



COSIA



MyMSME

NEWSLETTER
DECEMBER EDITION



ABOUT US



CHAMBER OF SMALL INDUSTRY ASSOCIATIONS (COSIA) is a National Level Chamber of Micro, Small and Medium Enterprises (MSMEs). Incorporated under the Companies Act of 1956 (Section 25) as a None Trading Company in June, 1992. COSIA currently has a Pan India Membership base of 330 members comprising of Local, District Level, Regional Level and State Level MSME Associations and also Individual MSMEs. We are the 1st NABET Accredited (Gold Grade) National Level BMO for MSMEs.



Thane Small Scale Industries Association popularly known as TSSIA was established in 1974 and registered in 1977. TSSIA is the largest registered MSMEs Association in the state of Maharashtra and has been functioning for past 44 years in Thane District. We have a membership of over 2500 MSME's situated in Thane Dist. and surrounding areas. Recognizing TSSIA's contribution towards the cause of MSME, Government of Maharashtra has nominated TSSIA on MSME Facilitation Council for Konkan Region (2010-2012) under the MSMED Act, 2006. In the competitive era of globalization and liberalization our organization is playing a major role to protect the interest of Small-Scale industries and help them to update technology to sustain higher growth rate. Government of India Ministry of Commerce has also entrusted TSSIA to Issue Certificate of Origin for Exporters.

ACTIVITIES & UPDATES

DECEMBER 2020

INDEX:-

-  **ACTIVITIES**
-  **WEBINARS**
-  **CIRCULARS**

ACTIVITIES

ACTIVITY 1

Awareness session on PMEGP and CMEGP (Maharashtra)

TSSIA had arranged an awareness session for Prime Minister's Employment Generation Programme and Chief Minister's Employment Generation Programme (Maharashtra) on 18th December, 2020 especially for representatives of local leaders and educational Institutions. Industries Inspector from DIC-Thane gave a detailed presentation on both these programmes along with how to use the respective portals for submission of applications and also about the requirements for application under these schemes.

ACTIVITY 2

Collaboration with Don Bosco ITI for 'Dual System of Training' (DST)

COSIA will be collaborating with Don Bosco ITI as an industry partner for implementation of DST. A meeting of COSIA SDP Sub Committee was held to finalize the terms of this collaboration on 21st December, 2020. The activities under this tie up will begin from January, 2021.

Background and Objective of DST

-  Industries which employ ITI pass outs do not find the quality of training imparted to the students up to their standards. To bridge this disconnect between ITI trainees' learning outcomes and the industry requirements, the Ministry of Skill Development & Entrepreneurship (MSDE) introduced the scheme "Dual System of Training" (DST) wef. August, 2016.

- Objective of DST scheme is to enable industries and establishments to partner with Government and Private ITIs for conducting training programmes under high employability courses so as to fulfill their skilled manpower requirements.
- The DST is an amalgamation of theoretical training imparted through ITIs and practical training imparted through the Industry. DST helps enable Industry linkages and provide hands on experience to students on industries latest/ updated technologies.
- Under the DST scheme, the courses are conducted to meet the skilled workforce requirements of Industry so that after completion of training, the trainee who are awarded National Trade Certificate (NTC) under the scheme have an edge over regular ITI pass outs in terms of employability and employment opportunities in Industry.

ACTIVITY 3

Participation in VC organized by Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution – GoI

Mr Shishir Jog represented COSIA in this meeting. This meeting was held on 22nd December, 2020 under the Chair of Secretary (Consumer Affairs) to discuss the requirements of declarations under the Legal Metrology. (Packaged Commodities) Rules, 2011 on all pre-packaged commodities.

ACTIVITY 4

Participation in VC Consultation Meeting arranged by Ministry of Labour and Employment – GoI



COSIA Jt. Secretary Mr. Nipun Mehta attended this meeting as a COSIA Representative on 24th December, 2020. This was a consultation meeting was Chaired by Hon'ble Minister of State (IC) for Labour and Employment and was held with the Employers Association and Trade Union regarding Draft Rules framed under 4 Labour Codes as below:

- The Code on Wages (Central) Rules, 2020
- The Industrial Relations (Central) Rules, 2020
- The Code on Social Security (Central) Rules, 2020
- The Occupational Safety, Health and Working Conditions (Central) Rules, 2020

ACTIVITY 5

▶ AGM of TSSIA was held on 30th December, 2020

43rd AGM of TSSIA was held through VC on 30th December, 2020. Apart from usual business, TSSIA members discussed about current issues faced by Industries and especially MSMEs in Maharashtra and how Industry Associations should face them. Among others, issues like, harassment by local politicians for extorting money, MIDC related issues and Mathadi menace.

