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Dr.Gajavelli V S

Dr. Deepa Dani

Foreign Direct Investment in SMEs: The Compelling Value Proposition

SMEs' Growth: Why FDI Imperative?

India's SME sector has truly played a crucial role in the last several decades in contributing to job creation, output and industrialization in rural and backward regions. The SME sector accounts for over 40% of gross industrial value addition and over 50% of total manufacturing exports. That way SMEs now occupy a position of strategic importance in India's economic structure and future prospects.

Given the liberal business environment last three decades in the countryand the very convincing positive outlook of the Indian economy, SMEs plan to scale-up their operations, enhance capital expenditure and employ more people. Besides, SMEs are aspiring to expand their businesses to overseas. In spite of the SMEs imperative in India's growth and sustaining the market momentum, the sector is facing daunting challenges and does not get the required support from the concerned Government agencies, banks, financial institutions and corporates which is proving to be an impediment to their optimal scale and growth potential.The sector is also handicapped with the required expertise and technology to realize their aspirations of expanding into the global value chains.It is in this context, attracting Foreign Direct Investment (FDI) into SME sector becomesimperative to all the stakeholders including SMEs, industry associations and the facilitating policy-making agencies.

Tactically, such an additional foreign investmentis very much needed as the country has to grow at a rate higher than 7% to 8% of GDP to find jobs for millions of additional workforce that get added to the job market every year. This becomes all the more important to sustain the existing growth rates in the long-run and maintain India's competitiveness on an enduring basis.

Channeling FDI into SMEs: The Challenges

Small and Medium Enterprises (SMEs) are the worst hit since the Structural Adjustment & Stabilization Program(SASP) started in 1991. This is because the economic liberalization in Indiahas created complexities for SMEs' operations. SMEs are small. They are fragile and unfortunately fail to enjoy the advantages of scale economies, global networks, access to adequate credit and ability to perform R&D, the prerequisites to thrive in a globalized set-up.

There are other challenges too. Lack of adequate financeto fund projects and generate working capital mars SME development further. It is believed that foreign equity flows in the SMEs can allow small firms to extract opportunities and position themselves better in the global markets. However, several demand side and supply side challenges faced by Indian SMEs result in low FDI absorption propensity.

First and foremost, the size does matter and it reduces SME capability to absorb large chunks of foreign equity. Going by this logic, the corollary seems logical. A small foreign direct investor is more ideal as a match. But bringing them together and building confidence poses a challenge. SMEs have limited access to information especially related to prospective foreign suppliers, their clients and investors.

Secondly, SMEs have less ability to withstand business cycle shocks and market volatility. They are severely affected during cyclical downturns and impacted more intensely by change in policies as compared to large firms. The short-term implication of demonetization and introduction of GST on SMEs are well documented. Naturally,a risk-averse foreign investor is discouraged to take such exposure.

Thirdly, deficiency of talented and skilled human capital in SMEs

prevents knowledge to emerge as a comparative vantage point. The only comparative advantage that SMEs enjoy is low labour cost, which unfortunately is fast vanishing. Therefore, input and output efficiencies are low in India. This again dissuade foreign investment to flow-in.

Fourthly, within the financial framework, owing to the fragility in SMEs with respect to economic and policy changes, credit flow to SMEs from financial institutions has been suboptimal and at the best erratic. Preference to extend credit to large enterprises over SMEs is widely acknowledged. Arecent study claimed that of the total credit extended to Industry of Rs. 26.96 lakh crore, loans to large enterprises accounts for Rs. 22.27 lakh crores. The balance of Rs. 4.69 lakh crore amounts to loans extended to MSMEs.It is not surprising that banks shy away and extend a small proportion of credit to this segment.It claimed that it is not only a credit worthiness deficit but also the liquidity problemsthat SMEs face that account for this credit behavior by banks. Thishas implicationson their attractiveness for FDI. An industry segment which is considered risky by domestic banks will obviously attract less foreign investment.

Small and Medium Enterprises (SMEs) are the worst hit since the Structural Adjustment & Stabilization Program(SASP) started in 1991. This is because the economic liberalization in Indiahas created complexities for SMEs' operations. SMEs are small. They are fragile and unfortunately fail to enjoy the advantages of scale economies, global networks, access to adequate credit and ability to perform R&D, the prerequisites to thrive in a globalized set-up.

In India, a significant chunk of inward FDI flows into services and computers segments. Sectors in which cost of hiring and firing is comparatively lower than in conventional manufacturing industries. This FDI behavior forces us to rethink and review how our archaic labour laws discourage investment flow in labour intensive employment generation sectors. Notwithstanding the above challenges, the basic question here is: how strong are the motivations for foreign equity participation in SMEs? A study by Organization for Economic Cooperation and Development (OECD) maintained that skilling the workforce and subsequently directing them to knowledge based and an up-scale economic activities could be a possible answer to enhance SME's market penetration and competitiveness.

In the Indian context too, this may be a desirable proposition to attract FDI.Irrespective of whether FDI is seeking resources, a market, strategic interest or location advantages, the SMEs and the supporting environment should be robust enough to attract FDI. Only if they are, shall foreign equity flow in them.

The FDI inIndian SMEs: The Value Proposition

SMEs are financially sensitive. A non-debt supportive finance in the form of FDI is a win-win for both the investor and the SME investee.

Over the years, select SME sectors such as textiles, food processing, paper and engineering goods among others have been recipients of FDI. Despite the fragility, FDI have found these sectors attractive for various reasons. Alongside availability of cheap labour, foreign investors enjoy other location advantages which these SMEs provide.

SMEs dealing in engineering goods for instance are big enough to have a design facility, but not an R&D facility. “This creates an opportunity which can be cashed on by both foreign investors and SME firms”, states Mr. Rustom Contractor,MD, Rakhoh Industries, Pune. Foreign firms get a low-cost production center. On the other hand, he adds, a foreign investor using an Indian SME facility transfers technology and tacit knowledge during the normal course of operations. FDI entry brings in professionalism and market access.

This technology transfer will happen more seamlessly, where FDI uses Indian SME facility over those cases where FDI plans to have a 100% owned subsidiary. It may also prove gainful if Tier I and Tier II suppliers of foreign firms (many of them SMEs) are required to have joint venture (JV) with the original equipment manufacturer (OEM)'s suppliers based in foreign countries.This way, the OEMs ensure that quality and standardization is maintained. This ultimately results in

SMEs have immense potential. Exploiting the under-tapped growth of SME sector will unleash a host of socio-economic and financial advantages.

tech transfer, following of best practices and SME's integration into complex and upscale supply chains.

Interest rate differential offers another gainful opportunity for foreign investors and SMEs. Interest rate is low in developed countries.In contrast, any structured loan in India is at least 10%. This differential allows foreign firms to bring cheaper money to India for production. Cheaper money, expands profit margins, gives pricing power and enhance export earnings. A depreciating rupee only enhance competitiveness, adds to the export earnings, making production in India highly lucrative for the Indian

exporting firms and foreign investor companies alike.

A recent development which is stillunder consideration will allow foreign firms to have two separate agreements with their Indian investee company. Industry experts explain that the first agreement, will be a lease agreement between the 2 parties. It will allow land of the Indian investee to be leased to foreign investor for a fixed rent every month. The second agreement will bethe JV related to operations and process. This new arrangement will ensure that the SME gets at least the rent even when the JV becomes not so financially viable. This arrangement favors SMEs as much as it favors the foreign firm. Foreign investors usually suffer cost escalation on account of delays in land acquisition and subsequent rehabilitation and compensation. This arrangement can potentially reduce their transaction costs too. Additionally, foreign firms can remain asset light with low capex and focus on their operating strengths while keeping exit costs low.

Overall, the ability to cope with possible downside risks depends on how critical is the SME's contribution in the supply chain and the strength and motivation of the foreign investment in the SME. Given the Indian business environment, there is value in channelizing FDI into SMEs and it's a win-win situation for both the sides. *Themantra therefore should be to attract FDI, not to invite.*

Channelize FDI into SMEs: Ideal Policy Response

The invisible forces of the market economy often fail to facilitate equitable FDI channeling. SMEs are an important sector.It is here that the Government has to respond through policy to facilitate the process.

The Government has to obviously begin with making the FDI pie itself bigger and deeper. Therefore, alongside the openness of the FDI policy, the supportive policies which create a facilitative environment for foreign firms and their operation will be critical.

Though the government has initiated Make in India, Start-up India and the like, much needs to be achieved in terms of reaching the objectives of these campaigns. Only if their benefits trickle down, will growth be equitable, absorb excess work force and reduce regional imbalances.

Though the government has initiated Make in India, Start-up India and the like, much needs to be achieved in terms of reaching the objectives of these campaigns. Only if their benefits trickle down, will growth be equitable, absorb excess work force and reduce regional imbalances. Policies will have to be structured in a way that foreign capital gets attracted to and channels itself into SMEs. The initiatives will have to be tweaked to operate more effectively in favor of SMEs – the development of which will result in equitable gains.

An OECD study stated that developing innovation capability could be critical to enhance the competitiveness of SMEs (OECD, 2000). The same study argued that globalization on one hand creates competition among low-wage countries. On the other, it creates avenues and incentives to acquire knowledge and access markets. This will allow SMEs to develop competitive advantages if they continuously innovate. Innovate their processes, products, services, designs and technologies.

On the same lines, within the Indian business environment, the government needs to encourage innovations in SMEs. Upgradation of skill and human capital capability will attract FDI absorption. The government can design its initiatives in a way that innovations and

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capability enhancement be encouraged in SMEs with greater backward and forward linkages. An SME which is more “linkage-prone” will yield greater spillover impact. Hence, to begin with, the identification of these SMEs and those with high growth and employment generation potential sectors have to be done.It is in these sectors that strategic encouragement for innovations could lead to making the sector robust.

As a precursor, the government should address specific SME concerns. Lessening SME fragility remains the core. Strengthening the SME itself is most important. Reduction in administrative hurdles, allowing better credit flow and avoiding harsh policy changes is critical.

Once the sector is fairly strong, channeling FDI in SMEs will help them evolve in terms of networking, processes, inclusion in global supply chains, product capabilities, governancebesides enhancing their risk appetite and tolerance. While

The country has already seen the positive impact of FDI in retail on small and medium enterprises and is very crucial to the overall growth and sustainability of the Indian economy in the global market. In order to sustain in the global competition, Indian SMEs need to constantly innovate, acquire newer technologies, and they need to adapt to the changing technology so as to continue its stake in the global markets.

credible operating ethics are indispensable for attracting foreign equity in the long-run, the government needs to facilitate the networking of potential inves with Indian investees. Platfo as industry delegations and confederations to network wi Venture Capitalists, foreign s and stakeholders will help co local SME suppliers to MNCs and foreign investors. Besides, efforts such as the recent Ministry of MSME-CII Global Summit go a long way to appraise SMEs on the significance of global value chains, the importance of connecting to the global platform and also the current trends and best practices to aid their profitable integration with global value chains.

SMEs have immense potential. Exploiting the under-tapped growth of SME sector will unleash a host of socio-economic and financial advantages.

The Way forward

The need of the hour is a very holisticapproach to the various issues faced by SMEs – such as finance, innovation and technology – by an effective and proactivepolicyand also supportive handholding by the concerned Ministry and industry associations. There has to be a coordinated effort across the initiatives of ease of doing business, Skill India and Make in India to ensure that the problems of SMEs are effectively addressed and their access to the global supply chains enhanced by attracting FDI.

The country has already seen the positive impact of FDI in retail on small and medium enterprises and is very crucial to the overall growth and sustainability of the Indian economy in the global market. In order to sustain in the global competition, Indian SMEs need to constantly innovate, acquire newer technologies, and they need to adapt to the changing technology so as to continue its stake in the global markets. The recent history has shown that doesn't matter whether in developed markets or in emerging markets such as China or South Korea the state and the Government apparatus always played a decisive role in strengthening their SMEs. This only points to a much more clear and robust sector-specific FDI policies for the betterment of Indian SMEs in particular and for the growth momentum in general.

