming economy viz. India. He showcased the opportunities available for growth vis-à-vis the factors hampering the growth of country. His ideas on the call for leadership from motherland were thought provoking. Eventually, he broadcasted a rare speech from Shri Swami Vivekananda which laid emphasis on self commitment.

Finally Mr. Sharad Gangal delivered a speech on "Competencies of successful HR Professional in Contemporary Industrial Scenario" which explained the change in expectations of employees from license raj to liberalization era. His presentation was a unique combination of theory and practice.

Speaker : Dolphy Goveas





DOLPHY GOVEAS
B BRAUN MEDICAL INDIA
 Partnering for Human Excellence
 SEPT 2011
 DR. V. N. Bedekar Inst. of Mgmt Studies, Thane




Welcome to B. Braun – German Multinational.

- Serving the healthcare industry for 170 years.
- Presence in over 55 countries with 41,000 experts
- Euro 4.2 Billion turnover - 2010





Our DREAM organisation

Enjoying challenges
 Best Working Place



Keep enhancing and
 sharing expertise
 Learning Organisation

Competent people
 Healthy Competitive
 Working Environment

Are you ready to take the plunge from campus to Corporate.....??

What Challenges you face:
 Student life is what:
 Care-free, live in their timings,
 bunk classes, skip lessons, but still can be highest in grades....?
 how – burn the mid-night oil study in the last days of exams.....
 But a Corporate:
 - Team based working
 - individual targets
 - Competition is highest within and outside
 - There is always organizational politics

Eligibility vs Suitability

Eligibility - The person's level of previous work experience, education, abilities, and training

Suitability - The degree to which a person's natural tendencies and preferences correspond with the requirements of a position

Suitability is measured by taking into account the following are as:

- personality traits including attitudes, motivations, interpersonal skills, decision-making tendencies and personality balance
- task preferences
- work environment preferences
- interests



How we managed....

- Desired Competencies
 1. Relating and Networking
 2. Persuading and Influencing
 3. Presenting and Communicating Information
 4. Applying Expertise and Technology
 5. Learning and Researching
- Corporate Induction
 - Campus to corporate workshop for 02 days followed with product training
 - Tax benefits – how do we help them to reduce the tax
 - Action plan on individual assessment reports
 - Monthly follow-up on the same
 - On-line confidential three months feedback survey

Speaker : Mr. Dilip Mandlik

LEADERS THRO MBA

D C MANDLIK

LEADERSHIP REDEFINED

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DEFINITION OF LEADER

- A Manager maintains value
- A Leader adds value
- An Entrepreneur multiplies value
Hence,
- Industry looks for Entrepreneurial Leaders

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WHAT IS LEADERSHIP ABOUT...?

- Leadership is about transformation
 - Creating Leaders
 - Social Value
 - Empowering
 - Envisioning
 - Setting Example

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IN SEARCH OF LEADERSHIP

- Great Leaders
 - passionate about what they do
 - love to talk about it
 - high energy
 - clarity of thinking
 - communicate to diverse audience
 - work through people (empowering)

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LEADERS VS. MANAGERS

♦ LEADERS

- innovate
- focus on people
- inspire trust
- have a long-range view
- ask what and why
- have eyes on horizon
- originate
- challenge status quo
- do the right thing

♦ MANAGERS

- administrate
- focus on systems and structures
- rely on control
- have a short-range view
- ask how and when
- have eyes on bottom line
- initiate
- accept status quo
- do things right

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LEADERSHIP REDEFINED

- A Leader is One who
 - knows the way
 - shows the way and
 - goes the way

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MILITARY / CORPORATE LEADERSHIP

- Corporate leadership is one focused on execution of business activities and less through Training
- Military leadership is based on principles of Experiential Training

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FUTURE LEADERSHIP

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TODAY'S ORGANISATION....

- Today's organisations operate under VUCA

Volatility

Uncertainty

Complexity

Ambiguity

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CEO EXPECT HR TO HAVE

- Brain of Einstein
- Charisma of Kennedy
- Negotiating skills of Kissinger
- Marketing skills of Lee Iacocca
- Soul of Mother Teresa
- Stamina of Jackie Joyner-Kersey

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SOME GAPS IN EXPECTATIONS

- CEOs see business as fighting a war. They look upon HR as Krishna for advice.
- CEOs are generally people that draw their mentality from military, business school and competitive sports experience.
- HR draws people from social science streams who believe in co-operation and collaboration for progress

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SOME GAPS IN EXPECTATIONS

- CEO and HR are like oil and water, do not gel with each other.
- HR people are defensive, they try with reason and logic and generally do not take criticism kindly.
- HR always like to link with history, the CEOs like to create history
- CEOs continuously like to improve their business by hurting the competitor.
- HR do things with values and ethics and minimal hurting others

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CEO's EXPECTATIONS GLOBALLY...

- CEO expectations change from country to country
 - US :
 - Sustain and generate top line growth, profitable growth and product innovation
 - EUROPE
 - Speed and flexibility, adaptability to change
 - MEXICO & SOUTH AMERICA
 - Spurring company growth
 - ASIA
 - Innovation, acquiring top talent and other people issue

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CEO's HOT BUTTONS

- Some of the common CEO hot buttons are:
 - Share price
 - Market cap
 - Bottom line
 - Top line
 - Product service margins
 - Product service branding
 - Quality
 - Image in industry
 - Competitive advantage
 - Government image
- HR should align themselves with the hot buttons.

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MBA's OUTLOOK TOWARDS FUTURE

ESSENCE OF MBA

- MBA teaches
 - People dynamics
 - Organisational behaviour
 - Principles of Management
 - Work Flow / Methodology

45

ESSENCE OF MBA

- Industry teaches
 - Team Work
 - Work Culture / Management value system
 - Checks and balances
 - Crisis management

46

CHANGING PATTERN OF MBA

- General MBA is preferred to Specialised (Niche MBA) since, at top level management, the role remains generalised

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STRATEGY IS KEY TO SUCCESS

- The game is of Selecting what you know and Dropping what you do not
- For career growth also there is a need for strategy

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INDUSTRY EXPECTATIONS

- Industry outlook from MBA
 - Potential leaders
 - Delivery index
 - Crisis Management
 - Team player
 - IT Usage

Overall a Business Manager

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ACADEMIA EXPECTATION

- Academics outlook
 - Continuous involvement of industry
 - Industry expectations are dynamic
 - Do not restrict students' vision to job/role/organisation
 - Develop youth as tomorrow's leaders
 - Provide opportunities within campus to handle operations

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CAREER IS NOT A MATTER OF CHANCE

- Career graph to be planned
 - Scope
 - Time frame
 - Role and responsibilities
 - New learnings
 - Contribution
 - Value addition

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STUDENTS' OUTLOOK

- Students' approach
 - Best use of infrastructure, studies, library, contacts, event management
 - Concentrate on business aspects and not functional
 - Grab opportunities
 - Exposure to business realities
 - Internship should be the ground to begin with

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KEY FACTORS TO DETERMINE SUCCESS

- Leadership
- Talent
- Execution

**Paradigm shift required by Institutes
Being No.1 to Driving Excellence**

War for Talent to War of Talent

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LET THE YOUTH LEAD INDIA?

- No nonsense approach
- Results are key
- Would like to challenge the *status quo*
- Would like to experiment
- Not influenced by colour, caste, creed, hierarchy
- Readiness

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Speaker : Mr. Sharad Gangal

The Paradox of Aspirations and Capabilities

Dilemma of Human Capital In India

25.3.2011

Sharad Gangal

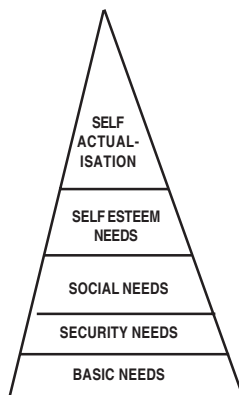
EVP- HR,IR &
Admin.



Agenda : Paradox of Aspirations vs. Capabilities

- Understanding the riddle of "Capability"
- Aspirations and it's Drivers in the Corporate Context
- "Aspirations Vs Capability" duet
 - Consequences of the Clash
 - Resolution for the future

These implications at work are different for Gen X and Y



- Impactful job, influence, enjoyable work
- Promotions, Status Perks.
- Job valued in the market, good employer brand.
- Job stability (not security), loyalty rewarded
- Salary on time, safety at workplace, cultural fit,
- Assignments across the globe
- Instant recognition, Club membership, overseas opportunities
- Lifestyle perks, job recognized by peers, preferred location
- Enhanced employability, capability building at work,
- Ambience, colleagues at work, fun at work, compensation

Current Workforce : Aspirations Landscape

Profile of the Current Workforce ...

- Young, savvy, increasingly global
- High on goals and ambitions, understanding what they want.
- Conscious of position worth and demanding than ever before.
- Opportunists - but hone their skills over the time

Work related Aspirations

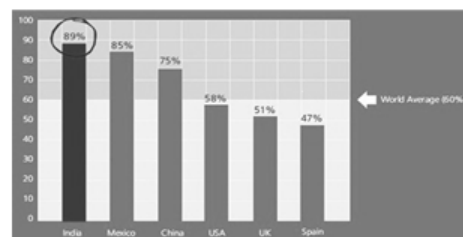
- Assignments across the globe
- "I Want to Partner in my Career Planning Process" desire, challenges at work
- High pay and level at the entry level.
- Quick role changes, aspire for more exposure

Current Workforce : Aspirations Landscape

Profile of the Current Workforce... Work related Aspirations

- Highly mobile, diverse, virtual
- Demanding autonomy.
- Want to feel needed, important and go back home with a sense of accomplishment
- Flexible roles transcending the geographical boundaries, work from home and flexi-time
- Less command-and-control culture, rewards for failure
- Culture driven both - by performance and belongingness

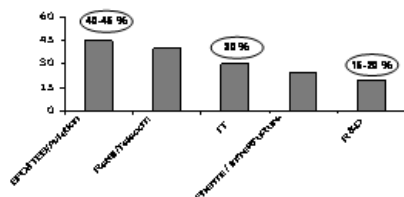
Indians are found to be the most mobile and aspiring workers in the world



Indians - the most aspiring workers, willing to switch jobs for better career opportunities. High aspiration is also with those in promotions.

Source : e-Hub: Global survey 2004

Consequences of Clash : Attrition



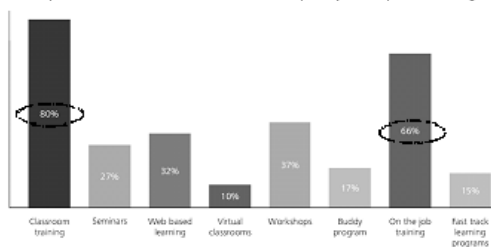
High level of attrition may be because of the higher and the lower level as people at these positions always want to experience different things, organizations and different people. (Source : Global Human India)

Firstly, diagnose Employee Aspirations and Expectations level through Surveys / EE

What's on an employee's mind? Article to the Unarticulated



Indian Companies need to have an effective mix of Capability Development Strategies



Source : Deloitte - 2009-10 Survey covering 41 companies across India in Mfg, Pharma, FMCG, IT, ITES, Telecom, Retail, Healthcare, Real Estate and Energy sectors.

Build a strong Employee Value Proposition for the Talent

Build Employee's Brand: Matchmaking with an Employee's Desire / Expectation & Reality. Company Branding will give an Employee's Brand that is strongly on the following points:

- 1. Brand Awareness**
Degree to which candidates are familiar with your brand
- 2. Brand Differentiation**
The degree to which candidates perceive differentiation between your and other recruiter's brand
- 3. Perceived Quality**
The degree to which your firm is recognized as having a positive reputation
- 4. Brand Impact**
Extent to which your Company's brand reflects the impact, e.g. good ranking on "Best Place to Work", employee referral rate, employee survey observations, community participation, diversity

EMPLOYEE'S as the Best Brand Ambassadors for Employee's Brand

National Finance Summit 2011

Finance in Reel and Real Life

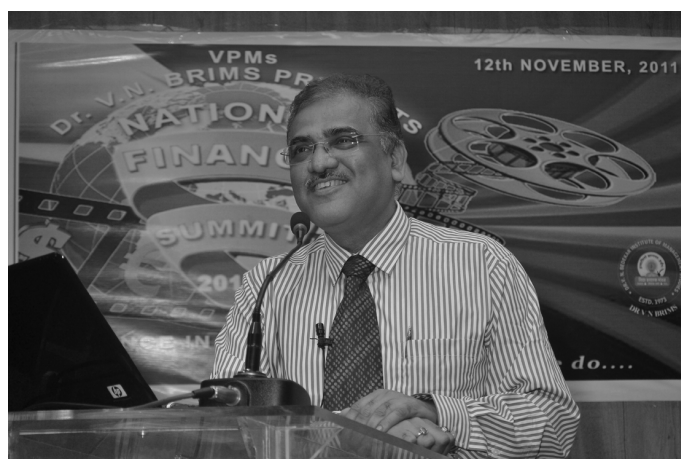
12th November 2011

<i>TIMMINGS</i>	<i>SPEAKER</i>	<i>EVENT</i>
9:30 – 9:35 am	Lamp lighting and Bouquet presentation	
9:35 – 9:40 am	Audio visual and Event overview	
9:40 - 9:45 am	Dr. K. Suryanarayanan Director – DR VNBRIMS	Welcome Address
9:45 – 9:50 am	Dr. P.M. Kelkar Dean – DR VNBRIMS	Need of the Finance Summit
9:50-10:05 am	Dr. Guruprasad Murthy Director General – DR VN BRIMS	‘Finance in reel and real life’ : Conceptual Exposition
10:05-10:55 am	Dr. Vishnu Kanhere CA – V.K. Kanhere & Co.	‘Finance in reel and real life’ :Theory and Practice – An Overview
10:55-11:00 am	Question & Answer Session	
11:00-11:15 am	Tea Break	
11:15-12:05 pm	Mr. Ashish Maheshwari Director - Globe Capital Market Ltd.	Impact of Global Crises on Indian Stock Market’
12:05-12:10 pm	Question & Answer Session	
12:10- 1:00 pm	Mr. Rajiv Sonalker Director - Abbott India Limited	‘What to expect once in Industry’

1:00-1:05 pm	Question & Answer Session
1:05-2:00 pm	Lunch Break
2:00-2:50 pm	Mr. Satish Utekar 'Next Generation Banking' CEO – Thane Janta Sahakari Bank
2:50-2:55 pm	Question & Answer Session
2:55- 3:15 pm	Finance team special program
3:15 – 3:30 pm	Tea break
3:30-4:00 pm	Students Presentation and Points to ponder
4:00-5:20 pm	Panel Discussion Panel Members 1. Mr. K Vishwanathan - Managing Director & CEO at Axis Trustee Services Ltd. 2. Mr. Shantanu Bhargava - Branch Head at ING Vysya Bank 3. Ms. Smita Gune - Director at ANB Consulting Co. Pvt Ltd. 4. Mr. Kunal C Jadhvani - Associate Vice President at Motilal Oswal Asset Management Co.
5:20-5:30 pm	Audio Visual and Vote of Thanks



National Finance Summit: Mr. Rajiv Sonalkar, Director Finance Abbot Laboratories Pvt. Ltd. addressing participants



National Finance Summit: Satish Utekar, MD, Thane Janata Sahakari Bank addressing participants



National Finance Summit: Felicitation of a speaker

DR VN BRIMS organized a full day **National Finance Summit** on Saturday, 12th November, 2011.

The theme of the summit is ***“FINANCE IN REEL AND REAL LIFE” what we learn and what we do.....***

National finance summit is one such platform which would foster stronger ties between academics and industry. As in an ever changing business scenario, of all the dimensions of business, economic dimension deserves more attention. Managing finance (money) becomes a predominant desiderata of corporate management all over the world. Today, we perceive financial management as a science which enables scientific practice of the art of managing money. In this context, finance in reel and real life is an attempt to provide students with an opportunity to see financial management concepts and practices in juxtaposition.

Finance in reel life explores conceptual aspects in finance through a wide variety of functions like financial accounting, financial management, management accounting, international finance, security analysis and portfolio management (SAPM), derivatives, corporate valuation, et al. However, in real life it is the practical aspects of finance that matter.

Business environment today is highly competitive and hence there is a demand for excellent performance all over. Despite the searches for better ways of doing business, some organizations continue to struggle to retain their competitive edge. In this context it is observed that industry's needs and expectations are different from the reel aspects

of finance. The gap between reel and real aspects of finance needs to be addressed.

Finance Summit at DR VN BRIMS further explored the following:

- ✓ Assess the gap between reel and real
- ✓ How to bridge such gaps so as to understand the alignment between reel and real?
- ✓ Ways and means of helping the students to keep abreast of state of the art happenings, so also minimizing the gap, if not eliminating
- ✓ Assessing the gaps of select industries
- ✓ Arriving at and recommending a variety of suggestions

DR VN BRIMS invited the speakers from the corporate and banking sector for the summit to explore the theme “Finance in Reel and Real Life.”

