

Organised by



Small & Medium Business
Development Chamber of India

7th GLOBAL SME PARTNERSHIP SUMMIT

Theme

Strengthening Technology and Innovation for SME Development

21st February 2009, Hotel The Leela Kempinski, Mumbai, India

Organised by



India International Trade Centre
(IITC-INDIA)

Inauguration of the Summit



Mr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Govt. of India inaugurating the “7th Global SME Partnership Summit” organised by SME Chamber of India held on 21st February 2009 at Mumbai. Other dignitaries (L to R) **Mr. Nanasaheb B. Patil, IAS** - Principal Secretary, Agriculture & Horticulture, Govt. of Maharashtra, **Mr. N. C. Vasudevan, IAS** - Director General, National Productivity Council, Govt. of India, New Delhi, **Mr. Chandrakant Salunkhe** - President, SME Chamber of India and **Mr. Anthony J. C. De Sa, IAS** - Director, UNIDO Centre for South - South Industrial Co-operation.

Inaugural Address by Chief Guest



Mr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Government of India delivering the inaugural address. Other dignitaries on the dais (R to L) **Mr. Chandrakant Salunkhe** - President, SME Chamber of India, **Mr. N. C. Vasudevan, IAS** - Director General, National Productivity Council, Govt. of India, New Delhi and **Mr. A. Rameshkumar** - Chairman, SME Chamber of India (Northern Region) and MD & CEO, Zwirn Pragati Capfin Pvt. Ltd.

Speech by Mr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Government of India

While inaugurating the Summit Mr. Montek Singh Ahluwalia appreciated the efforts of the SME Chamber of India in organising this event with a theme which is timely and appropriate. Citing an example he mentioned that even a small enterprise in a remote area which does not have a big modern plant or good infrastructural facilities can create an excellent website to show case their capabilities to attract customers from India and abroad. This is how the technology can be put into use for the business growth.

He also emphasized that the SME sector should adopt new technology and innovative methods to produce quality products and services in order to remain competitive. The Government has provided a refinance facility through SIDBI to provide funds to Banks for onward lending to MSMEs. The Government is also planning an additional stimulus of around 1% of the GDP amounting to Rs. 60,000/- crores. The fiscal and the monetary measures have enough flexibility to respond to the prevailing economic situation. He felt that the Banks should gradually change their risk perception and provide more credit to the SME sector. In the matter of infrastructure for the SMEs, his emphasis is on uninterrupted power supply at low cost to the SME Sector. State Governments should ensure that uninterrupted quality power is made available to the SMEs without hindrances at affordable tariffs apart from other infrastructure facilities. He assured that the Government will do all possible action and take up the matter with the State Governments. Transport and communication facilities are other major requirements which should be given priority.

Mr. Ahluwalia also recommended to the small & medium entrepreneurs to approach the Government officials to provide more infrastructure facilities rather than asking for some concessions and grants and reiterated that when compared to many other countries, India is reasonably doing well. He has also launched the division of the SME Chamber of India “**Indian SME Knowledge Forum**” which is meant for enhancing the knowledge and export potential of the SME sector.

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Speeches by Dignitaries



Mr. Dinesh Rai, IAS - Secretary, Ministry of MSME, Government of India

As the Chief Guest of the “**Annual SME & Entrepreneurship Excellence Awards - 2008**” function Mr. Dinesh Rai conferred awards on 11 successful entrepreneurs for their exceptional achievements. He congratulated the awardees for their outstanding performance and success which he said should be a motivating factor for other entrepreneurs.

Mr. Dinesh Rai has also launched “**SME Development Institute of India**” another initiative of SME Chamber of India to provide education and training to the new and existing entrepreneurs to succeed in their ventures.

