

COSIDICI COURIER

BI MONTHLY JOURNAL OF COUNCIL OF STATE INDUSTRIAL DEVELOPMENT and INVESTMENT CORPORATIONS OF INDIA

VOL. LIV NO. 2

March-April, 2016

EDITORIAL BOARD

Chairman of the Editorial Board

Shri P. Joy Oommen, IAS (Retd.)

Chairman & Managing Director,
Kerala Financial Corporation (KFC)
Thiruvananthapuram

Vice-Chairman

Shri U.P. Singh, IRS (Retd.)

Ex-Chief Commissioner, Income-Tax &
TRAI Member

Members

Shri R.C. Mody

Ex-C.G.M., RBI

Shri P.B. Mathur

Ex-E.D., RBI

Shri K.C. Ganjwal

Former Member, Company Law Board,
Government of India

Editor

Shri V.S. Rathore

Secretary General, COSIDICI

Associate Editor

Smt. Renu Seth

Secretary, COSIDICI

CONTENTS

From the Desk of the Editor	2
Courtesy This Village, ...	5
Kerala's Startup Dreams Soar	
Startup Policy 2015-2020 of Karnataka	6
Appointments	12
Questions of Cyberquiz - 59	12
Letter to The Editor	13
Profile of Member Corporations	14
[Maharashtra Industrial Development COporation {MIDC}]	
Activities of COSIDICI	17
Do You Know ?	27
Economic Scene	28
Success Stories of Assisted Units	29
All India Institutions	30
Answers of Cyberquiz ~ 59	32
News from States	33
Micro, Small and Enterprises	35
Health Care	36

The views expressed in the journal are those of the contributors and not necessarily of the Council of State Industrial Development and Investment Corporations of India.



FROM THE DESK OF THE EDITOR

Enhancing Competitiveness of MSME Sector Through Cluster Development

Background

The Micro, Small & Medium Enterprises (MSMEs) in India have seen a vast development in the last five decades. The MSMEs have registered tremendous growth as also progress in terms of quality production, exports, innovation, product development and import substitution, very much beyond the expected objectives of setting up MSMEs by the planners of industrial production base in the country. Entrepreneurial efforts have made it possible to produce number of items, which hitherto were imported. In quite a few cases new variants so produced are having additional attributes than their original versions and are capable of solving a multitude of user problems. This all has become possible owing to the ambitions and visionary spirit of entrepreneurs of MSMEs

The Micro, Small & Medium Enterprises (MSMEs) contribute significantly to value addition, employment generation, exports and overall growth and development of the country's economy. The MSME sector accounts for about 40 per cent of the exports and 45 per cent of the total manufacturing output in the country. Realizing the significance, a separate Ministry of Micro, Small & Medium Enterprises has been set up by the Government of India at the Centre with an objective to facilitate, promote and enhance competitiveness of MSMEs in the state. It is basically a State initiative to give topmost priority and thrust for facilitating and co-coordinating the growth and development of the MSME sector.

Cluster Development :

UNIDO, the UN specialized industrial agency, defines a cluster as "a sectoral and geographical concentration of small/medium enterprises facing common opportunities and threats". Clusters are thus a sectoral and geographical concentration of

micro, small and medium enterprises with inter-connected production system leading to firm/unit level specialization and developing local suppliers of material inputs and human resources. Availability of the local market, inter-mediaries for the produce of the cluster is also a general characteristics of the cluster. As a 'cluster' is a sectoral assemblage of enterprises which are facing common opportunities and challenges, MSMEs in a cluster can access skilled and highly educated labour and pooled business services via enterprise clusters and networks MSMEs having particular interests.



V.S. RATHORE
Secretary General, COSIDICI

As a whole, cluster facilitates to face market challenges, quicker dissemination of information, sharing of knowledge and best practices and better cost effectiveness due to distribution of common costs. It also provides an effective and dynamic path for inducing competitiveness by ensuring inter-firm cooperation through networking and trust. The geographic proximity of the enterprises with similarity of products, interventions can be made for a large number of units that leads to higher gains at a lower cost, which in turn helps in their sustainability. The cluster approach thus aims at a holistic development covering areas like infrastructure, common facility, testing, technology & skill upgradation, marketing, export promotion.

The Cluster Development approach has played an important role in enhancing the competitiveness of the MSE sector. Apart from the benefits of deployment of resources and economy of scales, the cluster development approach helps in weaving the fabric of networking, cooperation and

togetherness in the industry, and thus enabling the industry to achieve competitiveness in the long run. The Micro and Small units are generally not in a position to install costly machinery for their critical operations, accept large orders, or infuse large capital due to their limited capital base and limited domain expertise. However, collectively through cluster development approach, the micro and small enterprises can attain the desired goal of being competitive in the present global scenario.

The Ministry of MSME, Govt. of India, has adopted cluster development approach as a key strategy for development of micro and small enterprises in various clusters. The Ministry is administering two cluster development programmes, namely, Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) and Scheme for Upgradation of Rural and Traditional Industries (SFURTI).

The objectives of the scheme is to support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills and quality, market access, access to capital, etc.; to build capacity of MSEs for common supportive action through formation of self help groups, consortia, upgradation of associations, etc., and to create and upgrade infrastructural facilities in the new and existing industrial clusters of MSEs.

The cluster development initiatives in various clusters have reportedly delivered remarkable results. The guidelines of the MSE Cluster Development Programme (MSE-CDP) have been comprehensively prepared to provide higher support to the MSMEs. With this, more than 500 clusters spread over across the country have so far been taken up for diagnostic study, soft interventions and setting up of CFCs under the programme. The efforts under the scheme are focused on covering more and more clusters across the country.

Lack of satisfactory and timely banking finance, unavailability of needful technology, low production capacity, limited knowledge, toothless marketing strategy, non-availability of skilled labour, etc

are not the only challenges faced by the micro and small medium enterprises (MSMEs). As liberalization prevails in the global economy, small firms are also under tremendous pressure of other factors like innovation, restructuring of operations and problem in achieving production efficiencies.



The competition between a small and big firm is not only in price and size, but also compete on the basis of their ability to innovate. Hence, in order to maintain sustainability in this ever-changing global economy, SMEs should also adopt innovative techniques and should undergo with continuous improvement in their product, process, like big players. However, non-availability of resources is the major roadblock in the growth of SMEs. Analysts feel that 'cluster development' has potential to address the issue of resource-gap.

Objectives of a cluster development scheme:

Cluster development programme is aimed to mitigate various challenges faced by industries in the MSME Sector. The main objectives include:

- Extending support to boost MSMEs' businesses by addressing general issues like improvement of technology, skills and quality, market access, access to capital, etc.
- Building MSMEs' capacity with the formation of self help groups, consortia, upgradation of associations, etc
- Creating and upgrading infrastructural facilities in the new/existing industrial areas/ clusters of MSME
- Setting up of common facility centres for testing, training, complementing production processes, etc.



In addition, clustering of units also helps services providers, like banks and credit agencies, to facilitate their services to small firms.

Cluster Composition

The process of cluster development usually consists of the following steps : -

- Choosing Cluster Development Agent
- Diagnostic Study
- Developing action plan
- Smoothening the process of technology shift from producer to end user
- Setting up of Common Facility Centres (CFCs)
- Organising workshops, seminars, training and reaserch visits for faster dissemination of technology across the cluster of small enterprises

Cluster Development Programmes

As mentioned earlier, industrial clusters are recognised as an effective means of business development and promotion of small firms. The easy reach to specialized suppliers of raw materials, parts and components, machinery, skills and technology as well as other supporting services can enable enterprises to improve competitiveness. Cluster development not only

improves the competitiveness of industry, rather it also acts as an instrument for alleviation of poverty, generation of sustainable employment, fostering innovation, enabling better, effective and sustainable credit flow.

Cluster development enables SMEs to establish a strong position in the global market in a number of traditional products such as shoes, leather handbags, knitwear, apparel, furniture, tiles, musical instruments, food processing and also in the industries which supply machinery to these sectors.

Conclusion

In order to maintain sustainability in this ongoing liberalized era of the Indian economy, it is essentially required that the MSME units in India come up with novel approaches and ideas. Here the 'cluster development initiative' plays a vital role as clustering and networking among enterprises not only promotes enterprise competitiveness but also enhances access to global markets. Hence, both private and public sector institutions at the Central as well as the state levels should progressively undertake and promote the cluster development initiatives.



(V.S. RATHORE)



Instead of looking at only outer mechanisms to cope with challenges or manage the stress, let us focus on our core values. Our core values give us the inner strength to face challenges. Daily study of spiritual knowledge helps us to create peaceful thoughts and stable responses to situations.



COURTESY THIS VILLAGE, KERALA'S STARTUP DREAMS SOAR

***Rajesh Ravi**

Four years after Kerala started its incubator Startup Village (SV) to promote IT startups, things have definitely taken a positive change in the state known more for its strong arm tactics against investors and entrepreneurs. While the state's proactive role in promoting startups with innovative ideas like Student Entrepreneurship Policy (SEP) has managed to build a momentum for an entrepreneurial culture in the state, the real challenge is to sustain this momentum, scale-up and become financially self-sustaining.

"Over the last five years, Kerala has seen a dramatic change in mindset towards entrepreneurship. Today, doing a startup is an established concept with active support of government and opposition to create employment, knowledge and wealth for development in society development," Shri Sanjay Vijayakumar, co-founder and CEO MobME Wireless and chairman of SV said.

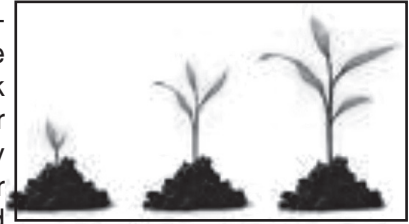
The telecom startup incubator launched in April 2012 in Kochi has come a long way with nearly 5,000 eager entrepreneurs waiting for space to launch startups. SV receives more than 150 applications every month, which is a far cry from the status before 2012. The state had only 20 startups in the period 2006-09. The most interesting part is that majority of new ventures are student startups. Many entrepreneurs confirm that despite red tape and trade unionism, the emerging scenario is encouraging.

Shri Jayasankar Prasad C, chief executive officer of the Kerala Start up Mission feels that the startup ecosystem in Kerala has evolved much and is much more mature. "The ecosystem elements are in place and their interactions are improving. The system has moved along the hype curve and now is in the plateau of stabilisation. Yes, there is a paradigm shift in the mindset of youth to pursue entrepreneurship as a career as against a stereotype job. More important is the change in mind set of the society, especially the influencer groups, like parents, teachers etc."

Shri Jyosthis, CEO of Cognicor defers and says that Kerala is not yet ready to accept the startup culture. "Many first-level-success startups have moved out from Kerala for better growth and acceleration. Second level of funding and client acquisition is a major hurdle faced by Kerala based companies."

Shri Sindhu Joseph, CEO & co-founder of CogniCor Technologies feels that an investor ecosystem

is almost non-existent in the state and the risk appetite of investor community is very low. "At least for angel and seed



investments, the entrepreneur needs to be supported by the eco system from either corporate VCs or individual investors. In terms of customer acquisition and sales, the problem faced by Kerala product startups especially in B2B area is the cost of selling to decision makers of large enterprises who are often located outside Kerala. As sales are what drive any startup to success, any help in showcasing or networking with such companies would benefit a lot," she added.

"I wouldn't want to make a comparison of Kerala with other states as the idea of startups dose not confine to geographical boundaries. We have all the necessary elements of the ecosystem in terms of policy, intellectual capital, infrastructure, funding etc, but still we are behind a Bangalore or a NCR in terms of maturity of the system. Having said that we are definitely counted as the rising state and our cities, especially Kochi and Trivandrum, are among the fastest growing startup hubs among the tier 2 cities or non metro cities," Shri Jayasankar said.

"The ecosystem in Kerala though very early compared to other states is on right track with government funding to build the startup ecosystem higher than combined budget for Technopark, Infopark and Cyber Park. Over 10,000 students from eighth standard are being trained annually to give early exposure to technology startups. Kerala Technological University has also rolled out a comprehensive University startup policy. This roadmap is anchored with a plan for 500,000 sq ft of incubation infrastructure at Technological Innovation Zone at Kalamassery, which now houses many incubators including SV," Shri Sanjay added.

SV officials add that out of the 53 startups currently operating in the village, 30 companies have secured the second round of funding and are poised for the next stage. SV has also started a centre in Silicon Valley to act as a landing pad for Indian startups looking to enter the US market.