The keynote speaker Dr.Vishnu Kanhere, CA – V.K. Kanhere and Co., spoke on ‘Finance in reel and real life’: Theory and Practice – An Overview. He clearly brought out basic differences in financial accounting v/s managerial accounting, traditional finance v/s entrepreneurial finance along with ‘The Black Swan’ effect.

Mr. Ashish Maheshwari, Director – Global Capital Market Ltd., second speaker of the summit presented on ‘Impact of Global Crisis on Indian Stock Market’. He elaborated on the requirement of the knowledge of Real finance world and not that of Reel finance. He also explained the effects of social tensions on economies.

The third speaker of the day, Mr. Rajiv Sonalkar, Director – Abbott India Ltd. spoke on ‘What to expect when in Industry?’ His presentation highlighted perception v/s reality, strong fundamentals for investment in India and need of basic principles of the subject to be strong along with golden rules of finance.

Mr. Satish Utekar, CEO – Thane Janata Sahakari Bank presented on ‘Next Generation Banking’. He elaborated on dream to grow bank’s business from Rs.6,500 crores to Rs.12,000 crores. In modern times money is nowhere metal or paper; it is an electronic purse he mentioned. Further he added that for a career in banking combination of theoretical and practical knowledge was required.

Students also contributed their views by making presentation on ‘Global Debt Trap’, which was well appreciated by the guests.

Thereafter, panel discussion took place

with the well dignified corporate personalities:

Mr. K. Vishwanathan: Managing Director and CEO at Axis Trustee Services Ltd.

Mr. Shantanu Bhargava: Branch Head at ING Vysya Bank

Ms. Smita Gune: Director at ANB Consulting Co. Pvt. Ltd.

Mr. Kunal Jadhvani: Associate Vice President at Motilal Oswal Asset Management Co.

Discussion on various points from financial aspects took place that helped the students in understanding real world situation which truly added value to the summit.

Students presented a wonderful video to conclude the seminar, in the same way in which they presented at the commencement of the summit. The summit was very much appreciated, as it clearly brought out what are the expectations of the industry from any of the students.

Finance in Reel and Real life

Impact of Global Crises on Indian Stock Market

money must grow

GLOBE

Finance in Reel and Real life

- ✓ There is wide gaps in real and reel life in finance world
- ✓ Life is too fast in world of finance
- ✓ Product and services innovation is too high
- ✓ Global management institutions are one who are trying to keep pace with ever changing finance world so they demand a premium
- ✓ Indian management institutes are still far behind due to lack of actual finance exposure, focus of students on passing anyhow and lack of qualitative counseling of career

money must grow

GLOBE

Finance in Reel and Real life

Best Career options in Finance in real life

1. Corporate finance
2. Investment banking
3. Banks
4. Insurance
5. Distribution of financial products
6. Equity Research
 - a) Fundamental
 - b) Technical
 - c) Derivatives
7. Commodity research
8. Currency Research
9. Investment advisor
10. Debt research

money must grow

GLOBE

Finance in Reel and Real life

10 suggestions from academic point of view to delink "real" finance from "reel" finance

1. Do more and more case studies
2. Start developing interest in your future career option now
3. Do more projects in that option
4. Make your own library of books of your interest
5. Surf net and find more material on every subject

money must grow

GLOBE

Finance in Reel and Real life

6. Daily visit web sites like bloomberg, reuters, money control etc. to know latest developments in finance and investment arena
7. Try to analyze in practical way what ever you learn
8. Use alumni network to learn more and network
9. Think creatively and do more research
10. Have a passion in whatever you do

money must grow

GLOBE

Impact of Global Crises on Indian Stock Market

Outlook

We will continue to trade in a range with no major down trigger or upside trigger in near future from any of market participants like....

FI – No major new investment expected as there is not much cash unless QE3 comes

FI – domestic players are traders so no direction expected from them

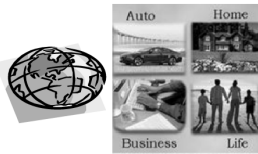
HNI – major investment shifted in real estate and debt.

Retail – lost so far heavy money from 2008 to 2011 so not much willingness to enter or trade in market

money must grow

GLOBE

Reel & Real Life of Finance: Theory and Practice – an overview



Dr. Vishnu Kanhere CA

PhD (Management Studies), FCA, AICWA, FLS
C&EIT, CISA, CFE, CISM, CRISC (USA)
ISO 9001 QMS & FSMS 22000 Lead Auditor IRCA(UK)

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Seminar at Dr VNBRIMS on Saturday 12th November, 2011
at Thane.

What does it mean in Finance?

Reel Life

- ❖ Theory as per text
- ❖ Dictates postulates, concepts – explains the past.
- ❖ Inferior?



Real Life

- ❖ What happens in practice.
- ❖ Often attempted to be predicted using theories and hypothesis.
- ❖ Superior?



Some thoughts on Theory and Practice

- ❖ The purpose of theory is to predict future observations and hence guide practice.
- ❖ Theory is validated by how well it explains past observations and happenings.
- ❖ The predictive nature of theory depends on how well future reflects the past data. The more the future differs from the past the greater the uncertainty.
- ❖ In fact, future observations at variance from theory predictions often disprove theories.



The difference between theory and practice is in theory some what smaller than in practice.

In theory there is no difference between theory and practice. In practice there is.
-Yogi Berra / Chuck Read

Theory and Reality are only theoretically related.

-Robert Grossblatt

Some examples from the world of finance

Theory

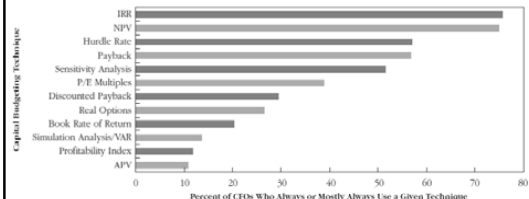
- ❖ Human being – Rational Economic Person.
- ❖ Ceteris paribus – all other things being equal.
- ❖ Pay taxes on time.
- ❖ Those who follow theories seldom become rich and famous.

Practice

- ❖ Practice is full of irrational behaviors of people. Free offers, buy one – get one free,
- ❖ In practice all other things are never equal – Life cannot be a controlled experiment.
- ❖ Taxes are often not paid on time.
- ❖ Those who don't – Ketan Parikh, Harshad Mehta, Rajat Gupta become notoriously rich and famous.

Capital Budgeting Decisions Method used for Capital Budgeting

FIGURE 1 ■ SURVEY EVIDENCE ON THE POPULARITY OF DIFFERENT CAPITAL BUDGETING METHODS*



*We report the percentage of CFOs who always or almost always use a particular technique. IRR represents Internal Rate of Return, NPV is Net Present Value, P/E is the Price to Earnings ratio, VAR is Value At Risk, and APV is Adjusted Present Value. The survey is based on the responses of 592 CFOs, as are the rest of the figures in this paper.



- Another angle to the Reel and Real life drama is reflected in the differences between Traditional & Entrepreneurial finance.
- Lack of historical data to measure risk for all firms.
- Lack of historical results for early stage firms.

Grey Areas – Theory v/s Practice

- Building financial forecasts
- Stakeholder Analysis
- Setting financial goals
- Integrating non financial goals
- Measuring Success
- Financial statements & limitations

Grey Areas – Theory v/s Practice

- Marketing plan and revenue forecasting
- Scenarios
- Cash flow forecasts
- Expense forecasting
- Fixed v/s Variable costs – break even analysis
- Integrated Financial Model

Financial Models

Time value, liquidity preference, present value, future value – all depend on perceptions, context, conditions, attitudes, approaches and conditioning. ----- and many other behavioral and human factors. That is the reality.

The way Forward



- Differences in reel life & real life will always be encountered.
- Changes in the economic environment have an impact on result and outcomes, which in turn lead to changes in accounting standards and theory.
- Accounting standards and theories (also) have economic consequences, when they are followed and implemented.
- It is a symbiotic relationship one feeding into the other .

VPM's Dr. V. N. Bedekar Institute of Management Studies
National Operations Summit – 2011

Amazing Operations : A Glimpse of Emerging Practices
19th November 2011

Venue : "Panini Sabhagruha", Dr. V N BRIMS, "Jnandweepa", Chendani Bunder Road, Thane (W) – 400601

	Saraswati Vandana Lighting of Lamp Welcome Address:
09:00 am – 09:30 am	Dr. K. Suryanarayanan, Director-DR VN BRIMS Theme Introduction: Dr. P. M. Kelkar, Dean-DR VN BRIMS Expectations and Outcome: Dr. Guruprasad Murthy, Director General-DR VN BRIMS
09:30 am – 10:30 am	Operations Management using Theory of Constraints Mr. Swapnil K. Nagarkar (Asst. Vice President, Godrej & Boyce Mfg. Co. Ltd.)
10:30 am – 11:15 am	Emerging Trends in Operations Management Mr. Sandesh Pradhan (General Manager, Aplab Ltd.)
11:15 am – 11:45 am	Tea Break
11:45 am – 12:30 pm	Strategies for Ongoing Operations Mr. Ajay Saboo (Managing Director, Kajay Remedies Pvt. Ltd.)
12:30 pm – 01:15 pm	Green Supply Chain Management Dr. M. G. Gharpure (Founder, Yajna Fuel Services)
01:15 pm – 02:15 pm	Lunch-Break
02:15 pm – 03:00 pm	Service Operations Mr. Yashodhan Karulkar (Vice President, Max New York Life Insurance)
03:00 pm – 03:15 pm	In-Summit Quiz and Pre-Summit Quiz Prize Distribution
03:15 pm – 04:45 pm	Panel Discussion: "Recent Trends in Operations" Chairman - Mr. Inderpal Singh, (Vice President-Operations, Godrej Industries Ltd.) Panel Member - Mr. Amol Shimpi (Vice President, Hindustan Construction Co.) Panel Member - Mr. Subhash Dixit (President-HR, Bharati Shipyard Ltd.) Panel Member - Mr. J. M. Bhambure (Executive Vice President, Blue Star Ltd.) Panel Member - Mr. Ravi Kelkar (Chief Manager, Indian Oil Corp. Ltd.) Panel Member - Mr. Shirang Chitanvis (Founder, ProcEx Consultants) Panel Member - Mr. Jayant Joshi (Managing Director, Ajay Techma Sys. Pvt. Ltd.)
04:45 pm – 05:00 pm	Valedictory Session



National Operations Summit: Director-General Dr. Murthy introducing the theme



National Operations Summit: Director Dr. Suryanarayanan greeting speaker with bouquet



National Operations Summit: Panel Discussion chaired by Mr. Inderpaul Singh, Ex. V. P. Godrej Consumer Pvt. Ltd.

VPM's Dr. V. N. Bedekar Institute of Management Studies organized the Annual National Operations Summit – 2011 with the theme “Amazing Operations: A Glimpse of Emerging Practices” on 19th November 2011 at Panini Sabhagruha.

The summit started with lighting of the lamp which was followed by felicitation of dignitaries on the dais.

In his welcome address, Dr. K. Suryanarayanan, Director-DR VN BRIMS introduced the Annual National Operations Summit by presenting the agenda, and spoke a few lines on supply chain, logistics, service operations etc., He advised students to make the best use of whatever that days luminaries would speak, as this summit was to present information aligned to corporate realities.

Dr. P. M. Kelker, Dean-DR V N BRIMS introduced the theme and said “Operations is the brain and brawn of any business as it makes life easier for most of us,”- He gave several examples of 3D printer, adjustable eye glasses. He briefly then touched upon his operations work experience in the pharmaceutical domain at J&J, Ciba-Geigy, and Roche. He concluded by enumerating the high hopes he had from Operations alumni by presenting infrastructure challenges viz. “Can we have good roads with no pot-holes, no dust, garbage, or litter and with parking space?, Can we have a leak proof supply chain, cost effective farming techniques with food and water for all?, Can we may eliminate different types of diseases as also a process to eliminate wastes?”

Dr. Guruprasad Murthy, Director General - DR V N BRIMS enumerated the expectations

and outcome. He provided a glimpse of emerging practices. He explained organization as collaborative networking to provide customer satisfaction and delight and then went on to provide an array of examples across industries like American Airlines, Asea Brown Boveri, Benetton, Aravind Eye hospital, and Toyota. The Toyota example illustrated the point on Just In Time (JIT). Collaborative networking of Hindustan Uniliver Limited (HUL), Nestle and Godrej illustrated the ‘friends-foe’ roles of corporate in different markets. He spoke on ICT Barcode era, Knowledge management, intellectual capital, measurement of blue collar productivity versus the challenge in the measurement of white collar productivity.

Mr. Swapneel K. Nagarkar (Asst. Vice President, Godrej and Boyce Mfg. Co. Ltd.) spoke on operations management using ‘Theory of Constraints’. He presented the actual case of modular furniture business from Godrej Interio Division. He was candid to share his office correspondence showing poor service and customer dissatisfaction. He introduced the On Time In Full project, order fulfillment process, shopfloor process which is a combination of A and V plant, Drum Buffer Rope technique, Critical Chain Project Management, Multitasking, Deployment of Ongoing Improvements Process. Throughout the presentation he cited from the book “The Goal” by E. Goldratt and fielded questions on choking the release and its lack of relation to Backward Integration.

Mr. Sandesh Pradhan (General Manager, Aplab Ltd.) spoke on Emerging Trends in Operations Management. Aplab Ltd deals in

products like Power Electronics, Power Conversion and Control Units, Test and Measurement Equipment, Educational Electronics, Fuel Dispenser. Mr. Sandesh Pradhan defined operation management as managing the process of operations to produce and distribute products/service of an organization. He provided several insights by virtue of his vast experience in the field.

Mr. Ajay Saboo (Managing Director, Kajay Remedies Pvt. Ltd.) spoke on Strategies for Ongoing Operations. He correlated the success of the Anna Hazare movement with good operation practices. He stressed on the alignment of operations strategy with corporate strategy with examples from the aviation sector. He mentioned examples of Kingfisher Airlines Operations debacle and the need to learn from its failures. The success of Jet airways was discussed as well.

Dr. M. G. Gharpure (Founder, Yajna Fuel Services) spoke on Green Supply Chain Management. A journey from waste to wealth... from biomass to briquette providing practical examples of the government agencies, poor farmers, transporters issues, technology providers, energy commissions, pricing were discussed in this talk.

Mr. Yashodhan Karulkar (Vice President, Max New York Life Insurance) spoke on Service Operations. Growing importance of services in the economy and the expansion of service operations by its technological innovations, business innovations, social innovations as against the basic pillars of production and inventory management of yesteryears were elaborated.

Panel Discussion: "Recent Trends in Operations"

Chairman - Mr. Inderpal Singh, (Vice President-Operations, Godrej Industries Ltd.) explained good qualities of an operations manager viz., discipline, analytical thinking, eye for detail, optimism, and robustness.

Panel Member - Mr. Amol Shimpi (Vice President, Hindustan Construction Co.) bewitchingly narrated actual challenges HCC founder Seth Walchand Hirachand underwent to be awarded a contract from British, simple solutions to the Kolkata metro construction and the Sherlock Holmes metaphor.

Panel Member - Mr. Subhash Dixit (President-HR and Planning, Bharati Shipyard Ltd.) mentioned challenges of appraisals, attrition management and cultural diversities.

Panel Member - Mr. Ravi Kelkar (Chief Manager, Indian Oil Corp. Ltd.) elaborated role of Business Process Reengineering, and IT. He fielded questions regarding oil prices, yield, et al.

Panel Member - Mr. Shrirang Chitanvis (Founder, ProcEx Consultants) elaborated on process management to beat competition with the need for internal efficiencies, to increase in top line and bottom-line and achieve operation excellence in supply chain management, marketing and human resources management.

Panel Member - Mr. Jayant Joshi (Managing Director, Ajay Techma Sys. Pvt. Ltd.)

explained the Enterprise Resource Planning (ERP) systems and role of

Requirement(R), Execution(E), Scheduling(S), Production(P), Accounting(A)-RESPA with the end objective to reduce costs, improve quality and customer satisfaction.

Q1. Business Process Reengineering (BPR) or Enterprise Resource Planning (ERP)- which one among them is a greater enabler in organizations and why?

Ans. Both BPR and ERP are necessary simultaneously for an organization. Although there is a shift from manual system to computer system which sets discipline by defining ERP well, as Goldratt says “ERP is ‘necessary but not sufficient’”. A case in point of the failure of both was also put in with the example of the rigidity in the production of beta methasone sulphate at Glaxo.

Q2. Can Government control the global volatile petrol prices?

