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# MSME News Update

## 1. **Haryana MSMEs gets public procurement policy**

Haryana Government has formulated a public procurement policy for Micro, Small and Medium Enterprises (MSMEs), state Finance Minister Abhimanyu said here on Sunday.

He said that the policy would help promote MSMEs by improving their market access and competitiveness through increased participation.

Referring to the different benefits and concessions proposed in the policy, Abhimanyu said that tender fee would be nil in purchase case value up to Rs 10 lakh and between Rs 10 lakh and Rs 30 lakh, and above Rs 30 lakh, an official release quoting him said.

However, this exemption would be provided only to those manufacturing MSMEs, including Khadi and village industries or units, which had filed Entrepreneur Memorandum in the State.

Similarly, earnest money deposit, which was earlier 2 per cent of tender value, has also been eliminated.

Listing the other concessions, the Minister said that 90 per cent concession would be given on performance security as applicable to other Haryana-based firms.

Apart from this, exemption would be given on past performance and experience for MSMEs, including Khadi and village industries or units, which had filed Entrepreneur Memorandum in the State.

This would also applicable on those who have quality certification of ISI, ISO, Agmark or Quality Mark issued from competent authority in the State or Central Government.

Besides, the purchase preference would be 50 per cent of the total tendered quantity.

The Micro Enterprises concession would be of 80 per cent on turnover and in case of Small Enterprises, it would be 70 per cent on turnover.

He said that incentives have also been proposed for new vendors (only medium enterprises) in the areas of past performance and experience concession and purchase preference.

(Business Standard, October 2<sup>nd</sup>, 2016)

## 2. **Portal launched to remove bottleneck in khadi spread**

In a tribute to Mahatama Gandhi on his birth anniversary, the Khadi & Village Industries Commission (KVIC) announced a major step towards removing bottleneck in the spread of khadi by deciding to speed up the process of registration and certification of new khadi institutions.

"In the past, the process would take as much three years whereas now it would be done within 40 days," chairman of the KVIC VK Saxena said. For opening a new institution, the promoter or cooperative would be required to have a minimum of 24 charkhas and five looms. To run them he will need a minimum work force of 30, Saxena said, adding, "I expect at least 2,000 to 3,000 new units will be set up in one year."

This would be employment generation for around eighth lakhs people, he said.

The KVIC on Sunday launched an Online Portal namely "Khadi Institution Registration and Certification Sewa" (KRICS) for the registration and certification of the new Khadi Institutions. The online portal was launched Kalraj Mishra, Union Minister for MSME Khadi India Outlet in Connaught Place.

"The online Registration of new Khadi institution is necessary to plan, promote, facilitate, organise and assist in the establishment and development of Khadi & Village Industries in the rural areas," saxena said.

The KRICS is another step towards ease of business. With the launch of this facility, the willing new Institution would be able to get their institution registered and will able to obtain the Khadi Certificate from KVIC within 40 days.

The old 16 pages application form has been reduced to just 1 page. After filling the one-page online format, the institution will get Unique ID immediately through which they will be able to track their applications status online. With the introduction of this online transparent process, the willing institution will get the registration and Khadi Certificate in a hassle free time-bound manner without visiting any KVIC office. With the joining of new Institution in Khadi activity, the production and employment opportunities will increase in Khadi Sector. Saxena Said."

(The Pioneer, October 3<sup>rd</sup>, 2016)

### 3. **Industry delegation calls for cotton – fibre security scheme**

Textile industry representatives have urged the Centre to come out with cotton fibre security policy to curtail the volatility in the price of the white fibre in the coming season. Members alleged that the stagnated growth in the cotton textile industry and exports is caused due to volatility in cotton prices.

A 19-member delegation led by Vanathi Srinivasan, BJP State General Secretary and M Senthil kumar, Chairman, The Southern India Mills' Association met the Union Textile Minister Smriti Irani in Delhi and submitted a joint memorandum.

Senthil kumar, in a release said it was collectively decided by the 26 textile associations to insist the government to direct Cotton Corporation of India to procure 70-80 lakh bales during the peak season (when prices rule lower than international cotton price), retail it as a buffer and sell the same only to actual users during May and September. Though the cotton year is October to September, more than 80 per cent of the arrivals happen between November and March.

Prices soar during off-season (May to September), he explained, as mills do not have the wherewithal to stock cotton and are therefore pushed to procure cotton at high rates for at least five months.

