



PRESS RELEASE

Chennai, May 02, 2014 – Keeping up with its commitment to empower Indian MSMEs and build their competitiveness in the marketplace, the FICCI-CMSME today successfully conducted the third in the series of the 5-city seminar in Chennai today.

Speaking at a **FICCI-Confederation of Micro, Small and Medium Enterprises (CMSME) seminar on 'MSME Prosperity'**, **Mr. Sivagnanam S, Additional Industrial Adviser, MSME -DI**, Chennai in his inaugural address emphasized on the role of Associations and Chambers to create the wealth of MSMEs by handholding them on the issues they face on credit & finance, marketing, quality etc. He also pointed out that Associations could play an active role in creating awareness and help MSMEs in taking up government schemes at both Central and State level. He said that updated statistics and data base on MSMEs is an area of concern and it is important to strengthen the same.

Mr. Sivagnanam also apprised the participants on the various programmes and Schemes run by Government of India especially Ministry of MSME for the development of MSME sector.

Mr. R. Narayan, Vice-President, FICCI CMSME and Founder & CEO, Power2 SME, said that The MSME sector provides the largest number of employment opportunities, both in industrialised countries and in less developed economies. Considering the important role played by MSMEs in promoting inclusive economic growth, it is imperative to work towards easing the bottle-necks which inhibit growth of MSMEs so as to enable the sector to respond effectively to challenges faced by this important sector of the economy. This in turn required reliable partners who could provide these enterprises with requisite help in scaling up their business and making them competitive for entry into the global value chain.

Mr. K. Gopalakrishnan, President, TANSTIA, said that the focus of the new Government should be on MSME sector. He emphasized that the Government must look into the exit policy for MSMEs.

The inaugural session was followed by sessions to create awareness about innovative ways of doing business. The Seminar had a session around the advantage of technology to redefine procurement for the SMEs. The session also touched upon bringing about cost reduction through modern technology and the internet. Mr. R Narayan, Vice-President, FICCI- CMSME and Founder and CEO, Power2SME educated the participating entrepreneurs about his innovative business model and how it could enable MSMEs to buy raw materials from quality suppliers, at competitive price points, through an online technology. Since raw material costs is one of the primary expenditures of any manufacturing set –up ranging between 75-80% of their cost, this could have a considerable impact on any MSMEs bottom-line. The session helped the MSMEs to understand how they can use modern technology and internet as the medium to reduce their procurement costs and thus reduce their overall cost of goods sold (COGS) to improve profitability.

In marketing front the protection of online reputation and use of a .com (dot com) domain assumes special significance to increase brand value and revenue/leads. The participants were given tips on creating effective brand and establishing their own identity via a .com (dot com) website at very minimal cost by Mr. Nitin Wali, Head- Business Development- Asia Pacific, VeriSign.

Insurance is an extremely important component of the MSME's business. Currently MSMEs do not get quality insurance advice because they are small and find it hard to speak to knowledgeable subject matter experts. Mr. Kapil Mehta, Managing Director, Secure Now Insurance Broker Pvt. Ltd. addressed the risk faced by MSMEs and updated the attendees on how Cost-effective & Useful MSME Insurance services can address those risks.

Mainstream banks and other financial institutions have typically viewed MSMEs as high-risk investments and have shied away from serving these businesses. More MSMEs are suffering from this noticeably widening gap, which is called the MSME financing gap. The need of the hour is for both the lender and the business to get together and arrive at a mutually beneficial stance. "What institutional modifications have to be undertaken by the businesses is needed to be explored. Mr. Mohit Gupta, Vice President-Marketing & Training, Religare Finvest Limited, provided insights on inclusive SME financing proposition and also gave away a copy of guidebook on family managed businesses to the participants.

About FICCI-CMSME

Established in December 2013, FICCI-Confederation of Micro, Small and Medium Enterprises (CMSME) is an affiliated body under the umbrella of the Federation of Indian Chambers of Commerce and Industry (FICCI), an apex Chamber of Commerce & Industry of India, with a vision to empower Indian MSMEs and build their competitiveness.

What we do.....

- Provide a holistic grid to connect MSMEs with mentors, incubators & accelerators and assist them through capacity building programs & services
- Help MSMEs explore different government schemes
- Deliberate on policy issues that impact performance of the MSME sector and provide effective channels to communicate issues and concerns to government at the center and states as well as to other regulatory bodies and banks
- Provide regular interface between Industry, Government and regulators through workshops, round tables and representations and interactive sessions with to create an enabling environment for further growth of the sector

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