Ans. Government requires revenue to undertake its duties. This revenue is generated by its percentage share of customs, excise, octroi, education levies in the price of petrol. Government due to its political need subsidizes the price of petrol and kerosene. However subsidizing diesel prices to boost the food transport and thus controlling for fair prices for farmers and consumers would reduce the diesel price volatility to the common man.

Q3. What is the scope of Training and Development in the field of cultural diversity in India for the next ten years?

Currently there is a big scope with training programs to sensitize Indian employees of the cultural diversity in China.

Q4. What is your advice to the future budding managers?

Ans. Future managers are to have great insights, be innovative and brand themselves, look forward to develop with co-creation and master technology which is ubiquitous these days.

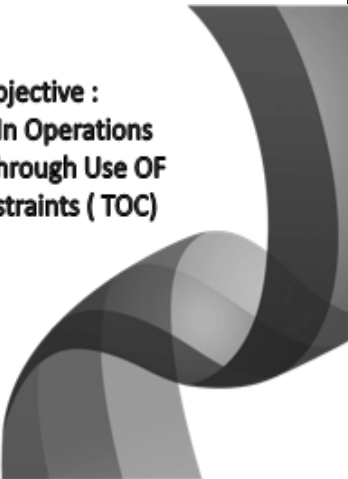

Q5. What is the recipe of operations manager for success?

Ans. Supply chain and sales operations are the fields that operations managers need to look to. They should work with finance and reduce fixed costs, work with systems to reduce wastes. Some other qualities are they need are to be investigative, experienced, possess an external orientation and be able work with change, which is the only constant. All this is to be done while simultaneously foregoing the glamour which other disciplines enjoy.

The Annual National Operations Summit – 2011 concluded by an impressive audio visual show prepared by the students to bring out the relevance of operations management in general and emerging trends in the manufacturing industry in particular. The summit ended with the overview of the event by Dr. K. Suryanarayanan that had unfolded during the day.

Speaker: Mr. Swapneel Nagarkar

Project Objective :
Improvement In Operations
Management Through Use OF
Theory Of Constraints (TOC)



Project Name : OTIF
(ON TIME IN FULL).




Product: Modular Furniture.
OPOS (Open Plan Office Systems)



The Field Point Of View -




- Did the field actually experience 95% OTIF ?
- Did they acknowledge it ?
- What was impact of our few months of deterioration ?
- Did they feel let down that we gave them a toy to play with and then took it back ?
- Did market expectations change ?

Our Case Study Of Improvement In Operations Through Use Of Theory Of Constraints (TOC) Spans From 2008 till date






Godrej Interio :

- One of the largest division of Godrej & Boyce
- Equally diversified presence in Home and Office Interior Solutions, with presence in segments like Health Care, Laboratory, Navy Accommodation Furniture as well
- Division crossed milestone of 1000 Crores turnover in 09-10 and is heading towards 1500 crs this year .
- Pan India Presence with 20 branches and over 700 dealers spread across
- Spread across 4 manufacturing plants
- Employing about 1800 persons in the division.
 - 1000 strong labour force.
 - 800 Management staff.




Objective




Ensure OTIF (On Time In Full)
above 98%
on the first due date committed.



The Order Fulfillment Process



- The earlier part of the order fulfillment – from order acquisition to the building of the BOM has characteristics of a project environment
 - Bad multi-tasking
 - Student's syndrome and Parkinson's effect
- The manufacturing is a typical operations environment
 - Low touch time, issues of queuing, de-synchronization



Method followed

- As the earlier part of the order – from order acquisition to the building of the BOM-is managed as a project, and
- The manufacturing is managed as an operations environment
- The TOC solutions that had to be deployed were
 - > **DBR**
 - > **CCPM policies (not the full solution)**

Goorg

Interio Division



DBR – Drum –Buffer –Rope (When there is no bottleneck)

- Drum : Schedule of orders in the system.
- Buffer : Time taken to move raw material to finished goods on shopfloor...In our case : 3 days.
- Rope : Not to release any material on shopfloor prior to its release date mapped in system.

Goorg

Interio Division



Critical Chain Project Management (CCPM).

- A method of managing projects that puts main emphasis on loading of resources required to execute project.
- Helps in completion of projects faster to the extent of 10% to 50% by reducing bad multi-tasking.

Goorg

Interio Division



Implementation

- A **Strategy and Tactic tree** was developed after analysis of the current reality , to guide the whole implementation.
- After the buyin of all, the implementation plan was agreed and rigorously followed

Goorg

Interio Division



Results achieved

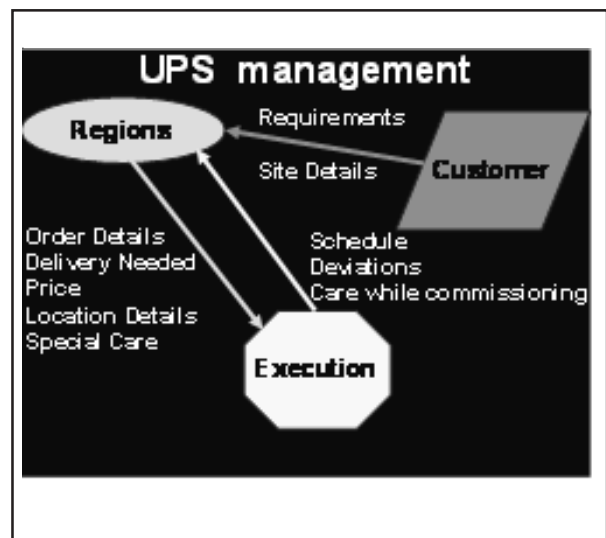
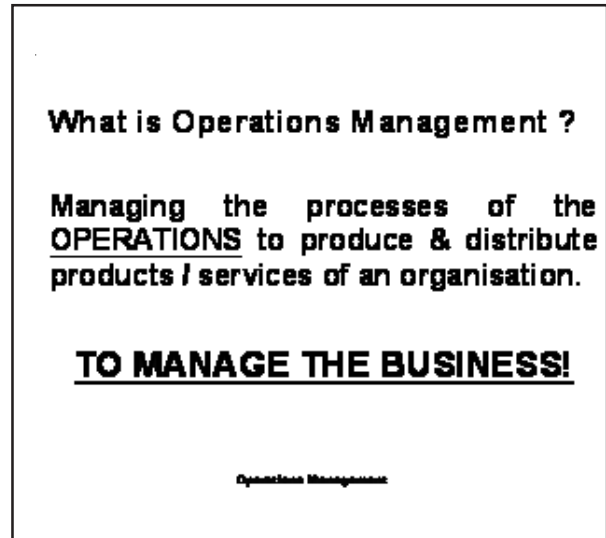
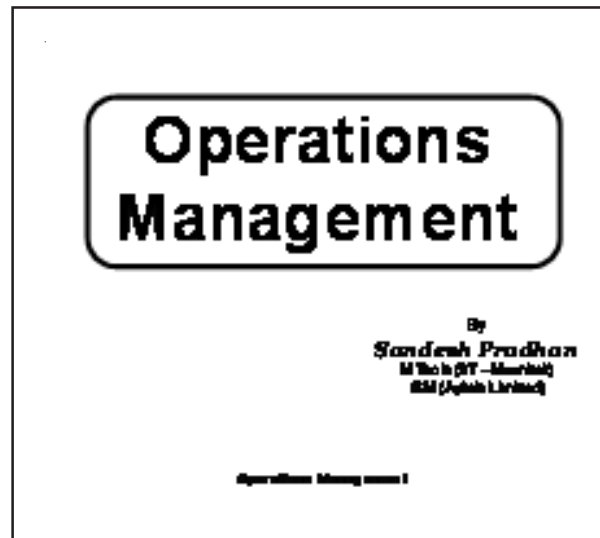
- The OTIF performance achieved with-
 - Lower lead times- 50-70% of original levels
 - With reduced inventory- WIP reduced by 60% and FG reduced by 40% and maintained at these lower levels for the last 1 year
 - Lower costs- 68 % reduction in air courtering charges and 68 % reduction in overtime..

Goorg

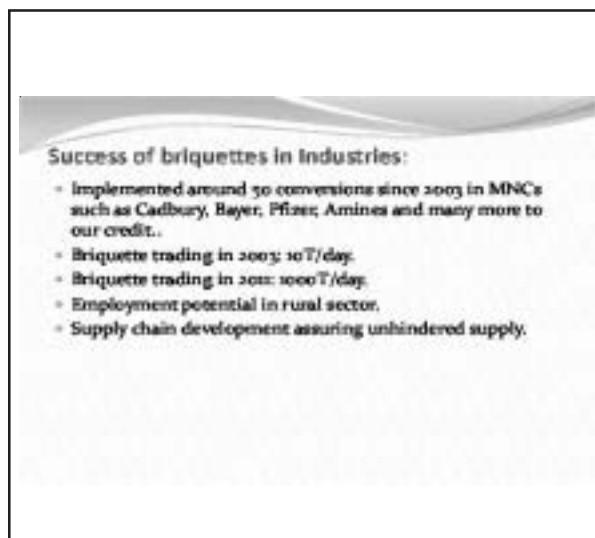
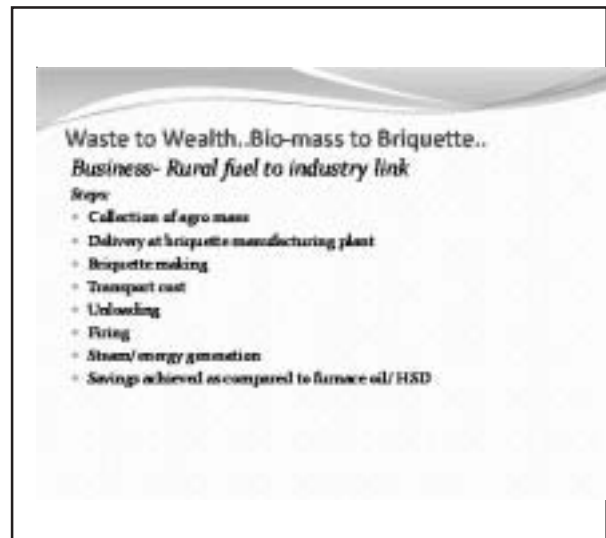
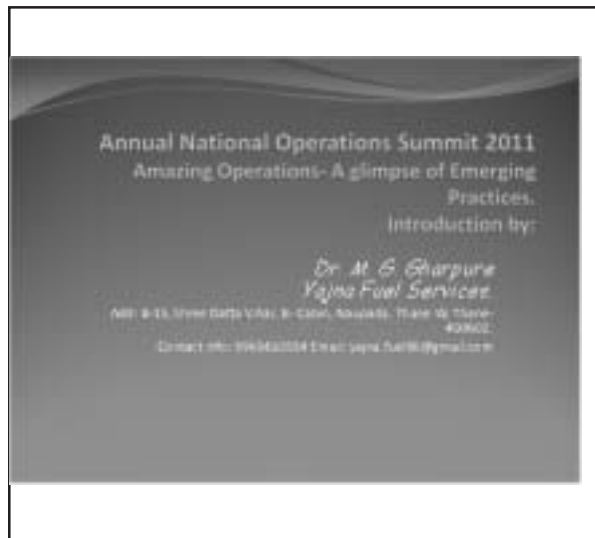
Interio Division



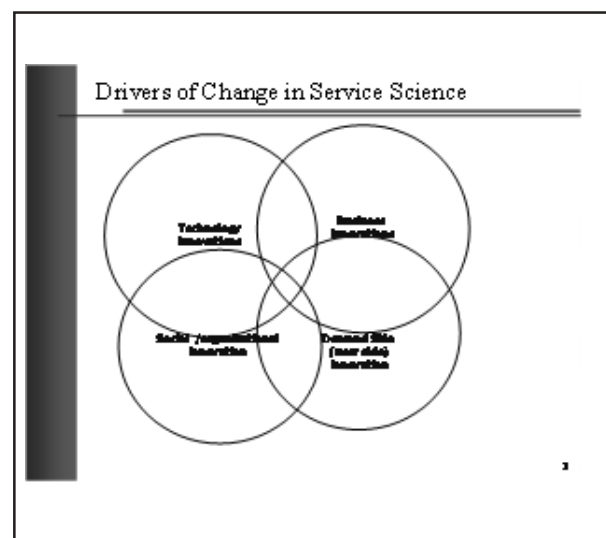
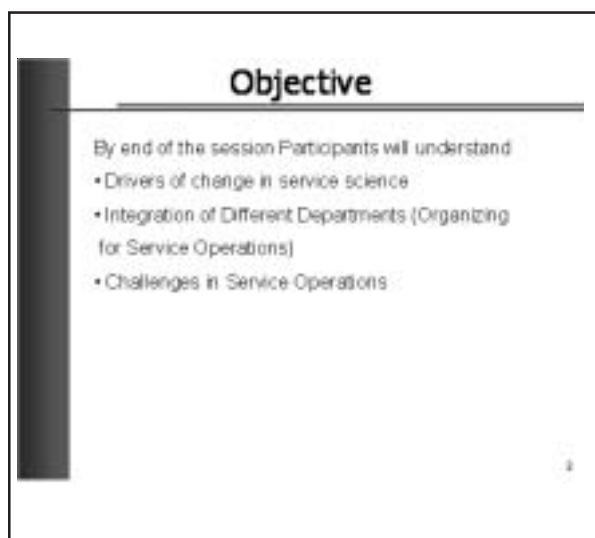
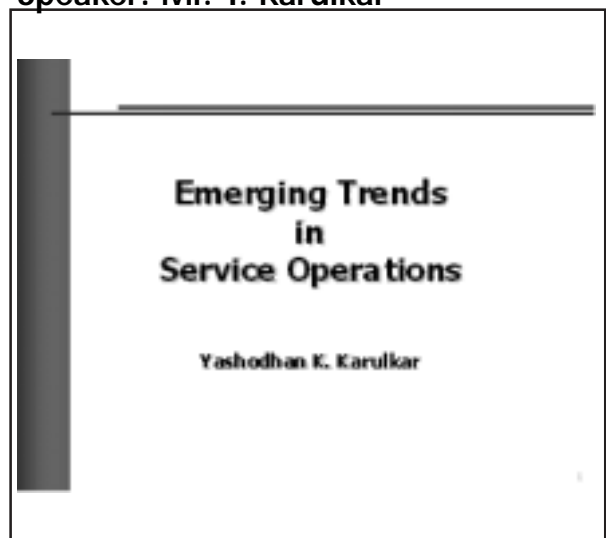
Speaker: Mr. Sandesh Pradhan

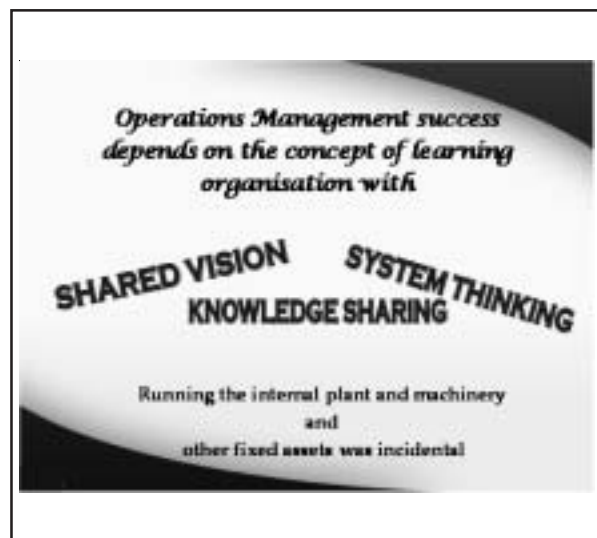
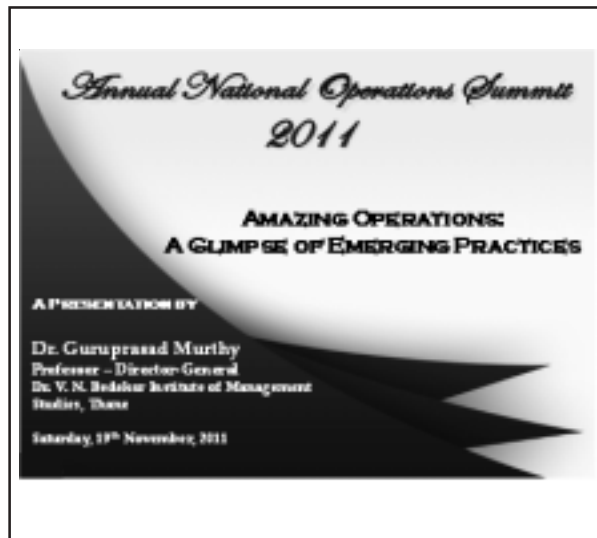


Speaker: Mr. M. G. Gharpure



Speaker: Mr. Y. Karulkar





National Information and Communication Technology Summit-2012

ICT for Better and Functional Governance

7th January 2012

TIMINGS	SPEAKER	EVENT
9:30am – 9:35 am	Lamp lighting and Saraswati Vandana	
9:35am – 9:40 am	Visual View of Event	
9:40am- 9:45 am	Dr. K. Suryanarayanan Director – DR VNBRIMS	Welcome Address
9:45am – 9:50 am	Dr. P.M. Kelkar Dean – DR VN BRIMS	An Overview of ICT Summit
9:50am-10:00 am	Dr. Guruprasad Murthy Director General – DR VN BRIMS	ICT for better and Functional Governance
10:05am – 10:50am	Mr. Satish Pendse	Modern Trends of ICT in Business
10:50am– 11:00am	Technology Trends – A visual view	
11:00am – 11:40am	Dr. Chandra Mauli Dwivedi	Opportunities for Management Students in IT Industry
11:45am-12:10 pm	Tea Break	
12:10pm – 1:00pm	Mr. Vivek Saxena	Mobile Penetration in Business
1:00 pm– 1:10pm	Technology Trends – A visual view	
1:10pm– 1:50pm	Mr. Suresh Menon	Important Dimension of ICT: 'Cyber Security – Threats and Prevention'
2:00pm - 2:40 pm	Mr. Umesh Bagul	ICT Trends in Healthcare and Insurance Sector
2:40 pm	Vote of Thanks & Future ICT driven communication (Visual View)	

ICT Summit was organized at Dr. V. N. Bedekar Institute of Management Studies (DR VN BRIMS) on 7th January 2012. The theme of the Summit was "*Modern Trends of ICT for Functional Alignment*". This summit aimed to appraise students and teachers, of the state-of-the-art practices in companies that align with the functionality, instrumentation and performance of ICT.

