

Vol-11 | No.55 | JULY 2024 | Rs. 25

# FOSMI

Federation of Small & Medium Industries, WB

MSME *news*



*SMEs* :  
**Navigating  
AI-powered  
work**



# CCTV SMPS

8 channel / 4 channel



## Product Specs

- **Input Voltage:**  
150-285V AC  
45-65Hz
- **Output Voltage:**12V

## Features

- High Efficiency
- Over Load Protection
- Short Circuit Protection
- Smart Design with invisible screws

# BLDC CEILING FAN CONTROLLER PCB

RF & IR

## Product Specs

- **Input Voltage:**  
120V - 270V AC,  
45-65Hz
- **Maximum Input Power:** 35W

## Features

- Energy Efficient
- Timer Operation Enabled
- Over Load Protection
- Over Voltage Protection
- Under Voltage Protection
- Patented Design



With remote

## • Proudly Made in India

- One Stop R&D and OEM services
- 100% testing of all products with unique QR IDs
- After Sale & Warranty Support for all products
- Renowned R&D team
- Established Brand in Industrial Automatic Test & Measuring Equipment



# CONTENTS

04



**Overcoming challenges to embrace Circular Economy in MSME**

09



**Driving Ease Of Doing Business In New India**

10



**Useful MSME business loan tips for young entrepreneurs**

11



**Round Table Discussion : Challenges and Opportunities of State-Based Industrial Park**

12



**Vendor Development Program Doing Business with PSUs**

15



**Session on Productivity Improvement through Generative AI Conducted by Smt. Anjana Dikshit**

21



**Regional Roundtables on MSMEs' Access to Finance and Timely Payments**

# Editorial

In the wake of the 2024 budget announcement, India stands at a critical juncture in its economic trajectory, with Micro, Small, and Medium Enterprises (MSMEs) emerging as pivotal players in driving sustainable growth. The budget's strategic focus on empowering MSMEs is a beacon of hope, signaling a comprehensive approach to bolstering this vital sector.



Central to the budget's MSME provisions is the emphasis on fostering innovation and enhancing competitiveness. Recognizing the MSME sector's potential as an engine of job creation and economic dynamism, the budget allocates substantial resources to incentivize research and development. By promoting innovation through tax incentives and grants, the government aims to catalyze technological advancements within MSMEs, enabling

them to compete effectively on a global scale.

Access to finance has perennially been a stumbling block for MSMEs. Addressing this challenge head-on, the budget introduces measures to streamline credit facilitation and reduce bureaucratic hurdles. The establishment of dedicated funds and credit guarantee mechanisms will provide much-needed liquidity to MSMEs, empowering them to expand operations, invest in modernization, and seize new growth opportunities.

In an era of heightened environmental consciousness, sustainability and social responsibility have assumed paramount importance. The budget integrates sustainable development goals into MSME policy frameworks, encouraging adoption of eco-friendly practices and responsible business conduct. By incentivizing green technologies and sustainable manufacturing processes, the government aims to position Indian MSMEs as global leaders in sustainable production and consumption.

At its core, the budget prioritizes inclusive growth and social welfare, aiming to uplift marginalized communities and ensure equitable access to opportunities. Expanded social safety nets, healthcare reforms, and initiatives for skill development and employment generation are designed to enhance social resilience and foster a more inclusive economic landscape.

Amid escalating global concerns over climate change, the budget reinforces India's commitment to sustainable development and climate action. Bold initiatives promoting renewable energy adoption, sustainable agriculture practices, and eco-friendly industries underscore India's proactive stance towards mitigating environmental impact while harnessing opportunities in green growth sectors.

With Warm Regards  
**Kishan Raj Singhwi**  
krsinghwi5@gmail.com

## Office Bearers

### President

**Biswanath Bhattacharya**  
98310 08063

### Vice Presidents

**Gautam Ray** ♦ 98300 15497  
**S K Kedia** ♦ 98300 69059

### Treasurer

**J L Bardia** ♦ 91638 30216

### Editor

**K R Singhwi** ♦ 93310 86283

### Advisor to the Board

**D K Mohta** ♦ 98310 47023

### Member

**Pravir Shah** ♦ 9163161903  
pravir.shah1@gmail.com

**CA Kaushik Ghosh** ♦ 9830369339  
ca.kausikghosh@gmail.com

Participation/reaction/comments are most welcome. Contributions of article/ letters should be sent preferably by e-mail, without attachment. Authors should disclose this connection or relationship with the subject of their comments. All letters must include an address and phone numbers. We reserve the right to edit letters for clarity and space. FOSMI is always there to assist its members. "Views expressed by individuals and contributors in the Bulletin are their own and do not necessarily reflect the views of FOSMI. Advertisements, commercial features, profiles etc. are provided by the respective companies. FOSMI does not accept any responsibility of any direct, indirect or consequential damage caused to any party due to views expressed by any one or more persons. All disputes are to be referred to Kolkata Jurisdiction only."

## Federation of Small & Medium Industries, WB

23, R. N. Mukherjee Road  
Kolkata 700001, West Bengal, India  
Tel : +91-33-2210 4075  
e-mail : fosmi.cal@gmail.com  
fosmi.2016@gmail.com

# President's Message



*Biswanath Bhattacharya*  
President, FOSMI

“  
The Union Budget 2024-25 presents a comprehensive package for economic growth, with a special focus on MSMEs. Measures like, the Credit Guarantee Schem, Collateral free loans and enhanced Mudra Loans will boost MSME credit access.  
”

India is at a pivotal point in its economic journey. Despite various challenges, there is a strong sense of stability and continuity essential for growth. The mission is ambitious: to make India the world's third-largest economy. Indian MSMEs are crucial in achieving this growth target.

The 53rd GST Council Meeting on June 22, 2024, chaired by Union Finance Minister Smt. Nirmala Sitharaman, focused on key tax issues and simplifications. Key decisions included tax rate rationalization, measures to curb tax evasion and extending exemptions to boost sectors like MSMEs. New compliance mechanisms were introduced to streamline taxation and reduce the tax burden, promoting transparency and ease of doing business. Enhancing digital infrastructure for GST processes was also discussed.

The Union Budget 2024-25 presents a comprehensive package for economic growth, with a special focus on MSMEs. Measures like, the Credit Guarantee Schem, Collateral free loans and enhanced Mudra Loans will boost MSME credit access. Regulatory simplification, technology upgradation and skill development initiatives will enhance the competitiveness. Additionally, the turnover thresholds for registering with TReDS has been reduced, enabling more MSMEs to benefit from this platform. Appreciably, major road connectivity projects and upcoming industrial corridors will boost industrial and trade development across the nation. Direct Tax relief, infrastructure development and green energy initiative will further drive growth. This budget sets the stage for inclusive and sustainable development, empowering MSMEs to achieve competitive edge in the global market. MSMEs had high hopes for the re-introduction of Credit Linked Capital Subsidy Scheme (CLCSS) which could have provided significant support for their growth and development. Another expectation was for Amended Technology Up-gradation Fund Scheme (ATUFS) which was also not been fulfilled in this Budget.

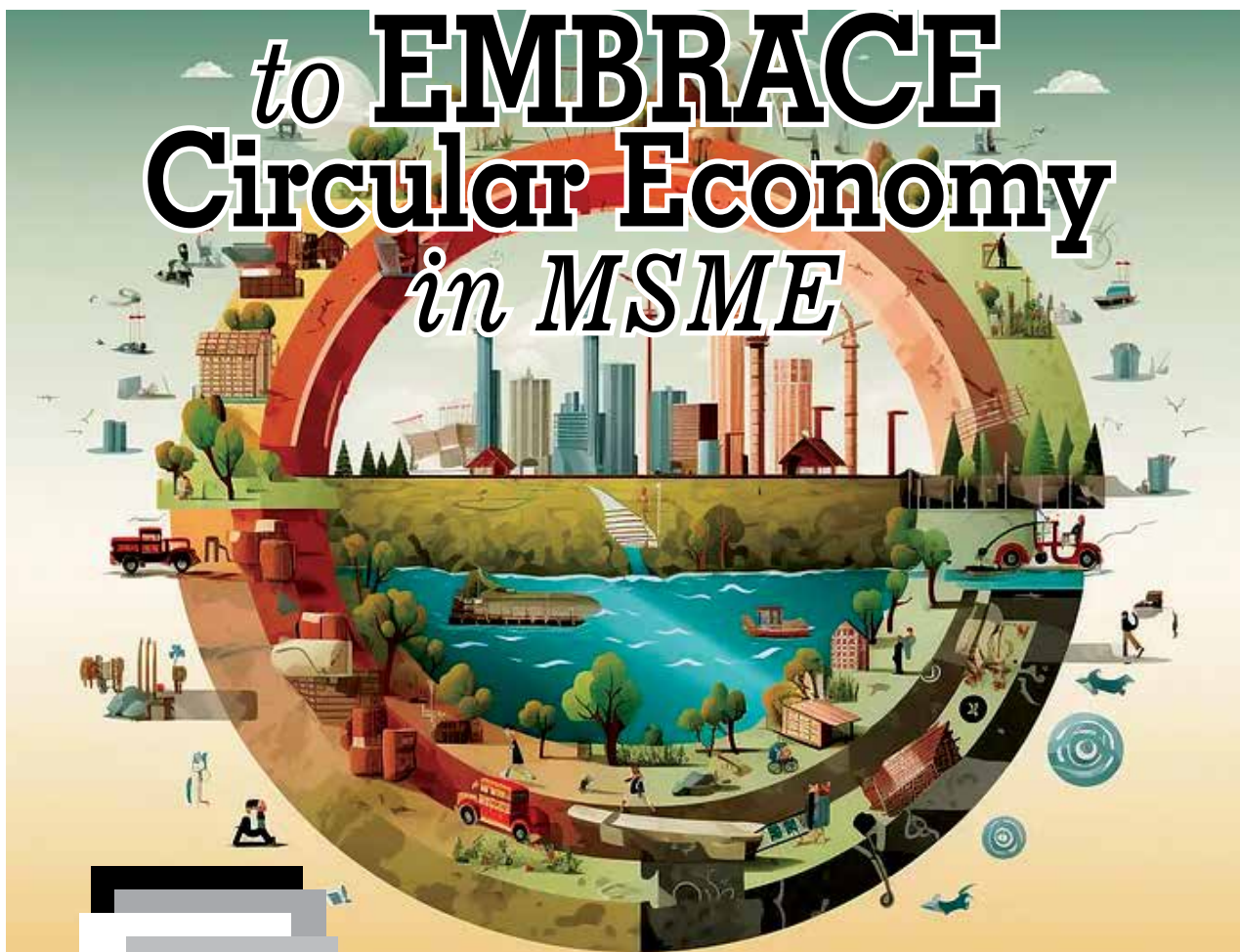
With a focus on Ease of Doing Business, the Government of West Bengal through the Department of MSME & T took an initiative to showcase the State's heritage of handwoven sarees, branded under Tantuja "Banglar Saree". This project aims to bring together the finest handwoven sarees from various districts. This initiative is expected to enhance the handloom sector, offering support to weavers in terms of production, marketing and financial benefits, ensuring the sustained development of Bengal's weavers