Source : The Financial Express



Startup Policy 2015-2020 of Karnataka

Introduction

As per the Global Startup Ecosystem Ranking Report 2015, “Bangalore is home to approximately 3,100 to 4,900 active tech startups and has achieved the second highest growth rate for exit volume and VC investment among the top 20.” As per this report Bengaluru is the only Indian city to be ranked within the best twenty startup ecosystems across the world. The State’s long and sustained leadership in driving the IT economy and conducive R&D ecosystems have contributed to this. The existing policy framework of Government of Karnataka, mainly the i4 (IT, ITES, Innovations and Incentives Policy 2014-2019), ESDM, AVGC policies and the Industries Policy 2014-19, recognized the importance of promoting startups and the need to give the necessary impetus to tech entrepreneurship early in the day, and has invested on building incubation spaces in partnership with industry bodies; encouraging innovation in educational institutions through its New age incubation network; providing seed capital and other incentives. In 2015, close to 35% of Indian startups functioned from the state, making it the single largest startup hub in the country.

Small businesses have been in fact the largest job providers and a vibrant startup ecosystem driven by innovation can be a key to better employment opportunities for the youth and have widespread positive impact on the economy. Social innovation could have wide-ranging beneficial impacts on quality of life as it could improve accessibility to health care; introduce environmentally-friendly technologies etc. Karnataka is poised for the next phase of growth in startup sector as the potential to leverage the existing ecosystem in Bengaluru and build similar ecosystems in two-tier cities is tremendous. With the projections of being the largest conglomeration of IT professionals by 2020, Bangalore is well placed to also be amongst the top 5 startup ecosystems in the world in the near future. The objective of the State is to ensure that Bengaluru maintains the lead position in the country and to develop other important cities as

startup destinations on par with top 30 international startup hubs.

Vision: To create a world-class startup ecosystem in the state through strategic investment and policy interventions leveraging the robust innovation climate in Bangalore.



Goals:

- Stimulate the growth of 20000 technology based startups including 6000 product startups by 2020 in Karnataka
- Achieve creation of 6 lakh direct and 12 lakh indirect job opportunities in the sector
- Mobilize Rs.2000 Cr funding for investment in startups through Government intervention alone, by leveraging the Fund of Funds proposed to be put in place by the State Government
- Facilitate generation of at least 25 Innovative Technology solutions with a social impact in the sectors like Health care, Food Security, Clean environment and Education for all etc.

Strategies:

Encouraging Entrepreneurship in Education through NAIN

Innovation is second nature to man. This policy document recognizes the fact that the seeds of entrepreneurship and the innate ability to innovate must be nurtured in academic institutions. It is the need of the hour to develop a culture that produces innovators who dare to dream an original idea and pursue it till fruition. The State would therefore work towards creating such an ecosystem in academic institutions as follows:

New Age Incubation Network (NAIN):

The new age incubation scheme under

implementation in engineering colleges will be expanded to all professional and post-graduate institutions in two-tier cities in a phased manner. At least 50 academic institutions shall be covered under this program during the Policy Period. The selected academic institutions would be assisted to establish an incubator in the given discipline and encourage student projects. All such incubators would be networked and connected to a common portal to facilitate exchange of thoughts, ideas and collaboration across institutions and disciplines. All selected institutions would be graded on the basis of Key performance indicators. Financial assessment will be provided for three years to the selected institutions for setting up the incubator and other activities. Institutions that excel would be further supported for another two years.

Each NAIN institution will be assisted as follows:

- Grants for supporting operational expenses in their incubator e.g. Salaries of Regional Coordinators, mentoring programs, networking meetings, conducting Hackathons etc.
- Annual Financial support for projects for upto Rs.3 lakhs per project
- Training and Capacity Building for Faculty and students
- Exposure to Support and Network Programs conducted by the departments concerned
- Opportunity to visit international startup destinations
- Internship Stipends

NAIN institutions shall act as hubs with other academic institutes in the district acting as spokes driving the innovation ecosystem in the geography. They shall be mandated to incubate projects through competitive selection process among students, alumni as well as local entrepreneurs.

- Students of such institutions will also be encouraged to intern with startup incubators recognized by the state government to do their mini-projects or summer / winter projects or internships that are done during vacations. The incubators may be mandated

to run selection programs throughout the state to ensure students have access from any college in Karnataka. Such projects can then also be converted to final year Projects where the university and college must involve an external project guide/ mentor as identified by such incubators.

- GoK shall allocate 20% of the total program cost additionally towards setting up a PMU (Program management unit) in KBITS that shall be entrusted with the job of capacity building of institutional personnel responsible for management of the program at institution level, conduct networking and mentoring events for the benefit of participants and other related activities e.g. student stipend for internships. The PMU shall also be responsible for assisting in the monitoring and management of the programme.

Fostering Strong Partnerships Between R And D Institutions And Industry

Technology business incubators (TBIs) in institutions of higher learning:

The State Government would assist in the setting up of TBIs in institution of higher learning with well-developed Research and development facilities to foster a strong link between R&D and commercialization of technologies so developed. TBIs are proposed to be promoted in following selected thrust areas that have potential for faster growth like (the list is not exhaustive) :

- Information & Communication Technology (ICT)/Internet of Things (IOT) / Software Products
- Manufacturing including Electronics systems design, Robotics and 3D Printing, manufacturing 4.0
- Healthcare and Bio Pharma
- Agriculture and allied fields
- Clean-Tech
- Energy
- Water and its recycling
- Education



- **Nanotechnology and Composites**

The host institution must provide land and built-up space for TBI and must also share available facilities and expertise for setting up of the TBI. The TBI must be run as a society or a section 8 company with strong academic-industry collaboration. The eligible funding would be decided on case to case basis. The state support would be for the initial capital cost for equipments and facilities, and recurring costs of management of TBI for three years period, extendable by another 2 years based on performance, at the end of which the incubators are expected to become self-sufficient.

The existing TBI s would be eligible for assistance for scaling up or for expanding into niche areas with the condition that a single TBI may not focus on more than 2-3 thrust areas.

For the purpose of this policy, a TBI is an incubating facility in an institution of higher learning and provides services such as business advice, financial counseling, assistance with business management and accounting, legal and regulatory guidance, access to mentors etc., in addition to physical infrastructure appropriate for the thrust area for the incubator.

Providing early stage/Idea2PoC(Proof of Concept) funding

To encourage innovators who may need early stage funding to stimulate commercialization of research discoveries and to help in validating proof of concept and subsequently to assist them to cover costs like certification, manufacturing pilot devices etc., the State will set up an Ignition fund on the lines of BIG fund of BIRAC, GOI. Funding will be in the form of Grant-in-aid limited to a one time grant to be released in tranches based on the life cycle of the business plan. The state may at its discretion choose to administer this Grant in Aid Fund through TBI s (as defined earlier) or identified incubators of excellence. This may also help incubators to work as accelerators. Startups need not necessarily be incubated in the incubator for being eligible for such assistance.

Recognized Incubators which are managing Seed Fund Scheme of Government of India will be

given matching seed funds to further increase the amounts available for startups by 200%.

Creating Incubation infrastructure through PPP

The State would invite the private sector including globally and nationally well known accelerators and incubators to set up world class incubation centers and accelerators or expand existing facility/operations on PPP basis. Such centers must provide all necessary infrastructure for the given sector such as R&D Labs, common centre for prototyping, common testing/QA/QC labs, design studios and tool rooms, Fab labs, Biotech Wet Labs, Green Houses, Animal Houses, Office Spaces, Small and Large Conference Rooms, Office Spaces for Skunk Works and other modern amenities as required and shared services like legal, accounting, patents, investment banking, community events and mentoring and promotional and marketing support for startups. Land or built-up space would be provided at the applicable rates in Industrial/IT parks/SEZ s developed by the Government in two tier cities. The support from the Government for the PPP partner would be determined through price discovery through open bidding. The support shall be for a period of 3 years. In addition, Government may partner with Industry bodies, trade associations, think tanks or similar non-Profit organizations working for the promotion of the relevant sector for setting up incubators or for implementing other startup initiatives.

These incubators in Tier II cities and Bangalore shall play the role of mentor institutes for NAIN colleges. The incubators/accelerators shall be assessed on KPIs such as number of companies incorporated, no of funding transactions facilitated, mentor interactions facilitated etc. The Incubators/ accelerators shall administer the following schemes to be rolled out for incubatees:

- Full facilitation for establishment of an entity (a company or other such entity) by obtaining requisite information in a single form, and facilitating filing for regulatory compliances in prescribed format.
- Subsidized seats up to Rs. 3000 per seat per month limited to 5 seats per incubatee

for a maximum duration of a year depending on market discovered rates which vary from city to city.

- Other assistance like Legal, Accounting and mentorship on regulatory compliances shall be provided.
- Virtual incubation of incubatees where incubatees are not physically plugged into the facility through mentorship, funding etc.

Networking and Aggregation of Common Instrumentation Facilities (CIFs):

GoK and Gol have established Labs and Common instrumentation Facilities like IMTI etc across the state. Efforts shall also be made to maintain list of all such CIFs (Government or Private) that are available for public use. Efforts will be made to develop and use a single online application to reserve lab and equipment time on pay per use basis for all incubatees on priority, through MOU with such institutes. Common instrumentation facilities shall be set up in identified areas like Electronics, Mobile, Animation and Gaming, IOT, Analytics, Design Engineering etc on PPP or under Gol schemes under MSME, Deity etc. The testing and product evaluation facilities should be of international standards.

Startup funding through Fund of Funds

A fund of funds shall be allocated for investing in venture funds that invest in startups in various sectors. The fund of funds would be in addition to any sector-specific venture funds already being operated by the State through its entities, and could also invest in future venture funds promoted by the State. A portion of the fund of funds may be utilized for Angel stage funding. A professional fund manager shall be selected through open bidding process. Investment committee with Officers from the Government, industry and academic experts with sector-specific domain knowledge, financial and legal background etc with no conflict of interest will be constituted.

Channelizing Innovation for Social Impact

The State intends to use the vibrant startup environment to drive innovation through use of technology to find workable and scalable

solutions to challenges faced by it. Under its Social innovation challenge competition, the State will use the model of Grand challenges to focus attention and effort on specific problems. Each year, 5 challenges will be identified by a committee with representatives from Government, subject specialists, NGOs etc. Each year challenges would be posed in 5 identified areas and solutions selected through a rigorous selection process shall be awarded an initial grant and a follow on funding and may be taken up for implementation as a pilot project at an appropriate scale. The winners will also automatically qualify for incubation space in the incubators supported by the State Government as per the prevalent norms.

Promoting Capacity Building through exposure visits and workshops

A corpus fund will be created to conduct training workshops and organize exposure visits to both national and international startup ecosystems / innovation hubs for faculty, students and incubatees in GOI/GOK recognized incubators. Ideathons and Startup festivals would be organized to create an exhilarating climate to inspire innovation.

International and National Exposure :

A programme would be setup to send selected startups, college and school students, faculty etc., to leading startup destinations in the country and abroad for getting exposure as well as an opportunity to meet and converse with industry leaders, thinkers and innovators. Provision shall be made to ensure 1/3rd representation of women entrepreneurs, Students and teachers etc. Existing programmes of the Government like the Market development assistance scheme of VTPC would be also accessed for some of these purposes.

Providing State support in the form of incentives and concessions

The startups that qualify the eligibility conditions in Karnataka would be entitled to the incentives and concessions provided in the i4, ESDM, AVGC, BT, Industrial policy etc., as well as to additional incentives and concessions as specified in annexure-2.

Startups signed up in recognized incubators / accelerators including through virtual incubation



will be permitted to file self-certifications, in the prescribed formats under the following acts and rules framed there under barring inspections arising out of specific complaints. The same shall be facilitated through the startup cell

- The Factories Act 1948
- The Maternity Benefit Act 1961
- The Karnataka Shops & Commercial Establishments Act 1961
- The Contract Labour (Regulations & Abolition) Act 1970
- The Payment of Wages Act, 1936
- The Minimum Wages Act 1948
- The Employment Exchanges (Compulsory Notification of Vacancies) Act 1959
- General permission shall be available for 3 shift operations with women working in the night for startups, subject to such units taking the prescribed precautions in respect of safety and security of employees in addition to providing the required welfare and health amenities as prescribed under applicable labour laws and obtaining the necessary approvals from the competent authority of the Government under the Karnataka shops and commercial establishments act and rules or the Factories Act 1948 and rules, there under as the case may be.

