

# FOSMI

## MSME *news*

Federation of Small & Medium Industries, WB



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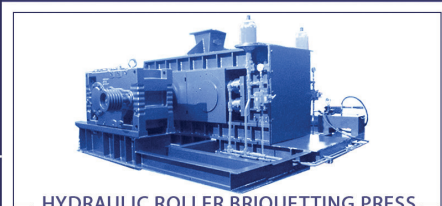
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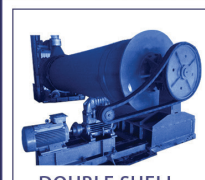
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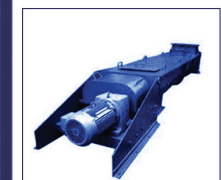
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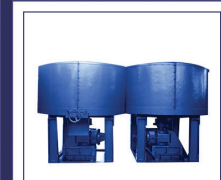
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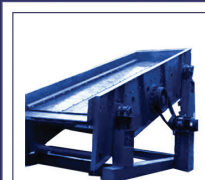
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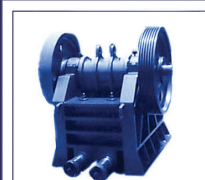
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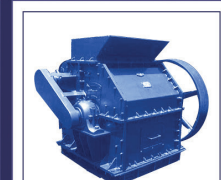
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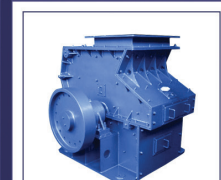
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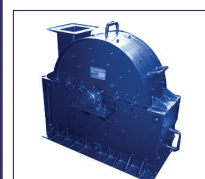
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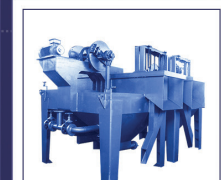
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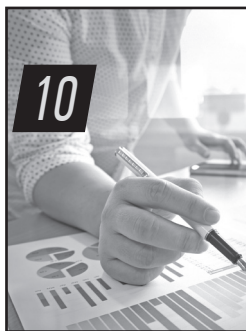
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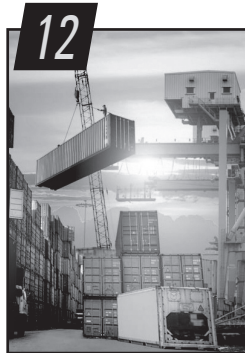
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# Editorial



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**A**fter Chinese COVID 19 over the world, Russian invasion and massive attacks on UKRAINE to reclaim it in a bid to be Super power, made huge loss of innocent Lives, Destruction, worsened world Economy and caused rapid rise in Inflation. 2 trillion spent on weapons in 2021. World of uncertainties, never before. Global emergency – World towards end?

In spite of U.S., Europe, Japan, NATO countries (30) support towards Ukraine their position is worsening. Abandoning the Nuclear weapon project was a big mistake. World war 1 (28.7.1914-11.11.1918) WWII (1.9.1939-2.9.1945) There is no visibility on the termination of the war yet and now Nuclear War 1 is foreseen. Shocking to realize just a few people can shake the World Economy. Sri Lanka Bankruptcy, Pakistan Govt. change over, Barbaric Taliban rule in Afghanistan, Myanmar democracy in jail-Army rules, China silent spectator watching opportunity to invade Taiwan. QUAD formed to counter. US-INDIA ties to be among closest on Earth- Biden. Our relationship is a partnership of Trust.

APPLE /many others seriously want to ramp up production outside China, a big opportunity for India specially SMEs to be self-sufficient and also produce for export. 40% of world digital transactions are done from India. Over 70% of energy requirements are imported by India. India's Crude oil demand is 5.15 million barrels/day. Our Budget based on crude oil at \$75 is now higher but thanks to Russian support, it is manageable. After Nov.'21 again slashed Excise duty on Petrol/Diesel substantially, RBI raised the repo rate unexpectedly and more anticipated. Very well managed by the Indian Govt. World economic outlook (WEO) and RBI- India's GDP forecast 7.2% (2022-23).

Thanks to MODIJI, expecting more states to follow, a reduction by them can bring down prices by Rs.15/LTR.

Thx. for initiative taken by FOSMI for arranging regular Meetings and Seminars offline and also online for those members unable to join physically.

*Best Regards*

**Kishan Raj Singhwi**

*kr Singhwi5@gmail.com*

# President's Message



**Biswanath Bhattacharya**  
*President, FOSMI*

India is celebrating Azadi Ka Amrut Mahotsav, an initiative of the Government of India to celebrate and commemorate 75 years of progressive India. The event with its planned activities will empower the youth with new opportunities connect people & state and promote deeper inclusiveness across the nation.

Global marketplaces that are volatile have far-reaching consequences for industrial companies. Unanticipated hurdles, such as increased energy costs and unexpected swings in raw material pricing, are upsetting supply chains. MSME units are seriously languishing due to increasing trend of basic raw material prices. As time has passed, no plausible solution has developed to stop the enormous spike in raw material prices. It is necessary for the Central Government to intervene immediately to preserve MSMEs from further discouragement of their operations. FOSMI already forwarded its Memorandum to Union Govt in the matter.

FOSMI marked its presence strongly in the meeting of Ministry of MSME with Industry Associations, held on 27th of April 2022 at Vigyan Bhaavan, New Delhi, on issues concerning to MSMEs. A memorandum from FOSMI was handed over to the Hon'ble Union

Minister of MSME Shri Narayan Rane in the meeting. FOSMI made series of recommendations in the areas of Technology up-gradation/ adoption, legislation and regulatory framework for MSMEs in India with strong recommendation for easing the process of realisation of the dues of MSMEs after the award against delayed payments, also protecting interests of MSME buyer units through the MSMED Act 2006 are the few important points of the memorandum, besides various other pertinent issues.

FOSMI's representations in various Committees and Council of both Central and State Govt. on issues concerning to our members are producing reasonably very positive results. In the meeting of Grievance Redressal Committee (GRC) in respect of the State of West Bengal held on 13th March 2022, issues of members were heard on length and the decisions/ suggestions of the Committee were given during the meeting. Our Shri J. L. Bardia, Hon'y. Treasurer represents FOSMI in the said Redressal Committee very effectively.

An awareness program on Delayed Payment and Banglashree Schemes was arranged by FOSMI in physical mode, in association with MSME & Textile Department, Govt. of WB, on 12th April 2022 at Calcutta Club Ltd. The program registered a very impressive presence of members and has achieved a great success. Issues concerning to Delayed Payment and Banglashree Schemes were discussed in detail in the session which has enlightened the participants. FOSMI members should be in touch with the Secretariat to understand the right approach before taking the recourse of the provisions of Delayed Payment under the MSMED Act 2006 for realisation of their dues. We take the opportunity to express our sincere thanks to the initiative of State Facilitation Council, Govt. of West Bengal in resolving the issues of delayed payment very proactively to benefit the MSMEs.