FOSMI participated in the 1st meeting of Technical Committee of NITI Aayog virtually on May 24, 2024, featured on decarbonizing the MSME sector. The focus was on implementing energy efficiency technologies, adopting alternative fuels like PNG, CBG and biomass, increasing access to renewable energy and enhancing recycling and circularity. Challenges were identified those include technical complexities of energy-efficient technologies, inadequate infrastructure for alternative fuels, regulatory and financial barriers to renewable energy. Insights from past schemes were discussed to develop effective strategies.

FOSMI is set to organize an international conference in November 2024 on Supply Chain Social Sustainability in MSMEs under the Ministry of MSME's approval. A good number of foreign delegates are expected to participate. This international conference will help FOSMI to gain commendable recognition not only among the MSME fraternity but also from the Ministry of MSME, Govt. of India. I wish every success to FOSMI for its productive activities.

The major challenges faced by MSME's include access to finance, access of affordable and low scale technology, lack of awareness, access to information and resources, technical assistance, lack of regulatory support, supply chain collaboration, market demand, capacity building, and networking. Addressing these challenges requires concerted efforts from governments, banking and financial institutions, development agencies, international funding sources, industry associations, academia, and civil society.

# Overcoming CHALLENGES to EMBRACE Circular Economy in MSME



✉ **Pankaj Kumar Panjiyar**  
(CEO, Doko Recyclers  
Kathmandu, Nepal)  
[pankaj@dokorecyclers.com](mailto:pankaj@dokorecyclers.com)

**M**icro, Small and Medium Size Enterprises (MSME) plays very crucial roles in economic development of any country yet they face unique challenges in transitioning to a Circular Economy (CE) due to limited resources, infrastructure, and capacity. MSME contributes more than 29% of GDP of India and are responsible for 50% of country exports. More than 110 million employments are generated by MSME with projection of 150 million employments in next few years. The major challenges faced by MSME's include access to finance, access of affordable and low scale technology, lack of awareness, access to information and resources, technical assistance, lack of regulatory support, supply chain collaboration, market demand,

capacity building, and networking. Addressing these challenges requires concerted efforts from governments, banking and financial institutions, development agencies, international funding sources, industry associations, academia, and civil society. Strategies such as education, regulatory incentives, tax incentive, access to easy finance, supply chain collaboration, consumer awareness, capacity building, and networking are essential for empowering MSMEs to embrace the circular economy paradigm. By overcoming these challenges and support from stakeholders, MSMEs can unlock the benefits of sustainability, cost savings, and market competitiveness while contributing to the transition towards a more circular and sustainable economy. Circular economy need to be embraced by all enterprises to be part of sustainability world. Technology transfer and adaptation of digital technology is another aspect of overcoming the changing business scenarios. For Micro, Small, and Medium Enterprises, adopting circular economy principles in their business planning holds immense potential for achieving both environmental and economic benefits. By incorporating circular economy principles, MSMEs can not only contribute to environmental preservation but also enhance their competitiveness and long-term viability.

## Challenges to adopt circular economy

Circular Economy (CE) is emerging concept and inevitable for MSMEs in coming few years. With limited information, and knowledge, many MSMEs faces

challenges to adopt CE irrespective of willingness. Adaptation of CE is faced by few major challenges listed below.

1. **Limited Awareness and Education:** Many MSMEs lack awareness and understanding of circular economy principles and practices. There is a need for targeted awareness campaigns and capacity-building programs to educate MSME owners and employees about the benefits and implementation strategies of circularity.
2. **Access to Finance and Technology :** MSMEs often struggle to access financing and technological solutions required for transitioning to circular business models. Financial institutions may be hesitant to invest in circular initiatives due to perceived risks



← **Inadequate waste collection and recycling facilities, as well as poor transportation networks, hinder efficient resource recovery and recycling efforts.** →

- or lack of understanding. Similarly, affordable and appropriate technology solutions for resource optimization and waste management may not be readily available or accessible to MSMEs.
3. **Infrastructure Constraints:** Limited infrastructure, especially in rural areas of India, poses a significant challenge for MSMEs aiming to adopt circular practices. Inadequate waste collection and recycling facilities, as well as poor transportation networks, hinder efficient resource recovery and recycling efforts.
  4. **Regulatory and Policy Barriers :** MSMEs face regulatory challenges related to environmental compliance, waste

management regulations, and product standards. Ambiguous or burdensome regulations, coupled with inconsistent enforcement, can create barriers to adopting circular practices.

5. **Supply Chain Complexity:** MSMEs often operate within complex supply chains that may not prioritize circularity. Limited collaboration and coordination among suppliers, manufacturers, distributors, and retailers hinder efforts to implement circular strategies such as product take-back schemes or resource-sharing initiatives.
6. **Market Demand and Consumer Behavior:** The demand for circular products and services in India may be relatively low compared to conventional alternatives. MSMEs face challenges in

convincing consumers to adopt sustainable purchasing behavior and pay premium prices for circular products, which can impact the economic viability of circular business models.

7. **Skills and Capacity Constraints:** MSMEs may lack the necessary skills and expertise to redesign products, optimize processes, and implement circular solutions. Training programs focusing on circular design, waste management, and sustainable practices are essential to build the capacity.
8. **Cultural and Behavioral Factors :** Cultural attitudes towards waste management and recycling practices may vary across different regions



**Swastik**  
Plastoalloys

COMPOUNDING SOLUTIONS

## **COST-EFFECTIVE WORLD CLASS PRODUCTS.**

### **PRODUCTS**

- Black & White Masterbatch
- Color Masterbatch
- UV Masterbatch
- Optical Brighteners
- Anti-Static Masterbatch
- Anti-Block Masterbatch
- Antimicrobial Masterbatch
- Anti-Oxidants

### **TAILOR MADE FOR ANY COLOR DEVELOPMENT.**

### **APPLICATIONS**

- Woven Sacks & for AD Star Fabrics
- Leno Bags
- Non-Woven Fabric
- Roto Moulding
- Injection Moulding
- HDPE Pipes/Deep Irrigation Pipes
- Multi-layer and Mono Layer films
- Mulch film
- LDPE/LLDPE/PP Lamination
- Shede nets



*Adding Value to Plastics*

### **Swastik Plastoalloys Pvt. Ltd.**

#### **FACTORY**

Bengal Anmol South City Infrapark,  
Plot No - B6 & B7 Mouza - Jagdishpur, Howrah 711 115,  
Bus Stop - Chamrail / Joypur

#### **CORPORATE & REGD.OFFICE**

Swastik Building, 5th Floor, Nazul Islam Avenue,  
Tegharia. (Opp. Haldiram VIP),  
Kolkata - 700 157

Ph: +91 33 2573 6028/1484/4061 9098 | Mob: +91 9883 856 774 / +91 9831 839 138  
Email: sales@swastikplastoalloys.com | Web: www.swastikplastoalloys.in  
CIN: U25200WB2008PTC126984



of India. Overcoming cultural barriers and ingrained behaviors related to waste disposal and consumption patterns requires targeted communication and community engagement efforts.

**9. Market Access and Competition :** MSMEs face competition from larger enterprises that may have greater resources and capabilities to implement circular initiatives. Accessing markets for recycled materials or circular products and competing with conventional products can be challenging for MSMEs.

### Way forward and method to adopt CE

Circular economy in Micro, Small, and Medium-sized Enterprises (MSMEs) refers to the application of circular economy principles within the operations and business models of these small to medium-sized businesses. The circular economy aims

**MSMEs explore innovative business models that align with circular economy principles, such as product-as-a-service, sharing economy platforms, and leasing or subscription models.**

to decouple economic growth from resource consumption and environmental degradation by designing out waste and keeping products and materials in use for as long as possible.