ACTIVITY 6

▶ AGM of COSIA was held on 31st December, 2020

AGM of COSIA for FY 2019-20 was held on 31st December, 2020 through VC. COSIA members and affiliate associations from Maharashtra, Odisha, Gujarat attending the AGM. Apart from usual business, members discussed about current situations in their respective regions and States especially the effects of pandemic and lockdown. Topics related to rising prices of electricity and Steel was discussed. Members from Maharashtra discussed about issues related to MIDC.

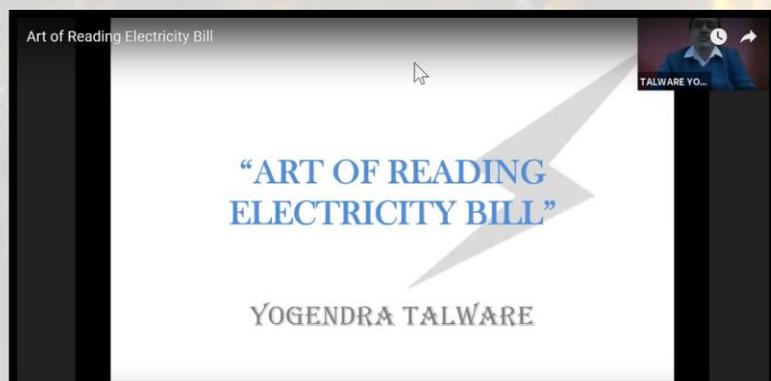
WEBINARS

WEBINAR 1

▶ Webinar on Art of Reading Electricity Bill

This webinar was held on Saturday, 5th of December, 2020 at 4.00 pm to 6.00 pm.

Webinar Structure: In depth presentation on Components of Electric Bill of HT and LT Consumers – To enable consumer to monitor and make optimum use of power, thereby achieving cost effectiveness in production line.



Speaker: Mr. Yogendra Talware – An Eminent Speaker on How to Read Electric Bill – Strom Energie Pvt. Ltd. – Pune.



TYPES OF TARIFF

- Simple / Uniform rate
- Flat rate
- Block rate
- Two part
- Maximum Demand based
- Power Factor based
- ToD / ABT
- Active / Reactive power based
- Active / Reactive energy based
- Net Metering
- Open Access
- Incentives and Penalty based



WEBINAR 2

➤ Webinar on Insolvency and Bankruptcy Code: Potential Impact on Creditors, Investors and Litigants

This webinar was held on 9th January, 2021 at 4.00 pm on ZOOM.

About Speaker:

Rajendra Aphale is Consultant and trainer in critical business areas including lean manufacturing and operation in India & internationally. He is an Engineer (IIT Mumbai), MBA (Operation, Mumbai University) Management Accountant, ICWA and LL. He has over 38 years of experience of various fields. He is also a Registered Insolvency Professional.

Brief introduction:

Govt. of India passed a law in 2016 called Insolvency and Bankruptcy Code. Under this law, when a company defaults on its financial debt, including loans or supplier payments, the concerned lender or supplier can give a notice and apply to the company law tribunal to commence insolvency of the defaulter company.

From that day, the board of directors is suspended and an Insolvency Professional (IP), appointed by the Insolvency and Bankruptcy Board of India (IBBI) takes charge of the company. The IP makes an attempt to sell the company as going concern as far as possible, in consultation with a committee of creditors. If that does not work out, another or the same IP is appointed as the liquidator of the company. Both these steps are strictly time bound.

➤ There are many implications-

If a customer has not paid your dues for a long time what needs to be done.

✚ Under this process, there are many companies available for acquisition. If any company wants to grow through acquisition, this can be a good opportunity. When an IP tries to sell a business, a company interested in acquiring it has to bid in prescribed manner, and there are many more compliances to be followed.