He expressed the Government's concern about the problems faced by the MSME sector due to the present global recessionary trend and said that Government is well aware of this and necessary steps are being taken especially with the Banking Sector for providing timely financial assistance. He has assured that MSME sector will get due consideration. MSME Ministry along with NSIC have devised many new schemes for the benefit of the SME sector. He also touched upon the following points

MSME Sector contributes 45% of the manufacturing output, 40% of exports and generates 42 crores jobs. The Banks credit to this Sector was 17-18% of total lending in 1998, whereas it has come down to 8% in 2007 which cause concern. MSME should get reasons for rejection of their proposal from the Banks. The Banks should bear the 100% charges towards covering the loans to MSME under CGTMSE Scheme. Out of Rs.7000 crores given to SIDBI for refinancing only Rs. 1400 crores is used. The Banks should charge below 10% to MSME customers.

A “New skill development corporation” is being set up and would offer grants and financial assistance especially to those private organisations that will be creating mass employment opportunities , he added



Mr. N.C. Vasudevan, IAS - Director General, National Productivity Council, Government of India, New Delhi

Economic liberalization and market reforms have opened up attractive possibilities and stronger linkages for SMES with larger enterprises. Improved manufacturing techniques and management processes can be sourced and adopted with greater ease. Though affected by the present global financial crisis and recessionary trend, with their inherent strength and resilience, SMEs can overcome adverse situations by adopting latest technologies and local innovations. Many overseas companies are approaching Indian SMEs to outsource their manufacturing activities. It is a good opportunity to Indian SMEs to convert the present global melt down situation to their advantage by catering to the needs of the markets which are already reeling under the recession.

NPC implements the plans and programmes of the Tokyo based Asian Productivity Organisation (APO), an inter-government body, of which the Government of India is a founder member. NPC is aiming to promote the cause of productivity in industry, agriculture, service, infrastructure, and other sectors. NPC organise many workshops for good management practices and training programmes for the workers for skill development. They accord importance for cluster and infrastructure development.



Mr. Nanasaheb B. Patil, IAS - Principal Secretary, Agriculture & Horticulture, Government of Maharashtra

He appreciated the Chamber for its initiatives for developing SME sector and emphasized that the issues of the small farmers is really disturbing and requires close consideration. The quality of life of the farmers are very poor that they are not able to maintain a minimum standard of life with their income. Hence a lot to be improved through innovation and adoption of new technologies in farming, Fishery, Horticulture and Floriculture sectors. Improved storage facilities and quick transportation are very essential to avoid the wastage. He touched upon the need for improved transport system for the farmers with concessional rates on priority basis.

Mr. Patil suggested that a special conference comprising of SME sector and Agriculture sector can be organised to understand their common problems and identify possible cooperation and take up their issues with the concerned authorities for redressal. SMEs can venture into food processing industry which is a very profitable proposition.



Mr. Anthony J. C. De Sa, IAS - Director, UNIDO Centre for South – South Industrial Cooperation.

Mr. De Sa outlined the various challenges being faced by the SME sector. The major problems are their outdated technology, lack of information on domestic and international markets, low productivity due to old machines, processes and methods and inadequate labour skills. Moreover the banks are reluctant to extend loan to SME sector due to risk aversion, lack of transparency and other factors. As a growth engine of the economy, the SME sector deserves better treatment and assistance. The objectives of UNIDO include dealing with global economy effectively, transfer of technology / replication of best practices, capacity building, and equitable development. UNIDO mobilizes knowledge, skills, information and technology to promote productive employment, a competitive economy and a sound environment. Furthermore, the Organization enhances cooperation at global, regional, national and sectoral levels. Mr. De Sa emphasized on the need for appropriate Institutional coordination and collaboration for effective performance of SME Sector. This will help them to understand about new technological advancements and innovative ideas.



Mr. Chandrakant Salunkhe - President, SME Chamber of India and IITC-INDIA

Mr. Chandrakant Salunkhe drew the attention of Mr. Montek Singh Ahluwalia and other Government Officials present at the Summit about the two stimulus packages announced by the Government of India. He had quoted many aspects in which the impact on SMEs were minimum or negligible. Mr. Salunkhe requested Mr. Ahluwalia to recommend to all the Chief Ministers to focus their attention on development on SME sector. He also brought to the notice that many Government Departments take long time to clear the proposals for incentives and financial assistance allocated for the SME Sector. He also attracted the attention of the Banking Sector for providing working capital within the shortest time without any hindrances.

