



Vol III, Issue 39: August 1, 2013

[Activities](#) [News](#) [Reader Reactions](#) [Members](#) [Contact](#) [Print Version](#)

President's Message



" In FISME, we had a dream that an MSME, no matter how small, must have an opportunity to have its say. An opportunity to share its pain and its struggle. An opportunity to share its successes and victories. An opportunity to collaborate, to learn and to contribute. With KNN I feel we have come closer to realizing that dream. "

(Excerpts from address of FISME President at KNN launch)

-Shri D. Gandhikumar, President FISME
[Please see full address](#)

KNN an Introduction



[You can also view online](#)



Upcoming Events

FISME delegation to Thailand – November 2013



What's Hot?

Activities

- [Knowledge & News Network \(KNN\) launched by MSME Minister](#)
- [FISME to organise Indo-Pak SME delegation exchange in Oct' 13](#)
- [FISME to help Fiji set up bilateral trade council](#)

Business Banter: Lessons from Entrepreneurs

- [Listen and accept the feedback-12th President of the World Bank](#)

Macro Metre

- [Got to live with high interest rates](#)
- [Falling rupee will impact India's intra industry trade](#)

Domestic Digest

- [Interest subsidy for MSME exporters raised to 3%](#)
- [BIS registration tall order for small electronic item makers](#)

State Scan

- [Haryana to sell power to traders, but industry reels under scarcity](#)

World Watch

- [India generates business worth USD 32.4 million in Tokyo](#)

Knowledge Store

- [It is time for social media to take centrestage in marketing](#)

...And A Lot More



ACTIVITIES

Knowledge & News Network (KNN) launched by MSME Minister



Knowledge and News Network (KNN), India's first online media platform with a focus on the micro, small and medium enterprises was launched by MSME Minister Mr K H Muniyappa, with a promise to espouse the cause of the vibrant and dynamic sector which

contributes 40 per cent to the country's industrial production and exports. Promoted by the Federation of Indian Micro, Small and Medium Enterprises (FISME) in



Date: 19-23 November 2013
Venue: Bangkok

[See Details](#)



Other Events

9th Health Asia 2013 International Exhibition & Conferences

Date: 9-11 Sep 2013
Venue: Karachi Expo Centre,
Pakistan

[See Details](#)

Aluminium India 2013

Date: 12-14 September, 2013
Venue: Mumbai

[See Details](#)

India Composites Show 2013

Date: 24-26 Oct, 2013
Venue: New Delhi

[See Details](#)

Residential training programme on 'Effective Office Administration & Management'

Date: November 14-18, 2013
Venue: Port Blair

[See Details](#)

Rajiv Gandhi National Quality Award 2012

Bureau of Indian Standards
under Ministry of Consumer
Affairs, Food and Public
Distribution, Government of
India invites applications for
Rajiv Gandhi National Quality
Award for year 2012.

[See Details](#)



Your Views

partnership with GIZ-
German Agency for
International Cooperation,
KNN is a multi-media
platform equipped to
disseminate news, views
and analysis of the topical
issues through texts, graphics and videos.



[Read More](#)

FISME to organise Indo-Pak SME delegation exchange in Oct'13



The Federation of Indian Micro, Small and Medium Enterprises (FISME) will organize the first exchange programme for the small and medium enterprises of India and Pakistan in October this year. "I am happy to announce that FISME

would organize first SME exchange programme in the decade between India and Pakistan. We shall mount to and receive a delegation from Pakistan," said the President of FISME Mr D Gandhikumar during KNN launch in New Delhi on July 25, 2013.

[Read More](#)

FISME to help Fiji set up bilateral trade council



In order to increase trade between India and Fiji, a bilateral business council will soon be set with the help of the Federation of Indian Micro, Small and Medium Enterprises (FISME) to benefit businesses of both the countries, where they can discuss issues and

explore avenues like exhibitions and buyer-seller meets. The First Secretary of the Government of the Republic of Fiji, Mr Alivereti Naioko met Secretary General of FISME, Mr Anil Bhardwaj and Joint Secretary-International Trade, Mr Mukesh Kalra on July 29, 2013 in FISME's secretariat, New Delhi to identify areas for co-operation.