**In the context of MSMEs, circular economy practices involve:**

**1. Resource Efficiency:**

MSMEs optimize their use of resources by minimizing waste generation, maximizing resource utilization, and reducing the consumption of raw materials through practices such as recycling, reuse, and remanufacturing.

**2. Product Life Extension :**

MSMEs focus on extending the lifespan of products and

materials by designing durable and repairable products, implementing maintenance and repair services, and promoting product reuse or refurbishment.

**3. Closed-loop Systems:**

MSMEs aim to create closed-loop systems where materials and products are continuously circulated within the economy. This involves implementing take-back schemes, recycling programs, and reverse logistics to recover, recycle, and reintegrate materials back into production processes.

**4. Eco-design and Innovation :**

MSMEs integrate eco-design principles into product development processes to minimize environmental impacts throughout the product lifecycle. This includes using eco-friendly materials, reducing packaging waste, and designing products for disassembly and recyclability.

**5. Collaboration and Value Chain Integration:**

MSMEs collaborate with suppliers, customers, and other stakeholders to optimize resource flows and create circular value chains. This involves sharing resources, materials, and expertise to maximize resource efficiency and minimize waste across the value chain.

**6. Consumer Engagement:**

MSMEs engage with consumers to promote sustainable consumption patterns and encourage the use of circular products and services. This may involve educating consumers about the benefits of

circular economy practices, offering repair and recycling services, and incentivizing product reuse or return.

**7. Innovative Business Models :**

MSMEs explore innovative business models that align with circular economy principles, such as product-as-a-service, sharing economy platforms, and leasing or subscription models. These models prioritize access over ownership and promote resource-sharing and product longevity.

**8. Monitoring and Reporting:**

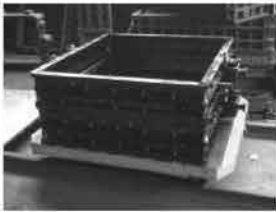
MSMEs track and monitor their circular economy performance through metrics such as resource efficiency, waste reduction, and product lifespan extension. This involves implementing monitoring systems and reporting mechanisms to measure progress towards circularity goals.

### Conclusion

With recent turbulence in climate change and global warming, adopting circular economy is no more a choice but mandatory for all business enterprises. By adopting circular economy principles, MSMEs can not only reduce their environmental impact and resource dependence but also unlock new business opportunities, enhance competitiveness, and contribute to a more sustainable and resilient economy. Adopting circular economy principles in MSMEs in India presents both significant opportunities and challenges. Transitioning to a circular economy can lead to resource efficiency, cost savings, enhanced market competitiveness, regulatory compliance, innovation, job creation, and sustainable development.

**Contd. on page..32**





# YASHI CASTINGS

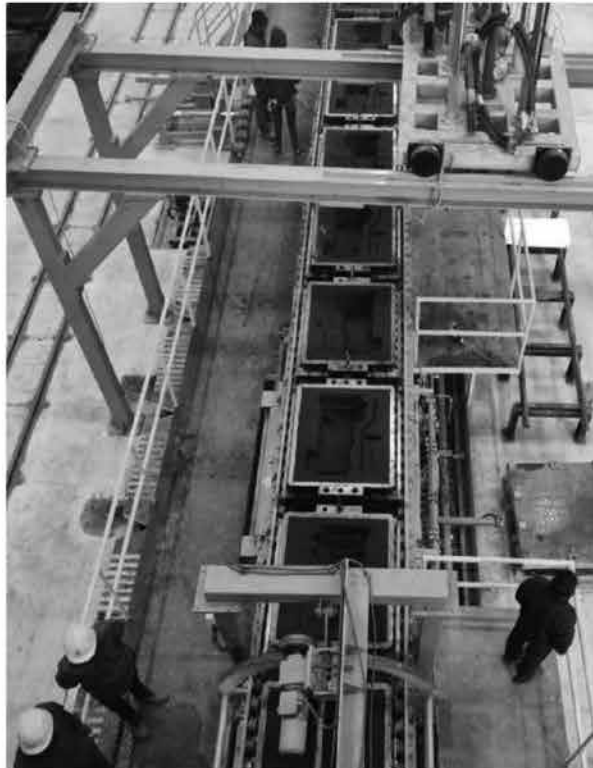
**India's Top Manufacturer of:**  
**MOULDING FLASKS & PALLET CARS**  
FOR SEMI & FULLY AUTOMATIC  
MOLDING LINES

**OUR EXPERTISE:**  
CRAFTING TOP-QUALITY FLASKS  
AND PALLETS TAILORED TO MEET  
CUSTOMER NEEDS.

**OUR SUCCESS:**  
REGISTERED VENDORS FOR TOP  
MACHINERY MANUFACTURERS  
WORLDWIDE.

**OUR VISION:**  
EMBRACE "MAKE IN INDIA"  
SUPPORT LOCAL BUSINESSES  
PROVIDE THE COST-EFFECTIVE  
SOLUTIONS

**INFRASTRUCTURE:**  
STATE-OF-THE-ART FACILITY  
EQUIPPED WITH MODERN VMC,  
DMC, AND TURNING MACHINES.



## YASHI CASTINGS

PLOT NO. 3/7, FOUNDRY PARK, HOWLIBAGAN, P.O.  
JALABISWANATHPUR, (RANIHATI AMTA ROAD),  
HOWRAH - 711302  
CONTACT - SALES@YASHICASTINGS.COM  
(M) 91-9830075600



*The National Single Window System is a one stop digital portal for Businesses to identify, apply and track all Centre/State business approvals, driving Ease of Doing Business in India*

**T**he National Single Window System (NSWS) is a digital platform to guide you in identifying and applying for approvals according to your business requirements. The Know Your Approvals (KYA) module includes guidance for 32 Central Departments and 32 States. You are advised to check the relevant Government portals for any other required approvals. The portal hosts applications for approvals from 32 Central Departments and 28 State Governments. These approvals can be applied through NSWS.

## Key Features

- ◆ **All approvals in one place**  
Get everything you need in one place without having to go to individual Ministries, Departments or States.
- ◆ **Comprehensive Approval Access**  
Access all necessary approvals without the need to visit individual Ministries, Departments, or States through the National Single Window System.

- ◆ **Centralized Document Repository**

Upload your documents once and reuse them across all applications.

- ◆ **Efficient Query Management**

Receive quick resolutions to your queries from our dedicated support team.

- ◆ **Real-Time Application Tracking**

Track the status of your applications in real time and plan your next steps with ease.

- ◆ **Streamlined Renewal Process**

Seamlessly renew your approvals through an intuitive interface.

- ◆ **Approval Guidance**

Use our intelligent questionnaire, the Know Your Approval (KYA) to identify the approvals your business needs.

## The NSWS Advantage

- ◆ **Unified Business Interface :**

Utilize a single PAN-based interface to identify, track, and apply for approvals/registrations across Central and State Authorities. *Cont. on page 10*

# Useful MSME business loan tips for young entrepreneurs



Embarking on the journey of entrepreneurship is both exhilarating and challenging, especially for young professionals venturing into the world of MSMEs (Micro, Small, and Medium Enterprises). To help navigate this process, here are five valuable tips for young entrepreneurs seeking MSME business loans:

## **1. Understand Your Financial Needs :**

Before approaching lenders,

meticulously assess your financial requirements. Determine the amount of funding needed, the purpose of the loan, and the expected return on investment.

## **2. Build a Strong Business Plan :**

A comprehensive and well-thought-out business plan is essential for securing MSME business loans. Outline your business goals, target market, competitive analysis, revenue projections, and

repayment strategy.

## **3. Research Lenders Thoroughly :**

With a plethora of financing options available, it's crucial to research and compare lenders before making a decision. Explore traditional banks, alternative lenders, government-backed loan programs, and online platforms.

## **4. Prepare a Strong Loan Application :**

Put your best foot forward by preparing a compelling loan application package. Include all required documents such as financial statements, tax returns, business licenses, and legal documentation. Highlight your business's strengths, growth potential, and track record of success. Presenting a well-organized and professional loan application increases your chances of securing financing.

## **5. Build and Maintain Good Credit :**

Your personal and business credit history plays a significant role in loan approval and terms. Establish and maintain good credit by paying bills on time, reducing debt, and avoiding late payments.

**-Nikunj Duggar**  
Founder Pivot Legal

*Cont. from page 09*

### ◆ **Transparent Information & Process :**

Identify applicable business approvals with our Intelligent Know Your Approval (KYA) module and access comprehensive information on approvals with real-time processing status.

### ◆ **Verified Data Integration :**

Validate your business data once through relevant databases and mechanisms such as the Ministry of Corporate Affairs, PAN, and Digital Signature Certificates, and reuse this information across all approvals on NSWS.

### ◆ **Centralized Support System :**

Receive end-to-end support throughout your journey on the platform, with grievance

redressal available through multiple channels including email, web forms, and a dedicated call center.

### ◆ **Broad Approval Coverage :**

Apply for G2B approvals/registrations across 32 Central Ministries/Departments and 27 States through a single digital platform. Key approvals include Startup Registrations, MSME Registrations, and Company Incorporation.

### ◆ **Investor Incentive Schemes :**

Benefit from government incentives through NSWS-supported schemes such as Ethanol, Leather and Footwear, Solar Modules, National Green Hydrogen Mission, and Vehicle Scrapping.

# Round Table Discussion : Challenges and Opportunities of State-Based Industrial Park



On 10th July 2024, FOSMI organised a Round Table discussion on the Challenges and Opportunities of State-based Industrial Parks in association with West Bengal Small Industries Development Corporation Ltd. in its conference room. The event aimed to encourage collaboration and address pressing issues affecting the industrial parks in the state.