(Business Line, October 2<sup>nd</sup>, 2016)

### 4. **Odisha govt to organize 'Startup Enclave'**

Odisha government decided to organise 'Startup Enclave' here to boost confidence of budding entrepreneurs in the state.

A proposal to this effect was taken in a high level meeting held under the chairmanship of Chief Secretary A P Padhi. "It was decided to organize the event for two days on November 28 and 29," said L N Gupta, Secretary of Micro, Small & Medium Enterprises department.

Padhi has advised to make the conclave focused and outcome oriented. "Encourage more number of budding Odia entrepreneurs from various sectors in this conclave," Padhi said in the meeting.

The objectives of the event would be to motivate the youth towards entrepreneurship, showcase the startup ecosystem in Odisha and attract more startups to start their venture in the state, Gupta said, adding "it was also decided to organize Idea Competition among innovative youths in the event.

(Business Standard, October 5<sup>th</sup>, 2016)

### 5. **SMEs' IPO fund- raising doubles to Rs. 384 crore**

Fund raising by small and medium enterprises (SMEs) from initial public offerings more than doubled to Rs 384 crore in the April-September period of 2016-17 from the year-ago period. In comparison, 27 SMEs raised Rs 182 crore in the first half of the preceding financial year, 2015-16. "Indian primary market has witnessed spectacular revival in last few months, which is not limited to large IPOs like Mahanagar Gas, Quess Corp and ICICI Prudential. Public share sales of smaller companies on the dedicated SME boards of stock exchanges, too, have been on a hot streak," Pantomath Group Managing Director Mahavir Lunawat said.

(The Financial Express, October 5<sup>th</sup>, 2016)

### 6. **Faircent forays into secured loans**

Faircent, the country's largest peer-to-peer (P2P) lending firm, has now started focusing on secured loans, a segment that these players had so far not been present in. Now, with tie-ups with companies, the firm has forayed into auto loans, and is eyeing dispensing loans for other asset-backed products.

These firms allow an individual to lend money to other unrelated individuals without assistance from any financial intermediary. And, these are mainly accessed by consumers who find it difficult to secure a loan from a bank or other non-banking financial company (NBFC).

Vinay Mathews, co-founder and chief operating officer, Faircent, explained that apart from personal loans, even for the secured products, some consumers may find it difficult to take a loan because of their income or risk profile. "Apart from this there are certain areas that bank lending is not extended to such as education loans for coaching classes which can cost lakhs. So we are also looking at exploring those areas and are planning to tie up with relevant companies," he said.

Apart from this, Faircent is also looking at exploring other products such as gold loans, loans against property etc. In the past couple of years, the P2P lending space has been gaining traction and apart from consumers, even small and micro enterprises (SME) have also been logging into these online players to access credit. This is because of the slowdown in the economic activity; even bank lending to the SME space has been reduced.

(Business Standard, October 7<sup>th</sup>, 2016)



## **7. Corporation Bank eyeing Rs. 4,500-cr MSME loans**

Corporation Bank is looking to disburse ₹4,500 crore of loans to MSMEs (micro, small and medium enterprises) during the next few months, CK Gopal, General Manager, said. He said the bank has launched a special four-month campaign in this regard. This campaign, which began on October 1, will be in force till the end of January.

To make the task of existing and prospective customers easy, the bank has introduced a facility of filing loan application online on the bank's website.

The online process is simple as the applicant has to fill basic details about his/her company and the amount of loan required. The applicant can also select the branch of choice.

He said the entire process may require less than five minutes. Normally, a client visits the branch to make, what may be, routine enquiries. That time can now be saved. For term loans, the system gives an indication about the eligibility amount immediately.

Once the customer completes the online application process, he/she will get a reference number. The branch concerned and the zonal marketing team of the bank will be informed about this for further follow-up and they will get in touch with the customer, he said.

The MSME advances of the bank stood at ₹28,995 crore during the second quarter of 2016-17 as against ₹25,354 crore in the corresponding period of the previous fiscal, recording a growth of 13 per cent.

Gopal said that the special four-month campaign will help branch managers focus more on MSMEs. This gives them sufficient time to discuss the leads and extend loans.

(Business Line, October 7<sup>th</sup>, 2016)

## **8. CommMin wants exemptions for exporters to continue under GST**

The Commerce Ministry has suggested to its finance counterpart that the exemptions given to exporters should continue under the new indirect tax regime, GST.