The summit started by lighting of lamp and Saraswati Vandna. After that Mr. Sandeep Bhavsar felicitated all the dignitaries viz. Director-Dr. K. Suryanarayanan, Director General -Dr. Guruprasad Murthy, Dean- Dr. P. M. Kelkar, Dr. S. Siddhan, Dr. K. Saxena (Governing Board Members) , Mr. Satish Pendse and Mr. Umesh Bagul (Speakers).

Director- Dr. K. Suryanaraynan gave a welcome address and spoke briefly on the theme and also about the day's proceedings.

Dean- Dr. P. M. Kelkar gave a holistic view on the theme of the summit and stated-

This is the 2nd consecutive year we are holding such a functional summit in addition to the thematic seminar which we have organized next month. It goes without saying that these summits are aimed to provide the latest information and knowledge on the recent trends in functional areas. It is also a fact that continuous and at times breathtaking developments in any field cannot be covered under static document like a University syllabus. These updates are very much necessary for success of a management student either as an individual entrepreneur or as a working professional. ICT is used in any organization for reliability, accuracy and accessibility of data and information for effective decision-making and hence, remaining up to date with ICT knowledge is mandatory. I feel that if Finance is blood for an organization, then

Operations is the brawn and the ICT is brain.

3 Years ago when we made a conscious effort to close gaps between the University syllabus and actual practice, we realized that the applications of ICT are all pervasive. They take the shape of ERP in almost every business function like finance, sales, marketing, supply chain, manufacturing and quality control. We see ICT use in software packages like Tally 9/ IAS-Wealth Management/ Financial Force Accounting in Finance, PeopleSoft/ HRIS in HR, Payroll/ PayPal in Salary calculations and processing of payments, CRM and E-enterprise in Marketing and SCM/ LSCM/ COBRA and Inventory in Operations. Standalone software is required for Regulatory Affairs, Complaint, Adverse Events and Recall Management, Reservations in Hotels/ Airlines as well as conducting meetings and making presentations.

E-business, E-bidding, Net Banking, On-line stock/ money transfer, Mobile Communications and Transactions are additional examples of how ICT has entered into our day to day life. On-line transfer of patient data has enabled surgical consultation and training across the globe. In fact, result of Innovation competition conducted by Economic Times 2 years ago clearly showed that out of top 10 innovations selected from 84000 entries, 9 belonged to the better, different and new uses of IT in meeting needs of customers.

ICT has entered into communication

and education fields in the form of e-mails, e-books, amazon.com, flipkart.com etc. to order books and journals we need. Today, one cannot think of advertisements, magazines, journals, annual reports and books without jpeg or pdf files and Coral Draw software etc.

The colossal amount of data that we already have and continue to generate today for reference and research in any specific area is managed through databases. Documentum is for various kinds of specifications; SPSS for statistical calculations in Research; EBSCO, ProQuest, Open JGate and CRISIL for functional knowledge and business decisions; Thomson Innovation, Derwent and SciFinder for products and process patents, and Manupatra/ LexisNexis for Legal Issues etc. The list of software is unending. Owing to sheer size data and the costs associated with investments in ICT, Cloud Computing which is based on model of 'pay as you consume' is becoming acceptable practice in industries today and will grow except perhaps in areas like financial transactions.

Even the state and central governments have made their processes faster and more efficient by application of ICT in Railway reservations, Long-Distance Bus Reservations, Property Registrations, Utility Bills Payments, Issue of Passports, Filing Income Tax Returns and related processes e.g. PAN Cards, TDS, IT Demands and Refunds associated with it, Filing various on-line applications including our AICTE applications for extension of approvals and grant for new courses/ new institutions etc.

As you can see from its applications, ICT has enabled management of data and information at a speed and accuracy which no

one can equal. Emergence of 2G, now 3 G and under development 4 G is not only enabling faster data transfer but even the pictures transfer via Internet. The race is about the speed and convenience at which content is transferred. Skype has connected friends and relatives across the world at no cost. Advent of Digital Marketing has turned out to be a cost effective solution in reaching millions of customers in the shortest time. You cannot consider an organization today without its own website. Today's mantra is "When you are not In, You are Out".

Social networking sites like Face book have revolutionized the way we communicate with other people on the same issue and Twitter has not only enabled Shashi Tharoor or Amitabh Bachhan or Priyanka Chopra to stay in touch with their followers but has also enabled private companies e.g. airlines, banks and others to receive and respond to customer queries and complaints.

Due to the use of ICT today, "The Office Is Where You Are!" No one has to be physically present at a fixed place (not applicable to our students attendance for MMS and PGDM lectures) to participate in discussions.

Electronic devices that transfer data today are getting free of tangled wires. Wireless technologies like 3 G, Wi-Fi and Blue Tooth are offering seamless connectivity on mobiles, smart phones, tablets and kindles. New technologies in this field include DLNA-Digital Living Network Alliance which enables devices to share contents amongst one another other. Wi-Fi Direct will enable two devices share content without router. Bluetooth version 4.0 is enabling faster transfer of data than version

3.0. NFC, Near Field communications system offers short range wireless technology that can be used for financial transactions, tags for identification, advertisements and so on.

ICT has been the greatest boom to technically qualified people in our country and has created unprecedented job opportunities. It is something for which we are known worldwide but the challenge is to keep this leadership consistent. Some of the challenges I feel in ICT today include 1) hacking and abuse 2) software Piracy 3) developing cheaper and sometimes free software 4) educating users below poverty line 5) consistent availability of high bandwidth 6) making and store several government records on IT platform.

I am sure that today's speakers will share with us their experience in using ICT for their business development and educate us on modern trends that can provide some solutions to the challenges stated above. Participants will have lots of takeaways from presentations that will ensue and help in becoming a more informed and technically savvy manager.

Director General- Dr. Guruprasad Murthy shared his ideas on ICT for better and functional governance. He quoted "*ICT as Living Legend*", which establishes efficient system of technical assurance, operational integrity, legal assurance et al. He highlighted ICT applications in education, air and rail bookings, matrimonial alliances, public schemes et al. which has changed the life of common man.

First Speaker- Mr. Satish Pendse (President – Highbar Technologies Limited), expressed his views on the "*Modern Trends of ICT in Business*". He enumerated the trends, including social

media networking; cloud computing, enterprise mobility and consumerisation of IT. Cloud computing is the preferred option for browsing services on the Internet, where we need to '*pay per usage*'. ICT is an indispensable tool; new advances increase the efficiency, and also provide directions to future business opportunities. He quoted, "ICT- a game changer, will further enhance its potential continuously, and its applicability in business is limited only by one's imagination".

ICT sector has also shown huge employment opportunities. According to ICRA analysis, 6.25 million employment opportunities were provided to the citizens during 2001-2009 and 15.15 million opportunities are projected in the year 2010-11. Dr. Chandra Mauli Dwivedi (President and Global Head Datamatics Services Group) provided inputs on job opportunities for management students. He discussed about the inclusive growth in human resources management in "Datamatics". Many challenged persons, with huge ICT skills are employed as part of their growth.

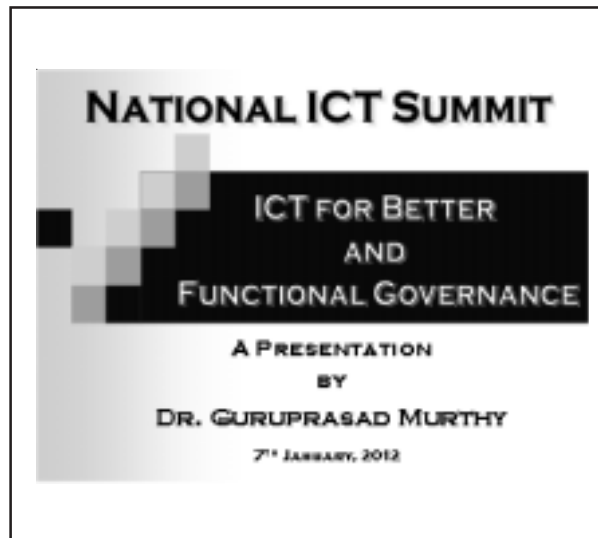
Mr. Vivek Saxena (Co-founder and CEO Zipcash) showcased his presentation on the "*Mobile penetration in business*". He explained, the five trends for converting people from using desktop to mobile phones are - 3G + Social Networking + Video + VOIP + Innovative Mobile Devices. He discussed the type of services provided to mobile users, viz. shopping online, paying your utility bills, buying prepaid mobile talk time/ DTH recharges, buying mVouchers for other retailers, as well as various exciting deals and offers. Mobile allows user to use data and resources on a secure platform,

without being connected to a location.

Spam, phishing, and spyware pose security risks to computer users. Mr. Suresh Menon (Director- Leonis Consultancy LLP) spoke on "**Cyber Security**". He pointed out that users have to follow safety measures like use of licensed software, updated anti-virus software, browsing settings, careful study of terms and conditions (for usage of i-tools) on internet etc. No computer security system (firewall/ antivirus)

can protect a system from threats. The best way is awareness. One should know what to do if the system is cyber-attacked.

Finally, Mr. Umesh Bagul (GM- ERP Systems Keystone Realtors Pvt. Limited) presented case study on "**ICT trends in health and insurance sector**". With the use of ICT, there are enormous opportunities for cost reductions, service enhancements et al. which are referred to as 'e-health'.



ICT – A LIVING LEGEND

- Optimum utility of the ICT revolution
- Mitigate misuse of ICT
- Establish efficient systems of:
 - technical assurances
 - operational integrity
 - legal assurances

ICT – Few Thoughts

- ICT has revolutionised life of citizens in many ways:
 - Education
 - Air and rail bookings
 - Matrimonial alliances
 - Public schemes

ICT – Few Thoughts

- ICT can promote transparency if the processes hovering around governance are transparent
- Powerful software programmes which provide for agility must be supported by disclosure with equal speed
- Intelligence, speed and accuracy exist. However, Human values are not captured by ICT
- Emotional and human dimensions missing.

CONCLUSION

“It’s time that laws are rethought with the Internet in mind to ensure that innocent people aren’t punished for crimes they didn’t commit.”
Thus man is caught in the net.

SOURCE: The Times of India editorial of 4th August, 2008, p-16

CONCLUSION

To quote Eric Schmidt , CEO, Goggle, in the said editorial
“The internet is the first thing that humanity has built that humanity doesn’t understand.” Thanks to the progress of science and technology.



Modern Trends of ICT in Business

7th January 2012
Mr. Satish Pendse
President - Highbar
Technologies Limited

Why businesses use ICT?

- Revenue
- Profitability
- Costs
- Efficiency
- Reach
- Brand image
- Employee satisfaction
- New Product
- New business model
- Competitive advantage / differentiation



4/11/2012 Modern Trends of ICT in Business. An HCC Group Company



Purposes remain the same

Modern technologies provide more options

and

substantially increase relevance of IT in business

4/11/2012 Modern Trends of ICT in Business. An HCC Group Company



Trends

- Social media networking
- Next Gen business analytics and data mining
- Cloud Computing
- Enterprise mobility
- Consumerization of IT
- ICT adoption by SME's
- Other devices computing
- Other trends

Modern Trends of ICT in Business. An HCC Group Company



Twitter to improvise Supply Chain :

- Parle Products: Hippo
- if any consumer is not finding Hippo chips in his area, the person needs to tweet. The product will be made available quickly



Twitter to engage TG:

- Channel V: to reply the fashion related queries
- Automobile TV programs: facebook & twitter to reply queries
- Techguru program: twitter & facebook to resolve gadget queries.



LinkedIn

- Employee Reference check by HR
- Used by job consultancies
- Build professionals network – improves productivity



facebook, twitter, LinkedIn for brand-building

Modern Trends of ICT in Business.

An HCC Group Company



HERO Moto Corp's new A.R. Rehman ad

- Viewers told to shoot & share their own video
- company will showcase in advertisement.



Repositioning activity of Airtel new logo 'Wave' was revealed using facebook.

- Viewers asked to name the new logo through facebook.



HUL's quality walls campaign through facebook.

- Write a lovestory & share the same through facebook
- HUL will shoot same story & the movie will be shown on channel V.

Modern Trends of ICT in Business.

An HCC Group Company



Next Gen business analytics and data mining

- Heap of historical, competitive and other external data
- Can be "mined"
 - To profile customers better (e.g. credit card, insurance, real-estate companies)
 - Better pricing (airlines yield management)
 - Enhance customer insights (e.g. Walmart)
 - Better forecasting (FMCG / Pharma)
 - "what-if" analysis
- Sophisticated world-class tools

Modern Trends of ICT in Business.

An HCC Group Company



Cloud Computing -Potential game changer

- "Software as a Service" (SAAS), pay-per-use
- Businesses focus on core-competencies; outsource IT maintenance to cloud service providers.
- No need to have large IT teams by organizations
- Capex v/s opex model
- De-risking (exit option availability)
- Level playing field for SME's
- Examples:
 - Salesforce.com
 - Highbar ColudConnect
 - Yahoo, Google email services on cloud

Modern Trends of ICT in Business.

An HCC Group Company



Enterprise Mobility

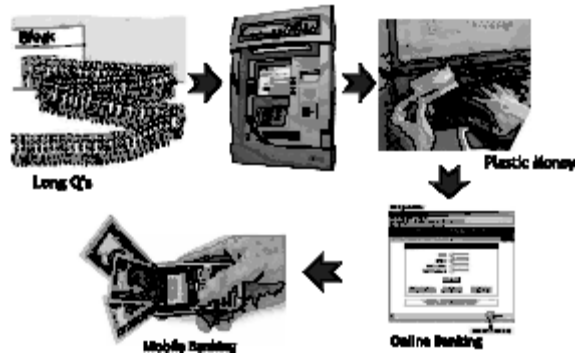
- Entire set of enterprise IT solutions (ERP, CRM, email etc.) to be available on mobile/ ipads
- Connected with enterprise IT anytime, anywhere, thru any device
- Business data on-the-go
- Approvals thru mobile
- Analytics on mobile / ipad
- Critical real-time information on mobile

Modern Trends of ICT in Business.

An HCC Group Company



Banking: Physical à Mobile



Modern Trends of ICT in Business.

An HCC Group Company



SMS, MMS & SMS 2.0, Bluetooth, Mobility



SMS & MMS

- Generate revenue - jokes
- Target group focused SMS messages
- Domino – Timely SMS's to generate repeat orders

SMS 2.0:

- These are interactive SMS's where you can browse the information inside the SMS like a brochure.
- Yet to gain popularity in India

Modern Trends of ICT in Business.

An HCC Group Company



SMS, MMS & SMS 2.0, Bluetooth, Mobility



Bluetooth, SMS, MMS locks can interact through authorization code & enhance the security of the house.



Modern Trends of ICT in Business.