Applicability: This policy is applicable to all startups satisfying the eligibility criteria set forth in the policy in the sectors of **Manufacturing, ICT, BT and other sectors.**

Enablement

Startup Cell : New ventures, mostly started by young people with little prior knowledge of corporate affairs, have many hurdles to face during the early stages. Rather than worrying about how to get their business floated, concerns of IP Protection, navigating through state and central regulations and incentives, tech entrepreneurs should be able to focus on building the right product and seeking early customer validation. Further, there are numerous informational and awareness needs of startups that should be addressed in a

business friendly environment. To facilitate such handholding, Startup Cell will be established in KBITS to act as a one stop shop that enables easy flow of information and assistance to needy startups. The cell shall also act as a single connect with Government departments where the Startup needs to implement pilots of their projects e.g. facilitate clinical research through coordination with Hospitals through the Health Department.

Startup Portal and Hotline:

The startup cell must network with Industry bodies, TBIs, academic institutions, other incubators etc and thus, provide a common interface where the symbiotic components of the startup ecosystem could interact more closely and effectively. The cell shall manage a common startup portal and hotline, which could provide information on :

- Service Providers – CA, Lawyers, IP Protection, real estate agencies
- Organizations – TiE, NASSCOM, iSpirt, Coffee Meetup
- Programs/Events – Consrukt Festival, TiE Con, hackathons
- Incubators/Accelerators/co-working space
- Investors/investor organizations
- Incoming trade delegations
- Policies
- Regulatory environment etc

Promotion:

The Startup cell shall promote Bangalore and Karnataka as a startup destination through participation in international and national events, sponsoring the participation of local startups in such events and various other means. The cell must also sponsor the visit of delegations of startups to promotional and marketing events in India and abroad.

Startup council:

A startup council shall be set up under the chairmanship of the Chief Minister with the relevant ministers and senior officers of the government and 10 industry experts as members to review the implementation of the startup policy.

Attempt shall be made for equal representation of various domains like ICT, Animation and Gaming, Agri-Biotechnology, Health, BFSI, ESDM and other manufacturing. The council shall meet at least once a year. A Startup Policy Monitoring and Review Committee shall be set up under the Chief Secretary with Principal Secretary, IT, BT and ST, Commissioner, Industries and Commerce; Managing Directors of KSIIDC, KSSIDC, VTPC; Director, IT & BT and two-three outside experts with the Managing Director, KBITS as the convenor.

Operational Guidelines: Detailed operational guidelines shall be put in place for administering all the programs under this policy and the same shall be reviewed annually.

Validity: This Policy is valid for a period of 5 years from the date of its notification or till a new policy is formulated.

Review mechanism: This policy shall be reviewed once a year. A status report shall be commissioned by the State to critically appraise the usefulness of the policy, the ease of implementation and the outcomes achieved. The report shall be placed before the Startup council.

Definition of a Startup :

Should be Technology Based: The facilitation under this policy is intended for only technology based startups, i.e. one that creates a technology based service or product or uses technology for enhancing functionality or reach of an existing product or service.

Tenure: The startup must not have been registered/incorporated for more than 4 (Four) years from the date of such application for any incentive applied under this policy. The same shall be 7 (seven) years for BT companies. Though the startups may not have to be registered or incorporated for receiving various incentives or benefits under the policy, any funding beyond early stage funding shall require necessary registration or incorporation.

Location: The company/entity be registered in Karnataka under the Karnataka Shops and Commercial Establishment Act, 1961 ; and

Employment: The company employs at least 50 (fifty) per cent of its total qualified workforce in Karnataka, which shall not include contract employees.

Note: The term “qualified” may be understood in connection with the National Skills Qualification Framework, issued by the Ministry of Skill Development and Entrepreneurship, Government of India (“NSQF”) . Under NSQF, the term “qualification” has been defined as: “a formal outcome of an assessment and validation process which is obtained when a competent body determines that an individual has achieved learning outcomes to given standards”

Exit Clauses: A startup will cease to receive benefits under this policy upon the following: Revenue Criteria: Upon the company reaching a revenue of Rs. 50 Crores

Exclusions: A company in order to qualify as a start-up under this policy should not have been:

- Formed by the demerger or reconstitution a business already in existence;
- A subsidiary of a firm in the State, except subsidiary of a start-up itself – that still qualifies as startup and the combined entity also satisfies the start up criteria;
- A merged entity in the State, except if the combined entity satisfies the criteria listed above;
- A franchisee of an existing business in the State;
- Promoted or sponsored by or related to an Industrial group in the State whose group turnover exceeds Rs. 300 crore;
- A holding company or should not derive more than 50% of its income from investments and loans.

Source : KSFC, Newsletter



APPOINTMENTS

- Shri S.V.R. Srinivas, IAS has been appointed as Managing Director, State Industrial and Investment Corporation of Maharashtra {SICOM}, Mumbai vice Shri Ashish Kumar Singh, IAS.
- Shri Surendra Gupta, IAS has been appointed as Managing Director, West Bengal Industrial Development Corporation Limited {WBIDC}, Kolkata vice Dr. Krishna Gupta, IAS
- Shri Bibhuti Bhusan Behera, OAS has been appointed as Managing Director, Odisha State Financial Corporation {OSFC}, Cuttack vice Shri Nityananda Palai, IAS.



- Shri V.G. Jenner has been appointed as Managing Director, Tripura Industrial Development Corporation Ltd. {TIDC}, Agartala vice Shri Pravin L. Agrawal.



QUESTIONS OF CYBERQUIZ ~ 59

Q.1 She or he invented the first analog computer based on her or his mathematical work for the US Military during the World War II which was named Rockefeller Differential Analyzer. Who was she or he ?
[a] Vannevar Bush; [b] Alan Turing; [c] Grace Hopper; [d] John von Neumann.

Q.2 Who coined the term "hypertext" ?

[a] Ted Nelson; [b] Alan Turing; [c] Grace Hopper; [d] John von Neumann.

Q.3 PKZIP and PKUNZIP are file compression and uncompression utilities originally written for the DOS platform. Who invented the idea of file compression in 1986 ?

[a] Dr. Joel Engel; [b] Craig Barrett; [c] Ken Olson; [d] Philip W. Katz.

Q.4 Which firm was Linux inventor Linus Benedict Torvalds first employer after he spent ten years as a student and researcher at University of Helsinki ?

[a] Transmeta; [b] MP3.com; [c] SUN Microsystems; [d] Oracle Corp.

Q.5 Oracle co-founders Lawrence Joseph Ellison and Bob Miner were working on a consulting project with an organisation. The code name of the project was "Oracle". (No points for guessing that they chose this name for their company.) Which organisation were they working for ?

[a] NASA; [b] FBI; [c] CIA; [d] USA Census Bureau.



For Answer See Page No. 32



LETTER TO THE EDITOR

Dt. March 15, 2016

Dear Editor,

I read your bi-monthly "COSIDICI Courier" long back in the waiting room of a financial institution. Then onwards, I started subscribing for it. It is very useful and interesting.

I find the write ups on the enterprises which have been financed by a State Level Financial Institution and have now become successful very inspiring. It is a great boost for those entrepreneurs who toil hard to maintain a business enterprise. Entrepreneurship is a great social activity as they not only produce goods but also provide jobs.

In fact, I find all the topics very quite useful and I feel they provide the much needed boost for the entrepreneurial activities. My best wishes to your team for bringing out this journal continuously and successfully.



Shri R.K. Varadaraj, FCA

Sincerely,

Sd/-

(R.K. VARADARAJ)

Chartered Accountant
67, Arts College Road, Floor-1,
(Behind K.G. Theatre),
Coimbatore - 641 018

The one who has made a mistake creates guilt, low self confidence, low self esteem, fear of rejection and insecurity of future. If we create anger, hurt and hatred then we are increasing their pain many folds. They need love and acceptance to heal their pain.



Profile of Member Corporations

Maharashtra Industrial Development Corporation (MIDC)

After the formation of Maharashtra State on May 1, 1960, the Government of Maharashtra constituted a "Board of Industrial Development" (BID) on October 1, 1960, under the Chairmanship of Shri. S. G. Barve, I.C.S. The various committees recommendations received in the industries department were taken up for implementation and as per the Borkar Committees recommendations, development of Ulhas Valley Water Supply was entrusted to the Board of Industrial Development (BID).

The BID framed the legislation and it was introduced before the state legislation and passed in the form of "Maharashtra Industrial Act" which gave birth to MIDC, as a separate corporation on August 1, 1962. The BID were the first personnel strength of MIDC. In its first year of establishment MIDC came up with 14 industrial areas, to initiate action for infrastructure and help entrepreneurs set up the industrial units in those areas.

The key historical policy decisions taken by MIDC certainly changed the social economic scenario of the state as its activities spread in the interior. The first was the policy decision of setting up "independent filtered /potable water supply system of adequate capacity" as essential infrastructure for industrial development. This resulted in a phenomenal urban growth in the nearby small towns and villages. The growth of Kalyan complex and Pimpri-Chinchwad are results of this key policy decision taken by MIDC.

Objectives

- To achieve balanced industrial development of Maharashtra with an emphasis on developing parts and underdeveloped parts of the State
- Infrastructural development of each and every district of Maharashtra and
- Facilitate entrepreneurs in setting up industries at various locations.

Activities

- The MIDC has been declared as an agent of the State Government for carrying out the activities within the framework of the MID Act and the MID Rules. These activities can be divided under following 3 broad categories.
- Acquisition and disposal of land.
- Provision of infrastructure facilities.
- Providing of services.



Shri Sanjay Seth, IAS
Chief Executive Officer, MIDC

Acquisition & Disposal of Land

The land for industrial areas is acquired by the Government of Maharashtra under Chapter VI of the MID Act. 1961 and handed over to the Corporation for further disposal. Likewise, wherever available, the Government land is also handed over to the Corporation as an industrial area. The Government pays for the compensation for the private land from its own fund. The Corporation in turn plans the area and disposes the land in suitable plots by leasing out for 95 years. For this purpose the Corporation recovers the premium lease money at different rates for different industrial areas. Also the Corporation constructs built-up accommodations like Sheds and Flatted units and sells them out to the prospective industrialists together with the land there under on lease basis. As on 31.3.2002 the Corporation has planned 87633.76 (Hectares) of land out of which 52222.57 Hectors of land has already come in possession of the Corporation.

Provision of Infrastructure Facilities

In terms of the provision of the MID Act, 1961 and the relationship prescribed by the Government in

that regard, the Corporation is required to provide infrastructure facilities like Roads, Streetlight, Drainage, Water Supply schemes and Buildings for Common facilities like Post & Telegraphs, Canteen, Bank, Telephone etc. The Corporation meets the expenditure on such works (facilities) generally from the premium lease money received by it from the allottees. The relationship further prescribes that the industrial area, after it is fully developed, should be returned back to the Government / handed over to such agency or authority as the State Government may directs, after striking out the account of the industrial area concerned. The surplus / deficit generated out of such operations is to be made good to or recovered from the State Government as the case may be. As the development of an industrial area is a long process and instant objective, the Government has prescribed certain scale of interim annual payments which are termed as 'On account Advance Payment' to Government. As on 31st March 2002 the Government has spent Rs.303.44 crores on land compensation against which the Corporation has paid 339.09 crores as 'On account Advance payment' to Government.

In this connection it may stated that the powers to fix the rates of premium for land for different industrial areas rest with the Corporation. Since it is the aim of the Government and the Corporation to achieve a balanced development of the entire State with special emphasis on the development of backward regions of the state, the Corporation follows a policy of cross subsidisation rate structure on A B C D zones pattern, in that the rates of land premium in developed and semi developed parts of the State are higher compared to the rates in developing and backward regions.

Assured Water Supply

From among the various services provided by the Corporation, an assured pure water supply can be regarded as a unique speciality of the MIDC. The investment on the water supply scheme (Head works) made by MIDC as on 31st March, 2002 is over Rs. 731.30 crores with installed capacity of water supply of 1941 MLD. The annual revenue from water is over Rs.375.96 crores.



For the purpose of regulating the water supply operations of the Corporation the Government of Maharashtra has prescribed a legal and financial relationship between the Government and the Corporation. The salient features of this relationship are as under :-

- A water supply scheme providing water to more than one industrial area in grid system is termed as Centralised water supply scheme the ownership of which remains with the MIDC. On the other hand a water supply scheme catering to the need of only one industrial area is termed as Localised water supply scheme with ownership remaining with Government, as in the case of Industrial area itself.
- The water supply made either from Centralised or Localised water supply scheme is treated as supply made on behalf of Government and the revenue thus collected is shown as revenue accruing to Government.
- While the operating expenditure of Centralised Water supply scheme is debited to the Corporation's account (Income & Expenditure) the operating expenditure of Localised water supply scheme is debited to the account of Government in agency function.



- The Corporation takes credit of so much portion of the water revenue as is sufficient to meet its net operating and other expenses. This is done annually at a bulk rate arrived at by dividing the net expenses debited to the Income and Expenditure Account of the Corporation by quantity of water supplied through the Centralised water supply scheme.

surplus/deficit generated out of total water supply operations is to the account of Government.