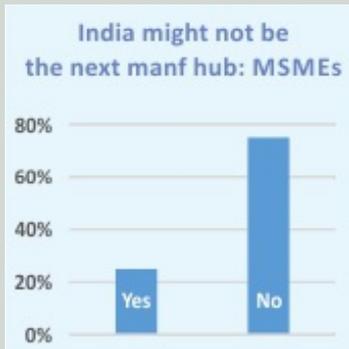
[Read More](#)



Voice Your Views

Submit

India lacks infrastructure and eco-system to be manufacturing hub: Survey



According to the *FISME Factor* survey, 75 per cent of the Micro, Small and Medium Enterprises (MSMEs) feel that India might not be the next manufacturing hub as it lacks the required infrastructure and the eco-system. The Commerce and Industry Minister Anand Sharma has said that the government is committed to make India a manufacturing hub on the other hand, Tata Motors has chosen Indonesia as a hub to export vehicles.



Knowledge Store

HR Heuristics

How to ensure your employees are a happy lot



Gaining employee loyalty and satisfaction is a very difficult task. Various companies come up with different strategies to combat employee dissatisfaction and attrition.

[Read the full article](#)

Finance Fundamentals

Bank SME credit schemes galore; are there enough takers?



Business Banter: Lessons from Entrepreneurs

Listen and accept the feedback

-Jim Yong Kim, 12th President of the World Bank

"I received some great advice from Marshall Goldsmith, one of the preeminent authorities in the field of leadership," said Jim Yong Kim, President World Bank. He told me, "If you want to be an effective leader, listen to and accept with humility the feedback that comes from your team." The most fundamental commitment you have to make as a leader is to humbly listen to the input of others, take it seriously, and work to improve. Again, it sounds simple, but it's not easy. Leadership, as Marshall always says, is a contact sport, and one has to constantly ask for and respond to advice from colleagues so you can improve.



(Taken from Business Insider)



MEDIA MONITOR

Macro Metre

Got to live with high interest rates

Industry and other borrowers will have to live with high interest rates as the Reserve Bank of India (RBI) has retained the benchmark interest rates. The focus of the RBI's monetary policy is to somehow protect the rupee from the onslaught in the foreign exchange market. RBI has clearly sacrificed once again growth and would maintain a tight fist on the money flow in the system by keeping interest rates high. While reviewing the policy, the central bank has kept the repo rate, the rate at which it lends to commercial banks, steady at 7.25 per cent; and the cash reserve ratio (CRR), the proportion of deposits banks must keep with the RBI as cash, was also left unchanged at 4 per cent. The reverse repo rate also stands at 6.25 per cent, according to RBI.





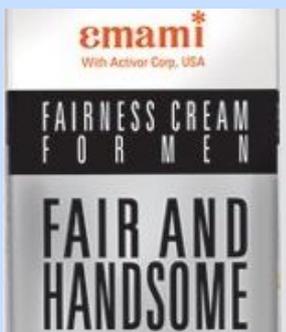
By Esther Suhasini

Most public sector banks have specialised units and schemes in place to cater to the MSME sector, especially in the industrial clusters. But how effective are their schemes? Have they succeeded in providing critical assistance to the small and medium units?

[Read the full article](#)

Marketing Mantras

'We launched the men's fairness cream first, others followed suit'



Fair and Handsome not only had the first mover advantage when it was launched nationally in 2005, but it also opened up the fray and saw the entry of big players like Garnier and Nivea.

[Read the full article](#)

It is time for social media to take centrestage in marketing



By Esther Suhasini

Regardless of whether you have a storefront business or not, you need to have a virtual one, considering the number of people active on social media sites such as Facebook, Twitter, LinkedIn and Google+ these days.