About the Author

- **Dr Gajavelli V S** is a Professor and Chairman,Centers of Excellence for Sustainability, Growth & Development at Institute of Management Technology Nagpur, India. He has more than 26 years of experience in research, management education, conceptualization and administration of executive education programs, in-company training programs, faculty development programs and consulting.

- **Dr. Deepa Dani** is an Assistant Professor at the Ness Wadia College of Commerce, Pune. She has over eight years of teaching experience and four years of research experience in national and international organizations.

A Cambridge Commonwealth Scholar and a University Gold Medalist in her masters, her areas of interest include International economics, Macroeconomics and Development economics. Her doctorate has been in the area of Foreign Direct Investments.She has co-authored two text books and has few research publications to her credit. Dr. Deepa is also recipient of numerous national and international scholarships and awards for academic excellence.

SME World Bureau

What the Industry Says about the Interim Budget

J K Gupta,
CFO, Tata Technologies

This is a forward-thinking, growth-oriented budget with a special focus for all, bridging the rural urban divide, while embracing modern digital technologies for the holistic development of the nation. The initiative to create one lakh digital villages in the next five years shows its commitment to bridging the digital divide. The government's recognition of the importance of clean energy to build a pollution-free India is evident through its Vision 2030 roadmap. The initiative envisions India driving on Electric Vehicles with renewables becoming a major source of energy.

Snehashish Bhattacharjee,
Global CEO Denave.

The budget gives much awaited technology push for the fast paced Indian economy. The CoE of Artificial Intelligence (AI) reaffirms government's intention and interest in pushing India to develop as hub of emerging technologies. It shall also prove to play a pivotal role in massification of ground-breaking technologies as well as providing headwind to the ongoing skill development and job creation agenda. It is a huge opportunity for the tech start-ups, and the contribution of India Inc. in the initial stages of implementation shall prove to be significant.

The budget overall is positive and covers the entire gamut of economic pillars in one go - farmers, youth, start-ups, women, middle-class segment, defence, green energy, industries etc. It promises to make social security accessible to the unorganised segment. The intent with which the budget has been designed will be best experienced with an effective execution.

Dr. Mahesh Gupta,
CMD, Kent RO Systems Ltd.

The budget is progressive and it has surely covered the issues that are existing in the economy. The farm sector was depressed and finally, they will get relief.

The government has planned to give 12 crore farmers 6000 rupees. This is a big move which will uplift their current condition. It will also generate industrial demand and boost production. Moreover, an increase of gratuity is again good for the welfare of the people.

Furthermore including the below the poverty line in the provident fund network is again a good move by the government.

Dinesh Agarwal,
Founder and CEO, India Mart

By allowing businesses with less than Rs 5 crore turnover to file GST returns quarterly, we have moved another step forward in ease of doing business.

Expansion of rural industrialization using modern technologies has been identified as one of the nine priority sectors by the government. This will give a huge boost to the MSMEs in the country.

Prakash Mallya,
Vice President, Sales and Marketing Group, Intel

Today's Budget clearly showcases the importance of a digital-first India and the government's commitment to drive innovation and technology advancement in the country. With the government setting a target to become a $5 Trillion economy in the next 5 years, Intel believes that emerging technologies like Artificial Intelligence (AI) and 5G will play a crucial part in this vision.

Firstly, the government's focus on the rapid adoption of AI in India by announcing initiatives like the National Center for AI and a National AI Portal, is a step in the right direction to drive technology adoption in the country. At Intel, we have been working on various AI-led initiatives with the government and will continue to collaborate with the country in its digital transformation mission. Secondly, the Budget also pointed out the growth in the telecom sector; this definitely provides impetus towards building a strong 5G ready ecosystem in the country. Additionally, the government has set a goal to create 1 lakh digital villages in the next 5 years taking technology penetration to a new level, that can help build a truly digital India.

Sampad Swain,
Co-Founder &CEO, Instamojo

Although an interim budget, the anticipation had been high across various sectors – thus indicating the focus areas to be covered by the government. The scenario however looks positive for the MSMEs, given the initiatives announced by the government. While ease in obtaining loans for MSMEs continues to remain the need of the hour, additionally aided by the government's 59-minute loan portal, *The government's mandate of 25% of goods procurement from SMEs will help the sector scale up, not only in terms of quantity, but will also enable wider reach, thus expanding to different markets. This budget has opened doors to a new focus area – women entrepreneurs in the MSME sector.*

the hike in the GST threshold has certainly brought about a major relief for MSMEs. Additionally, the government's aim to empower 1 Lakh villages digitally only gives us further hope to identify an addition of more MSMEs in the country, which is currently populated with 6.3 crore enterprises, given that digital adoption by small businesses has always been a challenge to fight through, for the fin-tech sector. Further, the reduction in the GST slab from 18% to 6% could be a great move to encourage new and aspiring entrepreneurs to begin new ventures.

The government's mandate of 25% of goods procurement from SMEs will help the sector scale up, not only in terms of quantity, but will also enable wider reach, thus expanding to different markets. This budget has opened doors to a new focus area – women entrepreneurs in the MSME sector. Supply of goods to the government will help women-owned SMEs and MSMEs achieve stability in business, and scale-up further.

Ankur Pahwa,

Partner and National Leader, E-Commerce and Consumer Internet, EY India

“The government continues to recognize and reiterate the fact that India is world's second largest start-up nation along with one of the most youthful populace. The Government's impetus on digital, innovation and the power of transformational change will naturally fuel the start-up ecosystem, which is fundamentally essential for the nation's growth. Addressing the Angel tax issue, easing of norms for start-ups working with the government and faster deployment of the Rs 10,000 crore fund are clearly areas to focus on to further spur growth, innovation and employment and will also help start-ups reach their escape velocity.”

Prashanth G J,

CEO at TechnoBind

The one thing that stood out in the Budget is the putting up of the Vision 2030. While there are no details available as yet in terms of the implementation of this vision the fact that the government is thinking long term is well appreciated.

The focus on the Digitisation will go a long way in improving the social and economic fabric of the country - be it creation of jobs, uplifting the lower end of the society reducing the income gap and many more. The announcing of the 5 Lakh Digital Villages is really welcome. It will go a long way to leverage the benefits of technology right up to the grass root level. Especially in a country like India which has always been challenged from a penetration of technology this will be a big boost.

Also, another good thing that we got from today's budget is Income Tax returns being processed within 24 hours. While one needs to wait and watch in terms of the practicality of this but it's a welcome move in the right direction.

Overall a pretty good budget!!"

Krishna Raj Sharma,

Director & CEO at iValue InfoSolutions

Despite being an election year, it's good to see Government allocating money where its required - farmers, middle class families, pension scheme for unorganized sector, more allocation to health, education and defense.

Despite missing out on Fiscal deficit target for current as well as next fiscal, the FM took rating agency and investors in to confidence by explaining the need for supporting farmers which was well received as seen by the market reaction.

Overall good interim budget sending the right signals.

Rajendra Chitale,

CFO at Crayon Software Experts India Private Limited

It's a budget with many sections of the society being the beneficiaries. It is specially a poor and middle class centric budget as it increases the money in these households. This can trigger consumption and lead to further growth. Phasing out human intervention in tax returns, verification and scrutiny is a good initiative which can help reduce corruption. Overall, it is a good budget.

Rajesh Begur,

Founder & Managing Partner, ARA LAW

Though an Interim Budget, today's announcements come as a hearty welcome, especially for farmers and the long-neglected middle-class citizens of the country. The Budget also provides impetus to the unorganised sector for the first time, the defence sector, the agriculture sector and also continues to encourage young India through its efforts under Startup India, Stand Up India and the MUDRA Scheme.

The budget also serves as a relief factor for developers, real estate companies and homebuyers, as it extends the benefits under section 80(i)BA for 1 more year for all housing projects approved till end of 2019-20. The proposal to extend the exemption period of levying tax on notional rent and on unsold inventories, from 1 year to 2 years, from the end of the year, will be a push factor to encourage more activities and investments with the sector. With increased budgetary allocation set aside for Infrastructure, we may also see much positive

activity within the sector, vis-a-vis railways, roadways, waterways and shipping. This, in turn, will certainly benefit and pave way for a further incremental robust GDP.

It is heartening to see that, for the first time, in this Interim Budget, the Interim Finance Minister articulated the 10 Dimensional Vision 2030, wherein leaders, irrespective of their political affiliations, hopefully agree on a common agenda for the country and are working in a concerted manner towards the growth story of India. This unified approach in itself is sure to enable the nation to leapfrog towards its 2030 goals

Akshay Singhal,
Founder, Log 9 materials,

Quarterly filing of GST returns for SME and startups is a great relief. However, not much has been offered for the energy sector. We have

targets for major Electric Vehicles deployment in India by 2025, our current power generation is just not sufficient to support the same, moreover battery imports in this sector will drain our foreign exchange reserves in a big way."

Dr. Niranjan Hiranandani,
President (Nation), National Real Estate Development Council (NAREDCO),

For real estate in general and housing in particular, this is a positive budget. For the economy, it focuses on the farm sector and the middle class. I would rate it as "9 out of 10", because the Hon'ble Minister has laid out the path to successfully work out a balancing act. He has given tax breaks, enhanced benefits while not increasing taxes – and yet, has shown a roadmap that will keep fiscal deficit in control.

For families which have more than one house – one in the home-town and the other in a location where family members work or have a job - currently, income tax on notional rent is payable in such cases i.e. if one has more than one self-occupied house. Considering the difficulty of the middle class having to maintain families at two locations on account of their job, children's education, care of parents etc, the Hon'ble Minister mentioned a proposal to exempt levy of income tax on notional rent on a second self-occupied house.

The benefit of rollover of capital gains under section 54 of the Income Tax Act has been proposed to be increased from investment in one residential house to two residential house for a tax payer having capital gains up to Rs 2 crore. This benefit can be availed once in a life time. The Hon'ble Minister gave the example of Mumbai, wherein a family sells a house in South Mumbai and buys two houses in suburban Mumbai, and the benefit of this was availed only on one of the new homes. Describing this as something that is becoming a norm across urban centres in India, the Hon'ble Minister said this would help families in a similar situation.

Rohit Mohan Pugalia,
CEO, Soch Foods

One key take away from the Union Budget is the relief on tax exemptions thereby giving an impetus to consumer spending. We welcome the continued support provided by the government in enhancing the opportunities for new businesses to flourish and contribute to the government's vision of Make in India.

Manoj Kumar Pansari,
Chairman and Managing Director, Astrum.

From tax-break for middle class to schemes for farmers, even unorganized sector employees and small business got benefitted in this interim budget. What this budget is missing is the mention of manufacturing plants which is coming in full fledges to India. Hopefully we will see something on manufacturing plants in the actual budget but overall this budget is praiseworthy.

Rajiv Talreja,
Serial Entrepreneur and Business Coach.

Keeping the politico de facto aside, I believe this is a good budget for the MSME. A 2% interest subvention for loans up to Rs. 1 crore, is certainly a step in the right direction. Most importantly, the Government has opened a new market for the homegrown entrepreneurs by allowing sourcing from MSMEs through Government up to 25%, including 3% from women-run organisations. Furthermore, Government e-Marketplace (GeM) has transformed procurement by making it transparent, thus giving MSMEs an opportunity to sell their products through GeM. Revisions in the GST slab rates, would be an added welcome development.

Nityananda Rao

Cloud ERP Indispensable for SMEs' Growth

According to Government of India statistics of 2016, there are 68 Million SMEs in India. This is 11Million more than earlier survey in 2011 (57 Million). These SMEs contribute around 40% of India's GDP and provide an employment of around 45% of total needs. During the last 2 years,SME's are comfortable with GST and their business is growing. Abolishing earlier taxes helped Manufacturers to pay less tax. GOI has smoothened the process of tax returns, income tax returns and removed many hurdles to do business. So SME's growth is expected to happen due to these measures and an external factor like technology adoption too. The fact that 95% of these SMEs have 1 to 5 employees and based on our market research, we believe, only 30% of SMEs have an access to computer & software. This poses a grave challenge.