The session was chaired by Shri Nikhil Nirmal IAS, MD, WBSIDCL with the participation of Shri Subhankar Bala, IAS, ED-I, and Shri Arghya Prasun Kazi (WBCS ED-II). Their presence underscored the importance of the discussion and the commitment of WBSIDCL to support industrial development.

A good number of representatives from associations of various industrial parks of WBSIDCL, WBIIDC and private parks actively participated in the discussion. Among the participating parks were Sankrail Industrial Park, Talbanda - Bodai Industries Association, Q Industrial Park, Tangra Industrial Park, Palan Industrial Park, Udayan Entrepreneurs Welfare Association, Kalyani Industrial Park, Kasba Industrial Estate (Phase I, II & III) etc. The diversity of participants ensured a comprehensive understanding of the issues faced across different regions.

During the discussion various issues and challenges faced by these industrial parks were highlighted. Representatives sought help from WBSIDCL for intervention and redressal of problems



including infrastructure deficiencies, regulatory hurdles, drainage problems, waste disposal issues, logistical challenges etc. The discussion also brought to light the issues hindering investment and expansion plans within the parks.

Shri Nikhil Nirmal, MD WBSIDCL, very proactively interacted with the association representatives.

**Contd. on page 32**



# Doing Business with PSUs

The event was graced by the esteemed presence of Shri Subhankar Bala, IAS, Executive Director-1, WBSIDCL and Shri Sudip Paul, Assistant Director, MSME DFO, Kolkata. Both dignitaries highlighted the pivotal role of such programs in strengthening MSME capabilities and achieving inclusive economic growth.

In celebration of International MSME Day, FOSMI organized a pivotal Vendor Development Program on 28th of June 2024 at Hotel Park Prime, Kolkata in association with MSME DFO, Kolkata, Ministry of MSME, Govt. of India, aimed at enhancing opportunities for MSME vendors in engaging with Public Sector Undertakings (PSUs). The event gathered key stakeholders and participants to delve into the intricacies of “Doing Business with PSUs” highlighting the vital role of such initiatives in achieving market growth and sustainability for MSMEs.

The program commenced with a warm welcome from Shri Biswanath Bhattacharya, Pres-



ident of FOSMI, underscoring the significance of vendor development initiatives in facilitating the market expansion of MSMEs. His address set the tone for the day's discussions, emphasizing the

transformative impact of collaborations between MSMEs and PSUs on economic empowerment.

The event was graced by the esteemed presence of Shri Subhankar Bala, IAS, Executive Director-1, WBSIDCL and Shri Sudip Paul, Assistant Director, MSME DFO, Kolkata. Both dignitaries highlighted the pivotal role of such programs in strengthening MSME capabilities and achieving inclusive economic growth. Their insights underscored the commitment of governmental bodies towards supporting MSMEs through strategic partnerships with the PSUs.

The Vendor Development Program featured detailed presentations from the prominent PSUs



**The Vendor Development Program featured detailed presentations from the prominent PSUs including Balmer Lawrie & Co. Ltd., Eastern Railway, Garden Reach Shipbuilders & Engineers Ltd. (GRSE), Power Grid Corporation of India Ltd., and Oil and Natural Gas Corporation (ONGC).**

including Balmer Lawrie & Co. Ltd., Eastern Railway, Garden Reach Shipbuilders & Engineers Ltd. (GRSE), Power Grid Corporation of India Ltd., and Oil and Natural Gas Corporation (ONGC). Each PSU outlined their specific vendor selection processes, tendering procedures and requirements for becoming a registered vendor. These presentations provided attendees with comprehensive insights into the operational frameworks and opportunities available for MSMEs within each PSU.

### **Balmer Lawrie & Co. Ltd.**

Balmer Lawrie & Co. Ltd, a diversified PSU with a strong presence in industrial packaging, greases and lubricants, and leather chemicals, emphasized their structured approach to vendor selection and development. They outlined their stringent vendor registration process, focusing on quality standards, delivery timelines and compliance requirements. Balmer Lawrie underscored their commitment to nurturing long-term partnerships with MSMEs through capacity-building initiatives and continuous feedback mechanisms.

### **Oil and Natural Gas Corporation (ONGC)**

ONGC, India's leading oil exploration and production PSU, outlined their vendor engagement strategies designed to enhance MSME participation in the energy sector. The discussion covered opportunities in drilling services, equipment supplies and maintenance operations, stressing the importance of quality assurance and environmental compliance. ONGC emphasized their commitment to encouraging local entrepreneurship through capacity-building initiatives, subcontracting opportunities and continuous vendor performance evaluations.



## Garden Reach Shipbuilders & Engineers Ltd.

GRSE Ltd. Is renowned for its shipbuilding capabilities and defence engineering prowess, presented their vendor development framework aimed at integrating MSMEs into their supply chain ecosystem. There was enumeration on the specialized requirements for naval shipbuilding and maintenance, emphasizing the need for MSMEs to demonstrate technical expertise, quality certifications and adherence to stringent project timelines. GRSE reiterated their support for MSMEs through collaborative research initiatives and skill enhancement programs.

## Power Grid Corporation of India Ltd.

Power Grid Corporation of India Ltd., a central transmission utility responsible for power transmission across the country, highlighted opportunities for MSMEs in infrastructure development and grid expansion projects. There was detailing about their vendor registration process during presentation, focusing on procurement policies, technical specifications and safety regulations. Power Grid Corporation emphasized their proactive approach in nurturing MSMEs through vendor development programs, promoting inclusivity and innovation in the power sector.



## Eastern Railway

Eastern Railway, a vital component of India's rail network, detailed their vendor engagement strategies tailored to support MSMEs. The available opportunities were highlighted in supply chain management, emphasizing Railway's demand for goods and services across various operational segments. Eastern Railway stressed the importance of adherence to safety standards and operational efficiency, encouraging MSMEs to enhance their capabilities.

The PSU presentations at the Vendor Development Program underscored the diverse opportunities available for MSMEs across sectors ranging from defence and transportation to energy and infrastruc-

ture. Each PSU emphasized the importance of quality, reliability and adherence to regulatory frameworks, offering MSMEs a clear roadmap for engaging in sustainable business partnership.

The insights shared by PSUs during the Vendor Development Program reflect a shared commitment towards enhancing MSME participation in the public procurement ecosystem. By fostering collaborative partnerships, promoting skill development and ensuring transparent procurement processes, as PSUs play a pivotal role in driving economic growth and fostering innovation within the MSME sector.

PSUs also highlighted the significance of registering with GeM and TReDS platforms during the Vendor Development Program. By promoting registration with both GeM and TReDS, PSUs reaffirmed their commitment to enhancing operational efficiency and fostering sustainable growth opportunities for MSMEs in the public procurement ecosystem.

**Contd. on page...32**







The session on “Productivity Improvement through Generative Artificial Intelligence” was organised by FOSMI on 5th July 2024 in the FOSMI Conference Room. The program was conducted by Smt. Anjana Dikshit, an independent consultant in the IT sector. It was a comprehensive and insightful session. The program aimed to enlighten participants on the transformative power of AI in enhancing organizational productivity.

The following important points were covered by Smt. Dikshit during her deliberation:

### **Data Sources and Digital Capture :**

The session commenced with an exploration of the different sources of data within an organization and the methods employed to capture this data. Smt. Dikshit highlighted the importance of digital data capturing, emphasizing how modern technologies streamline the collection and storage of data, leading to more accurate and efficient processes. She underscored the digital tools not only facilitate easy access and retrieval of information but also ensure data integrity and reduce the chance of human error.

### **Data Analytics :**

A significant portion of the discussion was dedicated to data analytics. Smt. Dikshit precisely covered the

# Session on Productivity Improvement through Generative AI Conducted by Smt. Anjana Dikshit

explosion of data, explaining the four V's: Volume, Velocity, Variety and Veracity. She explained how the sheer volume of data, the speed at which it is generated, the various forms it takes and the accuracy of data are critical fac-

tors in effective data management and utilization. She also discussed the importance of raw data into meaningful insights which can drive strategic decision making and operational improvements across the organisation.



ISO 9001: 2015

## BRIQUETTING & CRUSHING SOLUTIONS - SINCE 1968

Precision, Performance and Perfection – the three key words for industrial production. To keep up with today's fast industrial growth one cannot make any compromise with quality and specifications.

Premur, a dynamic growth-oriented house is conscious of its great task. Born five decades ago, Premur is engaged in Manufacturing Compacting – Briquetting, Crushing, Pulverising, Mixing, Screening & Bulk Material Handling Equipment for Refractory, Ceramic, Mineral, and Chemical Processing Industries.

We strive for excellence in all our endeavors and have developed a cutting edge infrastructure to achieve this goal. Our facilities are updated from time to time to keep ourselves abreast with the latest trends in the market.

We understand the significance of Research & Development in progress and growth of an organization being open to all the new ideas, concepts and innovations that might prove beneficial in improving upon quality or technology.

We promise the following in every  
"PREMUR" Product

**PRECISION | PERFORMANCE | PERFECTION**

### TURNKEY SOLUTIONS OFFERED

- ☐ Briquetting Plant for Coal, Coke, Ores & Mineral Fines
- ☐ Coal Crushing and Handling System
- ☐ Mineral Grinding Plant
- ☐ Mineral Benefication Plant
- ☐ Metal Recovery Plant (MRP System)
- ☐ Spices Processing Plant Etc.