In this connection, it is to be noted that though the relationship provides for the crediting of the entire water revenue to the account of Government in agency function, the G.R. prescribing the relationship does not categorically stipulate to pay the amount of surplus generated out of water supply operations to Government. In other words the Corporation is impliedly authorised to plough-back the surplus in its operations.

Maintenance of Industrial Areas

This is a municipal function requiring the Corporation to maintain the Roads, Street lights, Fire stations (in few areas) during the transitory period up to handing over of the industrial area either to Government or other agency as the Government may decide. The MID Act, vide Section 56, provides for the exist policy after the purpose of industrial development as contemplated in the Act is fulfilled. However, this has seldom become possible in the absence of a substitute agency to take over the responsibility, except

in few cases like that of Marol, Wagale Estate, Pimpri Chinchwad etc. where the Corporation could hand over only the roads and street lights to local Municipal Corporations. In other areas, the Corporation carries on this function as a committed obligation. For this purpose the Corporation recovers service charges to defray the expenditure on such services.

Drainage (Effluent Disposal) And CETP Schemes

The Corporation has Effluent Disposal (Drainage) schemes only in selected Industrial areas having chemical industries. Such schemes are designed to collect and discharge the treated effluent only. In such areas the Corporation recovers drainage cess to defray the expenditure on maintenance and to partially recover the capital cost. Also with a view to arrest pollution, the Corporation has started the operations like Hazardous waste Management and Common Effluent Plants on Joint venture basis with the help of local industries associations.

Other Services

These include providing and maintaining Common Facility Centers like P&T, Banks etc. Though the Corporation does not levy any specific cess for the purpose, the C. F. C. building are subject to rentals. Such rental together with other miscellaneous income from the area covers the maintenance cost of such CFCs.

Daily meditation is not only to experience peace during that time, but to reprogramme our belief systems, channelise our thoughts and prepare how you are going TO BE the entire day. Meditation energises us to be peaceful in the toughest of situation.

ACTIVITIES OF COSIDICI

COSIDICI National Award 2016 function was held on April 27, 2016 at "Hotel K.C. Residency", Residency Road, Jammu to recognise outstanding and meritorious performance of entrepreneurs involved in development and industry. The Chief Guest was Hon'ble Minister for Industries and Commerce for Jammu & Kashmir, Shri Chander Prakash Ganga. COSIDICI National Award were given to 38 'Outstanding Entrepreneurs' whose profiles are as under :



**COSIDICI in collaboration with J&KSIDCO
presents
National Award Function – 2016
for
"Outstanding Entrepreneurs"
Funded By State Level Financial
Institutions**

(On April 27, 2016 At 06:30 p.m. Hotel K.C. Residency, Jammu)

**Karnataka State Financial Corp. {KSFC}, Bangalore
Shylendra Rishiraj Industries Pvt. Ltd**

The unit, engaged in the manufacturing of Instant masala powder & spice powder, was set up in the year 1999 in Mangalore by Shri Shylendra Yellappa Suvarna, a first generation entrepreneur and received financial assistance of Rs.1.41 crore from Karnataka State Financial Corporation. Presently the unit has a turnover of Rs. 6.15 crore. The unit has been awarded Bharatiya Udyog Ratan by the Industrial Economic Development & Research Association, New Delhi.

**Karnataka State Financial Corp. {KSFC}, Bangalore
M/s Sri Sachchidananda Industries**



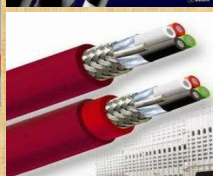
**SHRI H.N. JAYANTHA,
Partner & CEO**



**Karnataka State Financial Corp. {KSFC}, Bangalore
M/s Sri Sachchidananda Industries**

The unit is engaged in the manufacture of fuel injection pipes end formed tubes & engine and was set up by Shri H.N. Jayantha, in the year 2000 in Mysore with financial assistance of Rs.2.56 crore from Karnataka State Financial Corporation. Major clients are BEML, COMATSU India Ltd., CATERPILLAR India Pvt. Ltd.. The present turnover of the company is Rs. 2 crore.

**Karnataka State Financial Corp.{KSFC}, Bangalore
Paras Wires Pvt.Ltd.**



**Karnataka State Financial Corp.{KSFC}, Bangalore
Paras Wires Pvt.Ltd.**

Promoted by Shri Anil Surana, in the year 1987 Paras Wires Pvt. Ltd. was set up with financial assistance of Rs.500 lakh from the Karnataka State Financial Corporation. It is engaged in the manufacturing of Special PVC Insulated cables & Wires for aerospace segment. The company had a turnover of Rs.15.54 crore last year and 80% of its product are import substitutes. Major clients are BEL, TATA, Yazaki, HPF Avadi etc. The company is presently exporting to Sweden, China, Dubai, Mauritius and Israel.



**Karnataka State Financial Corp. {KSFC}, Bangalore
M/S Gajre Fullers Earth Industries**



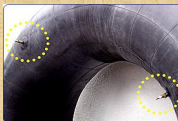
Dr. Mallikarjun Gajre,
Proprietor



**Karnataka State Financial Corp. {KSFC}, Bangalore
M/S Gajre Fullers Earth Industries**

Set up in the year 2010 by Dr. Mallikarjun Gajre, a first generation entrepreneur, M/s Gajre Fullers Earth Industries received financial assistance of Rs.356 lakh from Karnataka State Financial Corporation. It is engaged in the processing of fullers earth & Manufacture of soil conditioner. The unit involves pulverising of hard lumps of fuller earth into fine powder. The products are used in refining of black oil formed dyes for set right fertilizers, refining of edible oil, infiltrating air turbine fuel. Its turnover last year was Rs.3.00 crore.

**Karnataka State Financial Corp. {KSFC}, Bangalore
Mysore Polymers & Rubber Products Ltd.**



**Karnataka State Financial Corp. {KSFC}, Bangalore
Mysore Polymers & Rubber Products Ltd.**

Promoted by Shri C.D. Nagarajan the unit was set up in the year 1981 in Mysore with financial assistance of Rs.18 crore from Karnataka State Financial Corporation. The company manufactures Automotive Butyl Tubes and Rubber Products. Its Customers include CEAT tyres, JK tyres, Good Year Tyres. It exports to USA, Germany, Sri Lanka and Singapore. The value of its exports is US\$ 8.4 lakh.

**Karnataka State Financial Corp. {KSFC}, Bangalore
M/s Alva's Health Care**



**Karnataka State Financial Corp. {KSFC}, Bangalore
M/s Alva's Health Care**

M/s Alva's Health Care, a partnership concern was promoted by Dr Mohan Alva, an educationist in the year 1995 with financial assistance of Rs.402 lakhs from KSFC. Dr. Alva also runs Alvas Educational Institution in the district. The promoter has received the following awards:

- ❖ Rajyotsava Prashasthi from Government of Karnataka;
- ❖ Vishwasswaray award;
- ❖ Best Talented Youth in the world by Oxford University, UK.

The unit provides health services and has a turnover of Rs.586.02 lakhs last year.

**Karnataka State Financial Corp. {KSFC}, Bangalore
M/s Bangalore Test House**



**Karnataka State Financial Corp. {KSFC}, Bangalore
M/s Bangalore Test House**

Promoted by first generation entrepreneur Shri Verghese Chako in the year 1987, the unit is engaged in pharmaceutical testing for drug manufactures for raw material and finished products; Ayurvedi testing of raw materials and finished products; Foods and chemical testing including Animal feeds, food products like Honey, Ghee, biscuits and confectionaries, milk & milk products. It also provides testing facilities for pesticides, Agricultural and Agricultural products; Environmental Testing, Physical and Mechanical testing; Radiological and Microbiological testing.

The unit obtained financial assistance of Rs.463 lacs from Karnataka State Financial Corporation and its present turnover is Rs.608 lakhs. The firm has accreditation from NABL, is approved by Drug Control dept for Drugs and cosmetics, Directorate of AYUSH, FSSAI and empanelled by Pollution Control Board of Karnataka as Grade A Laboratory.

Madhya Pradesh Financial Corporation (MPFC), Indore H.D. Wires Pvt.Ltd.

M/s H.D. Wires Pvt. Ltd. was incorporated under the Companies Act, to manufacture mild steel wires with financial assistance of Rs.30 lacs from M.P.F.C. and commenced production in 1994. Mr. Dheeraj Dev joined the firm in December 2001 when the turnover was just 80 lacs and the product portfolio consisted only of mild steel wires. In 2002-03 he introduced a new product to produce rivets and concrete nails. In 2004 a new product viz welded welmesh was launched with another Rs.65 lacs of financial assistance from MPFC which was followed by other products viz GI Wires, wire nails, welding Electrodes and then another Galvishing line with further assistance of Rs.8 crore. The unit has achieved a turnover of 190 crores in FY 2014-15. Make in India is the new Mantra of our country and for the past couple of years, HDW is trying to establish itself in the field of exports despite the flood of cheap products from China. The volume of its exports was Rs. 80 lacs in 2014-15.

The company's CSR Initiatives Include encouraging its manpower to educate their children and inspire them to excel. The company reimburses primary education for the children of staff. Meritorious students of staff as well as labour get a cash reward of Rs.7,500/- if they secure a position within the Top 3 students of the class.

Madhya Pradesh Financial Corporation (MPFC), Indore H.D. Wires Pvt.Ltd.



Madhya Pradesh Financial Corporation (MPFC), Indore Premium Plast Pvt.Ltd.

M/s Premium Plast (P) Ltd Company was established in 1995 by Shri Chetan Dave & Smt. Lopa Dave to manufacture automobile plastic moulded components. The company had availed financial assistance of Rs. 210.00 lacs in 2012 from MPFC for setting up the unit at Pithampur, Industrial Area, Distt. Dhar. Further assistance of Rs.250.00 lacs has been now sanctioned to the unit for expansion of the project. The turnover of the company increased from Rs. 2.00 crore to 13.00 crores within 9 years. The company has won a number of best ancillary awards from M/s Volvo Eicher Comm Vehicles Ltd & Raychem RPG Ltd. It has been conferred with ISO/TS 16949 and ISO 14001 certification. The company is supplying 400 types of plastic moulded auto components to M/s VE Commercial Vehicles (Eicher) Pithampur, RAYchem RPG Ltd. and Eicher Tractors and AVTEC from its Pithampur unit. Its turnover during last FY. 2014-15 was Rs. 1304.52 lacs.

The major components manufactured and supplied by the company to automobile manufacturers are Wheels Sub Assembly Steering, Foot Step with garnish, Trim Floor Side, Wear Plate Tilt, Handle, Cover for Master Cylinders, Battery Covers, Box Fusible Link, Horn Pad etc.

Its further plans include installation of more moulding machines and setting up of a specialized technology viz thermoforming for manufacture of interior parts of a bus.

Madhya Pradesh Financial Corporation (MPFC), Indore Premium Plast Pvt.Ltd.



Madhya Pradesh Financial Corporation (MPFC), Indore Mohini Fibers Ltd.

M/s Mohini Fibers Ltd, was incorporated under the Companies Act- 1956 by Shri Avinash Bansal, a first generation entrepreneur in 2009 with a view to set up a 1000w export oriented unit for the manufacture of Recycled Cotton and Surgical / Absorbent / Bleached Cotton with financial assistance of Rs.300 lacs from MPFC.

The company set up another unit in 2013 at Pithampur for the manufacture of Surgical, Bleached and Absorbent Cotton with a capacity of 4500 MTs per annum which it plans to increase to 7500 MT per annum in the year 2016. The total cost of the project is Rs. 4000 lacs and MPFC has given Rs.2000 lacs.

The unit has achieved a turnover of Rs. 85.00 Cr and is expecting to cross turnover of Rs. 125.00 Cr in the current year. It is regular in its repayment of its dues.

Madhya Pradesh Financial Corporation (MPFC), Indore Mohini Fibers Ltd.



RIICO, Jaipur Badve Engineering Ltd.

Established by Shri Shrikant Badve a first generation technocrat entrepreneur in 1989 the Badve group is a diversified group with focus on Automotive and Home Appliance components manufacturing. Starting from a small Manufacturing Unit at Aurangabad the group now has more than 20 units across India and employee strength of above 2000.

The company's Tapukara plant received financial assistance of approximately Rs.4800 lakhs from RIICO and is regular with its repayments. It has been conferred with ISO/TS: 16949:2009; ISO 14001:2004; OHSAS 18001:2007 certification. Many leading companies like Bajaj Auto Ltd., Honda Motor Cycle, Tata Motors, Ashok Leyland are some of the major customers of the group.