The sixth edition of the Bengal Global Business Summit was hosted on 20 and 21 April 2022 after an interval of two years due to the COVID Pandemic. The summit offered a very credible opportunity for investors to invest in Bengal in various fields with generation of good employment opportunities. The summit ended with lot of expectations to materialise in the days to come to mark Bengal as most investor friendly State.

We are pleased to inform that as the present time is conducive to hold physical meetings, accordingly FOSMI has initiated to organize physical programmes for the benefit of our members.

# Occupational Safety and Health

## Some strategies and reinforcement learning

“It is not practical to the leadership alone, but a collective responsibility across the industrial landscape to extend much needed OHS related best practices.”

✍ **Dr. V. L. Narasimham**  
*MBA (Energy Management)*  
*IISWBM, Kolkata*

**M**SME-dominant sectors such as agriculture, manufacturing and services are vulnerable to climate-induced events such as floods, droughts, and sea level rise . The ILO estimates that some 2.3 million women and men around the world succumb to work-related accidents or diseases every year; this corresponds to over 6000 deaths every single day . Worldwide, there are around 340 million occupational accidents and 160 million victims of work-related illnesses annually. Among the ILO standards that set the basic principles on occupational safety and health (OSH), the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187) calls for the development of a national preventative safety and health culture, through the development and implementation of national policies, systems and programmes on OSH. In this rapidly globalizing world, safety performance is a key issue for the industries to become a world-class competitor. Occupational



accidents may lead to permanent disabilities or deaths and/or economic losses or both . ILO advocates on the member States to support mechanisms for a progressive improvement of occupational safety and health conditions in micro-enterprises, in small and medium-sized enterprises and in the informal economy. A considerable body of evidence confirms a link between provision of OSH and positive firm outcomes .This includes many studies that focus



Image 1: Workspace safety

on practices, tools and techniques that treat OSH as an essential aspect of good business practice, workspace safety and quality management (Image 1).OHS training typically consists of instruction in hazard recognition and control, safe work practices, proper use of personal protective equipment, and emergency procedures and preventive actions. Training interventions sometimes include additional components besides instruction or practice, such as goal-setting, to enhance effectiveness. In order to develop a good safety culture, the attitude of the workers needs to be reoriented by adopting best practices, good housekeeping, and changes in work culture and work practices. Prediction of various types of accidents helps managers to formulate organizational policies for improving safety performance

**The WHO definition of a healthy workplace is as follows:**

A healthy workplace is one in which workers and managers collaborate to use a continual improvement process to protect and promote the health, safety and well-being of workers and the sustainability of the workplace by considering the following, based on identified needs:

- health and safety concerns in the physical work environment;
- health, safety and well-being concerns in the

psychosocial work environment including organization of work and workplace culture;

- personal health resources in the workplace;and
- ways of participating in the community to improve the health of workers, their families and other members of the community.

The National Instructional Media Institute(NIMI) was setup at Chennai, by the Directorate General of Training, Ministry of skill Development and Entrepreneurship, Government of India, with the technical assistance from Government of the Federal Republic of Germany with the prime objective of developing and disseminating instructional Material for various trades as per prescribed syllabus and Craftsman Training Programme (CTS)under National Skill Qualification Framework (NSQF) levels . Of the total 55 hours of training, 15 hours have been allocated to OSH, and thus it shows how OSH has become important to the future workforce.

This Instructional Material consists of both Theory and Practical exercise for the subject “*Employability skills*” 2nd semester (Common book for all Trades). Duration of this subject is 55 Hours, containing 5 different modules, and the time distribution for each module is given below.

Module 1:	Entrepreneurship Skills	15Hrs.
Module 2:	Productivity	10Hrs.
Module 3:	Occupational Safety, Health and Environment Education	15Hrs.
Module 4:	Labour Welfare Legislation	05Hrs.
Module 5:	Quality Tools	10Hrs.
	<b>Total</b>	<b>55 Hours.</b>

Image 2: Allocation of number of hours for Employability Skills Training

Injuries and occupational health complications are directly dependent on untidy work environment. It is therefore important to make workplaces should remain pleasant, dirt free and spacious enough to move.

**Some strategies include :**

- ♦ Removing all dirt and refuse on regular basis, on all working floors, wooden compartments, benches, machinery and other equipment.



Chemical hazard	Ergonomic hazard	Physical hazard
<ul style="list-style-type: none"> <li>•Hazardous Chemical Rules 1989 - Manufacturing</li> <li>•Chemical Accidents (Emergency, Planning, Preparedness and Response) Rules 1986 -Storage and Import</li> <li>•Ingestion</li> <li>•Inhalation</li> <li>•Absorption</li> <li>•Injection etc</li> </ul>	<ul style="list-style-type: none"> <li>•Nature design of task</li> <li>•Frequency</li> <li>•Intensity</li> <li>•Age related challenges</li> <li>•Heat exhaustion</li> <li>•Heat stroke</li> <li>•Muscular pain</li> <li>•Hot/ red skin</li> <li>•poor lighting,</li> <li>•improperly adjusted workstations and chairs,</li> <li>•frequent lifting, repetitive or awkward movements.</li> </ul>	<ul style="list-style-type: none"> <li>•Explosive,</li> <li>•Flammable,</li> <li>•Oxidising,</li> <li>•Gases under Pressure and</li> <li>•Corrosive to metals</li> <li>• live electrical cords,</li> <li>•unguarded machinery,</li> <li>•exposed moving parts,</li> <li>•constant load noise,</li> <li>•vibrations,</li> <li>•working from ladders, scaffolding or heights etc</li> </ul>

*Image 3: Hazard types in majority of the MSMEs*

- ◆ Maintaining cleanliness of floors and working areas.
- ◆ Periodic civil/ infrastructure inspection of walls, partitions, ceilings or tops etc., such that seasonal changes do not aggravate operations and safety of the workers.
- ◆ Also, all passages and staircases should remain clean with appropriate natural light reflective painting.
- ◆ Keeping washrooms clean and where such facilities are shared, efforts should be put to collectively maintain them.
- ◆ It is important to keep working space with optimal number of workforce, but not to be overcrowded. It is important to ensure that workplaces are not crowded to the extent of restricting free mobility of staff and access to work tools.
- ◆ Ensuring proper ventilation and lighting. Effective and suitable ventilation systems are necessary

**Prevention is better than cure:**

It is obvious that keeping industrial premises safe is a continuing activity and no place of work can always be completely safe all the time. On a relative perception, and for all practical purposes, some work places will naturally possess higher, larger or greater risks when compared with other similar industries elsewhere. Hence, it is crucial to follow voluntary health and safety practices, build and adhere to organizational culture on OHS as well reinforce OHS from time to time through different workshops, seminars or dramatic shows. It is



not practical to the leadership alone, but a collective responsibility across the industrial landscape to extend much needed OHS related best practices. Hence all industries should develop the ability to carry out risk assessment processes and to take all precautionary steps to ensure the safety of the workforce. Some guidelines in the safety dimension include,

- ◆ Provide adequate information, causes and preventive control of the health and safety risks.
- ◆ Consult and periodic exchange of communication with employees on matters affecting their health and safety.
- ◆ Acquire, install, and make safety equipment available, and check for periodic servicing and maintenance.