The proposed procedure of paying taxes and then claiming the refunds by exporters under the Goods and Services Tax (GST) would cause hardships for them, said an official.

A substantial amount of working capital would be locked in the process of paying duties and then taking refunds, he explained.

The ministry also wants that the distinction between the domestic tariff area and special economic zones should be maintained under the new regime.

The Finance Ministry, however, is of the view that the taxes should be paid in the first place but those exporters who are entitled to exemptions could take refunds, another official said.

Exporters on their part argue that locking of the working capital amount would hurt exports.

"Export sector is worried with the implication of GST on exports," Federation of Indian Export Organisations (FIEO) Director General Ajay Sahai said.

FIEO has raised several issues for the consideration of the GST Council so that the facilities currently availed by the sector continue as exports face competition from countries where the transaction cost is much lower.

Sahai said that the definition of exports in the Model GST law is at variance with SEZ Act.

"We need to synchronize the two to avoid any dispute. GST would also require suitable changes in many of the Schemes in the Foreign Trade Policy," he added.

He added that for exporters, the facility of duty free imports/procurement of inputs for exports should continue else it will lead to increasing requirement of working capital even for payment of IGST, CGST and SGST.

"This will hit MSME as their cost of capital is quite high, blunting their competitive edge in exports. The exemption will not lead to any loss of revenue as in any case exporters will be entitled to refund which affect their liquidity," Sahai said.

The government is working on the target of April 1, 2017 for rollout of GST.

Once implemented, GST will subsume various taxes including excise, services tax, octroi and other levies and the proceeds will be shared between the Centre and states.

India's exports have been in the negative zone since December 2014. After recording growth in June this year, they shrank again in July and August.

(India Today, October 9<sup>th</sup>, 2016)

## 9. *India SMEs favour long-term ties with Chinese investors*

Indian Small and medium enterprises are seeking a long-term partnership with Chinese entrepreneurs and investors in IT, mobile components and auto ancillaries, said MSME Minister Kalraj Mishra at an event in Guangzhou.

India participated in the 13th China International Small and Medium Enterprises Fair (CISMEF 2016) as the co-host through the ministry of micro, small and medium enterprises (MSME) and the National Small Industries Corporation (NSIC).

As many as 124 small and medium enterprises from various parts of India were participated in the fair.

“The Indian MSME sector is poised for a major leap, driven by the high growth with a high level of innovation and Indian MSMEs seek a long-term partnership with Chinese entrepreneurs and investors, especially in areas like IT and digital, mobile components and automobile ancillaries” Mishra said at the inauguration of the Indian pavilion at the fair.

Mishra and Governor of Guangdong, Zhu Xiaodan jointly inaugurated the Indian pavilion.

The minister listed out several initiatives to bolster growth of the manufacturing sector in India such as Make in India, Digital India and Start-up India, which have made the world’s economic superpowers look at India with “a lot of admiration.”

(Your Story, October 12<sup>th</sup>, 2016)

## 10. *Khadi strikes mktg deals to expand*

In a first, khadi is set to take the franchisee route besides entering into at least three marketing arrangements with garment manufacturers as it looks to expand its footprint and meet the growing demand for the traditional hand-spun and hand-woven product.

Sources said that Khadi & Village Industries Commission (KVIC) has clinched a deal with Raymond and similar arrangements are going to be stitched up with at least two players, Madura Garments and Arvind Mills, which will see availability of khadi fabric at some of their stores. While Fab India too was engaged in talks with KVIC to sell khadi, the deal did not work out as the retailer was unwilling to comply with the condition being imposed by the government agency. The arrangement will Raymond and the others ensures purchase of khadi fabric from KVIC, which is also looking at the private channels to push village products such as soaps and other items.

The government also cleared a franchisee scheme for KVIC, which will allow opening of 16 stores, of which nine will come up in the National Capital Region, four in Mumbai, two in Pudducherry and one in Jaipur. Based on the experience with this model, KVIC will open more stores, said a source. Currently, khadi products are sold through 7,100 stores that are operated by institutions registered with KVIC.

The stores come at a time when others such as Ramdev's Patanjali are opening stores at a breakneck pace. While Patanjali has so far focused on food and home care products, it is entering the garment and footwear business too.

Through franchisee stores, khadi is hope to have a presence in newer locations, including shopping complexes, instead of confining itself to government and old buildings where rentals are lower.

In recent years, khadi sales have been growing at a rapid pace with fabric and garment sales rising nearly 29% during April-August.