Shri Shrikant Badve is the recipient of 2 National Awards—one for Entrepreneurship and other for Quality from the former President of India Dr. S. D. Sharma in 1997. He has also received the first award for Research and Development efforts in Small Scale Industries for 2002-03 in August 2004.

Adherence to Delivery on time as well as to Quality of the products is the 'Mantra' of the Badve Group. Shri Badve is proactively involved in many CSR activities notable among them being Tree Plantation and Blood Donation camps.

RIICO, Jaipur Badve Engineering Ltd.



Shri Shrikant Badve



SICOM Ltd., Mumbai KND Engineering Technologies Ltd {KETL}

KND Engineering Technologies Ltd. began its operations with financial assistance from SICOM Ltd. In 1964 with its focus on soil investigation and geotechnical studies which were doctored in as the codes in the Indian Standard Institute and are widely referred to even today as the KND codes & practices. The design on which the prestigious Kolkata Metro Railway and 2nd Hooghly Bridge are based is has been developed by the company. Later KETL added various range of services viz- expertise in foundation engineering and specialized civil works. Some of the known works carried out by KETL are Dairy Plants for ITC at Munger, Transmission line towers for Power Grid Corporation of India Ltd. and real estate buildings for Godrej Properties India Ltd.

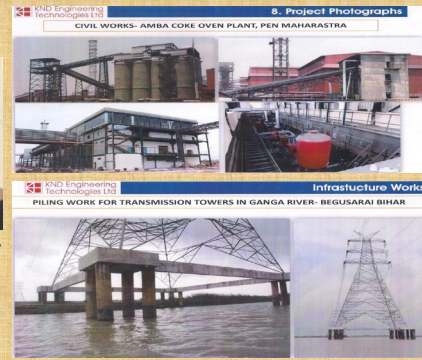
Ms. Varez Dadina, Director (Finance) of the KND Engineering Technologies Ltd. has instilled in the firm to work with strict adherence to budgets and schedules. Also there is emphasis on quality and safety practices which are adopted in all the projects irrespective of the magnitude. The foundation is the very core for anything to succeed and this is the philosophy at KND Engineering viz. to build strong foundation as well as relations with everyone they are associated with.

Ms. Varez Dadina is actively involved in corporate social responsibility activities under the umbrella of "Dadina Foundation" which promotes education of girl child and health care in the rural areas. KND Engineering Technologies Ltd. is a well established Civil engineering Company having worked on a pan India basis for various Civil, Infrastructure and Industrial projects.

SICOM Ltd., Mumbai KND Engineering Technologies Ltd {KETL}



Ms. Varez Dadina,
Director (Finance)



SICOM Ltd., Mumbai Jain Irrigation Systems Ltd.

Shri Anil B. Jain, Managing Director & CEO of M/s JISL since 1992 is an advocate for the small and marginal farmer's cause across the world, and works for the issues of food security, water security and energy security in the under-developed and developing world. He has focused on creating sustainable impact in agriculture, water management, surface and subsoil micro-irrigation, food processing, customized community farming, renewable energy in agriculture and related areas. With financial assistance from SICOM Ltd., JISL has achieved a production capacity of over 5 lakh M.T. per annum. Its export component is 20% of total revenue.

The company has pioneered a revolution with modern irrigation systems and new technologies to save precious water and to get significant increase in crop yields for millions of small as well as large farmers. "More Crop Per Drop" is the company's approach to water scarcity and food security. Shri Jain is recognized by global institutions such as IFC, Harvard Business School, G-20 etc. as a leading practitioner of sustainable development and thought leader in new business model of "Creating Shared Value". Shri Jain is serving on many committees pertaining to Agriculture, Food security and food processing in Government of India and various Commerce Chambers. He is also a recipient of many national and international awards.

The Company has been conferred with ISO-9001:2008; ISO 22000:2005; ISO 14001:2004 and OHSAS 18001:2007 certification.



Shri Anil B. Jain



Jain_Food_Park



Jain_Bio_Gas_Project



Jain_Plastic_Park



Jain_Solar_Power_Plant



Jain_Agri_Park

Kerala Financial Corporation {KFC} Thiruvananthapuram M/s Impact Equipments

Founded by Shri Joji T.G. in the year 2003, with assistance from KFC and only 2 employees at Ernakulam, is now one of the leading companies in stainless steel industry across the country and in Middle East. Using high quality ss 304 and ss 316 alongwith innovative and trendy designs the company manufactures handrails. Their success and determination led to their opening a new branch near Thripunthura in 2006 and taking up of projects like Cochin Airport, Technopark, Infoparketc. Envisaging a shift in demand the company diversified into manufacturing Balustrades and readymade stairs in 2007.

Later a new venture, 'IONA' - a 4000 sq feet showroom at Cochin for entire home applications came up with a view to meet the increasing demand. The unit imported high performance pipe making machines, milling units and pipe polishing machines. The capacity of the plant now exceeds 120 tons per month. Its future plans include setting up a factory in Bangalore.

Kerala Financial Corporation {KFC} Thiruvananthapuram M/s Impact Equipments



Shri Joji T.G.



Jammu & Kashmir State Fin. Corp. (J&KSFC), Jammu M/s Asif Memorial Health Care

A medical service centre established by Dr. Kausar Nisar Bakshi in April 2014, Handwara, North Kashmir with Financial assistance from J&KSFC. The Centre provides modern and comprehensive diagnostic investigations/tests including Ultra Sonography, ECG, Digital X-Ray etc. It also provides comprehensive Rehabilitation and Physiotherapy services. The centre has been conferred with ISO 9001:2008 certification.

The centre is on the panel of many reputed companies like Met Life, Banks, Tata, SBI, HDFC Bank, ICICI Bank, Axis Bank etc.

Asif Memorial Health Care Centre has received "Excellence Award 2015" from the Health Minister of J&K.

Jammu & Kashmir State Fin. Corp. (J&KSFC), Jammu M/s Asif Memorial Health Care



Dr. Kausar Nisar Bakshi



**Jammu & Kashmir State Fin. Corp. (J&KSFC),
Jammu
M/S Annapurna Resorts**

A partnership firm promoted by 3 partners viz Shri Pradeep Kumar, Shri Pawan Kumar and Smt. Asha Rani with financial assistance of Rs.45 lakhs from J&K SFC is located at a prime location in Jammu. The Resort also has a Banquet Hall for large gatherings. The unit is regular in its repayments.

**Jammu & Kashmir State Fin. Corp. (J&KSFC),
Jammu
M/S Annapurna Resorts**



**Shri Pradeep
Kumar**



Smt. Asha Rani



Shri Pawan Kumar



**Jammu & Kashmir State Fin. Corp. (J&KSFC),
Jammu
M/S G.N. Memorial Public School**

M/s G.N. Memorial Public School was established in 2004 by Smt. Shahzada Akhtar, a first generation entrepreneur. The school is located in Wandaveelgam Valloo Kokernag District – a rural area in Jammu and Kashmir with a view to educate girls and boys in a rural area.

G.N. Memorial Public School is English Medium - Co-educational school till class VIII and is equipped with 21 classrooms as well as a well appointed library with 500 books. The School has availed financial assistance Rs. 31.01 lacs in 2011 from J&K SFC and has already repaid Rs.30.69 lakhs.

**Jammu & Kashmir State Fin. Corp. (J&KSFC),
Jammu
M/S G.N. Memorial Public School**



**SMT. SHAHZADA AKHTAR,
PROMOTER**



**Jammu & Kashmir State Fin. Corp. (J&KSFC),
Jammu
M/s Chouhan Hotel & Restaurant**

Set up at Koteranka, Buddhal in Rajouri District by a first generation entrepreneur Shri Sadiq Hussain Chouhan. The hotel provides boarding and lodging facilities to a wide range of people ranging from employees of State Government Departments, Banks to other Social welfare organizations.

M/s Chouhan Hotel & Restaurant has availed financial assistance of Rs. 40.00 lakh from Jammu and Kashmir State Industrial Development Corporation and has achieved a turnover of Rs. 18.00 lakh per annum.

**Jammu & Kashmir State Fin. Corp. (J&KSFC),
Jammu
M/s Chouhan Hotel & Restaurant**



**Shri Sadiq Hussain
Chouhan**



**Jammu & Kashmir State Industrial Development
Corporation (J&K SIDCO), Jammu
M/s Singla Cables**

M/s Singla Cables is situated at Industrial Complex, Bari-Brahmana and is a prestigious unit. Under the project facilities Group twinder, sheeting line, Rewinding line, concentric binders, guild rolls, tangential, etc for the manufacture of control 7 Signal cables. The raw material for the product is PVC cables, Polythene solution, Binders, L.D.P., etc. These cables are used for telecommunication purpose by the defence & Railway establishments.

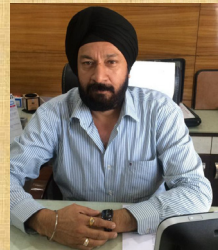
**Jammu & Kashmir State Industrial Development
Corporation (J&K SIDCO), Jammu
M/s Singla Cables**



Shri Varun Singla

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s Nayyar Electrodes Pvt. Ltd

Our unit M/s Nayyar Electrodes Pvt. Ltd. established in 1995 is situated in SIDCO Industrial Complex, Bari Brahmana, Jammu. The unit is a leading manufacturer of Welding Electrodes in the Northern Area. It manufactures all types of Welding Electrodes viz. Mild Steel Welding Electrodes for general purpose; Mild Steel & High Tensile Steel Electrodes; Hard Facing Electrodes; Stainless Steel and Cutting & Gouging Electrodes. The company has been conferred with ISO 9001:2008 certification.



Shri Kuldeep Singh Nayyar

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s K.K. Roller Flour Mills

Mr. Ankush Gupta with dedication and hard work conducts huge business of Atta, Maida & Suji through out the State of Jammu and Kashmir and took the new heights business. The mill generates employment for a large number of people. Mr. Ankush Gupta has also started construction of a 4star hotel at Bari-Brahmana, Jammu



Shri Ankush Gupta

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s Swift Scales & Systems

Swift Scales & Systems is a Prop. Concern of Sh. Lalit Mahajan engaged in manufacturing of, BOPP Self Adhesive Tapes and Electronic Weighing Machines with the quality mark of ISO Certification.

Shri Mahajan has an experience of around 40 years in the field of Manufacturing, Trading and contract work. He is an ex employee of M/s Hindustan Lever Ltd and worked with them for 10 years as a Stores Officer. After resigning from HLL he started his own Industrial Unit for the manufacturing of Industrial Chemicals, BOPP Self Adhesive Tapes and Electronic Weighing Machines.

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s Swift Scales & Systems



Shri Lalit Mahajan



Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s VERTX Green Polypipes

M/s Vertex Green Polypipes was established by Shri Varun Gupta with assistance from J&KSIDCO. VERTX HDPE Pipes are manufactured with state of the art machinery using latest processing technology for manufacturing with an installed capacity of 300 MT per month.

VERTX has network of highly skilled & motivated technical, marketing team spread nationwide consisting of company executives/office and agents. The company maintains a very close contact with its consumers to get the feedback of their needs & problems and ensure for their prompt redress.

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s VERTX Green Polypipes



Shri Varun Gupta

**Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s V B Industries**

Shri Vikram Sharma and Ms. Priyanka Sharma started M/s VB Industries, a partnership concern in 2012. They were the first in Jammu to give an alternative to plastic carry bags. They started eco friendly bags in new J&K market and achieved a target of Rs.1.4 crore which later covered the whole of Jammu and Kashmir giving competition in the market. The unit is growing by leaps and bounds every year. Shri Vikram Sharma is an MBA and has an experience of five years in a pharma company. He started his career as a medical representative and became regional manager. His partner is a law graduate.



Shri Vikram Sharma

**Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s V B Industries**

**Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s SUS Agro**

Shri Sanjeev Arora is a 2nd generation milk industry entrepreneur having inherited the trade knowledge from his father and uncle is a qualified B. Tech (Dairy Technology) from National Dairy Research Institute, Karnal, India's premier institution in the field of dairy research and education. He then joined his family business of milk trading and processing, manufacture of milk products, such as Cream, Butter, Desi Ghee, Paneer, Curd, Skimmed Milk Powder, etc. Thereafter, Shri Sanjeev Arora and his wife Upasana Arora promoted M/s Vishwas Milk Products Pvt. Ltd. In 2008. The Unit is a leading manufacturer of milk and milk products in this region of Punjab. M/s Vishwas Milk Products Pvt. Ltd. is successfully running a plant with capacity of 150000 litres per day and has already achieved a Turnover of approx. Rs. 38-39 Crores. Shri Sanjeev Arora is a very good blend of technocrat (being technically qualified) and business acumen (having promoted and run businesses in the last more than 15 years).