[Read the full article](#)

per cent. The reverse repo rate also stands at 6.25 per cent, according to RBI.

[Read More](#)

Rupee breaches 61 level again

The rupee has dropped by 73 paise to 61.20 in the late morning deals on persistent month—end dollar demand from importers on the back of strengthening in the US currency overseas. The rupee resumed lower at 60.91 per dollar as against the last closing level of 60.47 at the Interbank Foreign Exchange (Forex) Market and dropped further to a low of 61.20. However, it recovered afterwards to 60.83 per dollar before quoting at 61.06 per dollar at 1100 hrs.



[Read Details](#)

Domestic Digest

Interest subsidy for MSME exporters raised to 3%

The Government today announced increase in the interest subsidy for all exporters in the micro small and medium enterprises (MSME) sector from two to three per cent giving them a boost to compete in the tough global market. In addition, the exporters belonging to sectors such as handlooms, handicraft, carpets, toys, readymade garments etc., are also eligible to receive interest subvention. As many as 235 tariff lines in the engineering goods will also be eligible for the increased interest subsidy.



[Read More](#)

MSME Act needs review

The Jharkhand Small Industries Association has made a representation to the Central and State Governments seeking changes to the MSMED Act which they consider obsolete. "The industry operates on outdated laws. Labour Laws, Factory Act, Minimum Wages Act, Workmen's Compensation Act, Employees Liability Act and many more need to be completely overhauled to be of benefit to entrepreneurs," President of Jharkhand Small Industries Association, Arun Kumar Khemka told KNN. He further stated that although the government had come up with several legislations to safeguard the interests of the MSME sector, there were many issues yet to be addressed.



[Read More](#)

SIDBI identifies niche areas of financing for tiny units

The Small Industries Development Bank of India (SIDBI) is looking at potential



[Read the full article](#)

Policy Polemic

Will listing on the stock exchange benefit SMEs?



One of the biggest challenges for all start-ups and small and medium enterprises (SME) is raising capital to either launch one's company or expand operations.

[Read the full article](#)

SME Special

A primer for getting credit rating by SMEs



By Gunja

A credit rating evaluates the credit worthiness of a borrower, especially an enterprise. It is an evaluation made by a credit rating agency, profiling a company's ability to borrow and service debt.

[Read the full article](#)

Success Story

From a dreamy-eyed schoolboy to an astute businessman



That young boy with dreamy eyes is now in his 50s and is the CEO of Pune-based Rochi Engineers, which manufactures exhaust and emission control systems for the off-highway diesel engine applications like mining, power generation, earthmoving equipment as well as the

areas of financial support to the MSME (Micro Small and Medium Enterprises) sector. SIDBI's Deputy Managing Director N. K. Maini, who spoke at the SME CEO Knowledge Forum organised



by UTI Mutual Fund in association with The Hindu Business Line at the Codissia Trade Fair Complex recently in Coimbatore, said that SIDBI was set up as a refinance institution initially. "We found gaps in financing over time. After undertaking a major re-positioning exercise within the organisation last year, we started looking to fill the gaps by stepping into areas that banks did not look into," he told representatives of the MSMEs at the event.

[Read More](#)

Badal - a cloud computing project for MSMEs

With a view to make the Micro, Small and Medium Enterprise (MSME) sector globally competitive, the Union Minister of State, Ministry of MSME, K H Muniyappa has announced the launch of his government's upcoming project 'Badal,' a cloud computing platform for MSMEs. Badal will promote internet-driven activities such as e-Commerce among relatively small and medium businesses in India, the project likely to be rolled out by MSME Ministry within six months. With cloud-based services that include software and IT infrastructure, the platform would empower units, enabling them to cut operational costs and increase efficiency.