An HCC Group Company



Consumerization of IT

- IT no longer a monopoly of elite IT professionals, people across age, gender, geography, economic status, lay up IT gurus
- IT devices as life statements no longer only work tools
- Convergence of technologies: PC / Laptop need not be the only devices used by employees for connecting to enterprise IT systems
- BYOD - Bring Your Own Device
- Sales of smartphones to exceed those of PCs in the year 2012!
- Challenges as well as opportunities



Modern Trends of ICT in Business

AnHCC Group Company

Page 11

HIGHBAR
THINKING SMART

ICT Adoption by MSMEs

- India - Rapidly growing country
- Small companies becoming mid-size, mid-size ones becoming larger much faster than imagined.
 - Non-availability scalable systems & processes become bottleneck to this growth.
- Younger generation of SME leadership is quite IT savvy
- SMEs don't want to fall behind to leverage the value of IT
- World class IT solution no longer the monopoly of only large enterprises.
- Cloud computing, devices providing the level playing field

Modern Trends of ICT in Business

AnHCC Group Company

Page 14

HIGHBAR
THINKING SMART

Other devices computing

Devices-to-Internet will fast exceed PC/smartphones-to-Internet
 Tires talking to Internet
 Refrigerators talking to Internet

GPS / GPRS Services:

GPS to find roads
 Tracking of vehicles/ customers
 To improve supply chain efficiency

Modern Trends of ICT in Business

AnHCC Group Company

Page 15

HIGHBAR
THINKING SMART

Video Conferencing / Telepresence:

3G Technology → video conferencing through their mobile networks

- Enhance productivity
- Improve efficiency
- Reduce costs and time

Telepresence stimulates actual business meeting environment

- Helps for quick multi location meetings.



Modern Trends of ICT in Business

AnHCC Group Company

Page 16

HIGHBAR
THINKING SMART

BAR CODES / QR Codes / RFIDs

Barcodes:

Inventory management
 Information & collection of information faster
 Major application in retail industry



RFIDs:

Improvement over bar-codes
 Inventory management
 Traffic management



QR Codes: Quick Response Codes:

New way to communicate through mobiles
 Normally used to share videos / web links through mobiles
 E.g. Flipd launched its new Photo by sending invitation from their IDs through recorded video which was circulated through newspaper & online media through this code.



Modern Trends of ICT in Business

AnHCC Group Company

Page 17

HIGHBAR
THINKING SMART

Speaker: Mr. Suresh Menon

THE WORLD OF CYBER & CRIMES

Digital Information & Cyber Security Awareness

Dr. VIL Seshar Institute of Management Studies

07/01/2012

Suresh Menon
Chief Executive Officer

LeOnis
Consultancy LLP

Working Towards
A Better Digital & Cyber World

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Types of Cyber Crime

- **FACEBOOK SCAMS**
 - Personal Identity
- **DEFAMATION**
 - MAILS
 - SOCIAL NETWORKING SITES
(Smartphones, YouTube, Facebook)

*The only constant in Cyber Crime is that...
Tomorrow's Cyber Crime will pose a greater threat than today's Cyber Crime*

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PREVENTIONS / SAFETY MEASURES

- ❖ Update Anti-Virus/ SOFTWARE
- ❖ Use Licensed Software
- ❖ Terms & Conditions
- ❖ INSTA ALERT FACILITY
- ❖ HTTP V/S HTTPS
- ❖ BROWSER SETTING

HACKING has become PROFITABLE, hence BEING AWARE and VIGILANT IS MANDATORY

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Speaker: Mr. Umesh Bagul

**Trends of ICT in Business – (Existing)
Functional Alignment of Applications**

January 2012
Mumbai
Umesh Bagul – I.T. Business Analyst

BROAD BASE APPROACH TOWARDS JOURNEY

- **ICT and Economic Growth**
 - enhanced competitiveness
 - increased business opportunities
 - access to market for rural communities
- **ICT and Improved Delivery of Social Services**
 - health/education/environmental/microfinance services
 - minimizing vulnerability to natural disasters
- **ICT for Empowerment of the Poor**
 - Use of UAID Cards for benefit schemes of Govt
 - allowing the poor to better communicate their concerns

KEY STEPS INVOLVED IN JOURNEY TILL NOW

- **Creation and effective use of knowledge are key to rapid economic growth**
- **ICT is changing the terms under which knowledge can be created and disseminated:**
 - ICT facilitates the process of codification and transmission of knowledge about technology;
 - ICT enhances the positive learning externalities of knowledge generation by magnifying the possibilities for recombination of ideas and information;
 - ICT increases the "Marketing distribution power" of innovation systems, diminishing the time to market launch of new products and services, while enhancing the dissemination, application, and use of "matured" technologies.

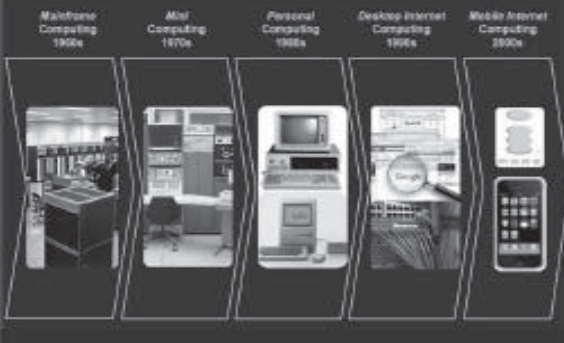
Speaker : Mr. Vivek Saxena

Mobile Penetration in Business

Vivek Saxena
Co-Founder, ZipCash

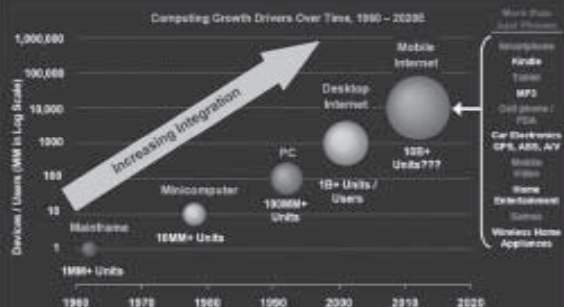
The Mobile Internet Opportunity

Tech Cycles Tend to Last Ten Years
Entered Next Major Computing Cycle – Mobile Internet

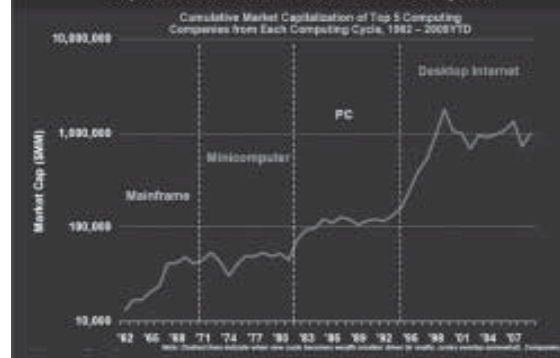


If past is any evidence, the impact of the
Mobile Internet
will be bigger than the impact of the
desktop Internet... and personal computer...
and mini computer... and mainframe.

New Computing Cycle Characteristics
Reduce Usage Friction Via Better Processing Power + Improved User Interface +
Smaller Form Factor + Lower Prices + Expanded Services = 10x More Devices



Winners of Each New Cycle Often Create More Market
Capitalization than Winners of Prior Cycles



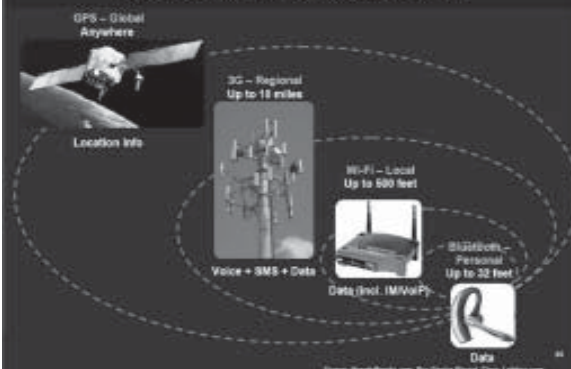
This is the decade of the Mobile



Mobile Ramping Faster than Desktop Internet
Did and Will Be Bigger Than Most Think.

5 Trends Converging
(3G + Social Networking + Video + VoIP +
Impressive Mobile Devices)

Mobile Internet Infrastructure Is Increasingly Prevalent Consumers Surrounded by Clouds of Data



Mobile Devices + Infrastructure Enabling Attractive New Usage Models.... Ramping Fast on Various Networks



Rising Consumer Expectations

- Many consumers now expect to do the likes of the following anywhere / anytime -
- know when everyone in their universal address books is online
- get nearby movie show-times and purchase tickets while at dinner
- get directions on phone while driving, even without GPS
- make bill payments on the go
- watch IPL games live on phone
- read real-time News and Stock Alerts
- upload photos to Facebook and distribute while on the move
- control home DVRs / TVs / stereos / PCs / security systems from one mobile device
- comparison shop (with barcode scan assist option) for best prices while walking around a retail outlet

ANY OF THIS JUST 3-5 YEARS BACK?

Social Networking

I think we all know that social is going mobile

You're signed out of Twitter ✓
Now go mobile.

Your mobile can be your mobile device.



From any of these devices? [Download the app](#) or [Use the SMS](#) to use mobile content.

Some are built around your Mobile



foursquare

myTown

scvngR

SKOUT™

SMS GupShup

Login or [Sign Up](#)



SMS GupShup
is a social messaging service to share and connect with friends and fans.
Millions of users, billions of messages sent.

[Explore](#)

Mobile marketing solutions to help businesses acquire and engage customers.

[Partners](#) **NOKIA** **BIG FLEX** [Partners](#) **RELIANCE** [Partners](#) [Business Solutions](#)

[Support](#) [Contact](#) [Business](#) [Legal](#) [Developers](#)

Finally, even Rich Content sites like Facebook



Facebook for iOS
New for Android

Facebook Messenger
Reach friends faster when you're on the go.

[Download iPhone / Android](#)

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Mobile Payments

Square

Start accepting credit cards today.

Sign up and we'll mail you a free Square Card Reader.

Email address:


Credit password: Confirm password:

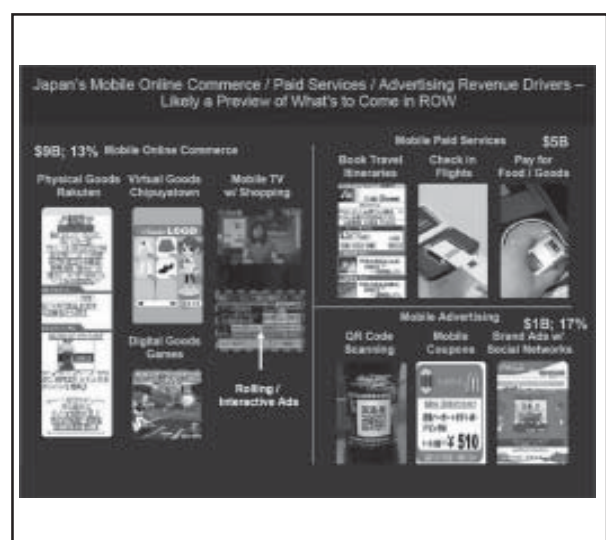
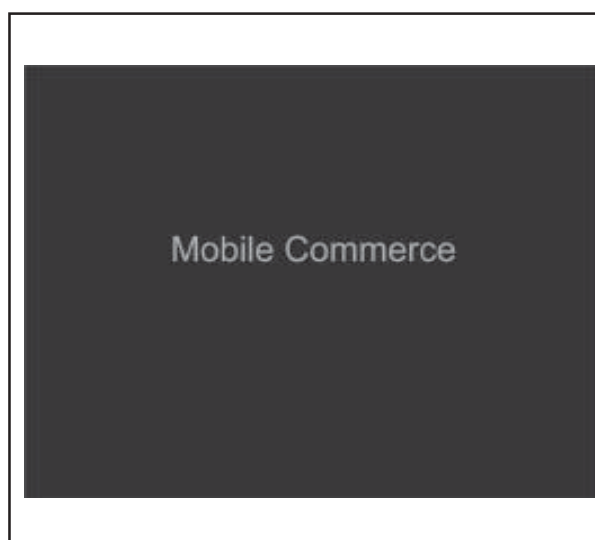
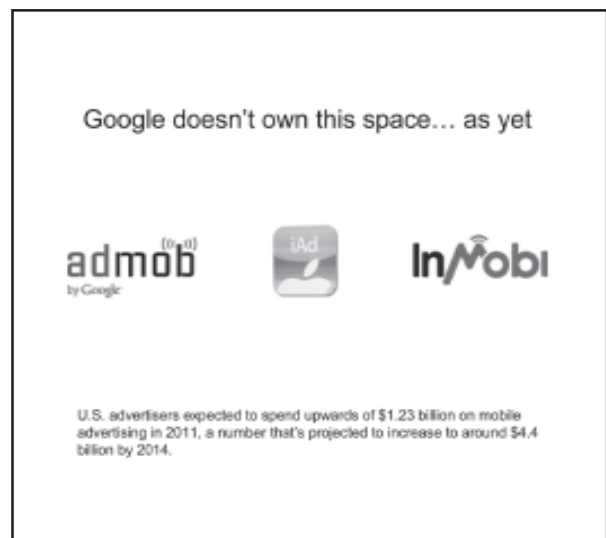
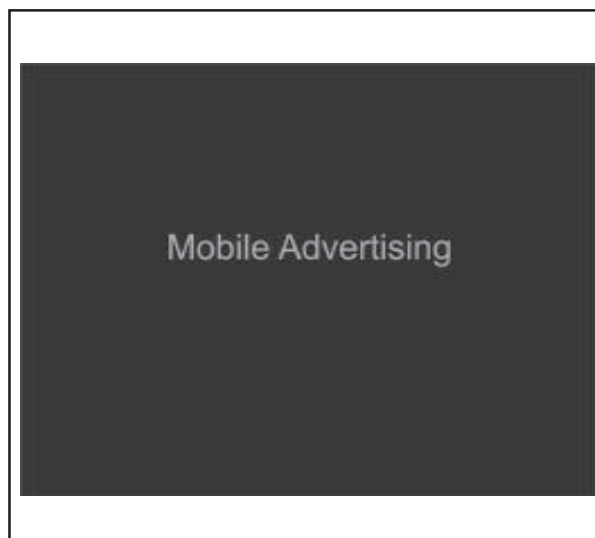
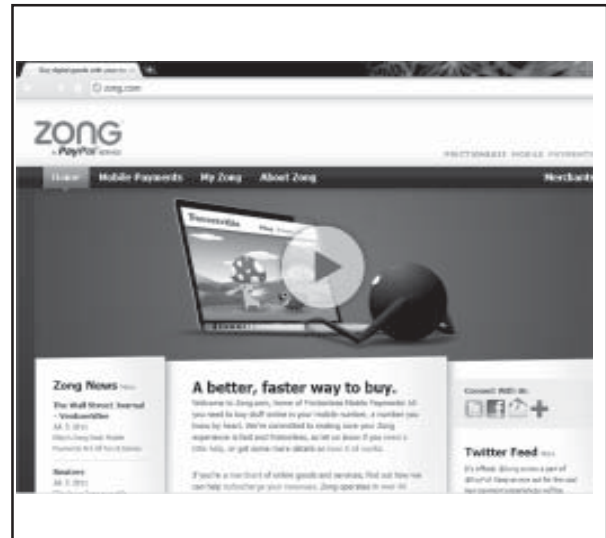
[Sign Up for Square](#)