Why SMEs are afraid of ERP Solutions?

During our sales activities, we met many prospects that are terrified by ERP implementation and they are scared even to talk about Cloud ERP. Few reasons for this are as below.

1. Other ERP implementation that has gone bad - Many large ERP companies sell user licenses to customers, but not having a good implementation partner killed the implementation.

2. They are happy to runtheir Accounting software as ERP with adjustments.

3. Other business owners, Accountants and Consultants gave them advice to go against Cloud ERP.

4. Few Hardware vendors use the fear of customers to sell their expensive hardware, as they don't want to leave their “cash cow” for their future business.

5. IT person in the company is afraid that Cloud ERP will make him loose his job.

6. Huge Hardware, Software and Implementation Costs. Recurring ERP maintenance costs make SMEs to be afraid to touch ERPs.

How Clound ERP helps Business?

Last 5 years, we have seen an increase in SME interest to go for Cloud ERP. It involves educating the Business owners on the advantages of Cloud ERP, its security and how it will help them. Their main concerns are how data is secured and not made available to competitors and Government agencies etc.

Post GST implementation in India, New and 2nd Generation entrepreneurs are preferringCloud ERP solutions and want to reduce their costs and increase profitability. This interest increased when Cloud ERP came with same features at 1/100th cost of a regular ERP with full data security.

Many business owners are aware of free software and they use Gmail, Facebook, WhatsApp etc. to do their product promotion or reach to customers etc. But, they don't know that these solutions are on CLOUD.

So adoption of cloud ERP is driven by the increased competition, reduction of profit margins, lack of resources and interest to grow fast etc. So Businesses are forced to go for latest technology.

AcTouch.com comes with functionality like Sales and Invoices, Purchase and Goods Receipts, Inventory Control, Payments and Receipts, Manufacturing, General Ledger and Taxes. To reach out to customers, we started by educating them, showed the benefits of an improved process, controls etc. It's huge and tedious process. But it helped SMEs to understand the values. Our Freemium model, 30 days money back guarantee increased the confidence to try the applications.

Why Small Industries should go for Cloud ERP Solutions?

Important is, ERP is not a magic wand that solves all your problems. So, focus on your top 10 issues to be

Customers who resisted the initial changes, slowly started realising the benefits and today nearly 15% of our customers have brought their second business or family business on AcTouch.com.

resolved from Cloud ERP and later fix the rest one by one.

Reduced Total cost of ownership (TCO). You can save 40% to 50% of your annual IT budget. You don't need to purchase Hardware, Network or licensed Software to run Cloud ERP as the solution is completely on Cloud and there is no data in local machine. Data is safe and well protected.

2. Better ROI – Return on Investments

Once you save money on Hardware, Network expenditures, now you follow some of the international best practices built in the ERP would give more benefits and improves productivity. Reduction of unwanted process, data duplication is reduced. Now you see the immediate benefits.

AcTouch.com, Cloud ERP systems, becomes your personalized IT team, who works for you 24X7 and you pay only for the services.

AcTouch.com comes with functionality like Sales and Invoices, Purchase and Goods Receipts, Inventory Control, Payments and Receipts, Manufacturing, General Ledger and Taxes. To reach out to customers, we started by educating them, showed the benefits of an improved process, controls etc.

3. Helps to define a process and makes people accountable for their activities

4. Define business workflows and process.

Many Cloud ERPs like AcTouch.com comes with business workflows and you can define or set your own process.

5. Win against your Business Competition – Same information is available to everyone and to win

AcTouch Technologies

AcTouch Technologies is one of India's leading fully-integrated Cloud ERP (Enterprise Resource Planning) platform built for providing end to end SaaS (Software as a service) services to SME's.

Based out of Bengaluru, AcTouch was founded jointly by Nityananda Rao, and Sunish Ankolekar, a marketing brain to bridge the gap in the ERP market that merely focussed on accounting solutions rather than addressing the needs of a business owner. Thus began the journey for AcTouch & launched their products in 2014 to provide a holistic approach in assuring true value to the ERP requirements of SME's.

The product and services offered by AcTouch range from automating key functions of Manufacturing and Trading Businesses like Inventory management, Import and Export, Billing and Invoicing, Manufacturing process like Production, Sub-contracting and Job works with Financials like Payments and Receipts and many more. Recent addition to the list of services is the Mobile Apps for Sales Force and Dealer Management programmes.

The customer profile of the company ranges from ecommerce, New Age Technology to Manufacturing companies, from Traders to Consultants. AcTouch has a client base of 200+ customers and is associated with big names such as Fine Switches, Axiom Controls, Falcon Garden Tools, WoodMac, Asian Cranes, IM Safety Devices, IIM Bangalore (MARS Team), URDoorstep.com, Magiccrate.com, Karnataka Polymers, RenewIT systems, Energy Efficient Lights, AdPac, Champion Extrusions etc.

the customers, we had to go to Cloud as this way we could reach customer in Offline as well in Online mode. Ensure that you are also present in ONLINE mode where your customer buys.

Customers who resisted the initial changes, slowly started realising the benefits and today nearly 15% of our customers have brought their second business or family business on AcTouch.com. Few of our customer claim that they started saving nearly 60% of their time and their productivity improved by 50%. Now a dayit's a Social recognition for SMEs to move into the new technologies like Cloud or use Mobile Apps for their Sales Force or Dealers etc.

About Nityananda Rao

Nityananda Rao, (BE, PGDGM and INSEAD Alumnus), is the CEO of AcTouch Technologies with 20+ years of experience in ERP, Banking and Treasury Solutions. He is a Mechanical engineer who worked on shop-floor with CNC Machines, SP-300 like Injection Moulding machines. He is a authority on ERP and it's features. Prior to starting AcTouch Tech, he worked with Infosys, Misys, Murex etc managing APAC region as profit centre.

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Dr. Shyam Sreekumaran Nair

Patent Maintenance Costs for SMEs and Start-ups in India and US – *a comparison*

Patent counts can be considered as a good proxy for gauging the innovation capabilities of a country. Along with firms (both large and SMEs), universities, research institutes and sometimes individual inventors file for patents. Unsurprisingly large firms (with their large R&D budget) and universities (generous research funds from the government) file the maximum number of patents. Universally, SMEs are not prolific patent filers when compared to large firms. Lack of awareness, though cannot be ruled out, is not the important reason for SMEs not filing enough patents. The cost of filing and maintaining a patent, which is very high, is the main deterrent. In this article, I compare the cost of filing and maintaining a patent for the Indian SMEs with their American counterparts.

Patenting in US

The United States Patent and Trademark Office (USPTO) classifies the patent assignees as large entity, small entity and micro entity. Not for profit firms and firms which have less than 500 employees are classified as small entity. At the time of filing, if the household income of the individual inventors is not more than $177117 (three times the median household income which was reported as $59039 in 2016), the inventor is classified as a micro entity. It is to be noted that if the household income is triple that of the median while renewing the patent, the assignee will be treated as smallentity and not micro entity.

According to 2013 Small Business Administration study, patent per employee ratio is higher in small firms than large firms.

For filing a patent in the US, large firms have to pay a fee of $300. The corresponding fees for small firms and micro entities are $150 (half that of large firms) and $75 (one fourth of large firms) respectively. In US, a patent is to be renewed in its fourth, eighth and twelfth year. A large firm will pay a renewal fees of $12600 for a patent if the patent is to be kept live for 20 years ($1600 in the fourth year, $3600 in the eighth and $7400 in the twelfth). Just like filing, small entity pay only half the renewal fees that large firms pay ($ 6300)and micro entities pay only one fourth of what large firms pay ($3150).

Patenting in India

According to the 2016-17 Annual Report of the Indian Patent Office (IPO), the top five patent filers in India are Qualcomm (1840 applications), Samsung (706), Huawei (625), Microsoft (589) and Philips (557). The top five Indian patent filers are IITs (400), Wipro (226), CSIR (225), Mahindra & Mahindra (205) and BHEL (174). From the data given above, we can

conclude that foreign firms are more prolific patent filers in India than their Indian counterparts. Also, IITs and CSIR are more prolific patent filers than the TCS (159), Infosys, Reliance (both <30) etc. The Annual Report does not comment about top SME patent filers in India and share of SME patent filings as a percentage of total patent filings. The information on SMEs is limited to how IPO, in association with industry pressure groups like FICCI, CII, ASSOCHAM and others, are organizing awareness programs to improve patenting behavior of Indian SMEs.

In India, the fees for applying for a patent is INR 8000 for a large firm. But a SME and a startup needs to pay only INR 4000 (fee halved) and INR 1600 (80% reduction in fees) respectively for filing a patent. Patents are to be renewed annually in India. Between the second year and sixth year, a large firm will have to pay a renewal fee of INR 16000 (INR 4000 per year). The same fee is halved for SMEs (INR 8000 or INR 2000 per year) and one-fifth for startups (INR 3200 or INR 800 per year). Between seventh year and tenth year of a patent, a large firm pays a renewal fee of INR 48000 (INR 12000 per year). For the similar period, SMEs pay INR 24000 (or INR 6000 per year) and startups pay INR 9600 (or INR 2400 per year). For maintaining a patent between its age 11-15, large firms pay INR 120000 (INR 24000 per year), while SMEs and startups pay INR 60000 (or INR 12000 per year) and INR 24000 (or INR 4800 per year) respectively. For the remaining five years, the renewal fees paid by large firms, small firms and startups are the following – INR 200000 (INR 40000/year), INR 100000 (INR 20000/year) and INR 40000 (INR 8000/year). It is to be noted that if a SME grows into a large firm then the renewal fee increases. Similarly, if a large business reduces into a small firm, the fees get halved.

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Conclusion

Patenting behavior of small firms in US is excellent. We do not have corresponding data of India to make a comparison. But we have data on the concessions provided to SMEs and startups for filing patents in India. The concessions are more than comparable to that of US. In US, the inventor need not worry about renewing the patent annually. After the twelfth year, the patent completes it life of twenty years. In India, the inventor has to keep tab of the renewal deadlines and make payments annually. Patenting is cheaper for SMEs in India than in the US. The cost of filing and maintaining a patent for a SME is less than two lakh rupees in India. A startup can file a patent and maintain it for less than INR 75000. SME / Startup patenting in India has to increase if the country wants to increase its innovation capabilities. The IPO has to monitor and ensure that the various awareness programs that it organizes with various industry bodies are bearing fruits in the form of increased patent counts coming from SMEs and startups.

Dr. Shyam Sreekumaran Nair is a faculty at IMT Nagpur in the area of General Management. His research interests include Intellectual Property, Technology Strategy and Science Policy.

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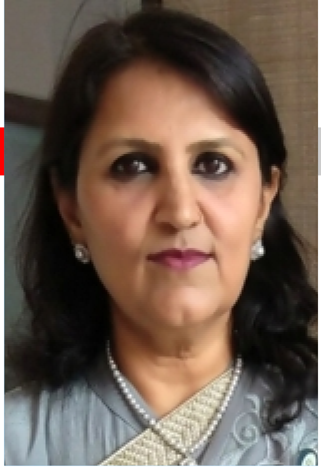
India Most Digitally Mature Country in the World:
Dell Technologies Research

Based on the latest Digital Transformation Index with 4,600 business leaders from 40+ countries, emerging markets dominate the country ranking as the most digitally mature

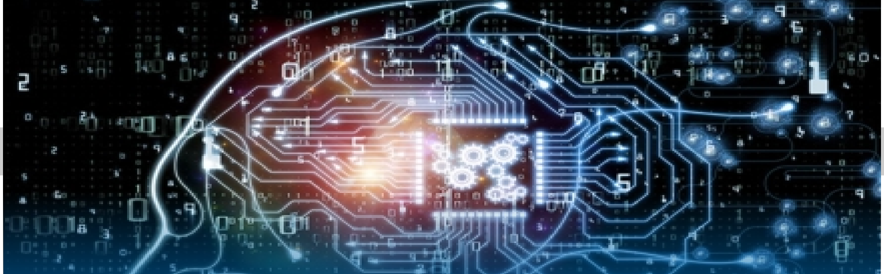
According to the latest Dell Technologies Digital Transformation Index, India is the most digitally mature country in the world. However, businesses in India still have a lot of work to do. Leaders in India are more aware of the need to prioritize digital transformation throughout their organization: 91% of the business leaders believe that digital transformation should be more widespread, compared to78% globally. Almost half (48%) (51% globally), believe they'll struggle to meet changing customer demands within five years.