**PREMUR IMPEX LTD.**

10 Burnt Salt Gola Lane, Howrah - 711101  
+91 98307 26865 • +91-85840 74698  
www.premurimpex.com • contact@premurimpex.com



HYDRAULIC ROLLER BRIQUETTING PRESS



DOUBLE SHELL  
ROTARY DRIER



TWIN PADDLE U-MIXER



SINGLE PAN MIXER



MULTI-MULLER MIXER



VIBRO SCREEN



VIBRO FEEDER



JAW CRUSHER



SINGLE ROLL CRUSHER



DOUBLE ROLL CRUSHER



SWING HAMMER MILL



DISINTEGRATOR



IMPACT PULVERISER



3-ROLLER MILL



DUPLEX DIAPHRAGM JIG

## Types of Analytic:

The session progressed with an in-depth explanation of the types of analytics. Descriptive analytics, diagnostic analytics, predictive analytics and prescriptive analytics were thoroughly discussed. Smt. Dikshit provided real-world examples to illustrate how each type of analytics serves distinct purposes in interpreting past data, diagnosing issues, forecasting future trends and recommending actions. She highlighted that descriptive analytics focusses on summarizing historical data to understand what has happened, while diagnostic analytics goes a step further to explain why it happened.

## AI and ML Applications in Business:

Another key area of discussion was the application of AI and Machine Learning (ML) across various business functions. Smt. Dikshit delved into how AI and ML are revolutionizing marketing and sales, quality control, supply chain management, finance and accounting and human resources. Specific examples included predictive maintenance, energy savings, supply chain optimization, sales forecasting, workplace safety, document automation, customer service chatbots and enhancing employee productivity.

She emphasized that AI-driven tools can analyse vast amount of data quickly and accurately, providing businesses with valuable insights that lead to more informed decisions, improved efficiency and competitive advantage.

## Generative AI and Chat GPT

The session also defined generative artificial intelligence, explaining its capabilities and potential applications. Smt. Dikshit provided a detailed comparison



between ChatGPT 3.5 and 4, showcasing their uses and advantages in various scenarios. She illustrated on-the-spot examples to demonstrate the practical applications of these AI models, such as generating creative content, automating customer support and personalizing user experiences. She highlighted that Generative AI models like ChatGPT are trained on vast datasets and can generate human-like text, making them powerful tools for a wide range of applications in different industries. She also illustrated the application of Chat GPT through practical demonstration during the session.

## Prompt Engineering

Prompt engineering was another topic covered with a brief yet informative explanation of its significance and uses. She discussed how prompt engineering optimizes the interaction with AI models, leading to more accurate and relevant outputs. She explained that, crafting effective prompts is crucial in guiding AI models to produce the desired responses and provided tips on how to structure prompts for better results. This skill she noted is becoming increasingly important as businesses look to leverage AI for various tasks, from content creation to data analysis.

## Large Language Models (LLMs)

The concept of Large Language Models (LLMs) was introduced and explained in brief, providing participants with a foundational understanding of how these models operate and their implications in the AI landscape. Smt. Dikshit discussed the potential of LLMs in transforming industries by enabling more natural and efficient interactions between humans and machines and highlighted some of the ethical considerations and challenges associated with their uses.

## Conclusion and Q&A Session

The program concluded with an engaging question-and-answer session. Participants had the opportunity to interact meaningfully with Smt. Anjana Dikshit, asking insightful questions and receiving detailed responses. The session witnessed a high level of participation and interest, reflecting the relevance and timeliness of the topics discussed.

Overall, the program was a resounding success, offering valuable knowledge and practical insights into the application of Generative AI for productivity improvement. Her expertise and engaging presentation style ensured that participants left with a deeper understanding of the potential of AI in transforming business operations. ■ ■ ■


With best compliments from :

# ETHOS

## Engineering Plastic Goods

Plastic Moulded Products, Plastic Injection Mould & Injection Moulding Components



 Ph No. 9007912477

 aditya\_chak@hotmail.com

 [www.ethosindia.net](http://www.ethosindia.net)

## M/s ETHOS

Aditya Narayan Chakraborty

Potomac Apartment

4/1 Nakuleswar Bhattacharya Lane

Kolkata - 700026

### *Workshop :*

319, Kailash Ghosh Road

Kolkata-700008

# MEETING WITH YOUNG AND SECOND/NEXT GENERATION MEMBERS OF FOSMI

On May 13, 2024 a pivotal meeting was held at FOSMI, aimed at engaging Young and Second-Generation Members of Federation of Small and Medium Industries, West Bengal (FOSMI). The event's objective was to foster development in FOSMI's activities, understand the dedication of these members and ensure the future vitality of the organization.

The session commenced with introduction from each participant after the welcome address of the President FOSMI, Shri Biswanath Bhattacharya. It was heartening to observe that most of the young members expressed a strong, positive inclination towards active involvement in FOSMI. Their enthusiasm and eagerness to contribute to the federation were evident to set a hopeful tone for the future.

The session was presided over by the President with the presence of other key Office Bearers and

Past Presidents. Shri R.K. Daga and Shri D. K. Mohta highlighted the significance of the event. The President delivered an inspiring address emphasizing the importance of youth participation for the sustained growth and innovation within the federation. A brief outline was enumerated before the participants by the Past Presidents about their induction process with the federation's activities. Simultaneously, the President, Past Presidents and Office Bearer explained their insights and experiences, providing valuable guidance and encouragement to younger attendees.

The session proved to be a highly productive, achieving its primary purpose of engaging the young and the second/next generation FOSMI members. The discussions were lively and constructive, with numerous ideas and suggestions put forward on, how to better integrate young members into the federation's ac-

tivities. This interaction not only motivated the young participants but also provided a fresh perspective on the federation's ongoing and future activities.

However, it was recognized that further discussions are required for more pragmatic format to solidify the involvement of these young and second/next generation members. Specific strategies and actionable plans need to be developed to harness their potential effectively. This could include structured programs, mentorship opportunities and more interactive platforms for idea exchange.

In conclusion, the program on 13th May, 2024 was significant step towards rejuvenating FOSMI with the energy and innovation of its younger members. Continued efforts and strategic planning will be essential to fully realize the benefits of their involvement and ensure the federation's dynamic future.

## Meeting with Director, Ministry of MSME, Government of India

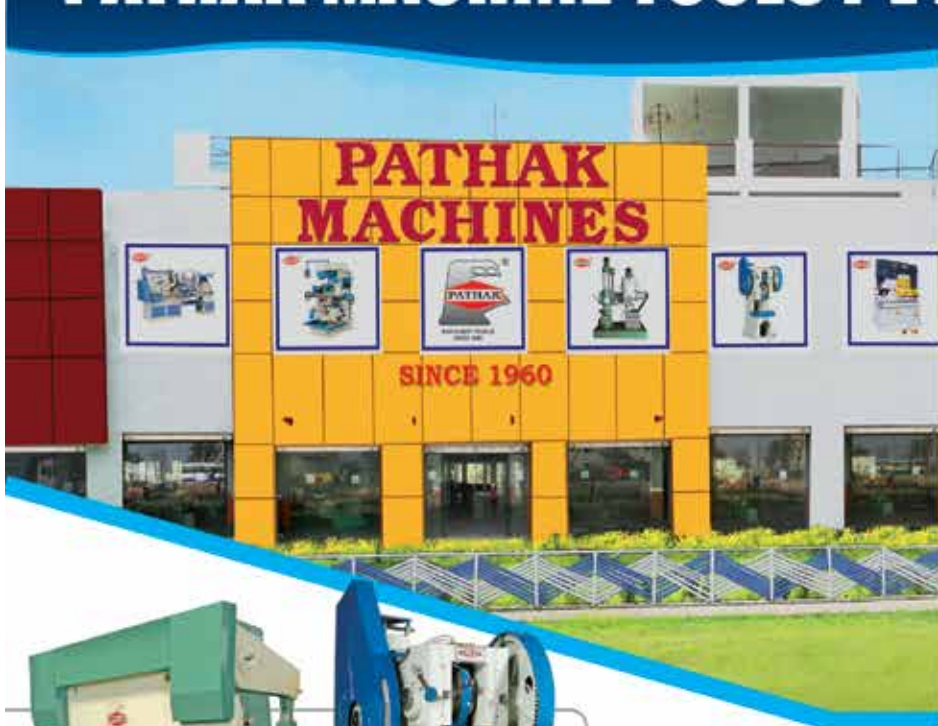
FOSMI was invited in the meeting with Shri Vinamra Mishra, Director, Ministry of MSME, Government of India, on 21st May 2024 in the Conference Hall of MSME-DFO, Kolkata. The meeting was on LEAN & ZED Certification Scheme. Shri A. K. Sengupta, Secretary, FOSMI and many of FOSMI members also participated in the productive discussion on Lean and ZED certification. FOSMI highlighted the impediments faced by MSMEs re-



garding REACH and EPR compliances, which were thoroughly discussed. As advised by the Director of MSME, FOSMI will shortly submit a memorandum on these two issues to the ministry.

There was a robust discussion on the implementation of ZED & LEAN, Finance/ Banking issues, I/C schemes etc. All officials from MSME-DFO were present in the meeting.

# PATHAK INDUSTRIES (SINCE 1960) PATHAK MACHINE TOOLS PVT. LTD.



late Sri Jagadish Pathak

“In loving memory of Late Jagdish Pathak visionary founder of Pathak Group, who revolutionized machine tool sector with passion and innovation. Your legacy lives on in every success of your company. Forever remembered, forever missed.”