Shri Sanjeev Arora

**Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s SUS Agro**

**Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s Koteswar Enterprises**

The Unit was set up by Ms. Reema Gupta Lady Entrepreneur for the mfg. of all type of cement tiles hollow blocks which are being used in bulk quantity by the Govt./Semi Govt./MES and Public Sector Undertaking like Indian Oil, HPCL etc.

The Lady Entrepreneur set up the above unit on the basis of increasing demand of the product and is running the plant successfully since the last 15 years. At present the Plant is running on full capacity.



Ms. Reema Gupta

**Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
M/s Koteswar Enterprises**

**Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
Saraswati Plastotech India Pvt. Ltd.**

Saraswati group of companies had its humble beginning at Kharar, Punjab with formulation of Pesticides. It grew by adding high technology formulation products and learning through association with giant multinationals like Bayer, Aventis. Firm foundation is laid on quality and safety.

Ms. Saraswati took next step by installing formulation plant at Bari Brahmana, Jammu in 2005. It grew at a faster pace by adding new formulation technologies like Suspension Concentrates (SC), Wettable Granules (WG). It catered to the needs of MNCs like Bayer, BASF, DuPont and Indian companies like Coromandel, Rallies etc. Saraswati Agro Chemicals has installed capacities to handle all types of formulations and all classes of pesticides viz Herbicides, Fungicides and Insecticides.

Saraswati group of companies is a success story growing aggressively, reaching an overall turnover of USD 160 million in 2011. It is not only catering to Indian market but also exporting to Philippines, Thailand, Bangladesh, USA, China Etc.



Mrs. Nidhi Jain

**Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu
Saraswati Plastotech India Pvt. Ltd.**

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu Shankar Plastic Pvt. Ltd.

Mr. Parveen Sharma's stories is not only impressive but also inspiring. Hailing from a service background, equipped with just Rs. 2000, he opened a tiny (5feet x5feet) provision store in 1997 at Bhambla, District Reasi.

He approached J&K Bank in 2001 and secured finance. Within the next few years he purchased land and setup a shopping complex to operate his new business of hardware and in 2008 he established a water storage tanks manufacturing factory M/s Shankar Plastic Industry and started marketing his product/tanks under the Brand name of "VICTREX" Due to the good quality of tanks the "VICTREX" Brand become very popular/ famous in the market.

In 2012 he set up a new factory with automatic machinery and upgraded technology under the name and style M/S Shankar Plastic Pvt. Ltd. at Phase-I IGC Samba for manufacturing of Blow moulded water storage tanks under the same Brand i.e. "VICTREX"

Last year the turn over of the company was Rs. 17.50 crores.



Shri Parveen Sharma

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu Shankar Plastic Pvt. Ltd.

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu Uflex Limited

M/S Uflex Limited SIDCO Industrial Complex, Bari Brahmana Jammu (J&K) is a prestigious unit (Medium & Large scale Industrial unit)

Uflex is promoted by Sh. Ashok Chaturvedi a first generation entrepreneur. The Group has its presence in Flexible Packaging, Plastic Films, Chemicals, Engineering and Food Industry. The Group has been providing complete flexible packaging solutions with convenient printed/unprinted plastic substrates with its most integrated manufacturing facilities. The Group has world class and world size manufacturing facilities at prime locations in India viz Noida in the State of Uttar Pradesh, Malanpur in the state of Madhya Pradesh SIDCO Industrial Complex, Bari Brahmana, Jammu in the state of J&K and Dehradun in the State of Utranchal, covering major location aspects in India. The Groups also expanded its manufacturing arm outside India and built up production facilities in Dubai and Mexico.



Shri Ashok Chaturvedi

Jammu & Kashmir State Industrial Development Corporation (J&K SIDCO), Jammu M/s Uflex Limited

TIIC, Chennai M/s Vee Fish Nets

Engaged in the manufacture of fish nets the unit was set up by Shri S. Rajendran and Shri S. Leon, both first generation entrepreneurs in the year 2006 with financial assistance from TIIC, Chennai. Since then the unit's performance has been on the rise both in the terms of sales, profits and network. The sales in the year 2015 valued at Rs.7.0 crores.

The unit has been conferred with ISO 9000 certification. The fishnets have very high degree of strength and, are therefore, very durable and much in demand both in India and abroad. The unit is exporting to Sri Lanka.



TIIC, Chennai M/s Vee Fish Nets

TIIC, Chennai Freedom Ophthalmic Pvt. Ltd.

Established in 2005 with financial assistance from TIIC by Shri G. Kannayiram, the Company is a leading manufacturer of Ophthalmic Medical Devices : Intraocular Lenses (IOL), Capsular Tension Rings (CTR), Ophthalmic Knives, Ophthalmic Solutions etc. which are made using the highest quality raw materials and GMP System.

The company has a manufacturing Capacity of 75000 PMMA, 50000 Hydrophilic IOL per month and employs more than 200 employees. It has its own Onsite Design engineers. Freedom Ophthalmic Pvt. Ltd. is the first Govt. of India licensed IOL Manufacturer in India and its Products carry CE Certification.

The manufacturing Operations of the unit are based in Hosur, Tamil Nadu, India. It complies to International Standard ISO 11979-1 to 10 and exports to more than 30 countries.

The unit has been conferred with ISO 13485-2003 & ISO 9001:2008 & GMP Certification.



TIIC, Chennai Freedom Ophthalmic Pvt. Ltd.



**Karnataka State Financial Corp. {KSFC}
Bangalore
M/s Sarasija Foods**

M/s Sarasija Foods was set up as a proprietary concern promoted by Smt. Saraswathi Bhat in Mangalore with financial assistance of Rs.5.6 crore from the Karnataka State Financial Corporation in the year 2001. It is engaged in the manufacture of Bakery products which are very popular in the city of Mangalore. The unit has achieved a record turnover of Rs. 6.21 crore last year.

Executive Committee Meeting :

The Executive Committee Meeting of COSIDICI was held on April 28, 2016 at "Regent Conference Hall", Hotel K.C. Residency, Jammu.

Training Programme :

The Executive Committee appreciated the Training Programmes organized by CAB (RBI), Pune for the officers of SLFIs. Also the Members have been regularly sending the officers to attend other programmes pertaining to the MSME sector being organized by CAB as they had proved to be very useful in improving the operations and efficiency of the Corporation. Members were informed that COSIDICI, in consultation with the Principal and other faculty members of the college has been reviewing the contents and usefulness of this course from time to time. Based upon suggestions received from our Chief Executives as also the feedback received from the participants, need based changes are introduced in the syllabus of the programmes to suit specific requirements. Till date the college has held 19 "Training Programmes". The last such program was held on 1st – 2nd July 2015.

Members were informed that at COSIDICI's initiative, CAB has now decided to conduct a study on the SLFIs to assess the reason for some of them performing well and the others not doing so well. COSIDICI has already forwarded the relevant information to the College.

Strategies for Restructuring & Revitalisation of State Financial Corporations :

Shri P. Joy Oommen, IAS, President COSIDICI & CMD, KFC informed the Executive Committee that support from SIDBI to SFCs has come down

substantially. The members felt that NABARD was also facing multiple problems. Still it was pro-actively taking steps to support the agriculture sector, the State Corporative Banks and other stakeholders. SIDBI, on the other hand had almost stopped giving refinance to SFCs and had offered a very small limit of Rs.6 crore only to KFC for the financial year 2015-16 which the Corporation had declined.

SFCs were finding it increasingly difficult to raise resources from the market as State Governments were not providing Government guarantees. The guarantee commissions were high at 0.75% or more. Also, it was now mandatory to get rating of the bonds from 2 rating agencies. While on the one hand, SFCs were facing the problem of resource crunch as well as high cost of funds, on the other hand, Bank loans had become more attractive due to lowered interest rates. As a result, SFCs were not only facing very tough competition in business the Banks were also weaning away existing customers of SFCs.

It was informed that although KFC has performed well both in sanctions (over Rs.1000 crore) and disbursements (around Rs.900 crore) as well as in recovery, the new NPA norms prescribed by RBI and communicated very late by SIDBI with retrospective effect, were very harsh and as a result NPA levels have risen to around 10% and profitability has been hit badly. All the members agreed that the SFCs are not in a position to categorise NPAs and make provisions in accordance with the new stringent NPA norms. The matter had been taken up with SIDBI which had not been very helpful. SIDBI had stated that the NPA norms are prescribed by RBI and are, therefore applicable to SFCs too. The matter needs to be taken up with RBI as well as related Departments in Government of India.

Smt. Smita Bharadwaj, IAS, M.D., MPFC was of the view that SFCs are not only financing risky projects of first generation entrepreneurs but also specific schemes for women entrepreneurs and for entrepreneurs from weaker section (SC/ST) at concessional rates which was necessary for inclusive growth. Highlighting these aspects, a detailed letter may be prepared for submission to RBI and related Departments of Government of India requesting for relaxation of NPA norms for SFCs.

Shri Chander Kumar, Deputy General Manager, KSFC informed that KSFC has launched a new



scheme for providing term loans to units for generation of roof top solar power. Surplus electricity is being purchased by the State Electricity Company presently at Rs.7 per unit. Under a special scheme for women entrepreneurs, term loans upto 75% of the project cost (subject to a cap of Rs.50 lakhs) are provided at a very concessional rate of 4% ; similar concessional loans are provided to SC/ST entrepreneurs with a higher cap of Rs.5 crore per project for which a special fund of Rs.200 crore has been earmarked. Under the scheme for financing first generation entrepreneurs in the general category, term loan for project cost upto Rs.1 crore are provided at a concessional interest rates of 6% p.a. with a 10% interest subsidy being provided by the Government of Karnataka.

Shri Amit Sharma, KAS, M.D., J&K SIDCO informed the Members that the State Government of J&K had come out with innovative schemes under its New Industrial Policy, 2016. Shri Sharma also informed that J&K SIDCO was involved in creation of Land Banks & Infrastructure for Industrial Development. As the amount of resources required were huge the Corporation had devised a new plan under which undeveloped land was given to the entrepreneurs from whom only half the value of land was taken upfront. The entrepreneurs were given two years to develop the land and start the unit. The State Government had come out with a scheme for Land Pooling for which it had started a Joint Venture with Private Participation.

KFC had also taken steps to help entrepreneurs specially in the I.T. Sector. It was not possible to take collateral in this sector. KFC had, therefore, hired engineers to study and appraise the projects after which the units were provided with financial assistance. They also kept a back-up plan in readiness in case of the changing scenario.

National Award Function for the Successful Units Financed by SLFIs:

The Executive Committee appreciated the 3rd National Awards function 2016 of COSIDICI which was held on April 27, 2016 at **Hotel K.C. Residency**, Residency Road, Jammu. They felt that the COSIDICI National Award Function, 2016 had been successful in its twin objectives of felicitating and motivating successful entrepreneurs and of giving

visibility to the contribution made by the SLFIs towards the industrialisation and economic progress of the country.

The Executive Committee appreciated the efforts of Shri Amit Sharma, KAS, M.D., J&K SIDCO, Jammu and his team for the warm hospitality extended to all the members of COSIDICI as well as to the awardees. The Executive Committee also recorded its appreciation and gratitude to Shri Chander Prakash Ganga, Hon'ble Minister for Industries and Commerce for sparing his valuable time for COSIDICI National Award Function, 2016 where **"38 Outstanding Entrepreneurs"** from different States of the country were felicitated. The awardees were very happy with the innovative schemes announced by the State Government in its New Industrial Policy and had expressed their desire to start industry in the State.

The Executive Committee decided to hold COSIDICI's 4th National Awards Function in January 2017. Smt. Smita Bharadwaj, IAS, M.D., MPFC, Indore offered to hold the same in Madhya Pradesh. COSIDICI was requested to formulate the criteria for nominations and send them in October/November, 2016 itself to Member Corporations so as to give them sufficient time to select the awardees.

Publication of bi-monthly Journal – "COSIDICI COURIER" - Essay Writing Competition :

The Executive Committee appreciated the initiative of COSIDICI for holding an 'Essay Writing competition 2015' on the topic **"Need for Diversification of Activities of SLFIs in the current Economic Scenario of India"** and felt it had been successful in its objective of imparting a sense of participation among our Member Corporations. Shri Premnath Ravindranath was awarded second prize of Rs.5,000/- for Essay Writing Competition 2015 and a Certificate was handed over to him during COSIDICI National Award Function, 2016 on April 27, 2016 by the Hon'ble Minister for Industries & Commerce, Shri Chander Prakash Ganga.