(The Times of India, October 13<sup>th</sup>, 2016)

## 11. *BRICS trade ministers agree to cooperate in e-commerce, services, IPR, MSMEs*

Trade Ministers from Brazil, Russia, India, China and South Africa (BRICS) have agreed on a cooperation framework to promote mutual beneficial commercial relationship among micro, small and medium enterprises (MSME) while consenting to work together in a number of other areas such as services, standards, e-commerce, intellectual property and non-tariff measures.

In a joint communiqué following the sixth meeting of BRICS Trade Ministers in New Delhi, the Ministers agreed to work together in the identified areas through a number of cooperative frameworks.

(Business Line, October 13<sup>th</sup>, 2016)

## 12. **'7m Jobs can go away by 2050'**

As many as 550 jobs have disappeared every day in last four years and if this trend continues, employment would shrink by 7 million by 2050 in the country, a study has claimed.

Farmers, petty retail vendors, contract labourers and construction workers are the most vulnerable sections facing never before livelihood threats in India today, the study by Delhi-based civil society group PRAHAR has said.

As per the data released by Labour Bureau early 2016, India created only 1.35 lakh jobs in 2015 in comparison to 4.19 lakh in 2013 and 9 lakh in 2011, the group said in a statement. This is because sectors which are the largest contributor of jobs are worst-affected. Agriculture contributes to 50 per cent of employment in India followed by SME sector which employs 40 per cent of the workforce," the statement said.

(The Economic Times, October 16<sup>th</sup>, 2016)

## 13. **Nearly 75% govt banks miss MSME loan growth tar**

Despite the NDA governments push on improving credit to the micro, small and medium enterprises (MSMEs) in the country, only seven out of India's 27 state-owned banks have achieved the loan growth target for the sector.

The finance ministry had asked banks to register a 10% annual growth in the number of enterprises while increasing their annual credit growth to the sector by 20% in the first half of 2016-17 or by September 30, 2016.

MSMEs employ over 100 million people, and account for 37% of the India's GDP and 40% of the country's exports.

The seven banks include Indian Bank, Indian Overseas Bank, Bank of Maharashtra, Vijaya Bank, State Bank of Travancore, State Bank of Hyderabad and Bharatiya Mahila Bank. Bank of Baroda and Punjab National Bank have registered a decline in credit growth to this sector.

Lending to the MSME sector is also required under the priority sector lending norms at 7% of a bank's total loan book.

The lenders have been unable to meet the targets due to growing level of non performing assets (NPA), which stood at 11.24% of advances as on June 2016, and stringent rating norms for these units.

"Banks are not willing to give the MSMEs loans and this is choking the sector... A different scale of rating would help the MSMEs in getting easier loans from banks," Anil Bhardwaj, general secretary, Federation of Small Medium Enterprises (FISME) said.

Commerce and industry minister Nirmala Sitharaman has underlined the need to look into the problem. The government has also launched the Mudra Bank to facilitate funding to the micro entrepreneurs.

"Loans to MSME sector has gone down and the issue was also discussed with the finance minister (Arun Jaitley)," said a chairman of a public sector, seeking anonymity.

(Hindustan Times, October 18<sup>th</sup>, 2016)

## 14. **Modi urges people to buy khadi to help poor**

Stressing on promoting the SC/ST entrepreneurship, Prime Minister Narendra Modi gave a call to use khadi products. He, in fact, urged the people to "buy khadi" during the ongoing festive season to "help poor families'.

"Buy khadi this Diwali so that the poor who spin the charkha can celebrate," he said while addressing a programme of Micro, Small and Medium Enterprises (MSME) at Ludhiana's Punjab Agriculture University.

Emphasising on the need to promote Khadi industry, Modi said that there was a time when Khadi was used as a tool in fight for Independence now it should be used for fashion.

"See how well Khadi is marketed now. Earlier it was only 'Khadi for nation', now it's also 'Khadi for fashion'. Use khadi products," he stressed.

Maintaining that SC/ST entrepreneurship should be promoted, Modi said: "This sense of entrepreneurship among Dalits will benefit all. There are youth whose dreams are to create enterprises and jobs."

Modi, exhorting small businesses to make products with "zero defect" and "zero effect" on environment, said that India can play a major role in providing strength to global economy that is facing slowdown. "For India's economic progress, the MSME sector is crucial," he said.