[Read More](#)

Potholes, lack of security, main concerns in Industrial estates

By Swati Dayal

Industrial estates across different states are in a sorry state of affairs in terms of maintenance of roads, law and order and other civic amenities. Poor maintenance in otherwise planned industrial estates has been a matter of concern, more so for the small industries which unlike large industries cannot spend much on security and infrastructure themselves. As the report of the working group on MSMEs growth for 12th Five Year Plan said, maintenance of Industrial Estates (mainly maintenance of roads, drainage, sewage, power distribution and captive power generation, water supply, dormitories for workers, common effluent treatment plants, common facilities, security, etc.) is a critical component for successful functioning of the industrial enterprises in any industrial estate/ industrial area.

[Read More](#)

Delhi industry upset over hike in power tariff

Industry associations in the national capital, mainly in the MSME sector, said the increase in power tariff would push up their cost of production. The Delhi Electricity Regulatory Commission (DERC) has announced hike in domestic power tariff by 5 per cent. As per the new rates, a domestic consumer will be charged Rs 3.90 per unit for the first 200 units of power instead of the current Rs 3.70. Each unit consumed between 201 and 400 units will cost Rs 5.80 per unit, as against the present Rs 5.50 per unit in that range of consumption.



[Read More](#)

construction industry.

[Read the full article](#)

Stockpile

India's central bank left interest rates unchanged on July 30 as it supports a battered rupee but said it would roll back recent liquidity tightening measures when stability returns to the currency market, enabling it to resume supporting growth.

[Read the full Text](#)

Quotable Quotes



" My biggest motivation? Just to keep challenging myself. I see life almost like one long University education that I never had — everyday I'm learning something new. "

-Richard Branson, Founder and Chairman of Virgin Group

Protect Your Intellectual Property!!

Register

TRADEMARKS, INDUSTRIAL DESIGNS,
COPYRIGHTS AND PATENTS

at Subsidised Cost for MSMEs

Contact FISME's

Intellectual Property Facilitation Centres

New Delhi | Hyderabad | Bangalore

011 - 49823157 040 - 23322117 080-23543589

email: ipfc@fisme.org.in



Book Store

Directory of Testing

BIS registration tall order for small electronic item makers

By Gunja

New Delhi, (KNN) The small companies find the procedure of registering electronics and information technology products with Bureau of Indian Standards (BIS) difficult and lengthy, the date for which has been extended by three months till October 3, 2013. "With the poor infrastructure available to small manufacturers, the process of registering products with BIS is lengthy and difficult. Besides,



small businesses do not know how to go about it; time and energy is wasted in looking for the right people-either certification agent or vendors who could help to obtain certification," said Kapil Kumar Garg, Co-Founder and CEO of ThinkWare- a venture of KC Robotics and Embedded Private Limited.

[Read More](#)

Textile ministry wants MNREGA linkage with cottage sector

With a view to encourage skill development and establish worker linkages between the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) and production in the cottage sector, the Minister of Textiles K S Rao has decided to take up the matter with the Cabinet. "Skill development is the need of the hour and it is important to establish worker linkages between MNREGA and the production in the cottage sector," he said. Launched in 2006, MNREGA guarantees 100-day employment for rural poor people. It aims to provide jobs to people who are unemployed in the off season and it is hoped that by linking the scheme to the textiles sector the workers will also be trained.

[Read More](#)

SMEs seek renewal of duty free access to US market

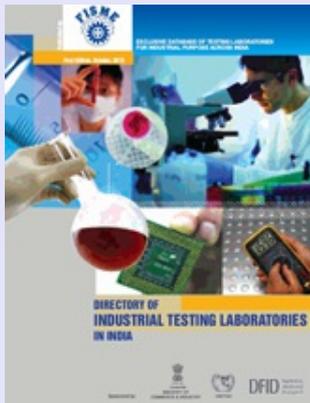
As the US Vice President Joe Biden interacted with leaders of the Indian industry, a strong demand was made for renewal of duty free exports from the Indian SMEs to the American market. The US grants duty free entry of Indian exports of items which are of interest to the small and medium enterprises. These are: most manufactured items; many types of chemicals, minerals and building stone; jewellery; many types of carpets; and certain agricultural and fishery products. The facility is enjoyed by developed countries under the Generalised System of Preferences (GSP). However, for India and some other select countries, the market access to the US under this system will stop from July-31.