“PYARA-DHAM”, NH-6, (BOMBAY ROAD), PROSASTHA, HOWRAH - 711302

CITY OFFICE: 65 GANESH CHANDRA AVENUE, KOLKATA - 700013

Harpreet Singh | M : 098780 19247  
[pathakodisha@gmail.com](mailto:pathakodisha@gmail.com)

Pulak Chatterjee | M : 098360 13352  
[pathakmachines65gca@hotmail.com](mailto:pathakmachines65gca@hotmail.com)

Ritesh Pathak | [ritesh12@hotmail.com](mailto:ritesh12@hotmail.com)  
M : 098764 29247, 098310 39247

[www.pathakmachines.com](http://www.pathakmachines.com)

# Regional Roundtables on MSMEs' Access to Finance and Timely Payments



**A** roundtable discussion on financial inclusion and delayed payments was convened on 3rd May 2024 at Flotel Hotel Kolkata with the aim of addressing critical issues within the banking sectors and timely payments to MSMEs. The session was jointly organised by FOSMI & FISME (Federation of Indian Micro and Small & Medium Enterprises) in association with GAME (Global Alliance for Mass Entrepreneurship).

After the welcome address by President of FOSMI, Shri Biswanath Bhattacharya, Shri Anil Bhardwaj of the Federation of Indian Micro and Small & Medium Enterprises (FISME) and Shri Ramesh Dharmaji of the Global Alliance for Mass Entrepreneurship (GAME) kicked off the event by elucidating the objectives of the

discussion. Their opening remarks provided a clear framework for the ensuing dialogue, emphasizing the importance of fostering financial inclusivity and tackling the pervasive problem of delayed payments of MSMEs.

The participation of representatives from diverse backgrounds, including the participants from various segments of MSMEs, The Small Industries Development Bank of India (SIDBI), Bankers like PNB, SBI, Invoice Mart (A.TReDS Ltd.), Balmer Lawrie (PSU), MSME- DFO, Kolkata and representatives from other industry associations ensured a comprehensive exploration of pertinent issues and policy recommendations concerning to

Financial Inclusion and Timely Payments of MSMEs. Each attendee brought unique insights and experiences to the table during the discussion, contributing to a rich layout of perspectives.

**The tardy payment habits of large companies have a significant impact on cash flows of small enterprises and competitiveness**



# *Kejriwal* **CASTINGS LIMITED**

*You name it.... We cast it*



Mfg. of Ductile Iron & Cast Iron Pipes, Fittings, Valves Etc.

[www.kejriwalcastings.com](http://www.kejriwalcastings.com)



**MILLENIUM  
CITY IT PARK  
DN 62, SALT LAKE  
SECTOR-V  
14th FLOOR, TOWER-2  
KOLKATA - 700091**

Regd. Office : Chatterjee International Centre, 33A, Chowringhee Road, 11th Floor, Suite # 1, 6 & 11, Kolkata 700 071, India



## **Delayed msme payments put a strain on cash flow for MSMEs. It prevents you from meeting your day-to-day expenses, and settling your payments, and limits your growth too. Due to delayed msme payments, you have to increase your borrowings and take a debt to manage your expenses**

One of the pivotal moments of the discussion came with the Sr. Vice President of Invoice Mart, Shri Mithilesh Jha's elucidation on the potential of the Trade Receivables Discounting System (TReDS) in mitigating delayed payments.

**His 3 - Tier recommendations forging genuine participation of all registered boards under TReDS platform, compulsory on boarding of companies having turnover 250 Crs. and on boarding of State Govt & Central Govt departments** served as a catalyst for a deeper examination of the challenges faced by businesses in settling payments and the corresponding impact on financial inclusion efforts.

MSME attendees discussed in length and put forward their issues concerning to the various challenges faced by them while dealing with Bank. It has also been surfaced about the lacking of congruency of opinion among the Bank branches in respect to the requirements of collateral security issues against productive scheme like CGTMSE scheme which is a considerable hindrance for MSMEs in availing support under the said scheme.

Throughout the discourse, participants articulated a range of concerns, chief among them being the need for improved accessibility to banking services, particularly for rural communities and small enterprises with reasonable terms without any hidden cost. Additionally, the cumbersome nature of payment settlement processes emerged as a recurring theme, prompting a collective brainstorming session on strategies to streamline these operations.

Amidst these discussions, the

moderation expertise of Shri Anil Bhardwaj, Shri Ramesh Dharmaji in the Financial inclusion session and Shri Biswanath Bhattacharya in the Timely Payment session of MSMEs ensured that the conversation remained focused and productive. Their adept facilitation created a conducive environment for open dialogue, enabling participants to delve into the nuances of each issue and propose pragmatic solutions. All the attendee unanimously opined that the payment realisation process after an award from Facilitation Council, should be simplified with prudent policy measures.

The exchange of ideas culminated in the emergence of several actionable recommendations aimed at

various stakeholders, fostering collaborations that have the potential to drive meaningful change. By bringing together representatives from government bodies, financial institutions, PSU purchaser and the MSMEs, the event facilitated cross-sectorial dialogue and laid the groundwork for future partnerships.

As the discussions drew to a close, it became evident that the challenges of financial inclusion and delayed payments are formidable. Through concerted efforts and collective action, stakeholders can work towards creating a more inclusive and resilient banking ecosystem that serves the needs of all segments of MSMEs.

In conclusion, the roundtable discussion on financial inclusion



**As per the Finance Act 2023, companies need to make payments to the MSME sector within 45 days, expected to come into effect from April 1, 2024. And timely payment rule has been implement keeping MSMEs in mind.**

enhancing financial inclusion and expediting payment settlements. From leveraging technology to improve access to banking services in rural areas to advocating for policy reforms that incentivize timely payments, the suggestions put forth were both innovative and pragmatic.

Moreover, the roundtable discussion served as a platform for forging synergies between

and delayed payments was a resounding success, thanks to the active participation of all stakeholders and the skilful moderation of the organizers. The insights gleaned and the recommendations formulated during the event represent valuable contributions to ongoing efforts aimed at fostering inclusive growth and economic empowerment. ■ ■ ■

# Why MSMEs struggle to scale up in India



**A**

*about 4 crore micro, small and medium enterprises (MSMEs) exist in India, according to the Ministry of Micro, Small, and Medium Enterprises, and contribute about 30 percent to India's GDP and 45 percent to India's exports. The Indian government has implemented various policies and schemes over the years to boost the production of MSMEs, aiming to increase its contribution to GDP by up to 50 percent. However, the biggest challenge MSMEs face is scaling up from micro to small and medium enterprises.*

Micro enterprises in India, with investments of less than Rs 1 crore and annual turnover of about Rs 5 crore, make up 97.7 percent of total MSMEs. Small enterprises, with investments of up to Rs 10 crore and turnover of up to Rs 50 crore, make up 1.5 percent of MSMEs. Medium enterprises, with investments of up to Rs 50 crore and annual revenue of up to Rs 250 crore, make up 0.8 percent.

About 85 percent of micro-enterprises, 3.3 crore units, are based in rural areas, on agricultural land. These are family-owned units that are run without labour. The biggest problems in upgrading

these micro units to small enterprises are the lack of capital and the heavy burden of certification and documentation. Also, since they are not located in industrial areas, getting financial help from banks is very difficult.

“Starting my MSME and completing the necessary documentation cost me around Rs 60,000, before getting a loan of Rs 6 lakh from the bank after a wait of 11 months,” says Arif Ali, an MSME entrepreneur and resident of Bulandshahr district in Uttar Pradesh. He says the sheer amount of paperwork and certification required from various departments is not just time-consuming but also very expensive. “The CA alone took Rs 25,000 for file charges,” he adds.

Dr Tamal Sarkar, senior advisor at Foundation for MSME Cluster, says most of the time MSME entrepreneurs get loans, but these are personal loans since they are not based in industrial areas. Since personal loans are term loans, entrepreneurs have to pay a very high interest rate.

About 14 percent, or 6 million, micro enterprises have the potential for growth and scaling up to small and medium enterprises. However,

supply challenges, bank repayments, and financial management remain big challenges for them. Sarkar says there is a large deficiency of subcontractors who specialise in providing solutions for issues such as financial and supply management. “They need people who are locally available and can handle HR, financial accounts, suppliers, banks, certifications, and regulations,” he adds.

Further, micro enterprises face the challenge of coming up against bigger companies when they take their products to the market. Despite the growth of digital marketplaces, visibility for low-capital enterprises on these marketplaces remains a challenge.

- ▶ *Problems Faced By MSME In India*
- ▶ *Funding for small businesses in India*
- ▶ *MSME Challenges and Solutions*
- ▶ *Obstacles for Small Business Growth in India*
- ▶ *Skill Gap in Indian MSMEs*
- ▶ *Competition Faced by Small Businesses*
- ▶ *Compliance Burden for MSMEs*
- ▶ *Technology Adoption in Indian MSMEs*
- ▶ *Export Challenges for Indian MSMEs*
- ▶ *Empowering Indian MSMEs through Digital Transformation*

“Many micro enterprises have their products registered on platforms such as Amazon and Flipkart, but if they are not paying for promotion on these websites, their product will show at the very end of the search,” says Dr Bhupendra Bahadur Tiwari, professor and director, School of Economics and Commerce, CMR University, Bengaluru.