The Executive Committee approved the proposal for holding an and Resolved that : **"COSIDICI may organize "Essay Writing Competition, 2016" on a topic related to present economic scenario under the aegis of COSIDICI COURIER"**.

DO YOU KNOW !

List of International observances

An international observance, also known as an international dedication or an international anniversary, is a period of time to observe some issue of International interest or concern. This is used to commemorate, promote and mobilize for action. Many of these periods have been established by the United Nations General Assembly (UN), Economic and Social Council, United Nations Educational, Scientific and Cultural Organization (UNESCO), World Health Organization (WHO) and other United Nations bodies including the International Telecommunication Union (ITU), Food and Agriculture Organization of the United Nations (FAO), World Intellectual Property Organization



(WIPO), United Nations Environment Programme (UNEP), International Maritime Organization (IMO) and the International Civil Aviation Organization (ICAO). Below is a list of years/decades that have been recognized as international observances :-

2015–2024	International Decade for People of African Descent
2014–2024	United Nations Decade of Sustainable Energy for All
2013–2020	International Decade for the Rapprochement of Cultures
2011–2020	United Nations Decade on Biodiversity
2011–2020	Third International Decade for the Eradication of Colonialism;
2011–2020	Decade of Action for Road Safety
2010–2020	United Nations Decade for Deserts and the Fight Against Desertification
2008–2017	Second United Nations Decade for the Eradication of Poverty[135]
2005–2015	Water for Life Decade
2005–2014	Second International Decade of the World's Indigenous People
2005–2014	United Nations Decade of Education for Sustainable Development
2003–2012	United Nations Literacy Decade
2001–2010	International Decade for a Culture of Peace and Non-violence for the Children of the World
2000–2010	Second International Decade for the Eradication of Colonialism
1997–2006	First United Nations Decade for the Eradication of Poverty
1994–2004	First International Decade of the World's Indigenous People
1993–2003	Third Decade to Combat Racism and Racial Discrimination
1976–1985	United Nations Decade for Women



ECONOMIC SCENE

IMF pegs india's growth rate at 7.5% in 2016-17

India's economy is likely grow 7.5% in the next fiscal, compared with 7.3% in 2015-16, helped by a plunge in oil prices and relatively low exposure to the global slowdown, the International Monetary Fund (IMF) said in March 2016. It has advised Indian authorities to effect reforms, including implementing a well-designated goods and services tax regime, strengthening prudential regulation for bank asset quality recognition, rationalising food and fertiliser subsidies and facilitating land acquisition. "With the revival of sentiment and picking up of industrial activity, an incipient upturn in private investment is expected to help broaden the recovery," the IMF said. Higher public infrastructure investment and government initiatives to tackle supply-side bottlenecks and repair corporate and public bank balance sheets should also help crowd-in private investment.

Inflation was on track and monetary conditions remained consistent with the Reserve Bank of India's target for consumer price inflation of 5% by March 2017. However, IMF has flagged concerns, including persistently high household inflation expectations, large fiscal deficits (which could limit policy space to support growth through demand management measures), low exports and weaknesses in India's corporate financial positions and public bank balance sheets, weighing on the economy.

Two NIMZs get final approval

The Government has given final approval to



two National Investment and Manufacturing Zones (NIMZ), one each in Andhra Pradesh and Telangana, Minister of State for Finance Shri Jayant Sinha said. "Eight investment regions along the Delhi Mumbai Industrial Corridor (DMIC) project have been announced as NIMZs. Fourteen NIMZs outside the DMIC region have also been given in-principle approval. "Out of these NIMZs (outside DMIC), the NIMZs at Prakasam in Andhra Pradesh and Medak in Telangana have been granted final approval.

Direct mop-up at Rs.5.54 L cr, indirect tax at Rs.5.69 L cr

The government has collected Rs.5,54,179 crore from direct tax as on February 29 and Rs.5,69,056 crore from indirect tax as on January 31 this fiscal. According to revised estimate, Rs.7.52 lakh crore was estimated to come from direct taxes (corporate, and income tax) and another Rs.7.03 lakh crore from indirect taxes (customs, excise and service tax), Minister of State for Finance Shri Jayant Sinha said in a written reply to Lok Sabha.

*The intention should be reformation not punishment.
Anger gives punishment, depletes the energy of the one
who has made a mistake. Love empowers them and brings
about reformation.*

SUCCESS STORY

M/s Future Corporate Services, KSFC, Bangalore

M/s. Future Corporate Services is a proprietary unit engaged in the manufacture of paper napkins located in Rajajinagar Industrial Estate, Bangalore.

A term loan of Rs. 18.00 lakhs and a working capital term loan of Rs.17.00 lakhs was sanctioned to the Unit under Single Window Scheme in November 2013 and an additional working capital term loan of Rs. 8.50 lakhs sanctioned in March 2015. The promoter is repaying regularly.

The proprietrix Smt. Bhavana N w/o Sri Kumaraswamy S C is an Arts graduate. She belongs to Scheduled Caste category. She has worked in many companies as Executive, Senior Specialist and Key Accounts

Manager viz Kouchan Knowledge Services, Bharati Airtel Services Ltd., Sistema Shyam, Tele Services and Future Group. She is running this unit successfully from past 2 years.



The unit is supplying the products to reputed Hotels like Brigade Hospitality Bhoomiputra Hotels, Celebration Catering, Oak Food UB City and others like Amba Agencies, Mantrimall etc and is getting repeat orders.

Sri Ganesh Herbals - Bangalore

Sri Ganesh Herbals is a sole proprietorship firm incepted in the year 2002 at Bengaluru, India. It is involved in manufacturing and supply of Natural Herbal Extracts, Ashwagandha, Amla and many more. Finest quality raw materials are used for their effectiveness and high-end results. These products are manufactured keeping in mind the latest trending needs.

Under the expert guidance of Mrs. B. Subhashini, unit has become the most prominent manufacturer and supplier of herbal products in the market. The promoter has employed around 50 people in the factory. The team of qualified and highly experienced professionals has helped the unit to achieve production and sales targets with utmost precision. The in depth knowledge of professionals in their respective fields has helped the company to grow and deliver as per the international standards.

The company owns a state-of-the-art infrastructure base that forms the cornerstone of the organization. The well-organized production unit is segregated into various divisions like extraction, isolation as well as purification of Herbal extracts and Phyto chemicals. The unit is backed by R&D wing to anticipate the needs of clients and innovate new products accordingly. The company established specialized solvent extraction facilities with all the balancing equipment and the state-of-the-art testing laboratory for the manufacture of standardized extracts. The operational capacity of the unit is 2 MT of raw material processing per day.

Extraction

The unit has a complete extraction division and dedicated spray drying facility with a contamination free

chamber. Within the main process area, it houses a 100 ltrs per hr spray drier, pulveriser, shredder, 5 extraction vessels, rotator vacuum drum driers, centrifuge, 6 reactors, 2 blenders, raising film evaporator, multi mill, 2 sifters and other downstream equipments.

A separate raw material store ensures that the crude herbs / input material are kept free from moisture / sunlight and rodents. The unit has a process lab and quality assurance department, spread over a modest area. The QC also ensures that proper BMR (Batch Manufacturing Records) are maintained by production team and carries out random inspection and verification to ensure their authenticity. Extraction of the raw material with water and different solvents like methanol to get the soft extract. This extract will be condensed to the required TDS.

Spray Drying

The spray drying device is capable of evaporating 100 ltrs per hour subject to the nature of product and total dissolved solids (TDS) in the solution. The spray dried products are superior in quality and have uniform density, moisture, color and free-flow. The correct spray dryer design and atomization technique can increase yields for products. The facility is utilized by quite a few pharmacy companies and flavor manufacturers for spray drying their products. The unit also undertakes job work for pulverizing, extraction and spray drying based on specific schedules and committed volumes.

M/s. Sri Ganesh Herbals has availed financial assistance of Rs. 227.00 Lacs from KSFC. The unit has been functioning successfully and repaying regularly.



ALL INDIA INSTITUTIONS

Bankers avoid recast through CDR cell in FY16

Avoiding the corporate debt restructuring (CDR) route altogether, banks have not referred any fresh loan to the CDR cell in FY16. However, two old cases – Simbhaoli Sugar and Zuberi Fibres, with debt of Rs.800 crore and Rs.75 crore respectively, had been referred to the cell and have been recast in FY16. Shri Viney Kumar, chairman, CDR cell, said that this year, the cell primarily focused on the review and monitoring of the existing accounts. “Earlier, when the cases used to be more, the review used to take the back seat. We have been working more on ensuring that each case should be reviewed at least once a year”.

According to Shri Kumar, at least 90% of the cases have been reviewed already. “Reviews help us determine how the company is performing compared to the CDR projections. It also shows if the promoters have brought in their contribution, created the pledge and divested their non-core assets”. Beginning April, any fresh restructured loan attracts the same provisions as non-performing assets (NPAs) at 15%. Earlier, the RBI had allowed banks to classify such accounts as standard restructured and provide 5%. Since its inception in 2001, the CDR cell has restructured 522 cases worth Rs.3.8 lakh crore out of 647 cases worth Rs.4.5 lakh crore referred to it. Bankers have realised that CDR was not as productive as an SDR in terms of reviving an asset. “They have shifted their focus from short-term relief to long-term fix for their exposure to stressed companies. They are no longer satisfied with just stretching the repayment period during restructuring and are instead in favour of more structural changes by bringing in strategic investor to make the company viable”.

The RBI had allowed lenders to classify restructured accounts under the restructured-standard category till March 2015. However,



from April banks have been instructed to classify restructured accounts as NPAs and, given the continued financial strain across corporate India, chances are the NPA portfolios of some lenders could grow bigger. According to RBI data, stressed advances — restructured assets and NPAs — have risen to 11.3% of total advances in September 2015 from 11.1% in March 2015. The CDR cell works on the principle of approvals by super-majority of 75% of creditors (by value) which makes it binding on the remaining 25% to agree to the majority decision. Further, it covers only multiple banking accounts and consortium accounts with exposure of Rs.10 crore and above. In FY15, the cell approved 30 cases worth Rs.39,230 crore for recast.

ARCs to face capital challenges despite Budget booster

Asset reconstruction companies (ARCs) might face capital constraints, at least in the short term, despite the government's efforts to empower these. Market players have said even with the changes announced, it was unlikely that capital would begin to flow in immediately. As a result, with the ARCs grappling with their own challenges, it was unlikely that they would be in a position to buy off the huge concentration of loans, thus resulting in a bad-loan crisis. In the Budget, Finance Minister Shri Arun Jaitley had proposed to amend the Securities and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002, to allow sponsors

to hold 100 per cent equity stake in ARCs. Non-institutional investors would be allowed to invest 100 per cent in security receipts, making the fund-raising process easier for ARCs. The combined net worth of all ARCs is Rs.3,500 crore and assets managed (is) Rs.40,000 crore. Many conservative ARCs are operating at low leverage and do not wish to increase this. The banking industry has also asked for strengthening of the Debt Recovery Tribunal (DRT) and litigation process to ensure faster resolution.

At present, the sponsor's stake is capped at 49 per cent and the rest has to be held by an individual, making capital-raising a challenge. However, these proposals will come into effect only when Parliament passes the Bill. To get more investment in ARCs, the government had proposed to allow complete pass-through of income-tax to securitisation trusts, including trusts of ARCs. As a result, this income would be taxed in the hands of the investors, mainly banks, instead of the trust. However, the trust would be liable to deduct tax at source.

In the Budget, the government had proposed to permit 100 per cent foreign direct investment (FDI) in ARCs via the automatic route. Till now, FDI up to 49 per cent was allowed via the automatic route; this move would allow foreign ARCs to enter the Indian market. However, reaching a valuation at which both banks and ARCs would agree remained a challenge.

Divestment receipts exceed revised target for 2015-16

Due to the sale of Centre's bonus debentures in NTPC, its disinvestment receipts in FY16 exceeded revised Budget estimate (RE) by Rs.6,849 crore. It collected Rs.32,149 crore as against the revised target of Rs.25,300 crore. Higher tax collections than the revised estimate (up Rs.5,000 crore), last-minute pick-up in disinvestment revenue and marginal reduction in Plan expenditure from the RE level helped the government contain the fiscal deficit within the budgeted level of 3.9% of GDP.

Towards the end of March, the government sold its debentures worth Rs.8,152 crore in NTPC to the Employees' Provident Fund Organisation (EPFO). The government also raised about Rs.4,500 crore by selling a portion of its holding in unlisted Hindustan Aeronautics (HAL) and Bharat Dynamics (BDL) back to these companies. These transactions took the disinvestment revenue from Rs.19,514 crore (raised through small stake sales in seven PSUs) to Rs.32,149 crore just before the fiscal year concluded on March 31. Separately, the buyback of shares in HAL and BDL also fetched the exchequer Rs.1,023 crore in transaction taxes.