Dell Technologies, in collaboration with Intel and Vanson Bourne, surveyed 4,600 business leaders (director to C-suite) from mid- to large-sized companies across the globe to score their organizations' transformation efforts.

The study revealed that emerging markets are the most digitally mature, with India, Brazil and Thailand topping the global ranking. In contrast, developed markets are slipping behind: Japan, Denmark and France received the lowest digital maturity scores. What's more, emerging markets are more confident in their ability to 'disrupt rather than be disrupted' (53%) compared to just 40% in developed nations. ■



Dr. Saleena Khan



Artificial Intelligence: The Game Changer for SMEs

The Encyclopedia Britannica defines Artificial Intelligence or AI as “the ability of a digital computer or computer-controlled robot to perform tasks commonly associated with intelligent beings”. A newspaper report describes AI as “the computer science that aims to replicate the critical functions of the human mind.”

So how will the AI influenced business environment, impact the normally hesitant small and medium enterprise (SME) industry?

Historically, SMEs have had a tendency to hold back when faced with new and disruptive technologies. While it's easy for startups and large businesses with resources to make the most of new opportunities as they emerge, SMEs are usually slow to catch up.

However, due to the hype generated, small businesses are made to consider AI as probably essential to their survival. Just as in the 80s, when there were exceptions and some businesses considered investment in computers for the future of business, SMEs who see value in such investment to maintain their edge and are able to afford it, should go ahead and evaluate their investment decision based on their business objective. AI related technologies would take some more time to mature and in due course of time when AI tools become more accessible with lowering of costs and better defined business use cases, small businesses would be in a position to make use of these tools and implement them with ease.

When it comes to AI, hesitation is a gigantic mistake. This technology is incredibly accessible, with huge benefits for businesses, which is one of the reasons why SMEs should jump at the opportunity to enjoy these advantages. In the race for automation, companies that are quick to embrace change and ready to pivot will be the winners."One of the biggest benefits of AI is that it helps to optimize or make a process more efficient," says IBM India/South Asia, Cloud Leader, Amit Kumar.

AI-based solutions can help companies vastly reduce operational inefficiencies and small and medium businesses can use these solutions to improve on their processes. "There are several processes which are time-consuming, several pain points like cash flow, which needs to be sorted out, errors that can be reduced. The question is whether AI engines can help in addressing these and the answer is 'Yes'," asserts Kumar.

AI-based competitive advantage

Insisting that it is not a train which is getting away, Kumar says the SMEs need to decide for themselves if they are at a stage in their businesses where they need a competitive advantage.

The reason that this is the right time for SMEs to start exploring AI is because industry has developed enough to offer AI-based solutions to their clients. "These solutions are only going to get better over a period of time as the technology advances," says Kumar.

"We have to re-imagine the process. We are working with many of our clients to develop AI-based solutions. Clients are already asking questions like: Can you automate this process? Can you make it faster? SMEs are bringing their data and asking what can they do with this data," says Kumar.

Kumar reveals that a lot of SMEs had already started approaching providers like IBM with their problems, not knowing the answers but ready to seek them.

Use of AI in industry

AI and automation is a low-cost and accessible way for small and medium enterprises to receive real-time insights from data, which leads to improved decision-making. It is happening in many different industries, such as the agriculture sector. One example is the machine-learning technology, which helps analyze the fertility of the soil while using weather and climate predictions so business owners know where and when to fertilize their crops.

Retail markets are also using predictive algorithms. These technologies help businesses anticipate the services and products clients will want in the future. As artificial intelligence matures, this ability to anticipate customer behaviour will also improve.AI also offers businesses different ways to improve and strengthen their customer relationships. SMEs can offer greater service and personalization with fewer staff members.

AI Pessimism is Realism?

Adopting AI to the fullest is not only the speculative domain of business people, but of scientists, anthropologists and artists as well. All of them seem to join one of two groups: pessimistic skeptics, who see

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AI ushering us into a full-blown dystopia, or those who see it as a liberating, game-changing technology.

It is almost a banality that AI will transform our economies - and likewise our lives. The question seems to be more about how fast and to what extent the massive disruptions will occur. In an extensivereport Price Waterhouse Cooper (PwC) terms AI "*the most significant general purpose technology of our era*".

As we contemplate about the potentials of AI, some warn of the devastating impact these new technologies may have on existing employment patterns. Others voice ethical concerns when humans enable machines to replace humans. Among the prominent critics has been Elon Musk, the American billionaire and tech entrepreneur who has warned that "the danger of AI is much greater than the danger of nuclear warheads by a lot and nobody would suggest that we allow anyone to build nuclear warheads if they want."

At first sight, you may be tempted to classify small and medium-size enterprises (SMEs) as AI skeptics, but is their stance really valid? There are at least two common sense reasons for this sort of attitude.

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SMEs Need Guarantees

First of all, SMEs havebeen less enthusiastic about new technologies. If they rush with the adoption of AI and it eventually proves to fall short of their expectations, they can hardly make up for the time, resources and know-how invested. Unlike larger business entities, which can absorb this shock better based on the scalability of their available resources, SMEs have nothing to fall on if such a capital investment fails.

AI Can Enhance SMEs

The first thing you can do for your employees is to leverage AI's capacity to process huge amounts of information in a blink of an eye. This information can include anything from paperwork, files and meeting minutes to literal mountains of emails, archived messages and memos.

By cutting down on time employees spend chasing documents in search of the right information, AI will help any SME get more comprehensive insights into any process and, consequently, arrive at better-informed business decisions.

AI can help SMEs reap the benefits of increasingly faster technological revolution, in the area of customer service, which faces increasingly demanding customers who want it to be personalized, flawless and readily available 24/7. AI allows SMEs to integrate customer services at little cost. It can use its lightning speed data processing capacity to analyze all available information on any customer and automate answers based on this, thus reducing the burden on the staff in charge. In the long run, it may ultimately allow these companies to cut down on operational costs, based on its ability to sort out messages and tickets and forward them to the right departments that can deal with them – for e.g., human resources or IT. In this manner, the needed number of human staff members can be reduced without hurting the level of service offered to clients in the slightest.

AI-enbled Solutions

To start using it, SMEs can use AI tools that are available 'off the shelf' and embedded as part of the solutions that SMEs could procure. For example, advertising and marketing solutions provided by Facebook and Google are universally applicable—be they large or small businesses. Particularly for SMEs with limited budgets at their disposal, this could be effectively utilized to target the desired customers with precision messaging and aim at better conversions with the help of AI enabled solutions provided.

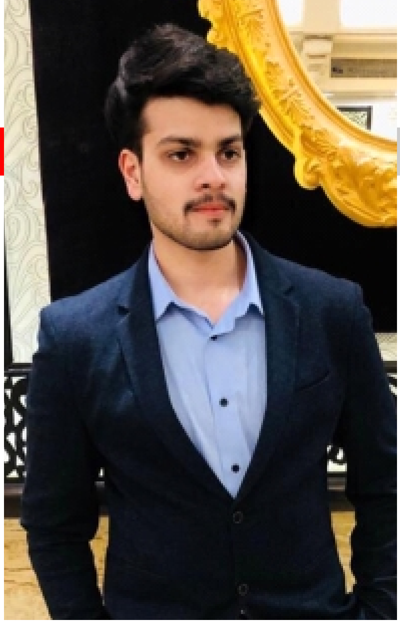
Data security and protection from frauds have also become areas of necessity and SMEs can benefit by leveraging AI applications using vendor companies.

While currentlysome of the challenges faced by SMEs, could be to get the access to required datasets, the ability to construct data lakes and the skills required to build algorithms. In the near future, we might have AI based systems leveraging the data related to a combination of small and large clients developing recommendation systems. This would enable SMEs to skip the phase of building their own AI systems around their own databases and leverage the readily available off the shelf AI systems trained on multiple databases. Thus, in due course of time,with the help of ongoing research, ready-to-use AI platforms or tools for various functions would definitely be available for businesses to adopt and integrate with their business transactions.

In preparation for this, focus on seizing and building a robust data infrastructure is essential. For AI tools to deliver results, businesses should start planning for proper classification of data in which AI systems can be trained and therefore SMEs would benefit, by paying adequate attention to treating data as an important resource right away.

About Dr. Saleena Khan

Dr. Saleena Khan is an Associate Professor at the Institute of Management Technology, Nagpur for the past one decade. She teaches core courses like Organizational Behavior and group dynamics along with a few elective courses in Human Resource Management. She is also the Chairperson, Brand Promotions and on campus Student's Counselor at IMT-Nagpur. She has also been a visiting faculty at a few International partner Universities of IMT-N. She has published a few research papers in reputed national and international journals. Her current research activities are focused on Positive Psychology, Positive organizational behavior, emotional intelligence and psychological well-being. She can be reached at skhan@imtnag.ac.in.



Yashu Jain

Home-Grown Cosmetics Looking at Larger Market PEI

Cosmetic market across the globe is an interesting model to know. The cosmetics or beauty products industry in the world is one sector which remains resistant to the ups and downs of markets.

Indian cosmetic market is flooded with valiant international players who initially did not offer much scope for the domestic manufacturers as far as the high end or luxury products were concerned. However it is the middle segment, the affordable range that is protected with domestic manufacturers who do not offer much scope for imports of other nation's products. Some of these brands include MATTLOOK, ADS, Wet & Wild, Miss Claire and Glam 21.

Also as the economy is growing, concurrently the income is rising too which is accelerating the living standards. There is a penchant for anything related to fashion which is becoming imperative to possess to be a part of the social circles and hangouts. It's not just the celebrities, A- listers or the page 3; even the middle class women want to be in the same boat and want to replicate the trend. They do not want to get spotted wearing the same clothes, shoes, bags or watches and make-up is no exception!

Although there is an increase in income but the disposable income is not increasing at the same rate making expensive, high end and trending brands aspirational.

Growth in ageing population, usage of cosmetics by the youngsters is attracting domestic manufacturers to offer affordable price range but without compromising on quality.

Value for Money

Moreover students, housewives, young employees are increasingly looking for value for money products which provide a range of combined benefits of high priced premium products at a lower than premium cost. Domestic manufactures such as MATTLOOK, Miss Claire, Glam 21 and ADS are carving a niche by offering products with breakthrough technologies and radical effects. Besides the rapid change in market segmentation, cosmetic manufacturers have turned to product innovations and lower packaging styles for more placements in convenient stores and specialty stores to add more customers to their brand products.

The home-grown cosmetic brands are constantly innovating, keeping up with the trend and finding ways to bring down costs.

The market is driven by product innovations through new products or incremental benefits to existing products. Along with typical skin, lips and eye makeup, the newest trend is the blending of multiple benefits less than one beautifying product. And this too is available in the affordable segment.

Advanced Technology

The revolution of technology and internet advertisement is also facilitating to cut the other media expenditure for the domestic brand manufacturers, thus helping the cost saving.

So, advancement of technology and developed internet facilities has also made the customers more adapted for browsing their required products on line. Brand owners have taken the route of internet of mobile digital ads to be more nearer to their customers all times. This is helping the customers to gain the information of new domestic products, brand variants, SKU launches and outlet locations.

Apart from this customer can also compare the prices for different company's products and reviews on the products which help the purchasing decision of the customer.

Indian cosmetic market is flooded with valiant international players who initially did not offer much scope for the domestic manufacturers as far as the high end or luxury products were concerned. However it is the middle segment, the affordable range that is protected with domestic manufacturers who do not offer much scope for imports of other nation's products.