"I urge entrepreneurs that they participate in ZED (zero defect, zero effect) movement. At least 10 lakh units should come forward. We have set 50 parameters to meet ZED certification standard. Please enable yourself to comply with those," said Modi while addressing at National Award function for MSME.

Modi also launched ZED Certification Scheme for Micro Small and Medium Enterprises (MSME) and SC/ST Hub for providing support to entrepreneurs at industrial town of Ludhiana. He stressed that MSME was crucial for India's economy and said "our aim should be to target the global markets".

"Ludhiana is an important economic hub. It is natural to launch a scheme related to MSME here. I am seeing a mini-India in front of me. For our economic development, MSME sector is crucial. We must target the global market," he said.

(The Pioneer, October 19<sup>th</sup>, 2016)

## 15. **SIDBI issues Rs. 10 crore each to Ankur Cap, Omnivore Partners**

The Small Industries Development Bank of India (Sidbi) issued Rs 10 crore each to agriculture and rural development-focused venture funds Ankur Capital and Omnivore Partners from the ASPIRE fund, a fund of funds with a corpus of Rs 60 crore.

The ASPIRE Fund, which is part of an initiative by the Ministry of Micro, Small and medium Enterprises (MSME) under 'A Scheme for Promotion of Innovation and Rural Entrepreneurship and agro industry (ASPIRE),' was launched by MSME minister Kalraj in Mumbai on Thursday.

"After processing several VC funds, Ankur Capital and Omnivore Partners were given the accrual letter today," Sidbi chairman Kshatrapati Shivaji said. The ASPIRE Fund was entrusted to Sidbi about six months ago.

"This is the first tranche of funding from the fund. Each VC fund has been given Rs 10 crore each," Shivaji said.

Omnivore Partners, whose focus areas for investments are agriculture technologies and rural livelihood development, has so far invested in 12 startups such as Ecozen Solutions and Mitra.

"The Rs 10-crore funds from ASPIRE will go into our second fund and we will use it to make pre-seed investments in promising startups developing breakthrough technologies for food, agriculture and the rural economy. We will be collaborating with accelerators and incubators to back early-stage startups," said Subhadeep Sanyal, principal at Omnivore Partners.

Ankur Capital invests in startups that address challenges in agriculture, healthcare, skill development and education. It has invested in seven startups such as SUMA Agro and Cropin.

"The Rs 10 crore will add to our fund size and we will use it to extend our portfolio of startups," said Ritu Verma, cofounder of Ankur Capital

(The Economic Times, October 21<sup>st</sup>, 2016)

# ARTICLE

## Supporting MSME growth for more and better jobs

By: **Eva Majurin and Sudipta Bhadra**  
*International Labour Organization, New Delhi*

### **Why does MSME growth matter?**

Micro-, small- and medium-sized enterprises (MSMEs) are a major engine of job-creation, accounting for about two-thirds of all jobs worldwide. According to global estimates, they also account for 60-70 percent of GDP, forming the backbone of national economies.

At the same time, the MSME 'sector' is highly heterogeneous, ranging from informal, micro, survivalist enterprises to fairly large, formal enterprises, and ILO studies show that a substantial share of the jobs created by enterprises at the informal end of the spectrum are neither productive nor decent.

There is growing evidence that productivity and wages rise and working condition improve as the size of the enterprise increases. Through higher worker wages and increased enterprise profits, enterprise growth also leads to positive social and economic spillovers at the macro level.

It is therefore not surprising that MSME growth is gaining ground in policy discussions. The consensus around the importance of MSME growth for inclusive and sustainable development can be seen in the newly adopted Sustainable Development Goals (SDGs), for instance, which include a target on encouraging the formalization and growth of MSMEs as a means of achieving Goal 8 on sustainable, inclusive and sustained growth, full and productive employment and decent work for all.

### **Efforts to promote MSME growth**

Given the importance of MSME growth, programmes to support the performance and growth of businesses feature prominently in the agendas of development stakeholders, including national governments, networks of enterprise support agencies, and international organizations.

The International Labour Organization (ILO), for example, has developed targeted programmes to help improve enterprise productivity and growth in response to the growing demand for such programmes.