- ◆ Ensure employees follow specific instructions, while handling hazardous substances and during their periodic usage.
- ◆ Provide information, instruction, supervision and required training for stipulated time period so that employees are competent to carry out their role, on safety.
- ◆ Review, revise and audit for timebound update and upgradation of safety policy and practices on regular basis.

#### General Recommendation to improve industrial safety in MSMEs

1. Acquiring of right size PPE kit to Employers and employees and encourage the employee to use the same in all industry related activities irrespective of intensity, duration, or small operations.
2. To regulate maintenance and adopt preventive hazard practices for capital machinery should be adopted.
3. Timely discard and dispose of used PPE kit. Reconditioning or replacement of the wear and tear spare part of the capital machine should remain priority and should be continued on a timely basis.
4. Storage of material, labelling, warning signs should be done properly.
5. Employees associated with handling and movement of material should be trained and taught importance of minimizing and lowering the possibility of damage or accidents.
6. A proper material handling facility should be provided by the employer-based on the material category and intermixing or close contact among inflammable materials should be avoided.
7. All material handling equipment should be checked periodically for fitness and the worn-out spare part of the same shall be replaced in advance.
8. Display boards with the lifting capacity of the handling equipment should be available on the equipment itself in the local language.
9. All such display boards should be erected firmly, and remain clean, and accessible to read
10. Crane, fork lift, pallet truck and other heavy lifting equipment should be maintained properly in line with the safety norms as per user manual and OEM instruction chart.
11. All such user manuals should be easily available and important parameters should be in appropriate regional language
12. Adopting and maintaining the standard operating procedures for every operation carried out in the unit.

13. Also, a chart or case studies need be made available as reference materials
14. Adequate inspection and testing of electrical installations and equipment.
15. Proper housekeeping, such as removal of metal scrap to avoid any accidents.
16. Circular economy practices should be adopted wherever it is feasible
17. Adequate lightning and air circulation should exist in the place of work.
18. Sufficient tools to perform the task should be available.
19. Adequate space to perform the operations and to keep components systematically should be available on the shop floor.
20. Total Quality Practices or 5-S principles should be part components management
21. In working sites, the safety and environmental policy must be written down and maintained regularly.
22. It will be convenient to the employees if the policy guidelines are displayed in the local language
23. Regular counselling and audits at regular intervals by the supervisor/managers.
24. As many individual units cannot afford Safety Officers; the complex consisting of many MSMEs can together fund a safety officer, to be made mandatory as per law.
25. Suggestions for improvement in the safety of Machine, Material, and human safety given by the safety officer must be taken into consideration for safe working in the unit.
26. If possible to adopt 5 S practices, i.e., sorting (Seiri), streamlining (Seiton), systematic cleaning (Seiso), standardise (Seiketsu), and sustain (Shitsuke).◆

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# Financial tips to make expansion plans easier for SMEs

**Financial planning should be a part of your roadmap as you gear up to set your business on a higher growth path and reach new markets.**

**T**

**When you're looking to take your business to the next level and move into new markets — having a well-defined financial plan to back your growth strategy, can give you a competitive edge.**

he most important element for any small business planning expansion is to obtain funding to mobilise the materials, men and methods. When you're looking to venture into a new market, financial planning becomes crucial in order to ensure that the investment which you make doesn't end up hurting your cash flow and drowning your business.

The last two years have been turbulent for small businesses. SMEs create jobs for millions of Indians and are considered to be the bedrock of the nation's economy. Being hit the hardest by the COVID-19 restrictions and the multiple lockdowns, thousands of MSMEs are reportedly up for sale now.

## **How financial planning can help secure growth plans?**

There's a lot more to business growth than keeping your financial books in order. If you're looking

at widening your customer base, then financial planning is critical to ensure that you are not straining your cash flow.

SMEs often make the mistake of financing out of their existing cash flows. What happens, in this case, is that before you know it, your business will be caught up in a cash flow crisis. Some small businesses take the route of lining up financing at the very last minute. This leaves you with very little choice and you might end up taking loans with high interest rates and poor repayment conditions.

Bear in mind, that when you're looking to grow your business, along with additional investments — you will be dealing with high accounts receivable and payable. Poor financial planning or the lack of it can be risky for growing small businesses.

Financial planning should be a part of your roadmap as you gear up to set your business on a higher growth path and reach

new markets. The first thing you need to do is work out how much financing you will need. Reach out to financial experts and brief them about your plans. This will help you get a better understanding of the financial needs and upcoming investments of your business.

If you're looking to branch out and take your business to the next level, following these tips will set your business up for success:

### **Analyse the cash flow**

Poor cash flow management is the primary reason why 82% of small businesses fail. At times when the cash flow looks good, small business owners end up funding their expansion out of their reserves — this can be a costly mistake. Growing businesses have a lot more investments at stake. Your profits alone will not be sufficient to cover the capital needs, especially when you are looking to expand your offerings to a wider geography.

Staying on top of your cash flow will give you a better understanding of the financial health of your business. One of the leading causes for rising cash flow burdens that most small businesses face, is the poor management of collections or in other words, accounts receivables. It's important to understand that technological interventions are paramount in structuring cash flow management. Closely monitoring cash flow with integrated analytical tools will empower businesses to produce cash flow p ..

### **Plan ahead for debt reduction**

When you're looking to reach out to a wider audience in new markets, planning ahead will help you line up financing early on in your growth journey. This will also help you secure the best possible conditions for your debt.

While borrowing is a great option, avoiding the heavy burden of debt is important for small businesses to save themselves from the sad reality of 'death by debt'. Reaching out to multiple financial partners and sharing your current predicament may help you secure lower interest rates or arrange for favourable repayments options.

Organising your business finances

Expanding into new markets and driving growth is a great opportunity to organise your finances. You will not only gain greater visibility of your financial standing but also be in a better position to make well-calculated financial decisions. This will further help you with budgeting and financial forecasting.

Additionally, you could consider taking the help of an external financial consultant in plotting your overall business growth strategy. Leveraging digital solutions that are built to ease financial management for small businesses, will also help you a great deal in streamlining expansions to newer markets.

### **Focus on high-margin, quality clients**

Slow-paying clients can cause unwarranted disruptions in cash flow. Growing small businesses need to focus on high-quality clients that pay on time. Speeding cash flow will be a competitive advantage for your business. In this regard, you can look at offering incentives or markdowns to encourage early payments. This is another great way to ensure smoother finances and lesser hiccups in cash flows.

### **Reach out to your suppliers**

You could request your suppliers for discounts or deferred payments. Most suppliers would be open to working with you in



**Poor cash flow management is the primary reason why 82% of small businesses fail. At times when the cash flow looks good, small business owners end up funding their expansion out of their reserves — this can be a costly mistake.**

mutually suitable conditions rather than losing out on your business. Suppliers could look at offering you financing too. Availing of a loan, if it results in a sale could be a win-win situation for both the supplier and your business.