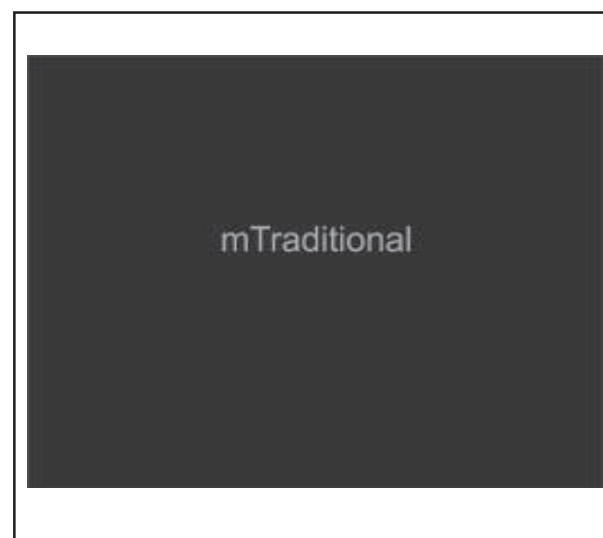
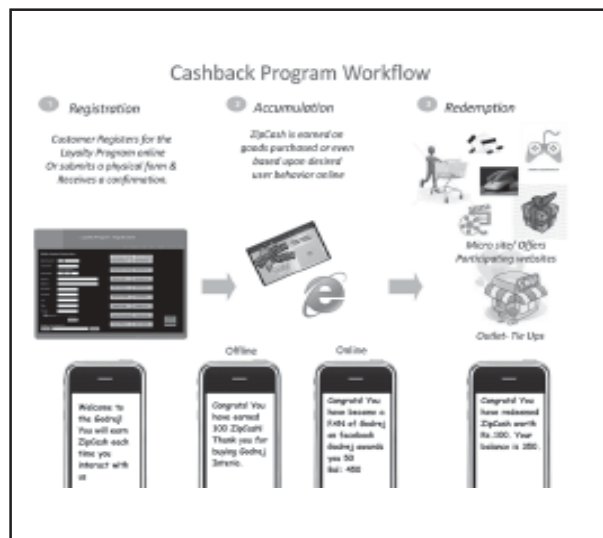
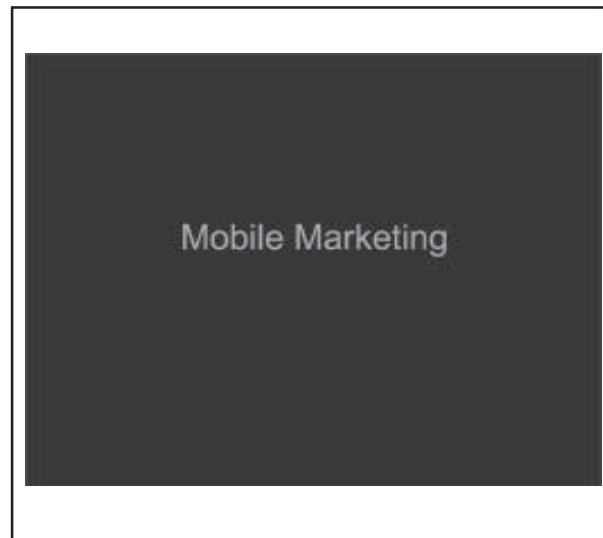
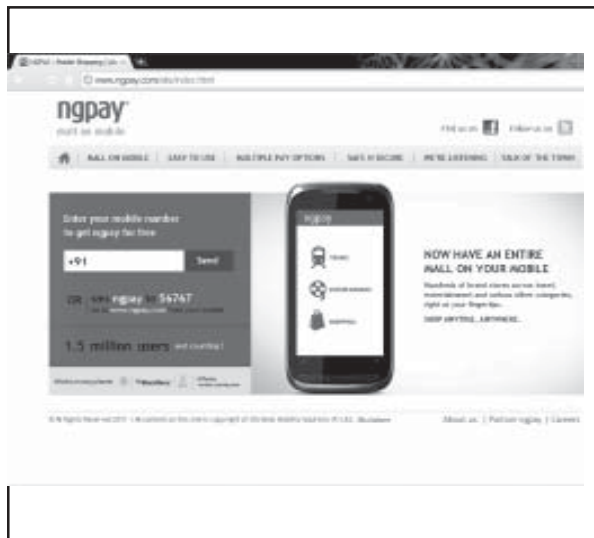
2.75% per swipe for all cards
One simple rate, no charge credit cards.

Next-day payout
Automatic direct deposits to your bank account.

Free reader, free app
For iPhone, iPad and Android.







Mobile Enable the Old Economy?

- Education
- Retailing
- Healthcare
- NREGS

Mobile Innovations

Types of Innovation

1. **Product Innovation** - new products or improvements on products
2. **Process Innovation** - where some part of the process is improved to bring benefit
3. **Positioning Innovation** - where a product is repositioned or positioned in a new way.
4. **Paradigm Innovation** - where major shifts in thinking cause change.

Which Innovations Work

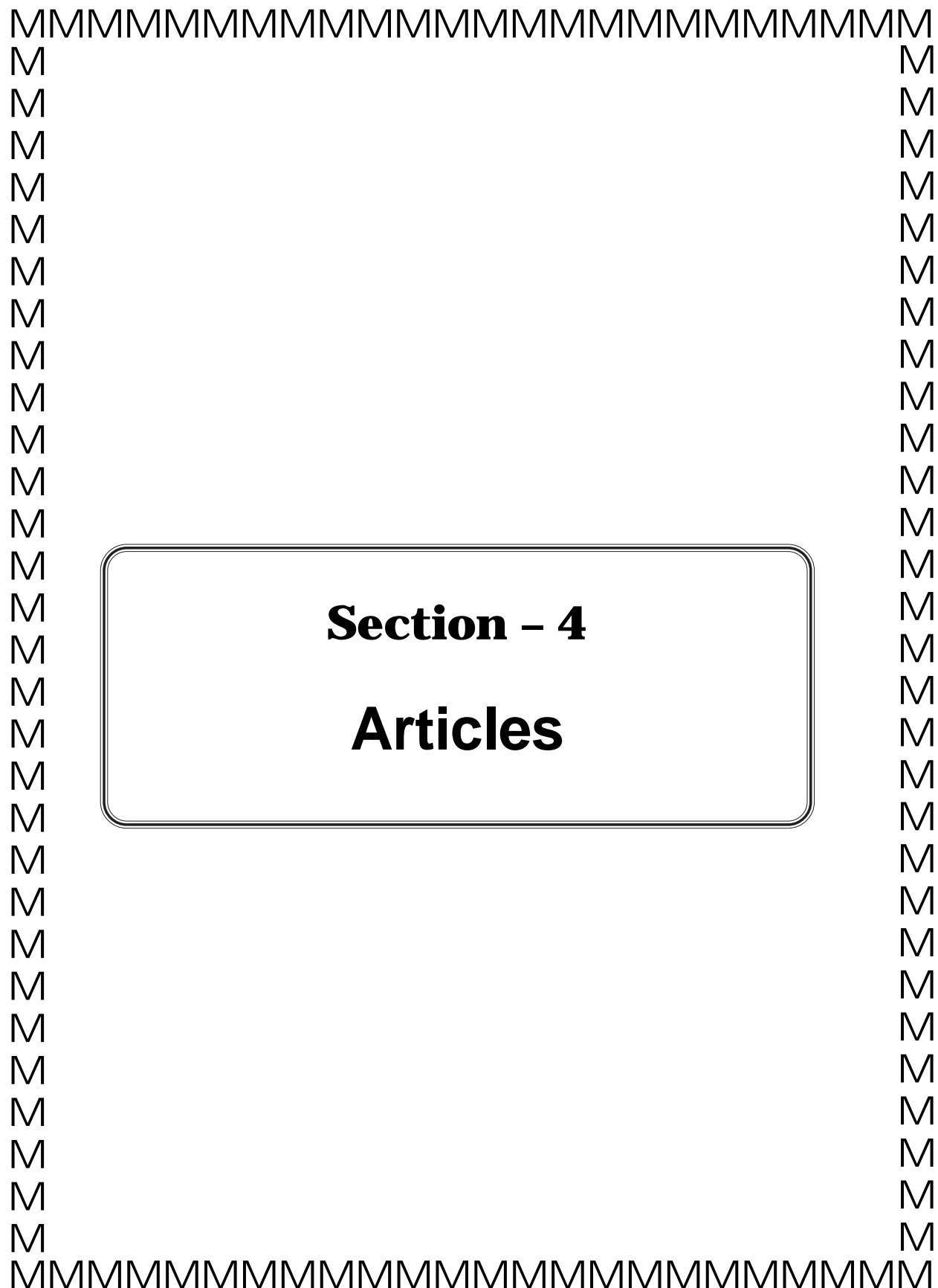


NEWS AND VIEWS ON MSMEs

“...the small industry sector has done quite well and has enabled the country to achieve considerable industrial growth and diversification. Being generally low capital intensive, SSIs suit the Indian economic environment with scarce financial resources and large population base. In addition, it is highly labor intensive and has a scope for building upon the traditional skills and knowledge”

Source:

<http://www.unido.org/fileadmin/import/userfiles/russof/small.pdf>



Section – 4

Articles

Ms. Suman Mathur
Assistant Professor,
DR VN BRIMS

Migration to Cloud Computing for SMEs

Introduction

Information and Communication Technology (ICT) has brought enormous business opportunities, but the evolution in technology is a challenge. Rapid change in technology requires large scale investments and skills to operate.

For Small Medium Enterprises (SMEs), new technology adoption is a big challenge because SMEs may not be able to provide skilled staff, resources and money. According to a research commissioned by Computing Technology Industry Association, the most important challenge faced by the SMEs is to control their ICT budgets. Though there is a high ICT maintenance cost, it is offset by increase in productivity thereby reducing per capita cost. Cloud computing is a new technology solution that requires less or no investment and provides greater business opportunities for enterprise particularly SMEs. A standard cloud computing business model offers on demand network on a shared configured computing platform. Many ICT research and advisory firms have predicted that cloud technology (products and services) will grow at a rate two to five times faster than traditional ICT. This article discusses about the migration challenges and benefits of dynamic cloud computing technology for SMEs.

Cloud computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (e.g. networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interactions'. National Institute of Standard and Technology (NIST) specify five characteristics of cloud computing:

On-demand self-service involves customers using a web site or similar control panel interface to provision computing resources such as additional computers, network bandwidth or user email accounts, without requiring human interaction between customers and the vendor.

Broad network access enables customers to access computing resources over networks such as the Internet from a broad range of computing devices such as laptops and smart-phones.

Resource pooling involves vendors using shared computing resources to provide cloud services to multiple customers. Virtualisation and multi-tenancy mechanisms are typically used to both segregate and protect each customer and their data from other customers, and to make it appear to customers that they are the only user of a shared computer or software application.

Rapid elasticity enables the fast and automatic increase and decrease to the amount of available computer processing, storage and network bandwidth as required by customer demand.

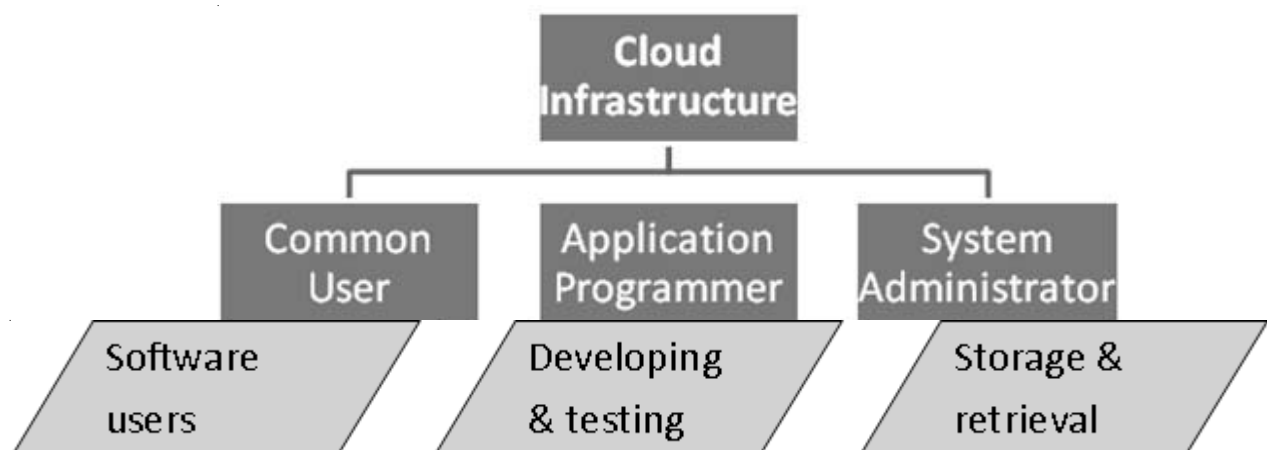
Pay-per-use measured service involves customers only paying for the computing resources that they actually use, and being able to monitor their usage. This is analogous to household use of utilities such as electricity.

*Source : National Institute of Standards and Technology (NIST)
Author Peter Mall and Tim Grance V15, 10-07-2009*

Cloud Computing – A Strategic Decision

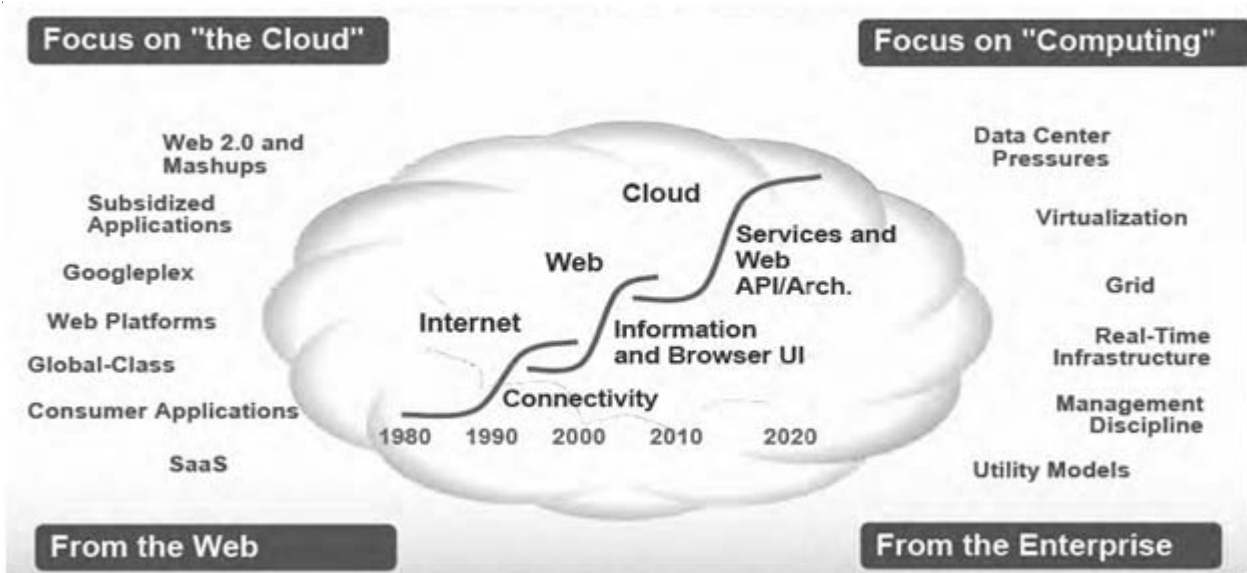
Adopting cloud technology is a strategic business decision rather than merely a technology decision. Cloud technology functions on two dynamics – 'on demand

service' and 'pay per use' without investing on tangible assets. Here, a question arises, whether the program/application/ software will be available for use as and when required. It is important to understand that cloud services delivered by using Software-as-a-service (SaaS),



Infrastructure-as-a-service (IaaS), Platform-as-a-service (PaaS), Development-as-a-service (Daas) should ultimately match the goals “ICT service demand with ICT service supply” – (Gartner concept published in research report 2011 titled ‘Real time Infrastructure’). Commonly, SMEs are using cloud technology services for – website, data storage, file server,

applications, e-mail system et.al. Cloud infrastructure architecture layer is very important due to rapid increase of users. contradict each other. ICT has become a key enabler for gaining a competitive edge. Figure shown below gives the multiple perspectives of cloud technology:



Cloud Computing Formation

The formal structure of the cloud technology is based on four basic models viz. public, private, community and hybrid cloud (source : Dustin Amrhein 2010, Grance 2010, Mell and Grance 2009a., Catteddu and Hogben 2009). These models function by using internet.

Cloud computing models have to be deployed in SMEs as per their functional requirements. SMEs are advised to make use of public clouds because of less financial investments required to set up and maintain the workload fluctuations. Before deploying cloud computing,

¹ Symantec is a global leader in providing security, storage and systems management solutions to help customers – from consumers and small businesses to the largest global organizations – secure and manage their information against more risks at more points, more completely and efficiently than any other company. Company’s unique focus is to eliminate risks to information, technology and processes independent of the device, platform, interaction or location.

² The Pew Research Center is a nonpartisan “fact tank” that provides information on the issues, attitudes and trends shaping America and the world. It does so by conducting public opinion polling and social science research; by reporting news and analyzing news coverage; and by holding forums and briefings.

SMEs have to follow 'traditional cycle'³ i.e. Plan, Do, Check and Act. Migration to clouds needs coordination of people, infrastructure and process. The return

on investment of adoption is very high, due to the low up front expenditure compared to traditional services. The steps to undertake pre and post cloud migration are shown below:

Public	Private	Hybrid	Community
• Shared service to general public	• Shared service to known parties only	• Combines both public and private clouds	• Infrastructure shared by multiple stakeholders on the campus and off campus
• Services shared on Service Level Agreement (SLA) basis	• Access defined by client	• Bound by standardized or proprietary technology	• Example – University, banks
• Example- e-commerce websites	• Owner maintains high security	• Example- Accessibility of public and private clouds	
	• Example – Subscribed information		

Planning	Migration	Go-Live	Monitoring
• Cloud assessment	• Backups and testing	• Post production data into the cloud	• Performance monitoring
• Design target architecture	• Provisioning and configuration of new environment	• Perform post migration testing and parallel operations if desired	• Availability monitoring
• Create cloud roadmap	• Data Migration	• Release application for usage	• Security monitoring
	• Integration with external applications	• Close monitoring and support of cloud application	
	• Validation of the new platform		

source KPMG's The Cloud Changing the Business Ecosystem 2011

Study of SMEs' Scenario towards Cloud Computing

The objective of this study was to find the SMEs' approach, awareness and difficulties

³ Traditional cycle is a continuous quality improvement model consisting of a logical sequence of four repetitive steps for continuous improvement and learning: Plan, Do, Study (Check) and Act. It is commonly known as Deming cycle.

towards the adoption of cloud computing. Initially, survey was aimed to include 150 SMEs, but due to time constraint, only 130 responses were received, some of them being incomplete. All respondents were from SMEs service sector.