Highlighting the importance to enhance the knowledge, skills and exports of the SME sector, he has mentioned the need for setting up two major initiatives of SME Chamber of India namely - **“Indian SME Knowledge Forum”** and **“SME Development Institute of India”**. He further assured the entrepreneurs that the chamber will provide all support services required by the SME sector.



Mr. T. R. Bajalia - Executive Director, IDBI Bank

Mr. Bajalia appreciated and commended upon the major role played by the SMEs towards nation development and employment generation and said that IDBI has just started their lending to SMEs and already on growth path.

Out of the total 13 million MSME Units, only 15-17% do have some business relationship with the banks. Normally banks look for big clients and the SME are not getting their due credit. The problems being faced by the MSME with the banks are – Banks do not provide necessary information, they take more time for clearing the proposals, ask for collateral securities and third party guarantees, they provide credit facilities much lower than requirement. The banks on the other hand, see that there is no transparency in the accounts of MSME, the information provided are not reliable, many of them cannot be verified, they lack business planning and do not grow. IDBI Bank has got Rs.

6000 crores exposure in SME segment. Export credit package announced is to be standardized. Upto Rs. 1 crore, there will not be any collateral requirements. He assured all cooperation and guidance from IDBI Bank for meeting the financial needs of the SME Sector.



Mr. R. K. Bakshi - Executive Director, Bank of Baroda

Mr. Bakshi mentioned that Bank of Baroda feels proud of SMEs to be their partners throughout the country. Global experience has shown that with the improved technology and innovation the SME Sector can reap good benefits. The Banks should handle the proposals of SMEs with great care and sensitivity. SMEs should be sufficiently made aware of all their entitlements.

BOB has increased advances considerably during the last three years and is lending for capacity increase and for capital requirements. They are well positioned to reach out to the people due to their networked branches. With a unique delivery system and a specialized team to help and assess the requirements of the SMEs, the bank provides all necessary assistance to SMEs. General training programmes are conducted for skill development and special training programmes are conducted for the benefit of exporters. Out of 17000 SMES who underwent this training, 10,000 have been given credit facilities.



Mr. M. G. Sanghvi - Executive Director, Bank of Maharashtra

Mr. Sanghvi emphasized Bank of Maharashtra is financing the SMEs especially entrepreneurs hailing from rural and semi-rural areas background on the basis of their need. They have opened Rural Development Training Centres for the agricultural youth and have schemes aimed at the development for the rural and semi urban markets. They strictly follow various guidelines of RBI for extending financial assistance and loans to the SME sector. Rejection of any request for financial assistance cannot be done by the manager. Any complaint received from a customer is viewed seriously and investigated properly and explained to the customers to their satisfaction. If any officer of the bank is found guilty, appropriate action is taken.

Loan is sanctioned within 2-3 week to SMEs and all support services required by the customers are provided. They have surplus fund and hence there is no problem for financing provided the necessary criteria is met. Bank of Baroda is very pro-active. All information regarding their various schemes are given in their website and can accessed.



Mr. Muruga Thambiran S - Head, Business Banking, Global Retail & Commercial Banking, Barclays Bank PLC.

Mr. Thambiran reiterated that Barclays Bank fully understands the role played by the SME Sector and their needs and they act according to the requirements to maximum extent possible especially in the present scenario of global economic meltdown. Innovation is very essential in every aspects not only in industry but in banking industry, which Barclays is well aware and acting accordingly to meet the needs of their SME clients. Need for adopting cost effective technology and methods by the SMEs was emphasized. No bank can afford to lose any SME Customer as they are very valuable.

Launching of “Indian SME Knowledge Forum”



Small and Medium Enterprises in India play an important role as the growth engine of the economy producing around 40% of the industrial output and contribute 40% of total exports and generate 70% of the total employment opportunity.