### **Power your business growth with better financial planning**

When you're looking to take your business to the next level and move into new markets — having a well-defined financial plan to back your growth strategy, can give you a competitive edge. These financial tips will help you plan for greater business growth and contingencies ahead, without straining your existing cash flow arrangements.

*(The writer is co-founder & CEO, CredAble) Source: FE*

# Five effective Workarounds For MSMEs To Improvise Their Supply Chain



*From production to the overall logistics to the last-mile delivery, businesses are reeling under the pressure of increased uncertainty, muted demand, and a fragile overall business environment.*

**N**o matter how small, it is always prudent to have a specialized supply chain team in place. This would not just help in operational compatibility but will also be instrumental in the future scaling up of the organisation

Just like big organizations, MSMEs also need a powerful and robust supply chain to operate, grow, and transform their business successfully. An efficient supply chain is pivotal for better inventory turnaround, optimizing resources, and bringing increased speed & agility to the overall system. They are also critical in

servicing customers in the best possible way and building long-term relationships with them.

Currently, when businesses across shapes and sizes have suffered the whiplash of COVID-induced disruptions, the role of the supply chain further becomes critical. From production to the overall logistics to the last-mile delivery, businesses are reeling under the pressure of increased uncertainty, muted demand, and a fragile overall business environment. During such challenging times, it is very important to take care of the overall supply chain of the organization to ensure seamless operations and mitigate possible risks.

During challenging times, it is vital for organisations to take care of their supply chains to ensure seamless operations and mitigate possible risks. Here are five ways MSMEs can enhance their supply chains.

In the analysis that follows are five simple, yet very critical parameters, across which MSMEs can enhance their supply chain and stay top of their game.

### Lay Down the KPIs

The initial step connotes specifying the right Key Performance Indicators (KPIs). In the supply chain, there are a host of KPIs such as costing, inventory turnaround time, speed, customer satisfaction, the overall rate of complaints, etc. Subject to the business and the long-term strategy, an MSME should specify its KPIs.

Also, it is important to give each KPI a weightage score. What might be very important for one business might not be essential for the other. For instance, at Rosemoore being a lifestyle consumer brand, customer satisfaction, and sustained customer engagement is our top priority. Though cost and resource optimization are also crucial but not as much as customer service. However, for a commodity-based business, this might not be the priority. (Or maybe, that depends!).

Setting up the right KPIs (and the weightage) can help in effectively planning and deploying

a supply chain that is in sync with the long-term objectives of the business.

### An Integrated Platform

Even in an MSME, multiple functions operate simultaneously. It is important to develop a unified system that can integrate numerous individual functions such as production, operation, marketing, logistics across a single system. A unified system will ensure a real-time and seamless flow of data across functions and help the business get a complete view rather than working in silos. It should be understood that silos and compartmentalized working are detrimental to an effective supply chain. The greater the transparency, the higher the synchronization and symmetry in terms of the supply chain.

### Predictive Analytics of Demand

Analyzing consumer preferences and forecasting demand accurately is paramount in the supply chain, as it helps in better planning. Demand forecasting aids in better inventory management, both for the raw materials as well as finished products. Consequently, it will enable MSMEs to avoid both stockouts and overstocking thereby optimizing their costs. Also, it might also help in understanding any shift in consumer behavior.

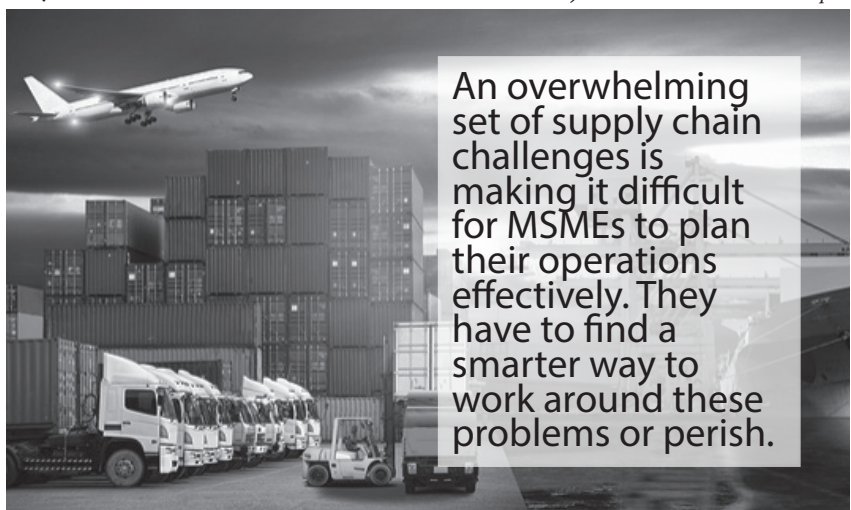
### Forge Mutually Beneficial Partnerships

Identifying credible partners including logistic resources and raw material suppliers can be very helpful in the longer run. Having the right partners and engaging them in open and frank communication can help in lowering uncertainty and strengthen your supply chain multi-folds. While dealing with partners, it is important to know about their concerns as well so that a mutually beneficial and sustainable relationship can be forged. Also, one should always avoid unreliable partners as that will exaggerate the challenges. Reliability and credibility in your partner are a must!

### Address the Human Resource Challenge

In MSMEs, the supply chain function always takes the backseat, when compared to other functions such as accounting & finance, marketing, operations, etc. Mostly, there would not be a budget for a specialized supply chain team. However, in my experience, this is not a good idea, as it affects the business. No matter how small, it is always prudent to have a specialized supply chain team in place. This would not just help in operational compatibility but will also be instrumental in the future scaling up of the organisation.

*(Ridhima Kansal, Director, Rosemoore)* *Source : BW Disrupt*



An overwhelming set of supply chain challenges is making it difficult for MSMEs to plan their operations effectively. They have to find a smarter way to work around these problems or perish.



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# Delayed Payment and State Govt. Schemes for MSMEs



*An Awareness Program on “Delayed Payment and State Govt. Schemes for MSMEs” organised by FOSMI, W.B. in association with Micro, Small & Medium Enterprise and Textile Deptt., Govt. of West Bengal, was held on 12th April 2022 at Calcutta Club Limited.*



The objective of the program was to make members abreast with the important provisions of Delayed Payment under MSMED Act 2006. The awareness program also covered the various schemes for MSMEs of Bengal available under Bangalshree Scheme of Govt. of West Bengal. This scheme is to extend fiscal incentives to encourage the entrepreneurs to set up MSME with a view to focusing

on balanced development of MSME in Bengal.

Dr. Mou Sen, Joint Director (HQ) MSME & Textile Department, conducted the session along with her team, comprising of Shri Abhijit Bhattacharya, GM, DIC Kolkata, Shri Ashok Ghosh, Dy. Director MSME & T Deptt. and Shri Jayanta Ghosh IC, WBMSEFC.