✚ If a company gets such a notice what needs to be done

CIRCULAR

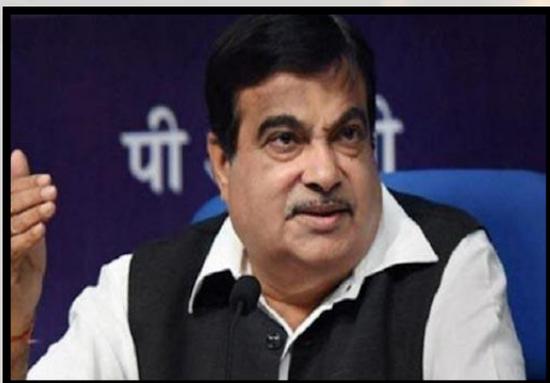
Circular dated 12th December, 2020 was sent to all Industry Associations in Thane District of Maharashtra seeking inputs/feedback towards District Export Action Plan (Thane District). This plan was decided at the Thane District Export Promotion Committee Meeting held on dt. 03-11-2020 under the Chairmanship of Hon'ble Collector, Thane.

MSME NEWS

➤ **Gadkari pitches for more research to identify import substitute products**

Union MSME Minister Nitin Gadkari has pitched for more research to identify products that can be indigenously manufactured as cost-effective import substitutes.

The industries and industrial associations should do more research to identify these substitutes to curb imports, he added.



Instead of importing spare part, the industry should help their vendors to find an indigenous replacement, Gadkari said in a virtual meeting on Friday.

He was speaking at the inauguration ceremony of Atmanirbhar Innovation Challenge organised by Marathwada Accelerator for Growth and Incubation Council (MAGIC).

It is a branch of industrial association Chamber of Marathwada Industries and Agriculture (CMIA).

While identifying crucial products being imported into the country, the focus should be on how they can be manufactured here, he said.

The industry should help and support their vendors to create all types of parts in India, Gadkari added.

Initially, there could be 10-20 per cent rise in prices for the substitute, but when it will start production in large volumes, the industry can get those parts at a reasonable price, he said.

Now, it is the time to make import substitutes that will be indigenous, cost-effective and pollution-free, the minister noted.

While talking about Aurangabad, Gadkari said one of the national projects that have been planned is Damanganga-Pinjar project to collect water and bring it to the Godavari river valley.

From there, it will be supplied to those projects where there is a shortage.

'I have resolved issues related to many projects in various states of the country. There were problems with this project, to be implemented between Maharashtra and Gujarat, that still remain unsolved,' the minister said.

The industry should mount pressure on the Maharashtra government for this, he added.

The association has launched Atmanirbhar Innovation Challenge 20-21 to promote startup ideas and bring them into reality, MAGIC director Ritesh Mishra said.

This year, the challenge has received around 210 idea entries from 17 states.

CMIA president Kamlesh Dhoot, Secretary Shivprasad Jaju, MAGIC director Prasad Kokil, and Ashish Garde were also present on this occasion.

Source: Yahoo Finance

FINANCE NEWS

➤ MSME Financing And Roadmap For 2021

MSMEs are the backbone of the Indian economy, playing a pivotal role in employment generation and equitable development. But the sector has been unable to unlock its true potential due to a lack of access to timely, low-cost, formal credit. Without adequate financing, small businesses can't invest in technology, upskill workforces, and improve infrastructure.

MSMEs are also one of the worst-hit sectors in the Covid-19 pandemic due to severe liquidity crunch and low demand caused by subsequent lockdowns, and a global economic slowdown.



As we prepare to enter the New Year, it's time to form a roadmap of recovery and growth for this dynamic sector, critical to achieving India's vision of economic self-reliance.

Financing Instruments and Ecosystem

Traditional lenders like banks and NBFCs are becoming increasingly risk-averse, adversely impacting credit disbursal to cash-starved businesses. In the absence of sufficient credit history and relevant records, banks require adequate collaterals, which small businesses may not possess. Result? High-cost loans or decline in credit flow.

Cash flow based lending, an alternative to asset-based credit, can help reduce the credit gap, as in this model, instead of business assets, lenders consider projected future cash flows of borrowers. With innovative lending models and the right fintech partners, banks can offer cash flow based lending, which will serve the dual purpose of extending credit to MSMEs while reducing the risk of NPAs.

Policy reforms and lending infrastructure innovations are essential for creating an ecosystem that promotes ease of doing business and hassle-free access to capital. Take the Open Credit Enablement Network or OCEN protocol, for example.

Introduced to 'democratize credit,' OCEN is a set of APIs that will connect lenders and marketplaces and help them offer innovative, low-cost credit digitally to MSMEs. OCEN is a credit rail that will establish a common protocol for lenders and help standardize the loan application process, making them faster and seamless. OCEN aims to digitize India's credit infrastructure and help lenders offer small-ticket loans.