So, the domestic players have a better understanding of the Indian market which is helping them expand rapidly. They know what to imbibe from the international domain. They are putting up a good show with a slew of market trends and striking a perfect product and price balance!

Yashu Jain is Managing Director, MATTLOOK Cosmetics.

From Mining to Beverage Start-up

Piyush Mathur

Such is the eco system these days that even those well entrenched in a traditional, secured family business don't want to continue with it and do want to make a mark for themselves independently in a stream where there is no safety but of course offers infinite possibilities. This captures the journey of entrepreneur Piyush Mathur, who left mining and jumped into entrepreneur bandwagon and founded a beverage company Hielo Peaur Beverages India Limited.

After starting Hielo Peaur Beverages India Ltd. in 2009, like any other entrepreneur this boy from Udaipur faced trial and tribulations. But he held on to his belief that the market has immense potential for a high premium quality beverage like mineral water, juices and jams. Just that somebody has to offer consistently high quality at competitive prices. On this he has been fairly successful and has received several accolades for the work he has done.

In Search of an Idea

Says Piyush "Post my Business Graduation from Pune and my post graduation from Belgium's The International Management Institute added a global as well as field market exposure to my cart of "project(s)-in thoughts" and I returned to my hometown Udaipur. Eyes eagerly looking for my contribution in the family business of Mining with hopes I will advance it further. With no reluctance, I joined it and became part of several marble projects. Even though business was not assured, it was mundane, nor providing me enough 'Juices', which could throw challenges as desired by me. Thus begun the journey of searching for Idea for starting up, it hovered from Entertainment to Real Estate to Education, to Online but finally it settled for beverages. Thus, in 2009 beverage factory at Udaipur, Rajasthan was started."

In last 10 years, he has taken the company to international shores and has opened division in Gulf, UK as well. He plans to make Hielo Peaur Beverages India as Elite, Premium and Luxury light beverages brand.

"Lot of people asked me who leaves the assured business of Mining, and assiduously build start up that too in crowded FMCG sector, unlike in vogue tech start up's and left the comfortable business plus personal life of Udaipur and moved to Gurgaon. My answer is simple, I am just diversifying, though my reasons of diversification are not mitigating risk, but the mundane nature of mining business and the kind of challenges I seek. I am a voracious growth seeker, which mining business would not have sufficed And I always wanted to do something where I get my product getting interacted with end consumers on first hand basis; apparent enough FMCG rout to it. Light Beverages Industry in India brings the opportunity to create and offer so much within and expand its footprints on Global Podiums. And with that I believe Youth of today relates, understand and accepts it the best. I see that as a future of Make in India initiative", asserts Piush.

-Piyush Mathur, Founder,
Hielo Peaur Bevereges India

Dr Arvind Kumar

MICROPLASTICS….
Beneath the 'plastic soup'

"Plastics, micro plastics, micro beads everywhere… but hardly gets noticed. Are we preoccupied to such an extent that we have no time to pause and ponder to understand the grim situation? Or do we wish to assume it as a neglected discourse in our climate change agenda?"

The core of the issue….

As per International Union for Conserving Nature(IUCN) reports, Over 300 million tons of plastic are produced every year for varied applied use. Atleast 8 million tons of plastics end up in our oceans every year. In particular, microplastics significantly account for about 33% of the "plastic soup".

Microplastics are formed under the influence of ultra-violet radiation, wind and other related factors which help in fragmentation of plastics. They appear to possess the size of less than five millimeters in length. They can be seen to be generated from paints, car tyres, city dust and run-off water generated from washing clothes. Also, the microbeads in cosmetics and toothpaste form a significant part to aid the microplastics pollution. However, being non-biodegradable and smaller in size, it fails to be filtered out by the waste treatment plants. The greatest burden of plastic waste entering the sea is likely to arise where waste collection systems are ineffective.

In real, marine pollution has caused to threaten qualitative food and health safety. The toxicity of water levels appears high and when ingested, it is known to disrupt the endocrine system causing developmental disorders in human and aquatic life as well. Moreover, the deteriorating health of aquatic flora and fauna as a result of climate change along with ever rising marine debris has threatened their food chain and the quality of life.

Pointing out to the magnifying climate change effect it causes, plastics are known to be a petroleum product. Any burning shall enhance the carbon dioxide levels thus increasing the greenhouse emissions. Furthermore, the artistic beauty of water bodies may face degeneration which is likely to hamper the prospective tourism industry with diluted socio-economic returns.

Should microplastics be a matter of concern?

The plastic in our seas and oceans has created havoc in the creation and accumulation of marine debris, resulting in marine pollution. Marine plastics which contribute around 80% of marine debris have strengthened the pollution of the water bodies from the surface sea waters to the deep benthic zones. Microplastics is one such contributor to shore up the process of marine pollution further. Since Marine Litter is a transboundary issue, the control of transboundary movement of hazardous waste and their disposal is a big concern. States endeavor to establish global and regional rules, standards and recommended practices and procedures to prevent, reduce and control pollution of the marine environment from land based sources has to strengthen.

According to the report in independent.co.uk, the global plastic production has increased in recent years. From 2004 - 2014, the amount of plastic produced rose by 38 per cent. In 2010, between 4.8 million and 12.7 million tons of plastic was washed into the sea which affected the marine population.

It becomes significant to understand how the magnification of microplastics affects our environment

Marine pollution has caused to threaten qualitative food and health safety. The toxicity of water levels appears high and when ingested, it is known to disrupt the endocrine system causing developmental disorders in human and aquatic life as well.

at large which can be well seen and understood from the below diagram.

The negative impact caused by microplastics is well known but the requisite steps taken in this regard stands inadequate are minimal. The Plastic Waste Management (Amendment) Rules, 2018 do not provide for any legislative measures to include “microplastics”. This stands in contrast to the United States of America (U.S.A) having banned the use of microbeads while simultaneously affecting the Microbeads Free Waters Act, 2015. Scandinavian countries like Sweden and Finland have banned microplastics in consumer products. India could replicate a similar law, moving towards a more sustainable and effective marine conservation. It must also be clearly mentioned that while India is still coping to strengthen its fight against plastic pollution, the emerging trends of microplastic pollution is bound to change the equations making it much more complicated.

Moving beyond the problem……

Environment minister Dr. Harsh Vardhan has rightly remarked that “Plastic is not the problem, but what to do with the plastic is the real problem”. In this regard, managing the use and the disposal of micro plastics in an arduous task but efforts taken in right direction in nascent stages shall be rewarded in the coming future.

India has already set a benchmark by hosting the 2018 World Environment Day 2018 with the vibrant theme “Beat Plastic Pollution” and the Versova beach cleanup in Mumbai. Such efforts need to move in a symbiotic relationship with the motto “reduce, reuse, recycle” to curb the menace of micro plastic pollution.

India is also a party to the International Convention for the Prevention of Pollution from Ships (MARPOL), an international agreement addressing plastic pollution and supporter of UNEP's “Clean Seas campaign” which has raised the country's stature for the efforts to tackle the menace of plastic pollution.

What can be done further?

Finding a solution to an underlying problem is a tedious task altogether. However, prudent and practical solutions hold the key to effectively circumvent the problems and challenges to a larger possible extent.

Firstly, a 'National action plan to curb marine litter' must be envisaged to catalyze and converge efforts towards minimizing the ill effects of plastic pollution. *Secondly*, measures like strengthening the Extended Producers Responsibility (EPR) for ensuring environmental friendly plastic consumer products to discourage the use of plastics can be introduced. *Thirdly*, include plastics and related products in the highest Goods and Services (GST) slab rate (28%) to curb its use. *Fourthly*, a 'green fund' can be established to finance marine pollution related projects by way of multi-stakeholder model. *Fifthly*, leverage technology like aerial mapping or sensors to map and analyze 'litter prone marine' areas so as to obtain crystal clear information on real time basis. *Sixthly*, enlightened thinking having an idea of 'plastics free life' should be encouraged and disseminated through information, education and communication (IEC). *Seventhly*, cosmetic products displaying “polyethylene or polysterene” must be restrained from buying. *Eighthly*, levying a fine must be the full fledged norm to prohibit the use of micro plastics. *Ninthly*, ocean beaches must regularly be equipped with segregation of wastes at source, clean up campaigns to further people's awareness on holistic plastic management.

Problems will multiply, so will the challenges.

India's strength lies in its commitment to uphold climate change efforts. Keeping in mind the burgeoning marine pollution in general and micro plastic litter in particular, India must also look into problems and challenges that need to be confronted. For example, issues of poverty, inequality or resource inadequacy is bound to derail India's endeavor towards good prospects. In such a situation, the idea of 'sustainability' must go hand in hand with 'collectivity' and turning the challenges into the requisite prospects.

Lastly, the notion of reduction of micro plastic pollution should stand in synchronous with the underlined Sustainable development goal (SDG) 13 (Climate Action) and 14 (Life under water). A “Plastic free” charter envisaging a toxic free and plastic free future for every single living entity is the need of the hour and parties should take measures to ensure the minimum generation *of hazardous waste.*

Dr Arvind Kumar is President, India Water Foundation. ■

Sandeep Bisht

Scope of Credit Information Companies Needs to be Wider

The major concern of the bank while taking a lending decision is the repayment capacity of the borrower. Credit Information Companies (CIC) are playing an important role in taking lending decision by the Banks / Financial Institutions (FIs) by collecting, processing and collating individual's data about their debt repayment along with its history and providing these data to Banks / Financial Institutions.

Currently, Credit Information Bureau India Limited formally known as CIBIL is the major and largest Credit

Information Company in India. There are other three Credit Information Companies which are approved by the Reserve Bank of India which are Equifax Credit Information Services Pvt Ltd, CRIF High Mark Credit Information Services Pvt Ltd and Experian Credit Information Company of India Private Limited in addition to CIBIL.

Credit Information Companies are engaged in maintaining the records of all Companies and Individuals related to their Debt Obligation and repayment capacity. The member Banks / FIs periodically submit their information to these Credit Information Companies and based on the data / input provided by the Banks / FIs and past repayment track records of the borrower, CIC issues a Credit Information Report (CIR) as well as Credit Score.

Currently, the Credit Information Report is based on the debt repayment track records of the Borrower.

Financial Discipline

In present era, where the banks/FIs are struggling with the steep rise in Non-Performing Assets (NPA), the credit decision should not only be based on the debt repayment capacity. Banks should verify the financial discipline of the Borrower like their repayment history, Payment of Statutory Dues and their timely Returns like Income Tax, Goods and Service Tax (GST), payment of Electricity Bills, Payment of Micro, Small and Medium Suppliers etc. Although, the Banks take the certificate of Chartered Accountant as regard to the payment of Statutory Dues, but this certificate is no suffice.

There is no common portal or Information providing Agency to gather the Financial Discipline of the borrower at one time. One has to extract the report of the CIC as regard to the debt repayment history, Ministry of Corporate Affairs portal for the Annual Returns and Financials, GST portal to know the status of the returns. Further, the Income Tax never share any details with the bankers. Bankers only have an option to rely on the Customer certification.

All the above things plays major role while taking the lending decision by the Banks/ FIs and also helpful to reduce the NPA.

The Government / Reserve Bank of India needs to create the common platform to the Financial Discipline of the borrower / prospective borrower based on their past repayment history, payment of Statutory dues and filing of Statutory returns, payment to MSME suppliers.

Sandeep Bisht is Co-Founder, Filing Samadhan. ■

Multiplying Opportunities in Big Data Analytics

Diwakar Chittora

The advent of modern computer networks and the democratization of information has exponentially multiplied the amount of digital data being generated. According to a Cisco estimate global IP Traffic will reach 2 zettabytes by 2019. (1 zettabyte = 1 billion terabytes). This unprecedented increase in data has come about not only due to employment of existing methods, but from new horizons that have seen massive growth in the number of connected devices. Portable devices are at the center of data growth. Plus, additional volumes from M2M (Machine to Machine) data through AI and IoT technologies are responsible for constant data accumulation. The term Big Data has come into daily parlance owing to a shift in analyzing structured relational databases toward working with massive quantities of unstructured databases generated through a variety of sources. There developed an urgent need to build tools that analyze and interpret such unstructured datasets.