Over the years, the government has increased the budget for MSMEs. In FY19, the Ministry of MSME allocated Rs 6,513 crore for the development of MSMEs, which was increased to Rs 25,823 crore in FY23. Further, in the interim budget of 2024-25, the government announced the establishment of a fund totalling Rs 1 lakh crore for 50 years of interest-free loans for MSMEs. This March, banks deployed about Rs 24 lakh crore in gross bank credit to MSMEs.

Despite the various attempts by the government, micro enterprises in semi-urban and rural areas find it difficult to get much-needed financial help. The share of micro enterprises based in semi-urban and rural areas accounted for 22.54 percent of total bank lending in FY24.◆◆◆

## ***Credit Support For MSMEs, Mudra Loans Limit To Be Enhanced To ₹ 20 Lakh***

Micro, Small, and Medium Enterprises (MSMEs) will now be able to avail loans up to ₹ 20 lakh instead of ₹ 10 lakh under the Mudra scheme. The government will double the upper limit of loans under the Mudra scheme, Finance Minister Nirmala Sitharaman announced while presenting the Budget 2024 today. She also announced a new mechanism for the continuation of bank credit to MSMEs during their stress period. Micro, Small, and Medium Enterprises (MSMEs) will now be able to avail loans up to ₹ 20 lakh instead of ₹ 10 lakh under the Mudra scheme, which aims to bolster the start-up ecosystem in the country.



Pradhan Mantri Mudra Yojana was launched in 2015 to provide loans up to ₹ 10 lakh to small and micro enterprises from commercial banks, small finance banks, and non-banking financial corporations. The government has sanctioned Mudra loans worth ₹ 5.4 lakh crore in the last financial year.

The Finance Minister further said that credit availability for MSMEs during their stressed period will be provided from the government-promoted fund. The turnover threshold of buyers for mandatory onboarding on the TReDS platform will be slashed from ₹ 500 crore to ₹ 250 crore, she added. The Budget also has provisions for financial supporting 50 multi-product irradiation units in the MSME sector. Export hubs will be set up in public-private partnership mode to enable MSMEs and traditional artisans to sell their products in international markets, she said.

Small Industries Development Bank of India (SIDBI) will open new branches to serve more MSMEs over the next three years, said the Finance Minister. SIDBI aims to open 24 new branches in the current financial year. ◆◆◆

# MSME BUDGET 2024

## Credit guarantee scheme, support during financial stress and other benefits announced for MSMEs



Finance Minister Nirmala Sitharaman's seventh Union Budget for 2024-25 introduces higher standard deductions and revised tax rates. Emphasis on supporting MSMEs with credit guarantee scheme and enhanced credit assessment models by public sector banks.

**O**n July 23rd, Finance Minister presented her seventh Union Budget for the fiscal year 2024-25, making substantial adjustments including higher standard deductions and revised tax rates for salaried individuals under the new tax regime. In her speech, she placed a significant emphasis on the growth and support of Micro, Small, and Medium Enterprises (MSMEs), announcing several pivotal measures aimed at bolstering this crucial sector of the economy. Here's everything she announced on MSMEs.

### **Introduction of credit guarantee scheme**

A noteworthy initiative is the new credit guarantee scheme for MSMEs in the manufacturing sector. This scheme will facilitate term loans for the purchase of machinery and equipment, eliminating the need for collateral or third-party guarantees. By pooling credit risks, a self-financing guarantee fund will be established, providing guarantee coverage up to ₹100 crore per applicant, although the loan amounts may exceed this limit. Borrowers will be required to pay

an upfront guarantee fee and an annual fee based on the reducing loan balance.

### **Enhanced credit assessment models**

The FM stated that Public sector banks will now develop in-house capabilities for assessing MSME creditworthiness, moving away from external evaluations. She added, "These banks will spearhead the development of new credit assessment models that utilize digital footprint scoring, representing a significant advancement over traditional asset or turnover-based evaluations. This new approach aims to

include MSMEs that lack formal accounting systems.”

### **Support during financial stress**

A mechanism to support MSMEs during periods of financial stress was also announced. As per the FM, this initiative ensures continued access to bank credit for MSMEs in the ‘special mention account’ (SMA) stage, helping them avoid slipping into non-performing asset (NPA) status. The credit will be backed by a guarantee from a government-promoted fund, providing much-needed support to sustain their operations.

### **Increased mudra loan limits**

The budget also proposed enhancing the limit for Mudra loans under the ‘Tarun’ category from ₹10 lakh to ₹20 lakh. This increase is targeted at entrepreneurs who have successfully repaid previous loans, enabling them to secure larger funds for business expansion.

### **Expansion of SIDBI branches**

To extend its reach, the Small Industries Development Bank of India (SIDBI) will open new branches in major MSME clusters. With 24 new branches set to open this year, the total coverage will expand to 168 out of 242 major clusters within three years, providing direct credit to more MSMEs.

### **Support for Food Processing Units**

The budget also includes financial support for establishing 50 multi-product food irradiation units and 100 food quality and safety testing labs with NABL accreditation in the MSME sector. These initiatives aim to enhance food safety and quality, providing a boost to MSME units involved in food processing. ♦♦♦

# **Announcement of the Formation of FOSMI Progressive Lean Cluster-I, under QCI, New Delhi**

**F**OSMI is proud to announce the formation of FOSMI Progressive Lean Cluster-I under Quality Council of India(QCI). This initiative is a significant step towards enhancing the operational efficiency and competitiveness among the FOSMI member units through the implementation of Lean Manufacturing Process. FOSMI Progressive Lean Cluster-I is composed of the following member units, which have demonstrated a commitment to the continuous improvement and operational excellence.

1. Auropol India Pvt. Ltd.
2. CCS Spacemaker SI Pvt. Ltd.
3. Megaflex Plastics Ltd.
4. White Saffron Grains LLP
5. Synchro Pack
6. Synchro Pack Ltd., Unit 1
7. Synchro Pack Ltd., Unit 2
8. Synchronise Scientific Glass Works Pvt. Ltd.
9. Vzen Industries Pvt. Ltd.
10. Soil & Enviro Industries Pvt. Ltd.

We are pleased to have Ms. Ruchira Mukherjee as the Lean Manufacturing Consultant (LMC) for this Cluster.

The Primary objectives of forming the FOSMI Lean Cluster-I are to enhance operational efficiency, improve product quality, reduce costs and foster a culture of continuous improvement among the member units.

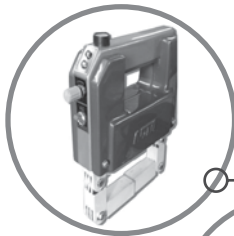
The formation of the FOSMI Progressive Lean Cluster-I under the QCI makes a significant milestone in FOSMI’s journey towards operational excellence. With the support of LMC and the collective efforts of all the member units, we are confident that the initiative will lead to remarkable improvements in efficiency, quality and competitiveness.

In the near future FOSMI will also strive for the formation of more cluster so that maximum numbers of our member units can be brought under the ambit of MSME Competitive Lean Scheme (MCLS) and members can reap the benefit of the scheme for their sustainable development.

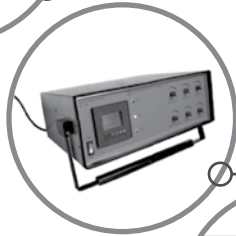
We look forward to sharing our success and learnings with the broader FOSMI membership and continuing our commitment to the excellence. ♦♦♦



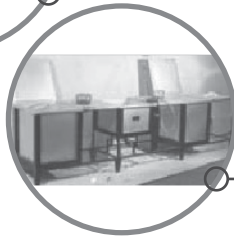
Equipment, Accessories  
Consumables for all Engineering Industries  
to meet their NDT Needs



**Magnetic Particles  
Test System**



**Eddy Current  
Test System**



**Liquid Penetrant  
Test system**



**Nondestructive Test  
Appliances PVT. LTD.**

**Registered Office & Works :**  
NDTA HOUSE, Plot - F2, Block - GP, Sector - V, Kolkata - 700 091  
Phone : 91-33-2357, 3938/3976  
E-mail : [support@ndtakolkata.com](mailto:support@ndtakolkata.com)/[non1972@rediffmail.com](mailto:non1972@rediffmail.com)  
Visit us at : [www.ndtakolkata.com](http://www.ndtakolkata.com)

# SMEs : Navigating AI-powered work

Everyone is watching as the world's biggest technology businesses build the future of AI. But while these organisations have the computing power and resources behind them to invest in AI innovation, it's smaller companies that might see some of the biggest benefits.

This is good news – particularly as the UK is built on small enterprises. They account for over 99% of all companies and almost two-thirds of employment. In the past 24 months they've been hit hard, though, by the one-two punch of inflation and supply chain issues – all while still recovering from the impact of the pandemic.

AI offers a chance to even the odds. It's not a one-size-fits-all solution – and small businesses will also be looking forward to falling inflation and cuts in interest rates for help – but with the right approach, it will make a significant difference, bolstering productivity while enabling businesses to scale rapidly.

At the same time, small businesses thrive by offering a personal touch and creating trust. That's why it's crucial that, even as AI helps them bolster productivity, humans remain at the helm.

## Tackling the trust challenge

New research shows there's growing enthusiasm for AI across the UK. Usage is up 66% in under a year, while 85% of those using AI say they are seeing productivity gains. However, at the same time,



there are still hurdles to unlocking AI's potential. Chief among them is the fact a full 94% of workers don't think AI outputs are completely trustworthy for work-related tasks.