Mr. Chandrakant Salunkhe, President Small & Medium Business Development Chamber of India and India International Trade Centre (IITC-INDIA) with his vast experience and interaction with the SME Sector in India and other countries, observed that even though SMEs make good progress in manufacturing and service sectors, many of them are not aware of the several schemes, incentives of both the Central and the State Governments, products and services of Banks and Financial Institutions, information about the latest technologies and innovative methods and other business related issues. Hence he felt an urgent need to equip the Indian SMEs with

enhanced knowledge and information about various business opportunities available in India and abroad for their sustenance and growth.

“Indian SME Knowledge Forum” was formally launched at the hands of **Mr. Montek Singh Ahluwalia** - Deputy Chairman, Planning Commission, during the “7th Global SME Partnership Summit with the Theme Strengthening Technology and Innovation for SME Development” held on 21st February, 2009 at Mumbai jointly organised by the SME Chamber of India and IITC-INDIA with the support of Ministry of Commerce and Industry and Ministry of MSME, Government of India and Government of Maharashtra. In picture (from left to right) **Mr. Nanasahab B. Patil, IAS** - Principal Secretary, Agriculture & Horticulture, Government of Maharashtra, **Mr. Chandrakant Salunkhe** - President, SME Chamber of India, **Mr. Tamer Taskin** – President, Aegean Region Chamber of Industry (EBSO), Izmir, TURKEY, **Mr. Anthony J. C. De Sa, IAS** - Director, UNIDO, **Mr. Joseph Massey** - MD & CEO, MCX, **Mr. A. Rameshkumar** - Chairman, SME Chamber of India (Northern Region) and MD & CEO, Zwrn Pragati Capfin Pvt. Ltd. and **Mr. N. C. Vasudevan, IAS** - Director General, National Productivity Council, Government of India, New Delhi.

Prof. Suresh Tendulkar - Chairman, Economic Advisory Council to the Prime Minister of India has kindly consented to be the Chairman of this Forum. Different need based Committees will be formed comprising of eminent representatives of Government Departments, Manufacturing and service Industries, Banks, Financial Institutions, Management and Legal Consultants, Knowledge Providing Institutions, R & D Centres, Trade Promotion Organisations, Industry Associations, Corporate, MNCs, Regulating Authorities and other relevant organisations.

Indian SME Knowledge Forum

Objectives

- ❖ To create a 'Think Tank' comprising of eminent personalities from different fields of activities to understand the various problems of the SMEs, collect necessary information and deliberate on them with a view to find appropriate solutions.
- ❖ To provide a platform to the SMEs to project their problems before the relevant Committees.
- ❖ To keep a track of the developments worldwide and advise timely action to be taken by Indian entrepreneurs to keep pace with the global market.
- ❖ To identify and encourage innovative ideas for creation of new products and services.

Activities

- ❖ Separate Committees will be formed to interact with the SMEs periodically to address their issues and suggest remedial measures.
- ❖ The Forum will take up issues pertaining to SMEs with appropriate authorities for redressal.
- ❖ The forum will participate in interactive meetings with Banks, Financial Institutions, Government Authorities, Embassies, Trade Commissioners and Overseas Delegations.
- ❖ The Forum will create special funds for the development of SME sector.
- ❖ The Forum will publish periodic newsletters for disseminating useful information.
- ❖ Provide guidance to set up R&D facilities and testing laboratories
- ❖ Encourage formation of clusters in various parts of the country
- ❖ To arrange Seminars, Workshops, Training Programmes, Conferences and Exhibitions
- ❖ To provide information on new technology, new projects, financial assistance, joint ventures, technology transfers, contact manufacturing.
- ❖ Create awareness about intellectual property rights of SME to protect their innovations and ideas.

Launching of “SME Development Institute of India”



Indian Entrepreneurs especially from the SME Sector are mostly small size units with limited financial and human resources and their activities are confined to local areas. The President of Small and Medium Business Development Chamber of India and India International Trade Centre (IITC-INDIA) Mr. Chandrakant Salunkhe has taken keen interest to enhance the status of the new and existing entrepreneurs by enhancing their knowledge and skills through proper education and training.