Rapid Emergence of Massive Data on the internet

Always connected portable devices have expanded the opportunities for inputs to the internet massively. Data, today, is being referred to as the lifeblood of digital organizations and the currency of the new digital economy, suggesting a level of significance and value distinctly higher than in previous times. While the price of computing continues to fall, data driven business models are becoming attractively affordable. Research firm, Markets and Markets, tells us that Enterprise Data Management including software and services for migrating, warehousing, integrating and analyzing all forms of data will approach USD 105 billion by 2020.

Skill shortage to handle Big Data

However, one of the major challenges to handling Big Data is a paucity of skills required in the workforce. Usage in industry is moving away from SQL (Sequential Query Language) to manage structured relational database sets to management and analysis of unstructured data. In order to handle Big Data, we need to anticipate the three phases of data analytics, viz., collection and storage; processing and organizing and analysis and visualization.

What does a Big Data Analyst do?

Since data analytics and management are relatively older areas in the tech world as compared to Artificial Intelligence, Cloud systems and the Internet of Things, employers are somewhat aware of the skills that would be required. Nevertheless, the requirements of today and the future will depend more on the analytics part. The most important question that we can then ask is: How can we intelligently use huge volumes of data for business transformation covering incremental revenue, trimming costs, enhanced and informed decision making and target marketing. Therefore, much of the skill gaps around data-handling now rest on Real Time Analytics, Predictive modeling, data security, distributed storage and data mining.

Current Industry skill set requirements for Big Data Analytics

Based on current industry trends and nature of business needs, Big Data professionals ought to have the following competencies:

- ***Data Interpretation and Visualization*** encompasses job functions such as Data Analytics and Business Intelligence. In this domain, the competency requirement will emphasize upgrading the instruments of data analytics and warehousing, for example, Netezza, MicroStrategy, SAS and Tableau.
- ***Data Processing and Management*** encompasses job functions like database administration, creation, data integration and data lifecycle management. Workers in this profession must work on database software and platforms like Microsoft, Oracle, Cloudera and Hadoop.
- ***Data Infrastructure*** is the platform upon which data management lies and job functions covering data storage, data center management, business continuity and data security are emerging. In order to gain entry into this interesting and much-in-demand field one would need to go through a comprehensive program designed and delivered by leading experts in the field such as Intellipaat, Cloudera or Hortonworks. Different roles require different focus competencies and one must choose accordingly.

Diwakar Chittora is CEO & Founder, Intellipaa ■

the next level

K.S. Ahluwalia

Trends 2019. HR

The HR management software for the coming year is focused on being more productive. The software is upgraded to work beyond the usual functions and be the smart software to provide messaging from different systems, internal team communication chat bots, mass emailing services and a platform of communication tools that overwhelm most of us.

Predicting the future is next to impossible. But when you are observing an industry closely, it is possible to define the trends and chart a course for where things are likely to head. And when it comes to HR market, observing the previous trends indicates a huge transformation in the trend. Varied HR Software usually takes care of all the manual work done by multiple employees in an organization.

An employee should be aware and responsive towards the goals and vision of the organization and HR management software helps in the same. And in the process, employee engagement is the key.

With all the market disruptions happening around, there is a wave of upgrades and replacements sweeping in the HR technology.

Here is what Excalibre as thought leaders view trends happening most in 2019.

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to provide messaging from different systems, internal team communication chat bots, mass emailing services and a platform of communication tools that overwhelm most of us.

1. Major Shift from "Automation" to "Productivity"

From past few years, the major focus of Human Resource solutions is to shift from manual work to automation with integrated HR practices. Be its payroll process, record keeping, learning management, resume capture, interview, and hiring, management, assessment, compensation, performance appraisals or interview and hiring, the cloud based HR Management software is sound to take care of all.

2. The shift from "System Based" HR Management software to "Cloud-Based Solution"

Despite HR Management software being the rapidly maturing solution, only a few companies are comfortable with shifting from system based software to cloud-based solution.

An employee should be aware and responsive towards the goals and vision of the organization and HR management software helps in the same. And in the process, employee engagement is the key.

A cloud-based Human Resource Solutions centralizes the data at one place and can be easily accessed and modified from any system and configuration. The cloud-based HR solutions are well functioned with offering HRMS, Payroll, ERP solutions, and many talent management services.

Recruitment plays a major role in HR. Companies spends billions on recruiting the right staff and spends millions on employee development and training programs. Finding the right candidate with suitable work experience and skills has always been a major task for the companies.

Hence the cloud HR and Performance Management Software is a critical system for any business.

3. Learning in Real Time

With the upgrade of the process to the cloud-based centralized system, the employees will stay updated with the processes in the real-time. The learning domain is slow when concerned individual. However, with information provided in real-time, makes employee have access to the learning material and work progress as and when needed.

The knowledge and skills can be grasped in a playful and competitive manner. With the interaction in real-time, the employees will be aware of the proceedings and processes of the company which helps build trust and faith among the company and its employees. The VR and AR learning solutions make learning more real and in turn, increase the productivity overall.

4. The reinvention of corporate learning

While the old corporate trends focused on getting the best from an employee with the minimum investment on the overall development, the upcoming HR solutions are more focused on the individual learning and growth.

Corporate today believe that an individual is productive and is a resource for the company if utilized properly. And proper utilization comes from taking care of the individual being. Understanding the same, companies today are coming up with the solutions to increase the knowledge and skill base of the employees so as to increase the overall productivity.

Introduction of new AI learning platforms such as LMS system and AI-based systems are recommended for learning in a better and smarter environment.

5. Innovative ways for Recruiting Market

Recruitment plays a major role in HR. Companies spends billions on recruiting the right staff and spends millions on employee development and training programs. Finding the right candidate with suitable work experience and skills has always been a major task for the companies.

The high volume recruitment, such as in, hospitality sector the process has been automated by chat bots and AI servers to shortlist and interact with the candidates. The skilled job recruitment is being revolutionized by open sourcing tool and the applicant tracking systems are now coded with better assessment algorithm.

6. Talent Management to Maximize Productivity

The talent management dashboard is the center for all employee activity. Talent management dashboard gives HR managers and recruiters a comprehensive overview of the employee's talent pool. It enables the Managers to communicate directly with the employee according to their interest areas and nurture their talent in order to plan for the future.

The talent management software mainly takes care of the factors like, Reporting, Performance management, engagement with talent, learning and development and talent pipeline.

The above innovative solutions are just the tip of the iceberg. With the technology evolving at a faster pace, there is a lot coming up in redefining and reinventing HR solutions in the coming years.

Your call now folks

Contributed by

-K S Ahluwalia,*Executive Coach and Mentor-Excalibre,E-mail: ks.ahluwalia@yahoo.com*

66% Adult Learners Prefer Online Education Indicating the Growth in Demand of Online Courses: Pearson Study

Pearson India, the digital learning company, released the findings of its first-ever Pearson Study of Adult Learners conducted across six countries. The research aimed at understanding adult learner behaviour and interest in non-degree programs and certificates, revealed that Indians were the least price sensitive across the six countries while choosing a course. The survey divulges that most of the Indian learners are keen on short courses, of which 23% of learners prefer qualification awarded by a professional body. It highlights

that 27% of Indian learners are already pursuing short-term courses while 28% of Indian adult learners plan to take-up single subject short term-course with one-time fee. With reference to the adoption and demand for degrees, 46% of Indian learners plan to do post graduate and 39% are currently pursuing BA degree courses.

The survey was conducted among adult learners in Australia, India, Malaysia, the United Arab Emirates, and the United Kingdom aged 18 – 65 years. During the survey respondents were screened by age, English fluency, enrolled in an education course or program or intend to enroll in an education course or program within the next 3 years.

Seismic shifts in industries

Varun Dhamija, Vice President, Pearson Professional Programs (PPP), Pearson India said, "In today's dynamic business landscape, advancement of technology has created seismic shifts in industries, making many old job roles irrelevant and creating need for new skills. Nurtured in an education-oriented culture, Indian professionals realize the need and are pursuing or opening to the idea of short courses to upgrade and upskill. Well-structured non-degree courses with measurable impact have the potential to enhance learning and provide an opportunity to understand domain concepts like analytics, blockchain amongst others."

"Adult Learners like the concept of combining the convenience of passive online learning, with the quality of active learning in-person. Majorities across markets are open to online education and there is a huge potential to increase adoption of online courses", he added.

Blended learning gains momentum

While India is making a headway in digitization of education, blended learning is gaining pace with the Indian learners and professionals. Though 32% of adult learners prefer complete online courses, the demand for blended learning is growing substantially as 49% of adult learners prefer a "blended" option.

to continue education. During the survey, participants stressed upon the importance of social, emotional, and experiential learning to succeed in the job market and highlighted that they should be included in a hybrid/blended learning model. Changing information consumption patterns are also reflected in the choice of course format, with 22% of learners selecting online courses with the video lecture format. Though the rise of e-learning has helped encourage students to take on more responsibility for acquisition of knowledge, 32% of learners across India still prefer teacher-led learning followed by self-directed learning at 26%.

Motivations to continue education

The survey findings show that career improvement and knowledge are two prevailing motivations for Indian learners to continue education. 56% of Indians take courses to improve job/career possibilities, closely followed by 55% Indians who take courses as a gateway to gain knowledge. With the growth of technology and digitization, jobs are also getting highly specialized. Evolving market dynamics and technology trends have also propelled 44% of learners to complete a course to advance their professional qualification. Additionally, 38% of the learners pursue these courses to get equipped with knowledge and skills that will be beneficial in day-to-day life. ■

MSMEs in Forefront of Manufacturing, Export and Job Creation: Giriraj Singh

Minister of State (I/C) for MSME, Giriraj Singh, felicitated select Central Public Sector Enterprises (CPSEs) for their exemplary work under the Public Procurement Policy for promotion of SC/ST entrepreneurs. As many as 14 CPSEs for the Maharatna, Navratna, Miniratna and general categories were awarded based on the parameters available on the Public Procurement Portal, MSME Sambandh.

The “Stakeholders Consultation Meeting under National SC/ST Hub – Creating Ecosystem for SC/ST Entrepreneurs”, organized by the Ministry of Micro, Small and Medium Enterprises in association with the Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises and FICCI witnessed participation from over 70 CPSEs from across the country.

Public Procurement Policy

Addressing the Stakeholders Consultation Meeting, Giriraj Singh reiterated that the Public Procurement Policy wherein all Central ministries, departments and PSEs have to procure a minimum 25% of the total annual purchase or services from MSEs. Of the annual requirement of 25%, 4% is earmarked for units owned by SC-ST entrepreneurs. In addition, 358 items are reserved for exclusive purchase from the MSEs.

He said that the endeavor of the MSME Ministry was to constantly upgrade the technologies adopted by MSMEs to churn out quality products in order to make them marketable and competitive. He said MSMEs were today in the forefront of manufacturing, export and employment creation. This, he said, was made possible through measures such as increasing the limit for provision of collaterals free loans to Rs 2 crore, technology upgradation, cluster development vendor development and schemes aimed at extended financial benefits to SC-ST entrepreneurs.

The Minister also said that as a result of the various initiatives under the National Scheduled Caste-Scheduled Tribe Hub (NSSH) launched in October 2016, the procurement of CPSEs from SC-ST MSEs had increased significantly to 0.52% from 0.04% four years ago. He also mentioned that while the achievement target is 4%, the Ministry of MSME and all CPSEs are on the right path towards achieving it. Mr. Singh urged CPSEs to raise their procurement from MSMEs and break the “barrier” of 25% and strengthen their 'sambandh' with MSMEs order to bring about inclusivity and growth.