Dr. Mou Sen in her key note address gave a brief description

about the recent changes made in the definition of MSMEs and explained the importance of MSMED ACT 2006 and how Micro and Small Enterprises can reap the benefit of the act in respect to delayed payment as under the current provision, the medium industries are kept out of the MSMED Act 2006. She explained the constitution and functions of the State Facilitation Council which is Conciliation body under the Act, deals into the matter of Delayed Payment of MSMEs. Dr. Sen in her address covered the achievements of the Facilitation Councils during post pandemic period in resolving the delayed payment issues of MSME seven through virtual proceedings and covered other salient features of the act too. Dr. Sen praised the relentless effort of the State Facilitation Council about its functioning on resolving issues amidst all odds during pandemic.



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While speaking on the Banglashree Scheme, she explained some of the important provisions of the schemes and explained how MSMEs are benefited with the allotment of fund by the Govt. of West Bengal



Dr. Mou Sen

under the scheme. She gave a brief account of fiscal figure of the fund used during last few years under the schemes that benefited the MSMEs.

Dr. Sen in also emphasised the effort of the State Govt. to comfort the MSMEs by introducing various online systems which has in meeting their Statutory compliances. She urged that MSMEs of Bengal should take advantage of the online system and under the system no physical presence is required in getting required statutory compliances done.

After the keynote address of Dr. Mou Sen, Shri Abhijit Bhattacharya, GM, DIC, Kolkata made a very informative power point presentation on the various online methods those are made available for meeting various statutory compliances. Shri Bhattacharya initially explained about the importance of Udyam Registration and process of getting the Udyam Registration Certificate.

Shri Bhattacharya very widely covered the online facilities in respect to Pollution Clearances, Fire Licence and Fire Safety Certificate, Trade Licence and also FSSAI Registration & Licences.

Hecovered in detail too about online process in obtaining IEC Code, getting power connection etc. The detailing on Financial Clinic seems to be very useful support for Bengal

MSMEs in resolving issues with Banks with State intervention.

Shri Bhattacharya also explained the function of MSME Facilitation Centres (MFC) and how the MFC supports MSMEs in resolving various issues and requirements. He also added that, MFCs arranges Seminars, various awareness programs to promote engagement of youth in promoting entrepreneurship. He further added that, the MFC provides full assistance to the entrepreneurs who want to start their business as well as having expansion plan of their existing business.

After Shri Abhijit Bhattacharya, Shri Ashok Ghosh, Deputy Director with the required assistance from their Shri Jayanta Das, took the very useful session on Delayed Payment under the MSMED Act 2006. Shri Ghosh while quoting the relevant sections gave a very good input to participants about the responsibility of the Buyer units in making payment to their suppliers as per the provisions. Shri Ghosh also explained the penal provisions that attracts against default as per the provision of the MSMED ACT 2006.

He gave a good elaboration about the functioning of the State Facilitation Council and its power in resolving the issues of the MSEs and how awards are given and effected for realisation of dues. Shri Ghosh also outlined the provisions of the act, in case awardee in not satisfied with the award given by the council and prefers to go for higher forum for the redress. There were various other parameters of the act was narrated by Shri Ghosh in a very easy manner. Further, the process of lodging complaint to facilitation council against the buyer units was very well explained by him and how the SAMADHAN portal functions in registering the complaint of the aggrieved seller and its inbuilt mechanism of the portal to get the buyers unit informed simultaneously about the complaint. Shri Ghosh concluded by taking the references of some interesting cases which were handled and resolved by the West Bengal State Facilitation Council with few success stories of the Council that made his deliberation very interesting.

At the end, there was a very interesting Q&A session. Dr. Mou Sen and her team took various questions of the members and offered advice and suggestions. Dr. Sen assured FOSMI to extend her all support in resolving the issues of its members. ♦



# FOSMI ACTIVITIES AT A GLANCE



On 17th May 2022 Shri Shailesh Kumar Singh, IAS, Additional Secretary and Development Commissioner, Ministry of MSME, Govt. of India visited the units of our two member units, M/s. Auropol India Pvt. Ltd. and M/s. Transmission Line Products during his brief stay at Kolkata followed by discussion with FOSMI Officials.



FOSMI made its representation in the meeting called by the Ministry of MSME on 27th May 2022 at Vigyan Bhawan, New Delhi under the Chairmanship of Hon'ble Minister (MSME), to discuss with the Industry Associations about issues concerning MSME Policy. The meeting was attended by Shri Ujjwal Mukherjee, Jt. Secretary, FOSMI and he handed over a memorandum that has been handed over from FOSMI to the Hon'ble Minister-in-Charge Shri Narayan Rane with a request for the consideration of the recommendation from FOSMI.

On 22nd March 2022, FOSMI delegation led by President Shri Biswanath Bhattacharya, met Shri Jared B. Mayieka, Trade Counsellor of Kenya High Commission, to facilitate exports of FOSMI Member Units to Kenya and nearby African countries.



# MSMEs and Digital Technology

## NEW PILLARS OF THE INDIAN ECONOMY

**Reliability is an important feature that will naturally help MSMEs expand in the digital space**

Digital technology has a huge impact on all conceivable aspects of life, and it is transforming business in the global economy. It can help MSMEs expand their market reach at domestic and international levels. It is changing the shape of MSMEs at a faster pace. With appropriate digital strategies and quality products, anyone can make a big name for themselves in the market.

Creating an authentic presence is necessary in our digitally inclined world. It helps attract the targeted audience, which will help the company have a consistent and reliable image in the market.

Reliability is an important feature that will naturally help MSMEs expand in the digital space. Overcoming these issues will help various MSMEs survive the digital roadblock.

### Importance of MSMEs for Indian Economy

The MSMEs have a 30 percent share in India's GDP and employment and act as the pillars of our economy. 56 million MSMEs add products to address the specific needs of the nation and thus behave like

entrepreneurs. MSMEs help to generate employment at the local level, and for a country like India, it's the need of the hour.

India SME forum conducted a survey, which had 1,29,537 MSMEs respondents; the survey showed that around 50 percent of MSME respondents claimed to know about the benefits of the usage of digital technologies. However, a shocking 70 percent of MSMEs lack the knowledge and understanding about digital tools. The main obstacle cited was the lack of knowledge which restricted the wider adoption of technology.

The pandemic became the revolution phase for various MSME sectors. India SME ministry is working hard towards lowering the digital gap by conducting informative workshops to help these convectional companies spread their business and cope up in these tough times.

Some Factors that are Making It Difficult for MSMEs to Spread their Wings in Full Potential

Now, lack of capital due to inadequate access to finance is a common issue that MSMEs face. Because of this, there is the poor technological infrastructure which then results in low-quality production. This cycle causes people to avoid learning about digital technologies. Without tech-savvy and knowledgeable employees, digital innovation is not possible, so even if the company comes up with good digital marketing ideas, they can not implement them properly to get profitable results. Most of the problems that MSMEs face can be narrowed down to the lack of capital and technological expertise.

These factors make it difficult for MSMEs to escalate to full potential, rise to become self-sustainable and known.