“SME Development Institute of India” was formally launched at the hands of **Mr. Dinesh Rai, IAS** - Secretary, Ministry of MSME, Government of India during the “7th Global SME Partnership Summit” with the theme - Strengthening Technology and Innovation for SME Development held on 21st February, 2009 at Mumbai jointly organised by the SME Chamber of

India and IITC-INDIA with the support of Ministry of Commerce and Industry and Ministry of MSME, Government of India and Government of Maharashtra. In picture (from left to right) **Mr. Tamer Taskin** – President, Aegean Region Chamber of Industry (EBSO), Izmir, TURKEY, **Mr. K. R. Sharma** - Director, MSME Development Institute of India, Mumbai, **Mr. T. R. Bajalia** - Executive Director, IDBI Bank, **Mr. Chandrakant Salunkhe** - President, SME Chamber of India and **Mr. A. Rameshkumar** - Chairman, SME Chamber of India (Northern Region) and MD & CEO, Zwirn Pragati Capfin Pvt. Ltd.

SME Development Institute of India

Objectives

- ❖ Identification of training needs for the existing and new entrepreneurs to develop and enhance skills.
- ❖ Organise relevant knowledge transmission programmes to impart knowledge.
- ❖ Organize seminars, workshops and conferences for a better interaction between SMEs and others concerned to develop and enhance contacts.
- ❖ Documenting and disseminating information needed for policy formulation and implementation on self-employment and entrepreneurship.

Activities

- ❖ Encourage self employment and develop young qualified entrepreneurs by providing them appropriate training in entrepreneurship and management.
- ❖ To arrange “Entrepreneurs Meet” a platform amongst the entrepreneurs to share their knowledge, experience, problems and solutions.
- ❖ The Institute will identify need-based seminars & workshops on regular basis at regional and national levels.
- ❖ To devise special training courses to suit the target candidates.
- ❖ Publish periodicals and magazines to impart knowledge and provide information.
- ❖ Recognition of exceptional talents and confer Awards annually.
- ❖ Assistance to set up new enterprise.
- ❖ Enhance Marketing skills.
- ❖ Provide guidance to avail Market Development Assistance from Government Schemes.
- ❖ Conduct Market surveys and submit reports.
- ❖ Assistance to channelise finance from Banks and Financial Institutes.
- ❖ Consultancy services on all functional areas of business.
- ❖ To provide platform for interaction with Government officials, experts and industrialists.
- ❖ Assistance in R & D activities and cluster development.



Mr. Montek Singh Ahluwalia - Deputy Chairman, Planning Commission and **Mr. Dinesh Rai, IAS** - Secretary, Ministry of MSME, Government of India being felicitated by **Mr. Chandrakant Salunkhe** - President, SME Chamber of India during the Summit

“Annual SME & Entrepreneurship Excellence Awards - 2008” Presentation Function

Mr. Dinesh Rai, IAS - Secretary, Ministry of MSME, Government of India is conferring the Awards in the presence of Mr. Chandrakant Salunkhe - President, SME Chamber of India



Mr. Tamer Taskin - President, Aegean Region Chamber of Industry (EBSO)Izmir, TURKEY receiving the “International Appreciation Award for Supporting Indian SMEs” on behalf of **H. E. Mr. Turgut Koyuncuoglu** Hon. Consul General of India, Izmir, Turkey



Mr. Mitin A. Patel
MD, Prima Automation (India) Pvt Ltd.
Ahmedabad
Manufacturing Sector Category



Mr. Nilesh Badani
MD, Nishotech Systems Pvt Ltd.
Mumbai
Manufacturing Sector Category



Mr. Shrikant B. Pawar
Proprietor, Top Gear Transmissions
Satara
Manufacturing Sector Category



Mr. Vasant Phadtare
MD, Kavitsu Transmissions Pvt. Ltd.
Satara
Manufacturing Sector Category



Mr. Mahesh Maheshwari
Director, Nimbark Fashions Ltd.
Mumbai
Manufacturing Sector Category