SC-ST MSEs

Dr. Arun Kumar Panda, Secretary, Ministry of MSME, urged CPSEs to share information of procurement requirements on the MSME Sambandh portal in the prescribed format. Dr. Panda quoted numbers from the MSME Sambandh portal and highlighted that the procurement from SC ST MSEs for the current FY stood at over Rs. 520 crore. He highlighted that procurement percentage from SC-ST MSEs doubled to almost 0.48% in 2017-18 when compared to 2016-17. In addition, orders worth almost Rs. 27,000 crores have been procured from over 63,000 MSEs in 2018-19. He suggested the formation of a committee to examine the conditions of tender documents of CPSEs that were preventing SCT-ST entrepreneurs from participation in public procurement.

Quality Issues Real

Ms. Seema Bahuguna, Secretary, Department of Public Enterprises, shared the concerns of the MSME Ministry and emphasized that quality issues in procurement were real and should be addressed. In this context, she said that the private sector too would have to contribute its mite to source products and services from SC-ST entrepreneurs.

Ms. Alka Arora, Joint Secretary – SME, Ministry of MSME, made a detailed presentation on the initiatives of NSSH and talked about the key schemes and offerings under it. She talked about collaboration with various state governments to have a wider outreach. She highlighted that under the Hub, 25 training institutes are offering 111 different courses through 475 batches in 57 training centers across 53 locations in 20 States. The Hub also has 12 operational offices in 12 locations including Agra, Varanasi, Patna, Guwahati, Kolkata, Pune, Bengaluru, Chennai, Ranchi, Bhubaneshwar, Mumbai and Ludhiana. She also talked about the various new interventions under the Hub including reimbursement of Membership fee of various Export Promotion Councils, Bank loan processing charges, testing charges, Bank charges for Performance Bank Guarantee for participation in Government tenders, etc. 100% subsidy is also available on membership fee of www.msmemart.com which is a B2B portal by NSIC.

Archana Garodia Gupta, Chairperson, FICCI MSME Committee, said that FICCI was looking forward to working closely with associations engaged in development of SC/ST communities, including promotion of entrepreneurship amongst them.

Dilip Chenoy, Secretary General, FICCI, said that FICCI remained committed to support the government to meet its objective to strengthen the marginalized community. The private sector procurement from SC-ST entrepreneurs has begun and FICCI had started an outreach programme. ■

Aroon Sharma

Payword Bringing Marketplace Closer to Rural Consumers

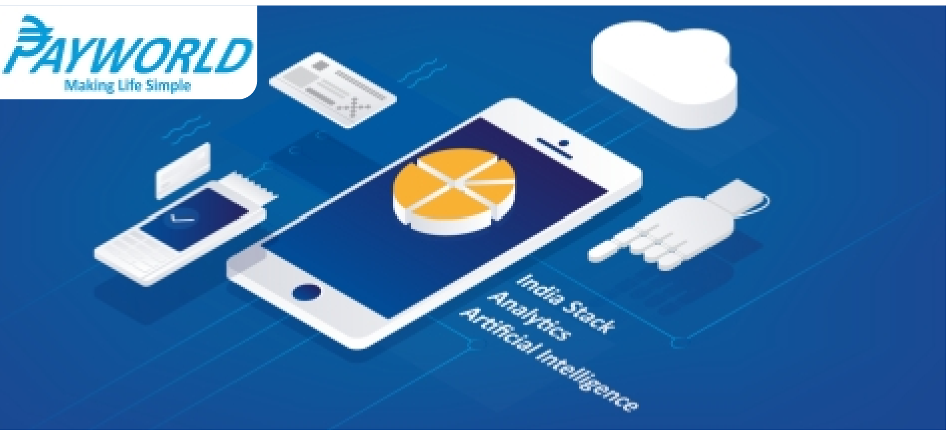
Payworld is India's largest assisted wallet which is bringing marketplace closer to the semi-urban and rural consumers who are not using smart phones and ATM.

The brand has built a formidable presence in India with over 1,55,572 active retail touch-points across 630 cities and 23 states providing access to untouched market segments to the service providers. PayWorld is committed to simplifying people's lives and has innovated Mobile Point of sale machines for several small merchants across semi-urban & rural areas. Visa, RuPay, MasterCard including debit and credit cards of all major banks – all are accepted by these mPOS machines.

An initiative of Sugal & Damani Group, Payworld, builds on the business philosophy of 'Making Life Simple' offering smart solutions by their intelligent electronic transaction processing platform where a consumer can do transactions by visiting retail touch points by paying digitally and in cash. These retail points uses Payworld's application which runs on Desktops , Laptops and Mobile phones using Android, Windows, iOS & Java platforms.

Utility Services

Under this platform, Payworld offers a plethora of utility services to its consumers in terms of Domestic Money Remittance, Mobile and DTH recharges, Rail, Air and Bus reservation and Utility Bill collections, Digital Wallets, Cash withdrawal points and Assisted e-commerce. Payworld also facilitate SMEs' loans. Approx. over 100 million transactions are done using this platform every year through our 100,000 active retail touch points spread across India. Payworld also acts as a Composite Corporate Agent to provide insurance solutions in India.



Capitalizing on operational expertise, robust in-house developed technology & implementation and timely introduction of new services made Payworld the only company in its class having 40% CAGR.

Payworld's 100% subsidiary Payworld Money , which is a mobile wallet reaching out to new smart phone users for penetration to unbanked population through the assisted mode. Payworld Money is an RBI approved PPI (Pre- Paid Instrument – Digital/ Mobile wallet) issuer. Payworld services assume great significance against the backdrop of greater financial inclusion of the population especially by reaching out to the unbanked population.

Brain Behind

Praveen Dhabhai, COO, Payworld is the brain behind the unprecedented success in this sphere of financial services of Payworld, a part of the US$ 2 billion Sugal and Damani Group.

Praveen, with his vast experience in the financial services world, brings with him a sincerity of purpose, resolve and intellect. He has led the Payworld team with his sharp business acumen and astuteness to deliver their best, outstripping any better performance before.

Praveen, an alumnus of the revered Birla Institute of Technology and Sciences (BITS), Pilani, brings to Payworld a wealth of 20+ years of work experience. In all his job responsibilities; he has demonstrated he understands all technical nuances of the projects entrusted as splendidly as he understands the commercial viabilities of the venture. This unique and formidable combination makes his work output exemplary.

During his tenure at the Sugal and Damani Utility Services, he has been responsible for introducing and maintaining diversified services and business verticals. The growing sales volumes and transactions are a mute testimony to his leadership and business vision.

SME WORLD in an email interaction with Praveen.

Describe various initiatives that Payworld has taken in the financial inclusion of the people in rural areas where technology has yet to reach.

Payworld approach is to appoint a retailer in the rural area and train him in digital transactions using payworld intelligent digital transaction platform, he becomes a "digital mitra" for all people around in that area and then assists in doing financial transactions.

We have almost 200,000 such retailers - digital Mitra across India

There are so many wallet services which have appeared in the recent past; how Payworld makes a difference?

Our model has assisted transactions, we target people who are not tech savvy and need assistance in doing digital financial transactions using Payworld Money digital wallet

As an NFBC, what is the vision of Payworld for financial services for the teeming millions?

We are not an NBFC , but with tie-ups with Insurance companies, Mutual Funds and NBFC / Alternate lending platforms, payworld would like to bring small tickets financial products in Insurance, investments, and credit through payworld digital mitras in real BHARAT (smaller towns and rural) that where the real growth will come

What is the next level for Payworld?

We plan to increase our Retailer base 3 times from present 200,000 to 600,000 in next 3 years , provide small ticket finacial products designed for people payworld is targetting to bring greater financial inclusion

■

Vibrant Gujarat

NSIC Displays Innovative Technologies

Prime Minister Narendra Modi at the NSIC Pavilion

Prime Minister Narendra Modi graced the MSME Pavilion at Vibrant Gujarat 2019 wherein the constituents of the Ministry of MSMEs gave a live display of their innovative technologies and their various offerings for the Entrepreneurs. Present on the occasion were various NSIC officials including Sudhir Garg, CMD and P.Udayakumar, DPM, Manoj Lal, GM(SG), Satvinder Singh,CGM, Rajesh Jain,GM. The technologies displayed by NSIC in the theme area included design and 3D printing, application of sensors and supervisory control and data acquisition for smart home and smart cities, CNC simulation, augmented reality and virtual reality. ■

K.S. Ahluwalia

4 Steps to Increase your Return on Time

One of the biggest challenge / complaint is that you don't have enough time to do everything you need to do more so when you ascend the corporate ladder and face larger and more complex projects and challenges. *There is a limit to how much you can expand your working without ruining your health or damaging personal relationships- sleeping less certainly isn't the best option.*

But just as you can raise the return on your money by smart investing you can learn techniques to raise return on your time. Leveraging your multipliers- those things that allow you to accomplish more- will free your time and mental space to focus on bigger things, including your own learning's and self improvement, while delivering results.

4 steps to get more from less- Increase your Return on Time

1. Delegate and Follow Through.

You need to be spending your time on things only you need to do while delegating the rest. Delegating may be difficult, cause of the notion that except you, no one can do that job well as you do, consequently performance will suffer and thus giving away control is simply not acceptable/ advisable.

It's not really what you do, it's all about brining together a group of people who have different skills, different capabilities and working through them to accomplish a stated objective.

Reflect - How you meet your own commitments:

- Are you doing it by draining energy?
- Driving people relentlessly?
- Burning them with impossible demands?
- Or by expanding the capacity of the organization, by helping people grow, such that they expand their own capacities.

What doesn't work is assigning a task without knowing that the person is capable of delivering on it, remaining un-involved until the end of the time period, and then blaming others when results don't materialize. Delegation is done only when the person has necessary expertise and information to complete the job. Hence allocate time to help the person along by providing any necessary training /coaching/mentoring while making yourself accessible to answer the query as they raise.

Remember that the additional responsibility you assign will likely to be an opportunity for the person to grow, and your own capacity will expand as his/hers does, so it's important to help the person succeed.

- Give the entire task to one individual, not team. It's faster, more efficient; the person won't need to achieve consensus to make decisions and will own the task completely.
- Communicate clearly what you are asking for, being sure to break down concepts into specific action items
- Identify the goals, controls, and boundaries, and furnish a context, explaining why it needs to be done, its importance in the overall scheme of things and the possible complications that may arise.
- Articulate the end results you expect and the standards you will use to measure successful completion.
- If the task requires collaboration with others, ensure to communicate it with them too, such that they understand that you expect them to participate.
- Focus on '*what*' and not '*how*'. Detailing how the work should be done is micromanaging, and it's destructive all around; if you interfere without a good reason you will lose the person's enthusiasm and commitment. *Allow the person to devise his own methods and processes. If she is clear and committed, then trust her*.

2. Trust but Verify

Most leaders feel their work is done once they have assigned the person and clearly laid out the expectations, but that's hardly the case. Now comes a true test of your ability to execute, *Effective leaders think big and conceptualize, while never losing sight of the discipline behind execution and in fact, their strategic thinking is grounded in reality, because of it.*

the discipline of follow through. As people start down the path, they are likely to run into roadblocks of differing kinds. They may start out gung-ho, then unarticulated doubts/questions/ confusions creep in. They loose momentum.

It's your job to discover/ identify the problems/ bottlenecks and ensure they are resolved promptly. You will unearth them sooner if you review progress at agreed- upon intervals. These check – ins, weekly, in person or phone, should have real substance to them.

Skip the superficial questions on how things are going and don't just accept perfunctory answers that everything is just fine.

Remember that the additional responsibility you assign will likely to be an opportunity for the person to grow, and your own capacity will expand as his/hers does, so it's important to help the person succeed.

Ask probing questions like:

- What is going better than expected?
- What's the biggest risk to completing the project on time?

Point is to understand any real –world problems that are arising without rushing to blame. *Frequent check –ins are also a chance to acknowledge good work, which is energising.*

Delegation and following through are critical to excellence in execution. *To be sure, some people have risen far in their companies without this skill.* They build their personal brand as a high-level thinker. They love the intellectual excitement of new concepts and thrive in the world of grasping and explaining strategies. Details bore them. They are willing to delegate, but know not how to convert their ideas into specific tasks and they don't follow through, these leaders put themselves and their organizations at great risk.