Actual sample size used for the study = 87 (N)
Actual Cloud users identified by survey = 43

Survey Questions:

1. Is Cloud computing strategically incorporated in your organization?
2. Which cloud computing model has been implemented in your organization?
3. Are you aware about the cloud characteristics?
4. What were the financial costs and its implications?
5. What is the purpose for adopting cloud computing?
6. Has Service Level Agreement (SLA) been signed and conditions known to all users?
7. Has any security threat/risk been observed?
8. Do you know which type of information should pass on through clouds?
9. Which is the most important challenge your organization has overcome to adopt cloud computing?
10. What benefits have been observed after incorporating cloud computing?

Observations of survey

- ✓ First fact which has come out from this survey is that SMEs are aware about the

technology but are unaware of its applications in the functional areas. A formal training programme for the SMEs would increase productivity by optimum use of the cloud computing model.

- ✓ 59% SMEs are concerned about the adoption of new technology which can directly affect growth of the organization. They don't have knowledge of what they want from this (cloud computing) platform. At the same time 41% organization are not at all aware about the cloud computing.
- ✓ Setting up a new technology is a challenge for them. They don't have expertise in this area so they are dependent on outsourcing from a third party. They are concerned about the security, cost and complexity. 73% respondents said changing from desktop to cloud was challenging and still have not fully migrated to cloud. According to the Hindu⁴, only 45% of SMEs are fully functioning on clouds in India.
- ✓ They are concerned about investment cost i.e. pre implementation and post implementation and the payback period. They require guidance or a roadmap for these attributes because they have limited funds.
- ✓ SLA is another issue/challenge which has emerged from this survey. It is important for service provider and user to understand and follow the agreement. It is found that SLA is

⁴ The Hindu Business Line -Chennai, article titled - Putting SMEs on the Cloud dated 20th June 2011

signed but users are not aware about the conditions which may cause security issues, data loss and interruption in services. 67% users were not aware of SLAs'. (out of 43 users)

- ✓ 63% respondents made comments that from time to time, their cloud service provider had solved their problems and provided guidelines (out of 43 users). It's a good sign for new adoptees.
- ✓ It is noted that most frequent use of cloud computing is for applications (25%), emails (44%), data storage (24%) and lesser for program/software designing and development (7%). (out of 43 users)
- ✓ They also wanted to know about the government initiatives which can be of use to them.

Survey Conclusion

The results indicated that the major barrier towards adoption of cloud computing is lack of awareness. Therefore, SMEs have to gain awareness on the cloud computing adoption and organize training and awareness program which can help to enhance skills of the employees. They have to design a comprehensive plan with the service provider. An analysis report published by Zinnov (leading management consulting company) shows the potential growth of adoption –

Telecom: New pricing changes, number portability, per second billing, new entrants and

expansion of circle by existing players

Government: Estimated spend of \$ 9 billion on Government to consumer (G2C) projects (state/ central level) including hardware infrastructure and public services (department of posts, railways etc.)

Banking: Implementing and maintaining core banking solutions (esp. by public sector banks, mobile/ net banking, reduce transaction cost, compliance)

Insurance: Claims management, policy administration, underwriting and sales/ CRM, premium payments/ renewals

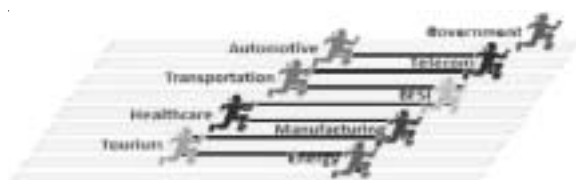
Retail: Supply chain automation/ management, warehouse management, inventory

audit/ loss prevention, online retailing, banking and insurance and networking

Healthcare/ Pharma: Servers and data center for hospital upgrades, health information system (HIS), electronic records, image archiving, data storage/ mining, telemedicine, remote diagnostics, etc. **Source : NASSCOM Strategic Review 2010, Zinnov Analysis**

Cost Estimation - Cloud Computing

Cloud computing platform has become a synonym for high performance, data storage and cost effective on demand services. For SMEs, it is important to know about the deployment cost and reduced overhead cost, if they adopt cloud computing. An estimated chart shown below prepared on the basis of interaction of the respondents (interviewed for the survey).



Before Cloud Adoption			
Hardware / Software/ Services	Nos. of H/S	Actual Cost in Rs.	Remarks
5 computers /Laptops	5	100000	Except maintenance cost
Printer/s	2	35000	Except maintenance cost
Server/s	2	250000	including switch, router and wireless access point
Software	4	350000	including OS, Firewall, Antivirus, ERP/customized packages
Internet	2MBPS	150000	As per the type of bandwidth
(ADSL-per year)			
Total Cost		885000	

After Cloud Adoption			
Hardware / Software/ Services	Nos. of H/S	Actual Cost in Rs.	Remarks
5 computers /Laptops	5	100000	Except maintenance cost
Printer/s	2	35000	Except maintenance cost
Server/s	0	0	Not required
Software	3	100000	including OS
Internet	2MBPS	150000	As per the type of bandwidth
(ADSL-per year)			
Monthly Charges	25 to 30 GB data storage	3000	2000 to 3000 monthly
Cloud Services	for user id creation	499	In place of Computers/ Laptops, a small tablet or smart phones can also be used, which can reduce cost of computer maintenance.
(one time)			
Total Cost		388499	
Overhead cost reduction in percentage		43.90%	

Based on the above table and after studying the adoption cost Indian companies providing cloud services experienced the following –

- ✓ no set-up charges
- ✓ well managed services for the adoptees
- ✓ reduced operational cost upto 50%
- ✓ anti-spoof/anti-sniff firewall for security
- ✓ automating scaling
- ✓ self managed services by users
- ✓ tools and standardized configuration

"The Ministry of MSME has announced a scheme to promote ICT Adoption in the sector to benefit 100 manufacturing clusters in different verticals. The industry verticals have been prioritized based on the recommendations in the NASSCOM-NMCC report. The Ministry has now released an EOI (Expression of Interest), and is in the process of appointing technology providers to assist the clusters. This will be a significant opportunity for the IT Industry, as the cluster development programme will be expanded to 300 more clusters the next 5 year plan."

Source : Ministry of MSME link - <http://msme.gov.in>

- ✓ improved customer service through extra facilities to attract customers viz. free IP addresses, online assistance

Conclusion

Analysts at Gartner define "cloud computing as a style of computing in which massively scalable ICT-related capabilities are provided 'as a service' using internet technologies to multiple external customers". Constructing and deploying cloud computing is biggest challenge for SMEs. Mr. Venkat Iyer, Director Pfizer India stated that "We faced challenge in terms of training the users to the new technology". Therefore SMEs have to first understand the complexities of their business and important deliverable aspects. Moving forward with cloud computing would raise certain issues viz. data security, performance, data transfer speed, fluctuating demand scale, automatic customization & optimization et. al. For any SMEs, at least six months are required for successful deployment of cloud computing and in-depth knowledge to understand SLAs'.

"The Ministry of MSME has announced a

scheme to promote ICT Adoption in the sector to benefit 100 manufacturing clusters in different verticals. The industry verticals have been prioritized based on the recommendations in the NASSCOM-NMCC report. The Ministry has now released an EOI (Expression of Interest), and is in the process of appointing technology providers to assist the clusters. This will be a significant opportunity for the IT Industry, as the cluster development programme will be expanded to 300 more clusters the next 5 year plan."

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Jyotsna Sable and
Poonam Jadhav,
MMS Semester II,
DR VN BRIMS

Shri Mahila Grih Udyog - Lijjat Papad

In today's times where every organization thrives for profit maximization, where values and beliefs are part of their mission just for namesake, the one organization that stands out is Shri Mahila Grih Udyog Lijjat Papad. Lijjat, with its unconventional yet simple structure is all about women empowerment and Gandhian concept of survodaya. Lijjat teaches its sister members to believe in themselves, in the hard phase of life. The thing that makes Lijjat so unique is its very strong "core values".

Lijjat's core values comprises three important concepts

- ✓ Concept of business
- ✓ Concept of family
- ✓ Concept of devotion

Concept of business

From the very beginning Lijjat has adopted the concept of business wherein they run the business in a systematic and organized manner just like any other business. Lijjat has never accepted any donation even in its difficult times. "During the first year, the women had to stop production for four months during the rainy season as the rains would prevent the drying of the papads. The next year, they solved the problem by buying a cot and a stove. The papads were kept on the cot and the stove below the cot so that the process of drying could take place in spite of the rains." Lijjat always believed in

empowering its employees and making them independent, giving them respect they deserve and enabling them to live life with dignity. So there is no place for feeling of sympathy, charity or pity. Lijjat always believed in delivering a quality product at a reasonable price to its customer and practice good business ethics with dealers and consumers. Valuing people and understanding their problems has created for Lijjat a sound and sustainable business model.

Concept of family

Anyone can join Lijjat after taking a pledge and promising to care for the institute. To become a member of Lijjat, it's not necessary that you need be skilled, you just need to be loyal to the core values of Lijjat. Lijjat will accept you as a member in their family as we accept our new member in our family. Lijjat follows a simple Gandhian principle of *Survodaya* "collective ownership". Every member who joins Lijjat is an owner of the institute. The members are called "*bens*" which means sister in Gujarati. For every member Lijjat is not just a place of work but it is also their home. Members work together to achieve the shared objective which is overall growth of the institution. But if you crossed or broke the pledge or you compromised with the quality, then Lijjat will not tolerate it. It would make business sense to adopt modern technology for mass production or use machines for packaging etc., but Lijjat has not done so because it would defeat the very purpose of their existence, which is to provide a source of livelihood and dignity to women through self-employment.

Every matter, every problem is handled in a way as anyone would handle their family

matters. Lijjat is not about individual growth but it is about growth of Lijjat family as a whole.

Concept of devotion

"For the member sisters, employees and well wishers, the institution is never merely a place to earn one's livelihood- it is a place of worship to devote one's energy not for his or her own benefits but for the benefit of all. In this institution work is worship. The institution is open for everybody who has faith in its basis concepts."

For each member, Lijjat is a place that gave them a life with dignity and self respect. Lijjat is a institute that gave them opportunity to be independent, earn decent livelihood and live life with their head held high. Most of the sister members are either illiterate or semi-literate, with no support from their families. Lijjat is a ray of hope for these sisters to lead a respectable life with dignity. For them Lijjat is their "*Mandir*". They actually believe in it. As we start our day by bowing our head in front of God and praying, in the same way Lijjat members begin their work with prayers of all the religions. They simply adore their work.

Lijjat is the organization which is of the women, for the women and by the women. Lijjat has become a symbol for women-empowerment. Lijjat currently has more than 40000 members across its 53 divisions. Lijjat gives these women opportunity to work from their homes which makes it possible for them to look after their family, do all the household chores and at the same time contribute economically to the household income. Joining Lijjat is very simple. Anyone who take a pledge to adopt the organizations values and promises to treat the

workplace as a place of workshop can start right away. New members are given 15 days on the job training wherein all the instruction and specifications regarding quality and hygiene are given to make sure of the uniform quality of the product. They are very particular about the quality of the product. Lijjat follows decentralized pattern of organization only to take care of quality of the product. They don't want to compromise with the quality. They believe that if you have less product you can check the quality of product very well, but if you have large no of product you cannot check the quality personally. The member can choose any job like kneading a dough, rolling papads packaging or testing. The only requirement is that woman choosing rolling job must have a spacious hygienic place where she can roll papad and keep them for drying. The committee gives surprise visit to check the hygiene of the product. The wage pattern is designed in such a way that the same amount of work fetches almost the same wages. The rolling charges differs from branch to branch depending upon the profit of the branch. The members are paid on daily basis for the work they have done. As each member is owner of the institute, profits or losses are incurred by the institute, are distributed equally among all the members irrespective of time they joined or kind of work they do. Everyone is given same share of profit. In case of losses, members, as the owners of the enterprise, absorb this by taking less vanai charges.

Though, mechanism would improve the profits, Lijjat has decided not to go for it as the main purpose, the main mission of the organization is empowering women. Lijjat, with

its highly decentralized structure, stands out from other organizations. In Lijjat, every branch is responsible for its own working and profits or losses are borne by that branch only. Each branch has a "sanchalika" who is chosen from among the members by consensus. Sanchalika supervises the management of the branch and it is collective responsibility of each sister-member to manage activities efficiently and effectively. Sanchalika is not above any member as every sister is a owner of the enterprise. The functioning of Lijjat is very democratic where there is no place for prejudice on the basis of caste or religion or status. Sister members get true satisfaction by working for Lijjat. Lijjat is a big happy family where everyone cares for each other.

Social activities

Lijjat has started many schemes to support its employees and improve their life. One of the programs that was started by Lijjat in 1999 to educate its members is "aarakshan". The aim of this program is to educate its employees. Lijjat also started giving "chaganbappa smruti scholarship" to the daughters of the member sisters who pass out in 10th and 12th to enable sisters to encourage their children for education. Lijjat also imparts free computer training to the daughters of its members in collaboration with computer institute Zed Point. The only condition is that the girls should have cleared their SSC examination. Lijjat also provides financial assistance to their members by giving them loans without even asking for reasons. Among the many things Lijjat has done for welfare of the society, rehabilitation of chincholi jogan village in Latur district is one of them. Lijjat built homes for the residents of

chicholi who had lost everything in devastating earthquake.

After the 2001 gujarath earthquake, All the branches of Lijjat gave a total donation of more than Rs.4.8 million, including Rs.1 million from the central office. Lijjat built 40 houses for the rehabilitation of the people of Bhujpur in kutch district. The member sisters donate collectively for good causes from time to time according to their capacity.

ORGANIZATION STRUCTURE

Lijjat has a very unique and unconventional structure. Lijjat is highly decentralized organization with all of its branches being autonomous. Although there is managing committee of 21 members, including the president, the vice president ,two secretaries and two treasurer, each branch has freedom to decide the rolling charges and whether to distribute the profit among the sister members in the form of money or in the form of gold .the only activity which is centralized is the purchasing of raw material of products to maintain uniform quality since the quality of pulses, grains as well as the spices differs region to region.the purchasing of raw material is done by central office of lijjat which is situated at Mumbai. each branch has one sanchalika elected by the consensus of other member sisters. These sanchalikas are responsible for the managing the overall branch activities but the responsibility also lies with the other sister members since they are the collective owner of the organization.



"AWARDS AND ACHIEVEMENT"

Power Brands Award 2010-2011 :

Lijjat Papad has been chosen as a Power Brand 2010-2011 by the Indian Consumer and received the Award on 4th February 2011 in New Delhi by the Lijjat President Smt. Swati R. Paradkar

Brand Equity Award From Dr. A P Abdul Kalam

On 21st December 2005 Lijjat organization received the 'Brand Equity Award' at the hands of Hon'ble President of India, Dr.A.P.J. Abdul Kalam being presented by PHDCCI at Vigyan Bhavan, New Delhi.

The Economics Times Award

On 6th September 2002 Lijjat Institution received the Economic Times Award of "Businesswomen of the Year 2001-02 for Corporate Excellence".

Best Village Industries Institution Award

The Institution has received an award from Khadi and Village Industries Commission as a "Best Village Industry" for the period 1998-1999 to 2000-2001.

Mumbai mirror recently carried an article on Parvatiben thodani, the last surviving

founder of Lijjat. According to the article, Parvatiben is currently living in a tiny room in a girgaon chawl on a meagre Rs.500 a month. For an enterprise that claims to empower its member sister, this is a real failure. But after reading the brave and truly inspirational Parvatiben's interview, I realized that not everything can be measured in terms of money. In spite of the terrible conditions she is living in, the woman has no bitterness towards Lijjat. For her Lijjat is still the place of worship. She started Lijjat with 6 other women in 1959. At that time, her life was completely broken with her second marriage ending with her husband's early demise. She had to fend for herself and her daughter. Lijjat opened doors to a completely new life with self respect, dignity and decent livelihood. She earned her share of profit which she spent on her daughters' marriage. Now she is living on 500Rs. She receives from Sanjay Gandhi Niradhar Yojna. Today she is bed ridden in need of a surgery which she can't afford. Despite all this, the woman still worships Lijjat. For her it is still her Mandir for the reason that it was Lijjat that gave her new life, decent livelihood, respect she deserved. Lijjat is not about becoming rich, for that matter no one can become rich by working in organization such as Lijjat.