Mr. Ashok Goyal
MD, BLR India Pvt Ltd
Mumbai
Service Sector (Logistics) Category



Mr. Vishnu Varshney
MD, GVFL Limited.
Ahmedabad
Appreciation Award for Supporting SMEs



Mr. Vikas Mahtani
Director, Kavis Fashions Pvt Ltd.
Mumbai
Young Entrepreneur Category



Mrs. Thriпти Kalra
Director, Kalra Overseas Pvt Ltd.
Pune
Export Category



Ms. Sonali Tipre
CEO, Margin'sview Management Services
Mumbai
Woman Entrepreneur Category



Audience at the Award Function

Eminent Speakers at the Summit



Mr. Joseph Massey
MD & CEO
MCX



Mr. Tamer Taskin
President, Aegean Region Chamber
of Industry (EBSO) Izmir, TURKEY



Mr. A. Rameshkumar
Chairman, SME Chamber of India
(Northern Region) and
MD & CEO, Zwirn Pragati Capfin Pvt. Ltd.



Mr. Dhananjay Datar
Chairman, SME Chamber of India
(Pune Region)
and CEO, Impact Systems Pvt. Ltd



Ms. Parul Sarin
Programme Head, Trade Services
and Foreign Exchange, ABN AMRO



Mr. T. S. Krishnaswamy
DGM (SME)
State Bank of India



Mr. K. R. Sharma
Director, MSME Development
Institute of India, Mumbai



Mr. Sharief Habib Al Awadhi
Director General
Fujairah Free Trade Zone Authority



Ms. Gugu Mazibuko
CEO, Durban Chamber of Commerce
& Industry, South Africa



Mr. Hadi Kassem
Director, Hamriyah Free Trade Zone
Sharjah, UAE



Mr. Sunil Dhawan
Director
Expanza Access Ltd.



Ms. Sonali Tipre
CEO
Margin'sview Management Services



Mr. Jacques C. Dornitz
CEO
KWEAST, Paris, France



Mr. Habibollah Sarchami
President, Qazvin Chamber of Commerce,
Industries and Mines, IRAN



Dr. Shishir Kr. Goel
Principal Scientific Officer,
Technology Development Board,
Ministry of Science & Technology, India



Mr. Virendra Jhamb
Managing Director,
GEA Ecoflex India Pvt. Ltd.

Eminent Speakers at the Summit



Dr. Anil Wali

MD, Foundation for Innovation and Technology Transfer (FITT), IIT Delhi



Mr. V. Ganesh

VP, Organisation Development, Synergy Management Advisors Pvt. Ltd.



Prof. N. Ramakrishnan

Head, Mechanical Engineering Department, IIT Bombay



Mr. Ajit Anekar

Partner
Kochhar & Co.



Mr. Venguswamy

Global Head, SMB
TATA Consultancy Services Ltd.



Mr. Vishnu Varshney

MD
GVFL



Mr. V. K. Venkatachalam

Secretary General
SME Chamber of India



Mr. Maheshkumar

Director & General Secretary
India International Trade Centre (IITC-INDIA)



Delegates at the Summit

For More Information Please Contact



Small & Medium Business
Development Chamber of India

**SMALL & MEDIUM BUSINESS DEVELOPMENT CHAMBER OF INDIA
INDIA INTERNATIONAL TRADE CENTRE (IITC-INDIA)**



India International Trade Centre
(IITC-INDIA)

Registered & Correspondence Office

101, Murlidhar Baldev Estate, Nr Vikas Estate,
Off Aarey Road, Goregaon (E), Mumbai - 63.

Central Office

3, Upper Ground Floor, Samruddhi Venture Park,
Marol MIDC Industrial Estate, Andheri (E) Mumbai - 93.

Tel: +91 - 22 - 4035 8000 / 2877 1918 Fax: +91 - 22 - 2874 3543

Email: smechamberofindia@vsnl.net, iitcindia@vsnl.net | Website: www.smechamberofindia.com, www.iitcindia.com