[Read More](#)

Inclusive growth not possible without MSMEs: CII

Inclusive growth is not possible without strengthening micro, small and medium enterprises (MSMEs), the sector being one of the largest job creators in India, said Member Secretary, National Manufacturing Competitiveness Council, Ajay Shankar. "The success of India's inclusive growth is dependent on the success of SMEs and is dependent on the success of the manufacturing," said Shankar, while addressing the launch of '1,000 Visionary SME (VSME) Programme' by

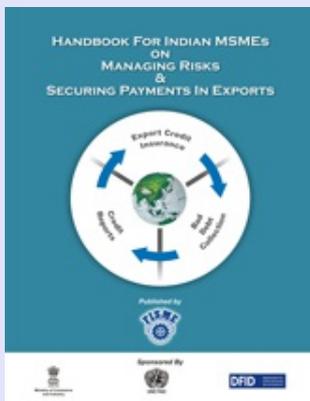
Laboratories in India



Buy our one-of-a-kind guide to all industrial testing laboratories in India. Find the one most convenient for getting your products tested and certified. An invaluable compendium for all industrial units and exporters. PP: 894, Hard Cover. Price: Rs 900. 50% discount for members.

[Buy your copy now](#)

Handbook for Managing Export Payment Risks



If you are an exporter you simply cannot do without this unique publication which tells you how to manage payment and other risks arising from exports. PP: 78. Price: Rs 300. 50% discount for members.

[Buy your copy now](#)

Free Publications

Identification & Valuation of IPRs in MSMEs

NMCC, the Confederation of Indian Industry (CII) and the Japan International Co-operation Agency (JICA).

[Read More](#)



State Scan

Assam

Assamese industry body holds awareness programmes to protect IPR

With an aim to create awareness amongst small and medium enterprises in Assam regarding the risks of intellectual Property (IP) rights infringement, North Eastern Small Scale Industries Association (NESSIA) has organized several awareness programmes here in collaboration with the Ministry of MSME. Most of the MSMEs in India avoid taking measures to protect their ideas and business strategies. Considering that awareness of IP rights is very low, NESSIA State President, Sainen Baruah in a press release stressed the need for urgent steps towards protection of natural and manmade items of the State. "Geographical Indication (GI) registration under Intellectual Property Rights (IPR) Act is a corrective step," he said.

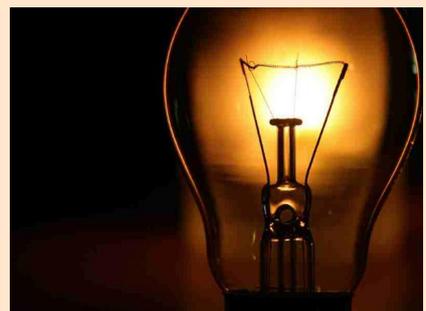


[Read Details](#)

Haryana

Haryana to sell power to traders, but industry reels under scarcity

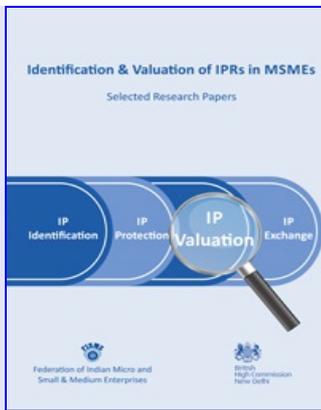
By Gunja
Industries in Haryana facing frequent power cuts are furious over the move of the state power generation company to sell 300 mega watt (MW) through traders. "The move of the Haryana Power Generation Corporation Limited (HPGCL) is unfortunate and disappointing," said President of Udyog Vihar Chamber of Commerce Gurgaon, H R Vaish. The HPGCL has invited bids to sell 300 MW to power traders who have inter- state trading licence from the Central Electricity Regulatory Commission (CERC) or different state electricity utilities.