Another groundbreaking initiative reshaping the credit ecosystem is GeM Sahay, one of the pilot projects of OCEN. It is a government e-marketplace platform that allows LSP (Loan Service Providers) to offer affordable credit to small businesses.

Digital Transformation of MSMEs

Covid-19 has shown the need for digital transformation for business continuity. As customers demand more seamless, contact-free, and secure services, small businesses need to embrace technology and rethink their business models. During the lockdown, many offline stores have launched their websites or apps or set up shops on online marketplace services to offer end-to-end online shopping experiences with digital payment facilities.

Digitization is key to MSME recovery, resilience, and competitiveness in the post-pandemic era. A robust digital presence helps MSMEs expand their presence across geographies and offer maximum convenience and hassle-free customer service. By establishing an online presence, MSMEs also create a digital footprint, essential for accessing formal credit.

By integrating technology into various business functions, MSMEs can automate and streamline processes and increase their operational efficiency. Adopting cloud services, CRM, accounting, and ERP systems, can help them deliver enhanced services faster and at a lower cost. In the future, a centralized effort is needed to improve MSME digital literacy, increase their technological know-how, upskill workforces and catalyze new-age technology adoption such as AI, big data analytics, IoT solutions, and more.

Role of Banks and NBFCs

With the introduction of the new Co-Lending Model (CLM), banks can now co-lend with registered NBFCs and HFCs to provide credit to unbanked and underbanked MSMEs. This is a potential win-win for all parties: banks can cater to wider markets without huge operational expenses by capitalizing on the larger reach, scale, operational abilities and technological capabilities of NBFCs who ensure better last-mile connectivity. On the other hand, NBFCs, facing a liquidity crunch, can benefit from adequate liquidity and financial backing from banks.

Technology adoption by lenders can make the credit disbursement processes faster, secure, and convenient while reducing their risk exposure. Lenders can reduce the need for face-to-face interactions by building digital interfaces that lower operational expenses and serve MSMEs even in the remote locations.

Digital lenders can deploy technology to authenticate borrowers and assess their creditworthiness, using data from alternative sources, such as online behaviour. This reduces their reliance on formal data documents and is a boon for thin-file MSMEs.

Digital lenders can also harness the power of game-changing technologies such as AI, ML, Big Data analytics to form a more comprehensive borrower risk profile and detect and mitigate the risk of frauds and loan defaults. An improved risk management framework means faster and more insight-driven decision-making when it comes to loan underwriting.

Timely access to adequate capital can take Indian MSMEs to new heights of success, both nationally and globally, and truly champion the cause of financial inclusion.

Source: Yahoo Finance

TECHNOLGY & INNOVATION

► NITI Aayog's Innovation Index '20: Why Karnataka & Maharashtra Topped The List



India's innovation report card is here and Karnataka is at the top of the class, followed closely by Maharashtra.

The Innovation Index which was compiled by the government think-tank NITI Aayog, in collaboration with the Institute for Competitiveness, forms the findings of the evaluation of the innovation ecosystem in India.

The 2020 Index

NITI Aayog's India Innovation Index Report 2020 ranks major states, union territories, and hill and North-East states. The index uses parameters of innovation inputs such as human capital, investment, business environment, safety and legal environment, knowledge workers and innovation outputs like knowledge output and knowledge diffusion.

This is the second such list being released by NITI Aayog, the first edition of the index having come out in 2019.



Karnataka Bags 1st Rank, Maharashtra ranks 2nd

Karnataka secured the first rank in the Major States category for the second year in a row.

“Karnataka tops at 42.5, which is attributable to its strong number of venture capital deals, registered GIs and ICT exports. Karnataka’s high FDI inflow has also enhanced the innovation capabilities of the state,” noted the report.

Karnataka was also the only Indian state to have scored highly in the parameter of investment. Investment, according to the report, referred to “expenditure on higher and technical education, expenditure on research and development (state government), expenditure on science, technology and environment, FDI inflow, and venture capital deals.”

Meanwhile, Maharashtra bagged the second rank, taking over Tamil Nadu which slipped to a third rank.

While Maharashtra did not rank highly in terms of investment, it overperformed in the parameters of the business environment, knowledge diffusion and knowledge output, even gaining the top spot in terms of knowledge output which the report noted as “the scientific and technological output is reflected by the number of scientific articles published, variables like number of patents and trademarks filed.”