For Micro Small Medium Enterprises, overcoming these problems offer a prosperous opportunity to strengthen the foundation of their company. Many traditional and convectional companies lack the understanding and knowledge of digital marketing; that makes them distant with correct digital technological solutions for their enterprises, which can affect their overall business turnover. Those who do not trust technology and hesitate to invest in pricier but more effective digital equipment generally do not have the know-how about technology's usage and benefits.

*contd. on page 30*





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## ZED certification scheme launched for MSMEs

**MSMEs can reduce wastages substantially, increase productivity, enhance environmental consciousness, save energy, optimally use natural resources, expand their markets, etc. through the ZED certification scheme, a part of the MSME Champions scheme.**

Union Minister Narayan Rane on Thursday launched a sustainable certification scheme (ZED) to facilitate MSMEs to adopt 'Zero Defect Zero Effect' practices and become energy efficient while improving quality through increased compliance with manufacturing processes.

MSMEs can reduce wastages substantially, increase productivity, enhance environmental consciousness, save energy, optimally use natural resources, expand their markets, etc. through the ZED certification scheme, a part of the MSME Champions scheme.

"The ZED certification scheme will be beneficial towards improving quality, increasing manufacturing output and profits

and controlling the detrimental impact on the environment," said MSME Minister Rane at the launch.

R P Singh, Secretary General, Quality Council of India highlighted that adoption of ZED certification by MSMEs will automatically lead to various types of compliances needed for MSME.

Phase 1 of the scheme launched on Thursday will focus largely on maximising inclusion of manufacturing MSMEs and taking them through the ZED journey.

The Phase 2 of the scheme will entail the inclusion of services sector MSMEs and also strive to integrate manufacturing and services sector MSMEs that are registered under a state government system but not on Udyam.

This phase will also make provisions to align ZED certification with the international certifications for its global acceptance.

The scheme comprises three certification levels including bronze, silver and gold. MSMEs can apply for any certification level but would need to comply with its requirements. The 20 parameters under the scheme are mapped with existing certifications wherever applicable.

The MSMEs will have to undertake a ZED pledge upon registration. MSMEs will get subsidy on the cost of ZED

certification. The subsidy amount will be up to 80 per cent of the certification cost for micro enterprises, whereas for small and medium units it will be 60 per cent and 50 per cent respectively.

There will be an additional subsidy of 10 per cent for the MSMEs owned by Women/SC/ST Entrepreneurs. In addition to above, there will be an additional subsidy of 5 per cent for MSMEs which are also a part of the SFURTI Or Micro & Small Enterprises - Cluster Development Programme (MSE-CDP) of the Ministry. Further, a limited purpose joining reward of Rs 10,000 will be offered to each MSME once they take the ZED Pledge.

A provision of up to Rs 5 lakh per MSME will be made available for handholding and consultancy support for MSMEs under ZED Certification for assisting them to move towards Zero Defect Zero Effect solutions.

The MSMEs can also avail a number of other incentives offered for ZED Certification by States & UTs, Financial Institutions etc. and can also apply for free Certification under the MSME KAWACH (COVID-19 Support) initiative.

*Source : ET*

**The ZED certification scheme will be beneficial towards improving quality, increasing manufacturing output and profits and controlling the detrimental impact on the environment, said MSME Minister Rane at the launch.**



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*Currently, online businesses are required to register under the GST system regardless of their turnover.*

## Complex GST compliance to sell online among reasons for MSMEs' low digital penetration : FISME

“Only around 10 per cent of India's small businesses sell online,” FISME said as it urged the government for efforts required to simplify the GST system, rationalise rates, and harmonise GST thresholds between offline and online sellers.

One of the reasons for the low digital penetration of MSMEs are complex Good and Services Tax (GST) compliance requirements needed to make the transition from offline to online selling platforms, said MSME body Federation of Indian Micro and Small & Medium Enterprises (FISME). “Only around 10 per cent of India's small businesses sell online,” FISME added as it urged the government for efforts required to simplify the GST system, rationalise rates, and harmonise GST thresholds between offline and online sellers.

Currently, online businesses are required to register under the GST system regardless of their turnover even as for offline sellers, it applies to businesses with a turnover of over Rs 40 lakhs. This creates an unequal playing field between offline and online retail and has discouraged small businesses from becoming a part of the digital economy, said FISME in a statement.

“Digitally-enabled MSMEs have the potential to grow twice as fast as their offline counterparts. There is a dire need to educate and encourage MSMEs to sell online, and spread awareness of the growth opportunities available through e-commerce platforms,” said Anil



### Ease of Doing Business for MSMEs

Bhardwaj, Secretary General, FISME.

Around 5 crore MSMEs are estimated to be unable to sell online due to complex and mandatory GST requirements while those operating through online platforms are burdened with cumbersome and time-consuming periodical compliances like registration and filing monthly returns, which further dissuades them from registering under GSTN, the association noted citing market intelligence and secondary research.

Earlier this month, the traders' body Confederation of All India Traders (CAIT) had also released a survey on GST compliance recording responses from 630 traders. While 72 per cent respondents believed e-commerce is a significant channel for business, 66 per cent said GST registration is a big hurdle. Moreover, 94 per cent respondents said e-commerce companies are killing their business by their monopolistic terms and flouting policies while 89 per cent opined that e-commerce policy and rules are necessary for a fair e-commerce business. [ET]

## IIFL Finance, Open Financial join hands to launch neobank for MSMEs

**The unique proposition of this neobank is an innovative User Interface (UI) system made exclusively for small merchants -- a first of its kind in India.**

NBFC company IIFL Finance Ltd. and Open Financial Technologies Private Ltd., Asia's largest SME focused neo-banking platform today announced a joint venture to launch India's first neobank to cater to banking and credit requirements of Micro and Small Enterprises (MSMEs).

As part of the arrangement, the initial capital of the joint venture company will be Rs.120 crore. The JV composition between IIFL Finance and Open is 51:49. The name of the joint venture would be IIFL Open Fintech Private Limited. There are 63.3 million MSMEs in India, of which 99% are micro enterprises. The segment remains largely unserved due to a variety of reasons. One of the reasons for this is inadequate data for credit assessment.

Open has over 2.3 million small and medium business merchants on boarded on its Open Money platform. Through this JV, Open would get a recurring annual SAAS fees per customer for offering technology services to the JV. Additionally, they would also be able to leverage the lending book and infrastructure of IIFL Finance to offer innovative lending solutions to the merchants on their platform. Currently the long tail of 63.3 million MSMEs is deprived of credit and therefore growth. The unfulfilled credit need for such customers is estimated to be INR 37 trillion. What these MSMEs need is simplified banking and what banks need is verified transaction and business data.