[Read Details](#)

Rajasthan

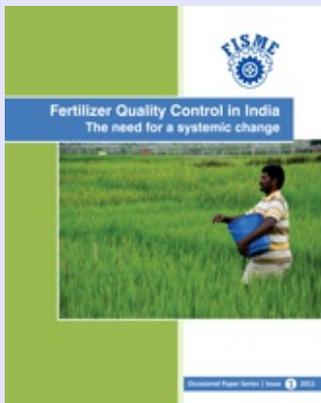
Govt of Rajasthan keen to introduce monorail in Jaipur



Identification & Valuation of IPRs in MSMEs - Selected Research Papers.

[Ask for your copy now](#)

Fertilizer quality control in India: Need for change



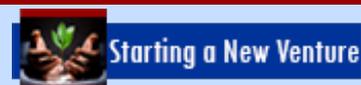
This monograph argues for a systemic change in fertiliser quality control. Essential reading for those in policy-making positions.

[Ask for your copy now](#)



FISME regularly receives monthly reports on the economies of various countries from their missions in India. These reports provide information on key economic parameters, trade related information and all news relevant for importers and exporters. In this edition you can take a look at reports on:

[Bahrain](#)
[United Kingdom](#)



Coming August, [K J Somaiya](#)

After initiating the Jaipur metro rail project, the Government of Rajasthan is now seriously contemplating a monorail project in Jaipur. The Departments of Urban Development and Housing and LSG (local self-government) have invited consultants with the required manpower and experience to oversee the project, according to an official notification from the state government of Rajasthan. Monorail will be introduced on PPP model.

[Read Details](#)

Tamil Nadu

Rs 10 cr loss per day due to backing down of windmills in TN

By Swati Dayal

The Indian Wind Power Association has asked the central electricity regulatory commission (CERC) to stop unscheduled and unforecast backing down of windmills by the State Load Despatch Centre (SLDC). Wind energy generation is not at the maximum even during peak time because of evacuation



problems, according to chairman of the Indian Wind Power Association, K Kasthoorirangaian. Backing down of windmills has badly affected the economy of investing in windmills and finances of small industries that are dependent on generation of wind energy for their economic survival, he added.

[Read Details](#)

Uttarakhand

Handloom emporia to help rebuild livelihoods in Uttarakhand

The Uttarakhand Government plans to develop handloom emporia in the flood ravaged region of Uttarkashi and Dharchula, as a measure to rebuild confidence amongst the small and medium entrepreneurs of the handloom sector. Uttarkashi and Dharchula were the worst affected districts during the floods of June 16-17 which completely devastated the place. "These two areas were completely cut off from other places during the floods. People were shattered and many lost their livelihood completely," said Uttarakhand Industries Association President, Pankaj Gupta. To support the region, the Uttarakhand Handloom and Handicraft Development Council (UHHDC) seeks the services of firms and agencies to handle the concept, design and plan for the interiors of two handloom and handicrafts showrooms, known as 'Himadri'.

[Read Details](#)

Uttar Pradesh

Leather Council likely to set up trade centre in Agra

The Council for Leather Exports (CLE) has proposed to establish a trade centre in Agra at a total project cost of Rs 18.90 crore. The project is promoted by Agra Footwear Manufacturers and Exporters Chamber, Agra, according to an official notification from CLE. The Council is keen to initiate the project under the ASIDE Scheme (Assistance to states for



[Institute of Management Studies and Research](#) located in Vidyavihar, Mumbai is launching a certificate programme on Creating New Ventures.

[Read More](#)

development of export infrastructure and allied activities) of the Government of India. In this context, it seeks to appoint a project management consultant who will assist the CLE in all aspects of setting up of the trade centre in Agra.