In innovation, Karnataka received a score of 42.50, Maharashtra gained the second spot with 38.03, and Tamil Nadu received a score of 37.91 in the category of Major States.

Himachal Pradesh topped the list of North-East and Hill States with a score of 25.06, while Delhi got the top spot with 46.60 amongst UTs and City-States.

The report noted that “many of the historically backward states have performed better than some of the more developed states.”

India on a Global Level

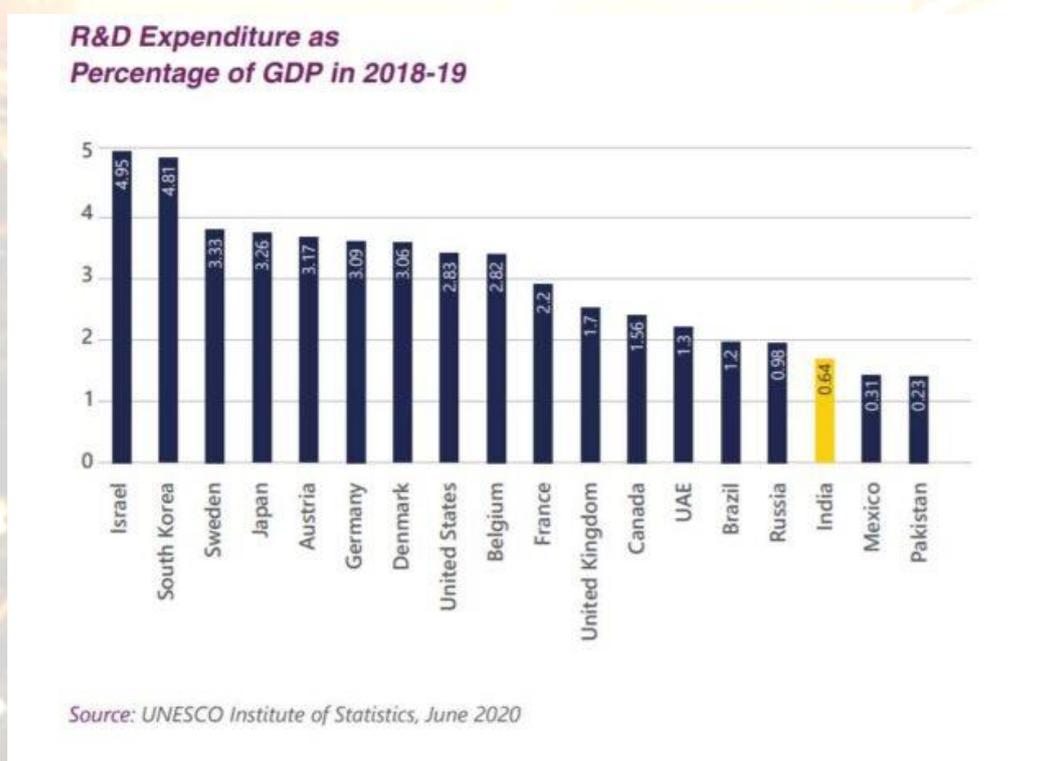
The Global Innovation Index (GII) list, 2020 which was compiled and released by the World Intellectual Property Organization (WIPO), Cornell University and INSEAD Business School, ranked India 48th in a list of 131 countries.

India's performance on the Global Innovation Index

Year	GII Score	GII Rank	Total Countries
2015	31.7	81	141
2016	33.6	66	128
2017	35.5	60	127
2018	35.2	57	126
2019	36.58	52	129
2020	35.6	48	131

“The consistent improvement in the global innovation index rankings is owing to the immense knowledge capital, the vibrant startup ecosystem, and the amazing work done by the public & private research organization,” stated WIPO.

On the global stage, India has consistently improved in the innovation rankings. But it still has miles to go.



India, which spends a measly 0.64 per cent of its GDP on research and development, is in dire need of encouraging and facilitating innovation, especially given the shambles the economy and society, in general, have fallen into following the outbreak of the coronavirus and associated lockdowns.

Innovation is essential for the nation to move forward and heal from the catastrophe of the pandemic.

Source: ED Times

ABOUT US



-  TSSIA HOUSE, Plot No. P- 26
Road No16/T, Wagle Industrial Estate
Thane (W) - 400604 | Maharashtra | India
-  PHONE: +91- 22 -25803536, 25822493
Fax: 25823303
-  Email: cosia.cosia@gmail.com
-  Website: cosia.org.in