# How artificial intelligence is helping MSMEs to optimize processes accelerate growth



**Post-Covid, more MSMEs had started to use primary technology tools at least such as social media, online service aggregators, company websites etc.**

**While a large number of MSMEs are yet to fully benefit from the technology revolution, some of them have certainly been warming up to the new age solutions such as artificial intelligence (AI) and using it also for better growth.**

**T**echnology for MSME: The shift towards more efficient technology solutions from the good old websites and emails, in the name of digital adoption, is apparent among

MSMEs that have shied away from evolving technologies for a long time. The shift has largely been visible because of better affordability due to growing on-demand, or pay as you go or

what is called the software-as-a-service (SaaS) ecosystem in India liberating small businesses from the cost conundrum to some extent. While a large number of MSMEs are yet to fully benefit from the technology revolution, there are some that have certainly been warming up to the new age solutions such as artificial intelligence (AI) and using it also for better growth.

The implementation of AI is across multiple use cases. For instance, Delhi-based long-haul logistics services provider JCCI Logistics has deployed AI and internet of things (IoT) solutions to manage its fleet of around 150 trucks. The company, launched in 2004, uses on-demand fleet management software for GPS tracking of vehicles, fuel management, driver analytics, and route planning.

“Vehicles need to run as much as possible and that’s what matters. Before deploying this solution in 2020, our monthly cumulative running was around 8,000 to 10,000 kilometres. It has increased by around 20 per cent now. The jump, I think, is primarily because of the on-board diagnostics (OBD) device that you can fit in a vehicle to get data related to fuel consumption, driver’s driving behaviour, whether there is unnecessary hard acceleration or not, etc.,” Sachin Jain, Founder, JCCI Logistics told.

OBD is essentially a machine learning (ML) and internet of things (IoT) based device that gets signals from different sensors in a vehicle and conveys them to the user’s dashboard with the help of the software.

JCCI Logistics have been among post-Covid adopters of deep technology solutions as the pandemic perhaps necessitated the use of software



and digital for sustenance.

“Covid might have caused a faster switch to some AI/ML applications since the labor force was locked up. AI/ML provides a significant opportunity for reduction in input costs, particularly those of human capital. The advent of edge AI/ML will further hasten adoption, particularly as it gets married to IoT on small devices and sensors that are available at scale and used routinely by businesses of all sizes,” Utkarsh Sinha, Managing Director at advisory firm Bexley Advisors told.

Among the top sectors where the use of AI accelerated during the pandemic was restaurant as the pandemic precipitated the eateries into looking at ways that could help them optimize their processes right from sales to inventory management and more.

Kabir Suri who runs Azure Hospitality, which owns restaurant chains like Mamagoto, Dhaba, Speedy Chow, etc., has been using AI in the company’s operations for the past five years while Covid only reinforced his commitment to AI for efficiency and growth. “We have had a direct saving of 30 per cent in past five years along with getting customer insights due to AI that has led to an uptake in revenue as well. Five years back we had around 10 outlets and now have 60 across India,” Suri told.

The company has an in-house AI solution that shows live sales, total transactions, menus, items sold, total consumption per restaurant, etc. The solution captures data from every restaurant throughout the day on a real time basis and consolidates it to show up for analysis on its dashboard. This becomes

important for restaurants with chains to understand the consumer-behaviour pattern, the impact of different occasions on business like festivals such as Navratras in North particularly, Christmas in Goa, and some other festivals in South, said Suri.

Moreover, the AI solution at Azure Hospitality helps Suri control the HR module as well. “You can look at your salary component, leaves, attendance, holidays, payslips, etc., through a single system every day whenever you want. Basically, AI helps you make better decisions as you grow bigger by minimizing the impact of any uncertainty,” Suri added.

Another sector that depends heavily on technology and AI particularly is tourism for purposes ranging from travel booking via chatbots, flight forecasting in terms of the current best price and future prices, recommendations for hotel and cab booking based on travel-related searches, etc.

“There is AI at every stage in tourism and aviation,” Subhas Goyal, Founder and Chairman at B2B travel company STIC Travel told Financial Express Online. The company is the exclusive General Sales Agent (GSA) — a sales representative of a company in a specific region or country – for 11 international airlines in India including United Airlines, Air China, Croatia Airlines etc.

STIC has been using for the past five years AI-based Microsoft Dynamics CRM to manage customer relationships, track sales leads, marketing, etc., and streamline administrative processes in sales and marketing. The company is now also implementing a chatbot assistant to answer customer queries on its platform. Goyal

noted the standard queries around bookings, holiday searches can be answered by the AI bot while for further details and feedback, there would be manual intervention.

Post-Covid, more MSMEs had started to use primary technology tools at least such as social media, online service aggregators, company websites etc. According to a Crisil survey of around 540 micro and small units released in April this year, over 65 per cent respondents adopted or upgraded their use of online aggregators, social media platforms, and company websites. Among sectors, manufacturing reported higher adoption with 71 per cent respondents adopting or upgrading their use of digital platforms in comparison to 66 per cent respondents in the services sector.

“Good technology is invisible. AI/ML will soon form a fundamental layer in all operations and interactions for small businesses. As technology offerings scale, it will soon be easier to get good AI to do certain tasks than to get a human to do it. The impact of this on labor force utilization will be significant,” added Sinha.

*Source : FE*

Among the top sectors where the use of AI accelerated during the pandemic was restaurant as the pandemic precipitated the eateries into looking at ways that could help them optimize their processes right from sales to inventory management and more.

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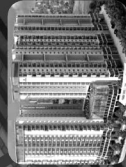
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# How RBI's geo-tagging framework can improve digital payments infrastructure among MSMEs

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redit and Finance for MSMEs: Framework for geo-tagging of payment system touchpoints issued in March'22 by the Reserve Bank of India (RBI) is an important step in the creation of a robust payments acceptance infrastructure in the country. The framework provides for

banks and non-bank payment service operators (PSOs) to collect and maintain merchants, which are MSMEs, related information and geographical coordinates for all payment touchpoints. Further bank and non-bank PSOs are required to provide this geo-tagging information of the payment touchpoints to the RBI.

Geo-tagging of payment touchpoints like POS, QR codes etc can provide useful insights related to regional penetration of digital payments and its distribution across the country. These insights can be used to identify the scope for deploying additional payment touchpoints for furthering digital acceptance. Also, it has been noticed that despite the availability of digital payment touchpoints in certain locations, especially in the rural parts of the country, a large number of people continue to use cash as the primary mode of transaction. The geo-tagging data can be leveraged to undertake focused digital literacy programmes for better adoption of deployment

payments infrastructure for digital transactions.

RBI has been putting concerted efforts to encourage electronic payment systems in the country. The Payment and Settlement Systems Act, 2007, laid the foundation for today's state of the art, efficient, fast and affordable payments infrastructure in the country. The payment system vision document released by RBI in 2012 proposed proactively encouraging electronic payment systems for ushering in a less-cash society in India. The last vision document released for 2021 aimed at empowering every Indian with access to a bouquet of e-payment options that is safe, secure, convenient, quick and affordable.