[Read Details](#)



World Watch

Colombia



Colombia launches a safeguard investigation on steel wire

Colombia, a key market in Latin America has notified the World Trade Organization's (WTO) that it plans to impose safeguard duties on import of steel wires. More and more countries are resorting to this measure hurting the interest of importers from different parts of the world including India. However, Colombia has invited stakeholders to express their views on whether increased imports of steel wire is causing or is likely to cause damage to domestic industry and has informed the WTO to this effect. The questionnaires are available on the website of the Ministry of Trade, Industry and Tourism and views have to be expressed within 30 working days.

[Read More](#)

Japan



India generates business worth USD 32.4 million from garment fair in Tokyo

Indian apparel exporters have generated business worth USD 32.4 million from the JFW International Fashion Fair (IFF), held recently in Tokyo. "India Pavilion has witnessed over 1900 buyers and the business



negotiated/ done was USD 32.4 million," Chairman, Apparel Export Promotion Council (AEPC), A Sakthivel said in a press statement recently. Significantly, garment exports during the period 2012 were USD 293 Mn as compared to USD 270 Mn in 2011, posting a positive growth of 8.11 per cent. The first time visitors were hopeful of generating business in long term. Considering this, it is expected that overall growth in business with Japan may be over 10 per cent, Sakthivel added.

[Read More](#)

United Kingdom



UK move on visa fee 'retrograde step,' says Sharma

India today said the Britain's move to charge 3,000 pound visa bond from visitors of certain countries including India, would be a 'retrograde measure' for bilateral trade with the UK, which should not be taken. "As far as we are concerned, we have made it abundantly clear that after the successful visit, the second of his term by President David Cameron, and a clear assurance is that have been

given a growing partnership that exist between UK and India, this would be a retrograde measure and negative step and should not be taken,” Commerce and industry Minister Anand Sharma said at a press conference here.

[Read More](#)



United States

World energy use to rise by 56% through 2040; half owing to India and China

The US Energy Information Administration (EIA) has attributed half of the total world increase in energy consumption to India and China, according to its newly released International Energy Outlook 2013. “The increase in world energy use is largely in the developing world, where growth is driven by strong, long-term economic growth. Half of the total world increase in energy consumption is attributed to China and India,” said the report. Over the next three decades, world energy consumption is projected to increase by 56 per cent through 2040, driven by growth in the developing world, including India and China, it said.

[Read More](#)



Reader Reactions

Write and Win prize!

Write your comments on the FISME Factor. Share your views and suggestions on MSME issues. Win prize! The best mail will get a special book every fortnight. send mail to: newsletter@fisme.org.in



Opportunities

Business opportunities for India in Canada

There are business opportunities available for Indian companies in Canada. The interested MSMEs can check details.

[Read Details](#)



New Members

4 New Members Join FISME

During the period from July 15, 2013 to July 30, 2013 a total of 4 new MSMEs became member of FISME.

[Read Details](#)



of this publication provided that you acknowledge the source.

To **subscribe/unsubscribe** to this Newsletter
click [subscribe](#) or [unsubscribe](#)

This Newsletter is edited by the FISME Secretariat. We welcome contributions as well as comments and suggestions. Please write to newsletter@fisme.org.in

Federation of Indian Micro and Small & Medium Enterprises (FISME)

Headquarter: B – 4 / 161, Safdarjung Enclave, New Delhi – 110029

Telephone: +91 11 26187948, +91 11 26712064, +91 11 46023157 Fax: +91 – 11 – 26109470

Email: newsletter@fisme.org.in , Mobile: +91 9312274911, Website: www.fisme.org.in



Bangalore

57/5, Family YMCA Building,
Millers Road, Benson Town,
Bangalore - 560046
Email: bangalore@fisme.org.in
Mobile: +91-80-23543589
Website: www.fisme.org.in

Hyderabad

H. No. 6-3-569 / 1/2/4
2nd floor, Rockdale Compound, Somajiguda
Hyderabad – 500082
Tel: +91- 40- 23322117 Fax: +91 -40- 23312116
Email: hyderabad@fisme.org.in
Website: www.fisme.org.in

If you want to forward this email to a friend, [Click here](#)