Certain things are beyond these material things. Lijjat provides its member an opportunity to stand on their feet, be independent and gives them the freedom, which before, they could only dream of.

It is about giving them that place, status and respect in society that they truly deserve. Allowing them to live a dignified life. Unfortunately, currently Lijjat does not have any

policy for its retired members. They support only their working members.

Suggestions

Lijjat should start the pension system to their member sisters who have worked more than 15 years with the Lijjat.

Lijjat should make provision of provident fund; it will help member sister to utilize their *vanai* in proper manner. Lijjat should guide its member sisters on how to invest the money.

Health insurance of each member should be done by the Lijjat.

References

www.lijjat.com

www.rediff.com/money/2005/apr/15spec.htm

Mumbai mirror article on parvatiben thodani, published on 11/03/2012

Stop Press

Banks Need to Take Care of Small Things

Micro, small and medium enterprises feel the squeeze more strongly than the biggies in an economic slowdown. They need regulatory help to sail through the troubled waters, says Ruchira Roy

SOURCE: The Economic Times Mumbai, Jan 11, 2012, pg. 15

TAX EFFICIENCY

Optimizing SMEs' treasury income

SOURCE: The Economic Times Mumbai, Jan 24, 2012, pg. 31

MSMEs TO BE AT THE VANGUARD OF JOBS CREATION BLITZ IN STATE

SOURCE: The Economic Times Mumbai, Jan 24, 2012, pg. 31

SMALL COs CAN GO BIG BEYOND FDs

SMEs have become the backbone of the economy, accounting for 17% of the GDP. But they still shy away from parking funds in instruments that can maximize their post-tax returns ...

SOURCE: The Times of India Mumbai, Mar 13, 2012, pg. 17

'WE WILL CREATE 84 LAKH MSME JOBS BY 2013'

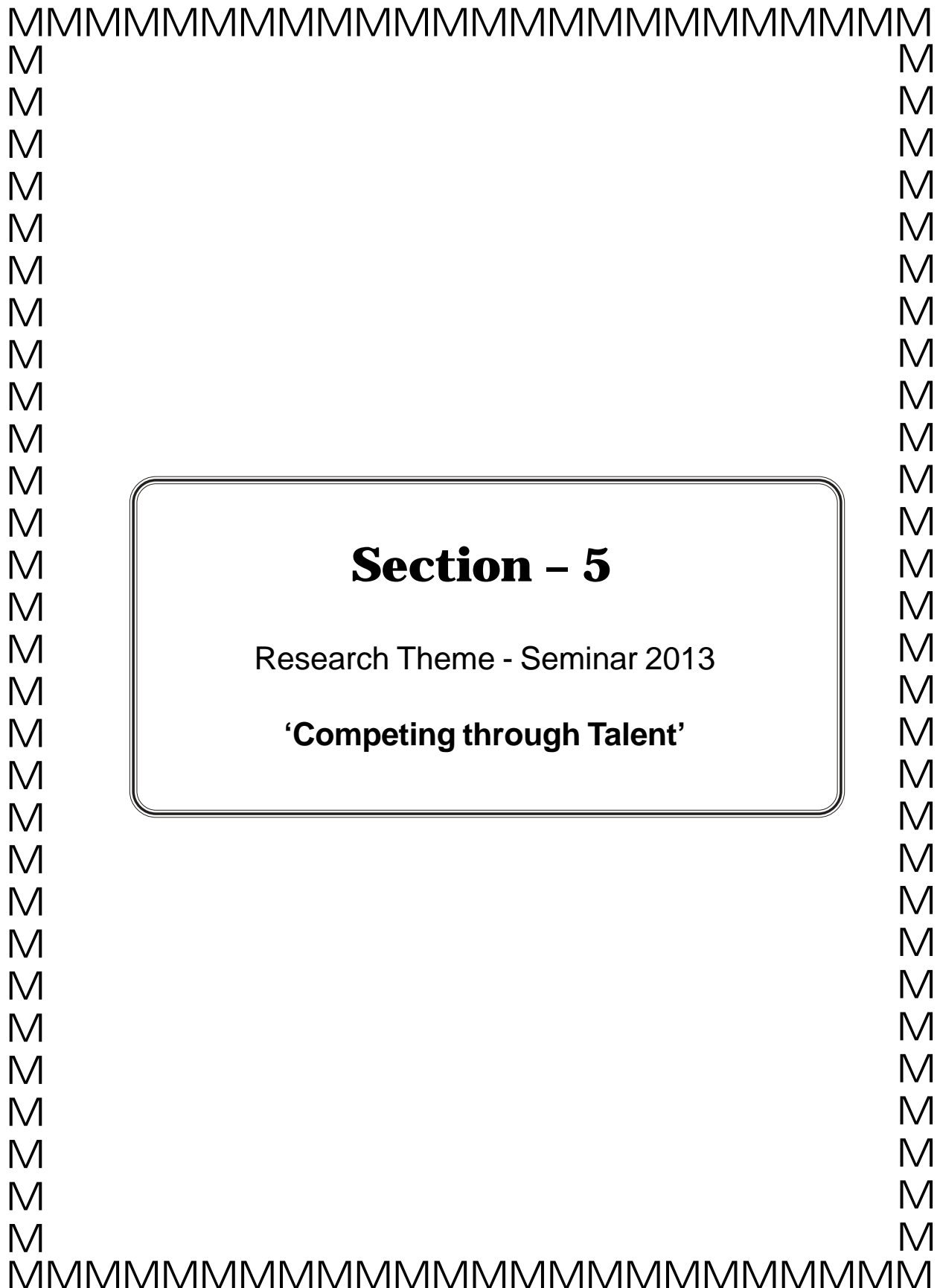
SOURCE: The Times of India Mumbai, Mar 17, 2012, pg. 14

MORE LEGS TO STAND ON

Small is social: Micro units get some credit

TEAM TOI

SOURCE: The Times of India Mumbai, Mar 17, 2012, pg. 14



Section – 5

Research Theme - Seminar 2013

‘Competing through Talent’



DR VN BRIMS ANNUAL WORKSHOP AND SEMINAR (2012-2013)

‘Competing through Talent’

‘Competing through Talent’ will help organizations to:

- a) align the mindsets of individuals and groups inter-se, in an organization, with a view to seek congruence with respect to values, vision, mission and overall objectives of the organization
- b) evolve and develop human assets’ acquisition policies which are directed to recruit the best and most competent and competitive talent at all echelons of management
- c) identify deployment and engagement policies which permit the cause of the best alignment between position, pay and performance which in turn can contribute to the overall organization objectives and therefore long run success of the organization
- d) identify talent development through appropriate and effective human resource development initiatives of education and training with a view to enable, empower and enact individuals and groups in favour of creativity, innovation, deliberate practice et al. to achieve better and most competitive, superior performance
- e) help employees connect inter-se and also with all other stakeholders through effective networking and meet or exceed expectations of all stakeholders

- f) identify retention, retirement and succession plans which develop the right bondages between the organization and the employees and put in place transparent succession plans that maintain continuity of quality leadership in the organization at all times
- g) develop reward recognition systems which are transparent, fair, equitable and sharply motivate employees to voluntarily 'stretch goals' continuously to newer, seamless, heights given current or future resource constraints of time and money and constant threats of loss of competitive advantage
- h) continuously assay the performance of individuals, groups and practices of the business against the best, state-of-the-art, in the industry, country and the World at large so as to maintain the lead in an ever growing competitive World
- i) inculcate in all employees the attitudes of a learning organization which is ever ready to absorb, assimilate and also transfer knowledge to the cause of welfare of all stakeholders including society at large
- j) motivate talent to emerge as ethical, socially responsible, citizens, capable of contributing to the cause of human resource development which in turn allows the business to always ride at the crest of the wave of a knowledge society.

The seminar will address each one of the

above issues in turn and should provide value additions to all students, teachers and other stakeholders of management institutes and other individuals, groups and institutions concerned with human resource development and management.

The specifics of the Seminar 'Competing through Talent' will include:

- ✓ Vision, Mission, Objectives and Talent Management
- ✓ Human assets, acquisitions, deployment, engagement, development, connect, retention, retirement, succession, reward recognition policies.
- ✓ Talent management in a knowledge society.
- ✓ Talent as a socially, ethically responsible entity in society.
- ✓ Talent management - best practices

Women Empowerment In India - A Challenge to Talent Management

Women are increasingly important to the Indian workforce. Recruiting women to work in call centers can dramatically increase the labor pool. In some industries, the percentage of female workers jumped from 10 percent to 50 percent. But this isn't happening at senior levels of the workforce. Avon's Effron said he was struck by the lack of women in management-track positions in India, where he was involved in coaching more than 40 Indian leaders over three years. "There was not a single woman in those groups," he said, which was especially striking given that India has had prominent female political leaders, including Indira and Sonia Gandhi. "So it's certainly not a country that you could say holds women back from positions of power.

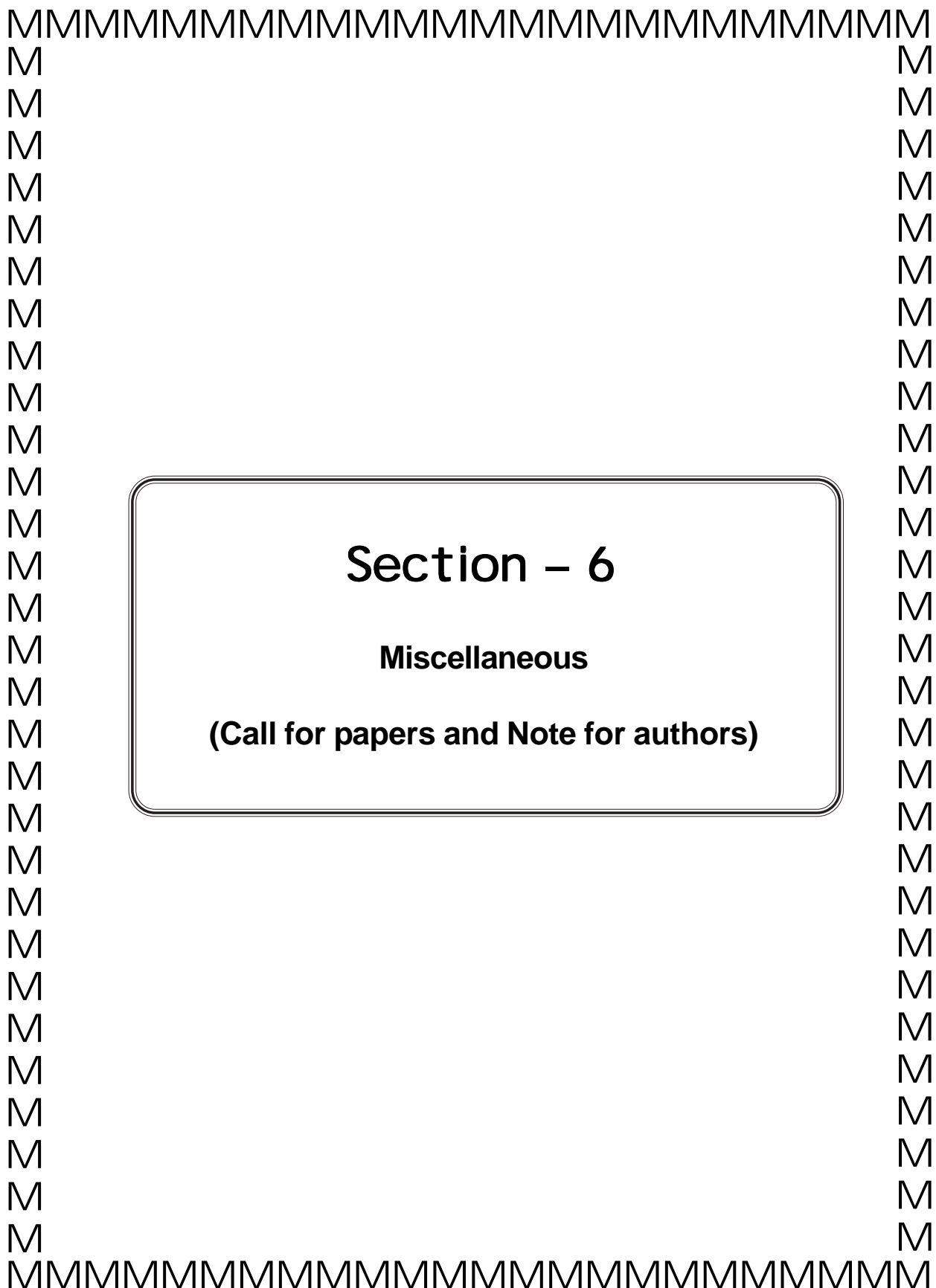


But for some reason, we simply don't see this in many companies." Effron said Avon seeks to address this. "India is a key growth market for us, and we'll do our absolute best to make sure that we have women in key leadership roles in the organization."

Source: Managing and developing talent in China and India –At a pre-conference to The Conference Board's Talent Management Strategies Conference in New York City in March 2006, Development Dimensions International, Inc.

Women Empowerment

- ❖ "Educate a man and you educate an individual: educate a woman and you educate a family." - UNESCO
- ❖ You can tell the condition of a nation by looking at the status of its women.
- Jawaharlal Nehru
- ❖ A woman is the full circle - Within her is the power to create, nurture and transform. - Diane Mariechild



Section – 6

Miscellaneous

(Call for papers and Note for authors)



About The Seminar

Focus Groups (All Concerned with Management)

- ✓ Academicians
- ✓ Practicing Managers
- ✓ People at the helm of business organizations
- ✓ All Academic Institutions
- ✓ Research Scholars
- ✓ Management Students

Seminar objectives

- ✓ Providing a platform to initiate the learning process and the knowledge developed will facilitate value addition to our know how on the same.
- ✓ All focus groups will be encouraged to research upon various aspects for the theme through presentations and other related contributions viz. writings, case studies, video clippings et al.
- ✓ To present a galaxy of speakers on the said theme with multifarious perspectives cutting cross different segments of society and management.

Guidelines for paper submission

- ✓ The original script should be submitted electronically with a word count of not more than 3000 – 5000.

- ✓ The paper can be sent to the following email id: researchcentre@vpmthane.org
- ✓ The text should be submitted in MS word with 1.5 line spacing, margins of all around 2.5 cm or 1 inch with Times new roman 12 font sizes. All papers must be in UK English.
- ✓ The first page of manuscript should have the title of the paper, name of the author/s, complete mailing address, phone number, fax number if any and email address.
- ✓ The figures and tables should be placed in the body of the text as appropriate, numbered consecutively in the text and duly acknowledged.
- ✓ The author warrants that the article is the author's original work, has not been published before. Plagiarism is unethical and unacceptable.
- ✓ An expert committee will screen the abstract based on research content, clarity in concepts and originality of the concept.
- ✓ Decision of the expert committee shall be final. Vidya Prasarak Mandal (VPM) reserves the right to refuse an article where its publication creates legal liability or where circumstances come to light that were not known to the expert committee.

Important Dates:

- ✓ Full Paper Deadline: 18th January 2013
- ✓ Notification of Acceptance and Review: 30th January 2013
- ✓ Seminar Date: 16th February 2013

Competing Through Talent

24. News And Views



“When I was travelling in an aircraft in the United States, I was told that much of its controls were software driven and most probably developed in India. When I presented my credit card, I was told that it was being processed in the backend server located in Mauritius. When I walked into software development house in Bangalore, I was fascinated to find that it truly presented a multicultural environment. A software developer from China working under a project leader from Korea, working with a software engineer from India and a hardware architect from the US and the communication expert from Germany. All working together to solve a banking problem in Australia”. (*Dr. A.P.J. Abdul Kalam, 32nd Annual Convocation of Anna University, Chennai, 9th January, 2012*). Talent management today poses the challenge of competing successfully in a multi-cultural environment. India, by definition, is a multi-racial, multi-lingual and multi-religious country and is an object lesson to the rest of the World as to how to live through a multi-cultural environment.



Competing through Talent, in a globalised environment, should lead to a better India and a better World. According to Shri N. R. Narayana Murthy our future development should be based on education -professional management of education, good value system - courageous leadership, good entrepreneurship and governance, socio-economic systems which can create wealth through inclusive growth and globalisation, procuring the best of inputs from the best of places, at the best of prices and marketing quality output in the best of markets, at the best of prices. This is a great challenge for talent across the globe if competitive edge has to be successfully sustained. (*N. R Narayana Murthy, A Better India: A Better World, Penguin Books India, 2009*).



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