Effective leaders think big and conceptualize, while never losing sight of the discipline behind execution and in fact, their strategic thinking is grounded in reality, because of it.

3. Create a repeatable process.

You inherit an avalanche of systems and processes, when you come into a job or scale up your existing business- mostly those who have outclassed their usefulness. You can double or triple your capacity by finding those that can be eliminated, automated, freeing up peoples time for more meaningful work. *If you are delegating well, you might be able to cut layers out of the approval processes, thereby saving time, money and energy.*

You simply can't eliminate systems completely. Think about what kinds of communication, information flows and decisions-making processes are essential, and make them routine, keeping in mind that organizations of every size, including yours, need consistent processes to grow.

You should be thinking abut what data analytics can generate and how to combine it with kinds of insights, expertise and judgements only people can provide. For example, you would like to eliminate a dull –weekly staff meeting, in favour of a brief check-in during which a group reflects on how to respond given what the data analytics are telling them.

Any such mechanisms you create must be scalable, meaning it to continue to function effectively in the growth curve of the company.

4. Be incisively decisive.

Efforts to improve the return on your time will not amount to much if you have trouble making decisions. An analytical mind is an asset, but if you are perpetually seeking more information, more facts, more alternatives, and more certainty, you will waste time going down rabbit-holes. Meanwhile the train will leave the station without you.

Issue of analysis paralysis is hitting many business leaders who are temperamentally uncomfortable with ambiguity. Put simply uncertainty is a fact of life. You have to know the difference between weighing the relevant facts and loosing time because you are dodging the issue.

Need to follow the *40- 70 rule*. If you have less than 40% of information, you shouldn't make a decision, yet if you wait until you have more than 70%, then you have waited far too long and missed the bus. Once the information is in 40-70%, go with your gut.

The more aware you are of what blocks your decisiveness, whether its arrogance, fear of adverse repercussions, aversion to risk or previous failures- the more likely you are to expand your potential. Like many people, you may have difficulty overcoming these blockages by yourself. You can get help by finding people in your working group who can point it out to you, someone who observes you and can give you specific feedback.

Take some well –calculated risks when you are in 40-70 zone, and learn from your successes and failures.

Like any skill, decision making is improved with practice and decision making in the face of uncertainty is an essential skill for the 21st century leaders like you.

-K S Ahluwalia,*Executive Coach and Mentor-Excalibre,E-mail: ks.ahluwalia@yahoo.com*

Abhas Desai

Impact of Currency Updates on Indian Tourism

The current verdict seems to be that the Indian travel industry is booming. The signs universally indicate that the future for the sector will only be strengthened with time.

Travel and tourism accounted for 9.4% of India's GDP in 2017. In fact, the signs look promising and the industry is estimated to grow by 6.9% until 2028. Travel and tourism generated 41.622 million jobs in the year.

But then, with every opportunity there comes a share of challenges especially if you consider the declining value of the Indian Rupee, which may prove to be a big detriment for the travel industry in 2019.

The value of the Indian Rupee fell 10.5% against the US Dollar and 5% against the Euro, over the last year. Among the BRICS nations, the only currency that performed even worse was the Russian Rouble. From the increasing trade deficit to the growing price of crude oil, a variety of factors led to this dip.

Severe Impact

Whatever the reason may be, as a result of the same, the Indian travel industry was severely impacted. The US Dollar is the currency used for transactions during most international trips by Indians. Not only does this mean that the cost of buying FOREX becomes more expensive; public transportation, accommodation and even enjoying a regular meal abroad may cost a lot more than usual.

What about the Euro then, the other currency for mass transactions? Even though it only became slightly more expensive against the Rupee, one must remember that the currency had already scored a massive rise against the Indian Rupee in 2017. Moreover, enough increasing fuel costs have also led to a rise in flight ticket costs.

But when one door closes, another opens. The value of the Turkish Lira became 20% weaker against the Indian Rupee over the past year, making travel to the country much cheaper. Visitors thronged to visit the culture of Istanbul and the magnificence of Antalya in droves. However, as great a destination as Turkey is for the Indian traveller, one must remember that the Euro is a widely used currency in the country. So, the affordability is not really felt as much as one would ideally like.

Leisure to Lifestyle

Why then, is there such an upsurge in travel? The answer is quite simple.

The definition of travel has changed from what used to be leisure, to what is now a lifestyle. Even though the cost of travel may have increased, the budget that travellers allocate to their expeditions has seen a congruent rise as well.

The idea of budget travel has also become a phenomenon in recent times. Budget travellers may decide to not spend extravagant amounts on amenities and luxury and instead, invest on the basic amenities in exotic destinations.

And some may even choose to visit a cheaper destination owing to the increased currency rate, because the world is not short on amazing locales for tourists. So instead of going all the way to Los Angeles, a visit to Bali may suffice.

The idea of travel is evolving, despite the vagaries of international currency. The sector is booming because the idea of exploring the world is what drives millions to set out on a magical journey. The experience outweighs the expense. Today, the world is indeed your oyster.

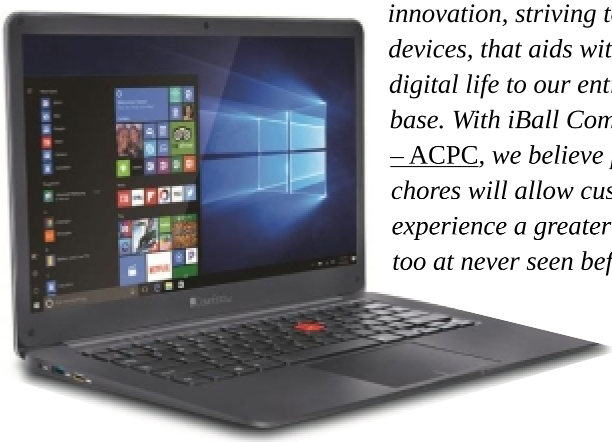
About Abhas Desai

Abhas Desai. Co- Founder and CTO, Taxidio Travel India has 9-year experience in the field of Information Technology. He last worked with Aditya Birla Pantaloons as Assistant Manager – IT (Loyalty), where he was responsible for converting business requirements of the organization into IT solutions and was at Tier-III of the support escalation matrix across all stores nationwide.

iBall Launches India's 1st Laptop with built-in 4G LTE connectivity

iBall, a brand known for its innovative and latest technology products, brings another extension to its first timer products in India with Built-in 4G LTE connectivity '*iBall CompBook Netizen – ACPC*' to carry out the business and professional chores effortlessly.

iBall CompBook Netizen sports a 14-inch FHD IPS multi-touch display with 1920x1018 pixel resolution that is powered by an Intel N3350 dual-core processor with processing speed of upto 2.4GHz and 4GB DDR3 RAM. Enabling smooth multi-tasking and effortless productivity, it has the inbuilt storage upto 64GB, which is further expandable with MicroSD Card upto 128GB and a separate 7mm expansion slot that can be used for installing a hard disk or SSD.



Speaking on the launch, Rajeev Chaudhari, VP, Sales for iBall, states that *"iBall is steadfast on delivering innovation, striving to create devices, that aids with seamless digital life to our entire customer base. With iBall CompBook Netizen – ACPC, we believe professional chores will allow customers to experience a greater efficiency that too at never seen before prices"* ■

Soundcore by Anker launches "Liberty Air" Total-Wireless Earphones

Soundcore by Anker, a global leader in technology known for its innovation and intelligent solutions, launches its newest "Liberty Air" Earphones that guarantee Pure freedom from Wires paired with Superior call quality, Push and Go for easy pairing and graphene enhanced sound.

Ergonomic in ear design with Ear Tips in multiple sizes, brings tailored fit to each ear size. The One-Step Pairing ensures immediate connect to the device. A seamlessly concealed sensor in both the earbuds enables seamless operation. The Two built-in microphones with uplink noise cancellation boosts clarity by recognizing user voice and filtering out ambient noises to ensure crystal-clear sound even in noisy spaces. The Stereo calls further enhance call quality by allowing you to hear the other person's voice in both earbuds.

Furthermore, the Graphene-coated drivers oscillate precisely, enabling Liberty Air to reproduce highly-accurate sound. Every detail of the music, from the deepest bass, to the brightest mids, and lush treble is delivered with extraordinary clarity and no distortion.

Establishing the unbreakable connection, the latest Bluetooth 5.0 technology and a FPC antenna creates a rock-solid connection for skip-free music. An Anker certified battery and a new generation Bluetooth chipset drive brings ultra-efficient power consumption for up to 5 Hours of playtime from a single charge and extend to 20-hour playtime with the charging case. ■

Step Industries Infusing New Age Technology in Cable Manufacturing

Step Industries Pvt. Ltd. is a leading cable and wire manufacturing company with specialization in residential and commercial cables and EPC (Engineering, Procurement, Construction) projects. Founded in the year 2011, by a first generation entrepreneur Ankit Tayal and Sunil Tayal, the company has acquired the reputation of being one of the fastest growing company in the industry through constant innovation and upholding high standards of quality and services.

The Journey

The company started off its wire and cable manufacturing unit in Rajasthan with a very low capital and with only one full time employee and a handful of workers.

In a short span of 7 years, 'Step' has taken quantum leap and witnessed immense growth to become one the leading cable & wire manufacturing companies in India with a strong PAN India presence. The company has acquired the reputation of being one of the fastest growing companies in the cable & wire manufacturing industry through constant innovation and upholding high standards of quality and services.

In addition to cable manufacturing, Step Industries also specializes in EPC (Engineering Project Construction) contracts and is a major contributor in many central & state electrification schemes like 'SaubhagyaYojna', IPDS (Integrated Power Development Scheme), R-APDRP etc.

Step Industries now has a workforce of over 1000 + employees and is expecting to achieve a turnover of over Rs 300 crs in FYI 2018-19.

Challenges

The biggest challenge that 'Step' had to face in the initial phase was to validate its existence in the market and compete with existing big players in the cable and wire manufacturing industry.

Another challenge was to gather appropriate funds as the raw material to manufacture wires as market do not offer credit facility on the purchase of Aluminum & Copper. Also, the profit margins are low due to high fluctuations in prices of Aluminum & Copper.

Thanks to the enterprising and management skills displayed by the top management, Step industries overcame all obstacles in no time and have positioned itself as one of the leading brands in the cable and wire manufacturing industry& EPC contracts.

Skill Development

Skill development is definitely important, particularly in manufacturing industry where skill level of the employee directly affects the output of the business. “We understand the importance of skill development and that's why we arrange training programs like, Technical skills development, Personality development, Soft skills development, Negotiation skills, Sales management, etc. on a time to time basis to upgrade the skill and efficiency level of our employees,” says Ankit.

Vision and Growth Trajectory

Ambitious and committed, Ankit adds, “we have a vision to become the best cables and wires manufacturers in India and also establish a strong global

Ankit Tayal

presence. We also aim to become a major contributor to govt. run electrification projects by grabbing more EPC contracts.”

“As far as numbers are concerned, we are planning to expand further in next couple of years and triple our turnover to more than Rs 1000 cr by 2020. The company is already on the threshold of major expansion of its manufacturing capacity by opening a new unit to meet the growing demand.

About Ankit Tayal

A qualified Chartered Accountant and a first gen entrepreneur, Ankit is using his enterprising skills & strategic vision to direct the 'Step' as one of the front runner in the cable & wire industry.

Understanding the changing needs of the industry, Ankit is incorporating new age technology into cable manufacturing. His focal point is to establish the overall brand proposition and position the brand as one of the biggest players in the cable & wire industry, keeping in mind its core business values & philosophy that is, to become a secure & sustainable company, with safety performance that improves consistently, aiming the final goal of zero incidents.

Thanks to his direction and astonishing management skills, this truly Indian company is now one of India's largest in the B2B Cable & Wire industry, proudly serving nearly 3,000 cable & wire dealers across 150 cities of the country.

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