There's a lot to unpick here. On the one hand, AI's productivity-boosting credentials are established. A further study even found small businesses could bolster efficiency by 40% through the technology. Yet despite this potential, small business leaders who have reservations around AI aren't wrong: AI is an emerging technology and work needs to be done to ensure it can be trusted before it is deployed. Its challenges, from transparency to 'hallucinations' which provide inaccurate information are well-documented.

Then again, no technology is infallible. From scanning computers in the 1990s for

viruses, to deploying two-factor authentication today, unlocking the benefits of technology has always come with a parallel management and mitigation of risk.

**There's a lot to unpick here. On the one hand, AI's productivity-boosting credentials are established. A further study even found small businesses could bolster efficiency by 40% through the technology.**

*With Best  
Compliments From*

**Clay Bricks**



**M/s. Parmanand Tahlani**

146 Kailash Gardens, New Alipore  
Kolkata - 700053

**Shri Ashok Kumar Tahlani**

Ph. : 2400 2505, 94331 86996 ♦E-mail : l.tahlani@rediffmail.com



On balance though, few would argue these risks mean we should pack up our current tech and start reinstalling fax machines. Instead, we identify the best tools as well as plan for them and protect against risk, while untapping the benefits they bring.

The same goes for AI. Its benefits are clear, but it has to be deployed in a way that prioritises accuracy, trust and transparency.

### **Moving from in the loop, to at the helm**

For some time, a ‘human in the loop’ approach has been the preferred way of engaging with AI, and it broadly means ensuring a human is aware of every activity an AI undertakes. However, as AI advances and scales, this isn’t always going to be realistic.

For small businesses in particular, one of the key benefits of AI is the ability for it to take on repetitive and time-consuming tasks so that people can get stuck into more valuable, complex or creative work. That’s why we need to move to a ‘human at the helm’ approach.

With the human at the helm, AI is left to do the heavy lifting. For example, it might be analysing thousands of sales and providing a forecast for the year ahead. Rather than working on each of these themselves, the finance team steps into review, judge and decide on next steps – for example, whether further investigation is needed or if the figures are good to go in the yearly report they’re working on.

The moving services platform, Homemove, is one growing business that’s taken this approach. The team uses Slack as its core AI-powered productivity app, and its OpenAI and CRM integration helps them to track and manage sales.

Whenever a new sale or update comes through at Homemove, AI automatically provides an update with all the relevant context. It

## **12 ways to make AI for SMEs work for you**

**To harness AI's full potential, SMEs need to understand how big business leverage artificial intelligence and, in turn, tailor its power to their specific needs. Here are 12 crucial ways to make AI for SMEs a game-changer:**

- ▶▶ **Automating mundane tasks:** Companies like HSBC are championing the automation drive.
- ▶▶ **Forecasting trends :** In a data-driven age, timely decisions are paramount.
- ▶▶ **Increasing sales:** AI's prowess isn't just in backend operations.
- ▶▶ **Personalizing services:** Personalization is the new mantra.
- ▶▶ **Assimilating data:** Online marketplaces, like Wayfair, employ AI-fueled chatbots.
- ▶▶ **Mitigating risks:** Insurance behemoths are turning to AI for risk assessment.
- ▶▶ **Generating Content:** Fresh content bolsters website rankings.
- ▶▶ **Bolstering cybersecurity:** Cyber threats are omnipresent.
- ▶▶ **Enhancing customer engagement :** In a hyper-competitive market, nurturing customer relationships is vital.
- ▶▶ **Harnessing Big Data:** The digital age is synonymous with data explosion.
- ▶▶ **Championing sustainable growth:** With rising environmental consciousness, AI can play a pivotal role in ensuring SMEs grow sustainably. Using AI, you can monitor real-time energy consumption, assess carbon footprints, and even predict wastage patterns.
- ▶▶ **Streamlining supply chain management:** For SMEs operating in the product space, AI can optimize supply chains, predict inventory needs and ensure timely product deliveries.

means everyone is updated on the fast-paced team without having to lose time digging for information, or manually reviewing different systems. For example, the AI update might say “I’m changing John’s price to £255 because he’s now going for a level two survey.” The team sees the update, knows it’s accurate and can carry on with what they were doing with confidence. Or, if John needs extra help, they can jump in knowing exactly what’s come before.

For Homemove, using AI has had a direct impact – helping them bolster sales from £62,000 in August last year, to over £100,000 just a few months later in October.

### **Untapping big AI benefits for small businesses**



Small businesses everywhere deserve some good news. Not only do they keep our economy and communities thriving, but they’ve weathered some serious storms in recent times. With the right strategy, AI can empower them to reach new heights, bolstering productivity and helping teams to focus on the work that matters to them.

Getting it right will take more than flicking a switch marked ‘AI’, though. It calls for using platforms that bring AI to where the work is already happening in a business. And which do so while keeping humans at the helm.

That’s because steering the small business ship will still call for the grit, innovation and creativity that only people can offer – but with AI, an unprecedented upgrade to the engine room is ready and waiting. ■ ■ ■

**Contd. from page 14**

## **Doing Business with PSUs**

A pivotal component of the program was the interactive Question Answer session during which participants posed queries regarding vendor registration, procurement processes and contractual requirements and also some of the genuine issues were raised by participating units who are already doing business with Railways. The PSUs responded adeptly, offering clarity and guidance to attendees and clarified the queries raised, thereby fostering a deeper understanding of the processes involved in doing business with PSUs.

The event served as a robust platform for networking, enabling MSME representatives to interact closely with PSU officials and establish potential business collaborations. Such interactions are crucial for fostering long-term partnerships and facilitating business growth opportunities for MSMEs in diverse sector.

Throughout the event, FOSMI's role in advocating MSMEs' interests and facilitating productive dialogues between stakeholders was acknowledged

and appreciated. The PSUs expressed their commitment to supporting future initiatives aimed at enhancing MSME engagement, thereby reinforcing the collaborative spirit essential for sustainable economic development. This report encapsulates the essence of the Vendor Development Program, highlighting its pivotal role in advancing MSMEs and fostering sustainable economic development through collaborative engagements with PSUs.

In conclusion, the Vendor Development Program organized by FOSMI in collaboration with MSME DFO and esteemed PSUs illustrates a concerted effort towards empowering MSMEs through strategic partnerships and knowledge exchange. The event's success underscores the significance of such initiatives in bridging the gap between MSMEs and large-scale enterprises, paving the way for inclusive growth and economic resilience.

Special recognition was accorded to the supporting partners whose contributions were integral to the success of the program, reaffirming their commitment to supporting a conducive ecosystem for MSME development. The program ended with the concluding remark and vote of thanks by Shri A.K.Sengupta, Secretary FOSMI.

---

Contd. from page 7

## **Overcoming challenges to embrace....**

However, MSMEs face challenges such as limited awareness, access to finance and technology, infrastructure constraints, regulatory barriers, supply chain complexities, market demand issues, skills and capacity limitations, cultural factors, and competition from larger enterprises.

To overcome these challenges, a multi-stakeholder approach is essential. This involves coordinated efforts from the government, financial institutions, industry associations, research institutions, and MSMEs themselves. Key strategies include awareness campaigns, targeted financial products, technology support, infrastructure development, clear policies, stakeholder collaboration, and innovative business models. By addressing these challenges and leveraging the op-

portunities, Indian MSMEs can play a pivotal role in the transition towards a more sustainable and circular economy, contributing to economic growth, environmental conservation, and social well-being.

Large enterprises, defined by substantial revenues, significant employee bases, and extensive operations, also play a critical role in this ecosystem. Understanding the definitions and characteristics of large enterprises helps contextualize their impact and potential in fostering circular economy practices within supply chains and broader industry sectors.

In conclusion, the adoption of circular economy practices by MSMEs in India is not only crucial for sustainable growth but also necessary for creating a resilient and inclusive economy. With the right support and strategies, MSMEs can unlock the full potential of circularity, driving India's transition to a sustainable future.

---

**Contd. on page 11**

## **Round Table Discussion : Challenges and.....**

He assured them of all possible help and proposed a periodic review plan to monitor the progress of redressal initiatives. His proactive approach was well-received and instilled confidence among the participants.

The session concluded on a positive note, with participants expressing optimism about the future.

The fruitful and productive discussions are expected to lead to significant improvements and collaborative efforts towards resolving the challenges faced by industrial parks.

Overall, the round table discussion was a significant step, initiated by FOSMI towards enhancing the industrial ecosystem in the state.

It reinforced the importance of continuous dialogue and co-operation between industrial park associations and WBSIDCL to drive sustainable growth and development.

LUBRICANTS • GREASES • SPECIALITIES



**SUNOL**®

SINCE 1980

ISO 9001 : 2015 CERTIFIED COMPANY

**SUN OIL COMPANY PVT. LTD.**

*Regd. Office* : 10-B, British Indian Street, Kolkata - 700 069

*Marketing & Head Office* : M.K. Point, 6th Floor, Room No. 604 & 605, 27, Bentinck Street, Kolkata - 700 001

Contact Name & Ph. No. : **Office** : 033 2243 6192 / 7935, **Tapan Kanti Sen** : 9830679192, **Abhijit Roy** : 9836023560

**E-mail** : [info@sunoil.co.in](mailto:info@sunoil.co.in), **Website** : [www.sunoil.co.in](http://www.sunoil.co.in)



ngraphics1998@gmail.com | 7003294719, 8274959843

**SLEEP  
KE LIYE  
SIRF**



Email : [info@sleepfresh.in](mailto:info@sleepfresh.in) | Mob : 9433058682