### **Improving productivity, competitiveness, and job quality in SMEs: The SCORE programme**

The Sustaining Competitive and Responsible Enterprises (SCORE) programme is an in-factory 'Operations Management' training programme for MSMEs to improve productivity, quality and cost competitiveness. The SCORE training pack has 5 modules - the mandatory module on 'Workplace Cooperation' (Module 1) and the optional modules - 'Quality' (Module 2), 'Productivity through Cleaner Production' (Module 3), 'Workforce Management' (Module 4) and 'Occupational Safety and Health' (Module 5). SCORE training is offered by ILO in partnership with industry associations, government and workers organizations to MSMEs in China, Indonesia, Vietnam, South Africa, Ghana, Colombia, Peru and India. SCORE trained enterprises have reported 20% or larger improvements against key industry benchmarks such as process efficiency, on-time delivery, or reductions in machine break downs, defects, and wait and idle time



## **Helping micro and small enterprises grow: The SIYB programme**

The Start and Improve Your Business (SIYB) programme is a system of inter-related training packages for small-scale entrepreneurs to start, improve and grow their businesses. Its most advanced package, 'Expand Your Business' (EYB), gives growth-oriented SMEs the practical tools for business growth and assists them to move to a growth path through training and non-training interventions. The training programme leads to a business growth plan, focusing on marketing, operations, human resources, and financial and strategic management. The SIYB programme has to date been introduced in over 100 countries with demonstrated results, having reached an estimated 10 million beneficiaries and created over 4 million jobs.

## **Emerging questions on MSME growth**

Enterprise growth has been examined from different perspectives by researchers trying to establish main barriers to growth as well as factors that stimulate it. There is now broad consensus that a range of both internal and external factors (such as personal motivation, skills, finance, or market opportunities) affect growth, though the respective influence of each factor still remains a topic of debate.

Given the transformations that are shaping the global economy, alongside these traditional questions, a series of new questions are also emerging on the issue of growth, including:

- **How can global supply chains best be leveraged for MSME upgrading and growth?**

Global supply chains can promote technology transfer, help MSMEs adopt new practices and move into higher value-added activities; however, these positive outcomes do not always materialize automatically. To leverage the positive impacts of global supply chains, the Conclusions of the International Labour Conference of 2016 on Global Supply Chains foresee a strong role for government in targeting measures at SMEs to help them formalize, further develop, upgrade and advance to higher segments of global supply chains; under ILO action, the Conclusions also recommend the scaling up of programmes like SCORE to address decent work deficits and to enhance the positioning of SMEs in global supply chains.

- **How does an enabling environment affect growth?**

Enterprises do not exist in a vacuum but operate within a political, social and economic context. This external environment plays a key role in how enterprises perform, and studies show a significant link between enabling-environment reforms and job and economic growth. The effects of the enabling environment on firm-level growth are also being increasingly assessed in order to establish what works and what does not. A recent evaluation of the World Bank Group's SME support programmes shows that an improved enabling environment (in this case measured by access to finance, access to electric power and the reduction of the regulatory burden) is significantly associated with employment growth, pointing to a positive link between enabling environment and enterprise expansion.

- **How are productivity levels and enterprise growth related?**

While evidence is limited, research on the link between productivity and firm growth point to productivity being a key driver of firm size adjustments. Research from Brazil and the UK, for instance, show a positive link, with higher total factor productivity growth leading to a higher likelihood of firm growth, and, vice versa, with higher firm growth rates also resulting in higher productivity growth levels. While further research on this is still warranted given knowledge gaps, these links would seem to confirm the need for productivity improvement measures to spur enterprise growth.

- **What is the role of technological change and innovation in SME growth?**

The positive contribution of innovation to growth is broadly recognized: studies have shown, for instance, that innovative SMEs register higher growth relative to non-innovative SMEs in terms of not only sales turnover but also employment and investment. New questions in this regard include, for instance, whether eco-innovation brings with it specific benefits in terms of growth. Changes in the world of technology beyond individual enterprises will also bring about new opportunities and challenges for MSMEs, with implications for their growth trajectories.

- **How do we maximize the potential of high growth enterprises?**

'Gazelle enterprises', 'small and growing enterprises' or 'high growth small enterprises' - whatever name they are referred to by – have become the focus area of many SME support agencies. Though small, and some cases informal, their high growth potential makes them interesting from the perspective of job creation. Key challenges include how to identify such (potential) enterprises prior to interventions, whether to focus efforts on already existing gazelles or promising entrepreneurs who are starting new ventures, and how best to design mechanisms to support them.

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M - Motion (unnecessary motion within work area resulting in time waste)

D - Defects (repeated errors, avoidable errors )

W - Waiting (materials, information)

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## INVITING MEMBERSHIP



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/leads through web presence

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