To achieve the above, the vision envisaged four goal-posts (4 Cs) – Competition, Cost, Convenience and Confidence. The action points emphasising the four specific goalposts have led to RBI releasing





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various guidelines in the last two years like the framework on Offline digital payment solutions (Jan'22), framework for authorisation of New Umbrella Entities (NUE) for retail payments (Feb'22), Regulation of payment gateway service providers and payment aggregators (Mar'21), guidelines for tokenization of card transactions (Sep'21) etc. Geo-tagging of payment system touchpoints was outlined as one of the goalposts for building customer confidence. It was mentioned that in order to measure the adoption of digital payments, it is essential to have the geographical location of the payment system touchpoints across the country.

RBI in its monetary policy had stated that deepening digital payments penetration across the country is a priority area for financial inclusion. RBI had set up PIDF, Public Infrastructure Development Fund with a corpus of Rs 614 crore to encourage deployment of acceptance infrastructure and create additional touchpoints. Further, the IT ministry along with the housing and urban affairs launched a special drive to onboard street vendors to start accepting and making digital payments under the PM SVANidhi scheme.

The two schemes have helped bank and non-bank payment aggregators to invest in tier 3, tier 4 and further interior locations to deploy digital payment infrastructure

in the last one year. Basis the results, the government has decided to continue the PM SVANidhi scheme till December 2024. However, to ensure a balanced spread of acceptance infrastructure across the country, location information of existing payment acceptance infrastructure is essential.

The location information of the merchants can be married with various other data points like demographics, population, population group, high economic and commercial activity, high merchant density etc for identifying the scope and opportunities at a particular location for deploying payment touchpoints. It will also help monitor infrastructure density across different locations and optimize the distribution of payment infrastructure.

Geo-tagging of the payments touch point can also help in better fraud and risk management of digital payments thus bringing further trust to digital payments. RBI and banks collect chargeback and transaction fraud data at the merchant level. By mapping the chargeback and fraud data with the merchant location data, banks and payment service providers can identify negative or high-risk locations which can help them define better risk control and KYC policies.

Geolocation data can also help pinpoint irregularities in card present transactions if the

same card has been presented for transactions in distant geography on the same day. This information can be relayed to the merchant and the transaction can then be flagged as potential fraud. In the case of POS devices, banks and payment service providers can also benefit by using geo-tagging of merchant location as a low-cost verification tool that provides additional confidence and information about the existence of their equipment thus ensuring easy traceability and recovery of their physical assets.

RBI has put the onus on the bank and non-bank PSOs to ensure the accuracy of merchant and location details related to the payment touchpoint. All banks and non-bank PSOs will be solely responsible for ensuring data about payment touchpoints deployed and the merchants acquired by them is up to date and accurate and the required information is reported to RBI in a timely manner as prescribed. This will enable proper monitoring of the availability of payment acceptance infrastructure which in turn will be leveraged by RBI for suitable policy interventions wherever required for achieving the policy objective of deepening digital payments and providing inclusive access to all citizens of the country.

*Ketan Patel is CEO of Mswipe.*

*Views expressed are the author's own.*

*Source : FE*

## MSME sector to achieve mid-teen growth in fiscal 2022 says study

*The sector accounts for 27% of GDP and is crucial to the functioning of the economy, including in terms of employment generation, exports, and lending opportunities.*

Lauding the large part played by the Medium, Small, and Micro Enterprises (MSMEs) in India's economic rebound, the latest ASSOCHAM-CRISIL joint study adds that the sector is expected to achieve mid-teen growth in fiscal 2022 with the pick-up of economic activities.

The report, titled, 'MSMEs back to the grind', is jointly conducted by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) with CRISIL. "Amidst the global pandemic, India has found its innate strength to brave the storm and focus on developing its domestic ecosystem, to support both the Indian and the global markets," said Mr Deepak Sood, Secretary General, ASSOCHAM.

Considered to be the engine of economies around the world, the MSME segment in India alone is estimated to have 6.3 crore units, which employs over 11.10 crore people. The sector accounts for 27% of GDP and is crucial to the functioning of the economy, including in terms of employment generation, exports, and lending opportunities. The sector was the worst hit during the COVID-19 pandemic and the lockdown that followed in 2020.

**Ask govt to allow its members to do various activities, including the tax audit under the IT-Act 1961**

# **Cost Accountants' institute asks govt to allow members to conduct financial audits of MSMEs**

The cost accountants' institute has requested the government to consider allowing cost and management accountants to conduct financial audit of MSMEs and private limited companies. The Institute of Cost Accountants of India, set up under an Act of Parliament, has around 90,000 members and about 5 lakh students.

Seeking to ensure competition as well as parity among cost and management accountants, and chartered accountants, the institute has asked the government to allow its members to do various activities, including the tax audit under the Income Tax Act, 1961.

The institute has also sought permission for conducting financial audit of MSMEs (Micro, Small and Medium Enterprises)



and private limited companies as per global standards, concurrent audit of banks and audit of grant-in-aid of grantee organisations/institutions.

In this regard, the institute, last month, submitted a memorandum to Finance and Corporate Affairs Minister Nirmala Sitharaman.

The institute's President P Raju Iyer recently told PTI that allowing cost and management accountants to carry out financial audits of MSMEs and private limited companies as well as

certain other activities will help in effectively creating competition as well as provide value for services.

Iyer also welcomed the recent amendments made to laws governing the functioning of the institutes of cost accountants, chartered accountants and company secretaries. On April 5, Parliament passed the Chartered Accountants, the Cost and Works Accountants and the Company Secretaries (Amendment) Bill, 2022.

Chartered accountants' apex body ICAI had some concerns about certain provisions in the bill.

Among others, the cost accountants' institute, which comes under the corporate affairs ministry, has been seeking a change in its name as 'The Institute of Cost and Management Accountants of India'.

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## **How to Adapt and Give a New Shape to MSMEs with Digital Technology?**

New technologies have made it easier to innovate. This makes it necessary to ensure that you keep up with the trends and regularly upgrade your products to improve sales in the digital space. You want something that will help you stand out; for that innovation is key. Technologies like AI/ML, IoT, Data Intelligence can immensely enhance small businesses, which give customers a quality experience and can help in creating an informative online presence.

With these digital technologies, MSMEs can easily compete with large business tycoons.

For making important business decisions, like deciding whether to adopt a new tool or enter a

new market, you need data insights to understand the market situation better. To improve your understanding of the digital space is to focus on Data Insights. They will help you and your company adapt to new technologies faster. MSMEs are the new pillars of the Indian Economy, and they have turned out to be crucial in the growth of our country. These sectors have helped immensely in uplifting the socio-economic sectors of India. Digital platforms can bring drastic changes for small businesses as they are valuable platforms that, with the help of apt strategies, can help you progress. The Ministry of MSMEs provides learning programs and schemes to help you adapt to the ever-evolving digital technologies. They even have a registration portal named Udyam, where you can register yourself to know about the beneficial policies that the government provides. Conventional businesses are now warming up to the concept of new digital technologies as they understand their benefits better.

*For more details, contact : Ujjwal Mukherjee, Joint Secretary ■ Tel : 2210 4075, 99030 19892*

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