To bridge the shortfall in disinvestment revenue, cash-rich PSUs with high net worth and low leverage ratios were prodded to make use of surplus funds through buyback. Post buyback, the price-to-earnings (PE) ratios of these companies would significantly improve, which could attract investors when the government finally divests shares in these companies. Currently, there are about 169 unlisted central PSUs.

The Centre, which is actively monitoring the surplus deployment by PSUs, had advised undertaking capital expenditure or pay higher dividends to help it tide over a shortage of revenues. The government had retained its spending commitments even after the disinvestment target was slashed to Rs.25,300 crore over the budget estimate of Rs.69,500 crore (including strategic stake sale) for the current fiscal.

About Rs. 1 lakh cr disbursed under MUDRA Yojana

Loans worth Rs 1.09 lakh crore have been given to small entrepreneurs under the Pradhan Mantri MUDRA Yojana. In a written reply to the Rajya Sabha, Minister of State for Finance Shri Jayant Sinha said loans worth over Rs.1.09 lakh crore were given to over 2.96 crore beneficiaries. Under this yojana, which was launched in April 2015, loans between Rs.50,000 and Rs.10 lakh are provided to small entrepreneurs.



Banks to expand capital base to meet Basel-III rules

At a time when public sector banks (PSBs) have been struggling with a low capital base, the RBI has allowed banks to improve up its capital adequacy rates by including certain items such as property value, foreign exchange for calculation of its Tier-I capital. The new norms revealed by the regulator suggest that banks can now include the value of the property while calculating its Tier-I or core capital base. But not the entire value of the property would be included; instead only 45 per cent of the property value would be counted.

First Bi-monthly Monetary Policy Statement, 2016-17

On the basis of an assessment of the current and evolving macroeconomic situation, the Reserve Bank in its first Bi-monthly Monetary Policy Statement, 2016-17, on April 5, 2016, announced the following measures :

- Repo rate cut by 25 basis points (bps) to 6.5 per cent
- Cash reserve ratio (CRR) steady at four per cent
- Reduces daily maintenance of CRR from 95 per cent to 90 per cent
- Reduces policy rate corridor; reserve repo now at six per cent
- Bank rate at seven per cent
- Lower liquidity deficit from one per cent to neutral
- Allows substitution of securities in market repo transactions to help development of term money market
- Simplification of process of registration of new non-banking financial companies

ANSWERS OF CYBERQUIZ ~ 59

- 1 [a] Vannevar Bush : The machine however was rendered obsolete soon by digital computers.
- 2 [a] Ted Nelson : Theodor Holm Nelson is also known as a sociologist and philosopher besides being a pioneer of information technology.
- 3 [d] Philip W. Katz : The term PK comes from the inventor's name.
- 4 [a] Transmeta : Transmeta was a Silicon Valley start up when Torvalds joined it.
- 5 [c] CIA : CIA condemned the project Oracle because it saw the system that was being created as the one able to give answer to all questions.



NEWS FROM STATES

State Finances

RBI report on state finances reveals fiscal consolidation accompanied by “modestly improved” quality of budgeted expenditure. There is notable improvement in the ratio of development expenditure to gross state domestic product in the low-income states. The bad news is that as per the 2015-16 state budgets, there has been a decline (over the previous year) in projected revenue expenditure under such important heads as housing, water supply and sanitation, rural development, irrigation and flood control, etc. Capital expenditure is budgeted to decelerate as well.

The RBI report mentions that the increase in the states’ share of tax devolution from 32% to 42% of the divisible pool, on the recommendation of the Fourteenth Finance Commission, actually works out to a decline in central transfers (share in central taxes plus grants-in-aid) by 0.3% of GDP in 2015-16, due to discontinuance of many centrally sponsored schemes. While many such schemes on state subjects have been delinked from central support, those representing national priorities like poverty alleviation, and those backed by cess, do continue. The report adds that the states need to provide greater fiscal space for development expenditure on health and education by augmenting revenue generation, levying reasonable user charges, boosting performance of state public sector units and, in particular, by improving realisations from state power distribution utilities.

States told to reform

Union Finance Minister Shri Arun Jaitley in March said states that did not reform would be left behind in attracting investment, since the future was for competitive federalism. State governments would have to create an enabling policy environment. In addition to cooperative federalism, India has also become a place of competitive federalism. Compete with each other to attract investment, he said at the inauguration of



Happening Haryana, a Global Investors Summit in Gurgaon. “Reform or perish could not be more true than today. Investors are not philanthropists and for every rupee they invest, they look for returns. If there is policy paralysis, investors are not enthused”. Stability and predictability in policy was important while adding that not only the attitude of the government but also of major political formations was important. “If decision making is slow, investment will suffer”.

The minister said Haryana had the geographical advantage of being part of the National Capital Region. It had a composite economy, with a large agricultural presence. At the same time, it had transformed into a manufacturing hub over 30-40 years. Besides, the state was growing into a successful service centre. The state signed up investments worth Rs.1,28,740 crore on the first day of the Global Investors Summit in March 2016. Projecting the state as one of the most progressive consumer markets big investments in commitments in infrastructure, realty, solar energy, food processing and agriculture have been garnered.

Haryana Budget

Presenting his second budget to the legislative assembly on 21st March, 2016, Finance Minister Capt Abhimanyu proposed to cut tax from 12.5 per cent to five per cent on sale of electrical vehicles. No new taxes have been proposed in the Haryana government’s budget for 2016-17,



despite the additional burden of the financial rescue package for power distribution companies and implementation of the pay commission recommendations. The total budget estimate of Rs.69,140 crore for 2015-16 is proposed to be increased by 28 per cent to Rs.88,782 crore in 2016-17.

Andhra budget raises FY17 plan outlay by 43%

The Andhra Pradesh government has presented a tax-free Budget with an expenditure of Rs.1.36 lakh crore for 2016-2017, an increase of 20% over last fiscal estimates to balance growth and welfare. This constitutes a non-plan expenditure estimated at Rs.86,554.55 crore, an increase of 10% and the plan expenditure estimated at around Rs.49,134.44 crore, which grew by 42.78% over last fiscal. Presenting the Budget, finance minister Shri Yanamala Ramakrishnudu in the Assembly said that the estimated revenue deficit is around Rs.4,868.26 crore and the fiscal deficit is estimated at around Rs.20,497.15 crore. The fiscal deficit will be around 2.99% of the GSDP whereas the revenue deficit is around 0.71% of the GSDP.

The finance minister said that the State received only Rs.50 crore per district per year over the past two years for development of four Rayalseema and three north coastal districts. Besides, Rs.850 crore for construction of Amaravati city, Rs.345 crore for Polavaram project and Rs.1,000 crore for water supply and drainage projects for Vijayawada and Guntur districts. "Tax incentives for industrial development of the State, grants for construction of capital city and conferring special category status, which are all part of the AP Reorganisation Act 2014, have remained unfulfilled and causing severe strain on the state's fiscal situation".

"We continue to carry a revenue deficit of Rs.13,897 crore inherited from 2014-15 as a consequence of irrational bifurcation of the state". The division also resulted in the residuary state receiving 46% of the revenues of the combined entity with 58.3% of its population. This resulted in a revenue deficit of Rs.16,200 crore in the first 10 months of the new State's existence. "We expect the Centre to step up its support to state development plan in the form of increased central assistance and special grants apart from Rs.3,000 crore to partially offset the revenue deficit".

Uttarakhand joins UDAY scheme, to save Rs.962 crore

Uttarakhand became the 10th state to join the UDAY scheme meant for the revival of discoms, a move which will help it save Rs.962 crore during the turnaround period. "The Government of India, Uttarakhand and Uttarakhand Power Corporation Ltd (UPCL) which takes care of the power distribution activity of the state signed a Memorandum of Understanding (MOU) under the Scheme UDAY - Ujwal DISCOM Assurance Yojana - on March 31, 2016 for operational turnaround of the DISCOM," the Power Ministry said. An overall net benefit of about Rs.962 crore would accrue to the State by opting to participate in UDAY, reduction in AT&C and transmission losses, interventions in energy efficiency and so on during the period of turnaround. Under UDAY, 10 states have signed MoU till date. The combined DISCOM debt that would be restructured in respect of these states is around Rs.1.96 lakh crore, which is about 45 per cent of the total outstanding DISCOM debt of Rs.4.3 lakh crore as on September 30, 2015. Under the MoU, the reduction in AT&C losses and transmission losses is likely to bring additional revenue of around Rs.645 crore during the turnaround period.

Counseling is best done by someone who is detached from us and from the people and situation because of whom we are creating anxiety.

MICRO, SMALL AND MEDIUM ENTERPRISES

RBI revises rules for resolution of stressed MSME loans

The RBI revised rules pertaining to revival of advances to small businesses and asked lenders to form district-level committees to resolve stressed loans to micro, small and medium enterprises (MSMEs) in March 2016. The rules have been revised for “revival and rehabilitation of MSMEs having loan limits up to Rs.25 crore”. “Restructuring of loan accounts with exposure of above Rs.25 crore will continue to be governed by the extant guidelines on corporate debt restructuring (CDR) or Joint Lenders’ Forum (JLF) mechanism”. The notification follows a May 2015 government decision to provide a simple and fast mechanism to address stress in accounts of MSMEs and also help in the promotion of such businesses. District-level committees will resolve the stress in MSMEs under their jurisdictions. In case of a MSME banking with multiple lenders, the lead bank’s panel’s will deal with the issue.

The committees shall comprise regional head of the bank as chairperson, and MSME loans in-charge as the convener and member. The bank should also appoint an external expert nominated by the bank and a representative of the state government. The bank boards should form a policy on the composition of the committee and terms of appointment. Just like in the case of large borrowers, RBI has asked banks to look for stress from an early stage by identifying loans of over Rs.10 lakh as special mention accounts, right from 30 days’ non-payment of principal and interest onwards. The committee will have to come



up with a corrective action plan for the account, which shall look at rectification, restructuring, recovery and also additional finance if needed.

SMEs raise Rs.287 cr via IPOs during April-Jan

To tap the upbeat investor sentiments, 34 small and medium enterprises (SMEs) got listed on capital markets with initial public offerings worth Rs.287 crore in the first ten months of current financial year. This was higher than 39 SMEs raising a total of Rs.278 crore in the entire past fiscal (2014-15), according to the data available with Sebi. According to market experts, increasing number of firms coming on SME exchanges send positive signals and lend a lot of confidence to SME capital markets.

The companies which got listed in the ongoing fiscal are from sectors such as logistics services, automotive components, infrastructure and hospitality.

Positive thinking does not mean what will happen, will be the best; it means whatever will happen, will be accurate for me; according to my sanskars and my past karmic accounts.



Health Care !

While everyone knows the importance of exercise in general, a lot of people don't seem to find time to develop a daily fitness routine. They don't have time to drive to a fitness center on a regular basis. Or they have other reasons why they can't go to the gym. The good news is that you don't need to go to the gym to stay fit. The alternative way is to work out at home. You can do your personal fitness routine while at home through the use of different fitness techniques. Below are just some of the benefits of working out at home.

Save Time and Money

One of the advantages of working out at home is that you will be able to save a lot of time and money. Going to the gym means you need to get dressed, drive or commute to the gym, and change into gym clothes. Then after the workout, you need to do everything again in reverse. More often than not, this ritual takes more time than the actual gym session.

You also need to factor in the gym membership fee. The costs are much more expensive because it includes activities and features that you don't need such as group classes. More often than not, you only spend a couple of hours lifting weights each week.

Flexible Schedule

Another benefit of working out at home is that you can do so whenever you want to. You don't need to show up at a specific time at the gym for a workout class. You can do whatever workout routine you want to do, any time of the day.



Be More Focused

When working out at home, you will be able to push yourself to the limits and be more focused. There will be no distractions, unlike when you do your exercises at the gym. And you don't need to wait for someone to finish using the gym equipment. You will not feel rushed or be self-conscious. That way you will be able to concentrate on the movements to get maximum results.

It is easy to plan your own workout at home. Most workouts done at home don't need equipment. You just need to have enough space to do your home work out safely. The ideal workout at home must be performed in a circuit, which means that you need to do one set with rest in between. Each circuit must be done three to four times or as many as you can within 20 minutes.

As you can see, working out at home can be advantageous to you in so many ways. You don't need to leave your home to improve and maintain your fitness level. And the best thing about it is that you can do the exercises whenever you have some free time.

A person goes towards any substance addiction because either they are deprived of love; or crisis in life; or low self esteem and seeking public approval for feeling good. Help them to heal the pain in order to give up the addiction