



Press Release

“MSME Financing & Strengthening MSME Linkages” 6th National Conference

Kolkata, 30th September 2015: We are a free democracy trying to achieve full sufficiency and economic freedom: **Shri Sadhan Pande.**

Speaking at an exclusive session entitled **“MSME Financing & Strengthening MSME Linkages”** organized by **Indian Chamber of Commerce, Kolkata, Mr Sadhan Pande**, Hon'ble Minister-in-Charge, Department of Consumer Affairs, Government of West Bengal threw light on the importance MSMEs in the nation and West Bengal and mentioned the concerned initiatives undertaken therein, to catapult India to the next growth league amongst developing nations. The strategic leader pointed out MSME industry is in an experimenting phase where within free democracy, the industry is trying to achieve economic freedom. He mentioned that even though our economy is vibrant, we are still struggling to help the common people. Shri Sadhan Pande was of the opinion that the pre requisite of running a country successfully is progressing collectively with the common people, the masses and the industrialists such that none of the sectors of the economy lag behind in the process of development. He envisioned that though development of a nation is a continuous process which is time taking but India will definitely develop into a country the world expects it to be in the next 10-20 years. Shri Sadhan Pande suggested that since MSME is such a vibrant sector in Bengal, the National Small Industries Corporation (NSIC) should have a focused attention towards helping the industries in this state develop through active associations with the various industry bodies like the chambers of commerce. Since MSME sector is an essential element for any industry, it needs financial and technological support. MSIC can play an active role, in his opinion, in imparting the technology from foreign countries into MSMEs. Shri Sadhan Pande further stressed on the importance of enhancing the intellectual potential of the country for emboldening the MSME industry through proper skill development and training. He emphasized that the government is looking at a cohesive framework and is willing to provide all the help that ensures sustainable development for MSMEs which would also require a joint collaboration of all the relevant stakeholders.

Mr Shiv Siddhant Kaul, President, Indian Chamber of Commerce, while proposing his welcome address at the forum, mentioned that the growing and vibrant MSMEs contribute to 8% of the total GDP, 45% of the manufacturing output and 40% of the exports of the nation and is also the second largest employer in India after agriculture. MSMEs are heterogeneous in terms of organization but a few problems are common across the sector as a whole. He mentioned that the concerns faced by the MSMEs today are difficulty in securing reliable sources of financing, availability of raw materials and markets, abusive buying practices and ease of doing business. He mentioned that the ease of doing business is a matter of serious concern for which the state and center should work together. The good news is that India has moved to a rank 55 in the data disclosed by World bank basis the ease of doing business. Mr. Kaul further highlighted the need for encouraging the concept of self help and community based initiatives for development of clusters which allow vertical integration. Industrial corridors and smart cities need to focus on such clusters to further help reduce costs. He observed that West

Bengal is heavily dependent upon MSME which constitutes almost half of the state GDP. Even though West Bengal has the fastest growing MSME sector in India, most of them are in unorganized sector. The move from an unorganized sector to an organized one, he mentioned, will change the way in which they are perceived by the supply chain and corporate world. Mr. Kaul concluded his session mentioning that as participants of a market economy, the onus for pushing the implementation of GST, enhancement of skills and up gradation of technology which will together help the MSME sector thrive, lies on the state, center and industry people.

Mr P Udayakumar, Director (Planning & Marketing), NSIC threw light on the unprecedented policies promulgated by the Government in the benefit of enterprises. Mandatory 20 % procurement from MSMEs by public sector introduced in 2012-2013 which was in a pilot phase then, has helped create tremendous opportunities for MSMEs and help support Make in India. Other important policy initiatives which have been a game changer towards revitalizing the Indian MSME industry has been the offset policy in defence procurement and legal protection policies which have converted legal provisions and policies into help for MSMEs. Previously 47% of the GDP of India was contributed by the service sector and the lowest contributor was the manufacturing sector; but now, times have changed. India has low cost raw materials for manufacturing and banks on its competitive advantage of demographic dividend which have together helped in the development of its MSME sector. Mr. Udayakumar further mentioned that Government's emphasis on Make in India and marketing drives and the recent lowering of interest rates can create a fillip for local industries. Some of the necessary conditions for a vibrant and growing MSME sector, he pointed out are tackling problems related to ease of doing business, labour reforms, scaling up of infrastructure facilities to a global standard and emphasis on R & D. These, according to him, need to be tackled in an industry friendly manner to create a conducive environment for the growth of MSMEs.

Mr Kalyan Kar, Chairman, ICC, Education & Skills Committee & Co Founder & Managing Director, Infinity Knowledge Ventures Private Ltd. delivered the vote of thanks where he summarized the importance of MSME in Indian economy and the game changing reforms of the government in brief which have accounted for developing this backbone of the economy. He concluded his session mentioning the importance of ameliorating conditions for creating local consumption and demand for the sustainable development of the business ecosystem.

For further information please contact:

Sreeraj Mitra / Saurav Mukherjee / Kaushik Chatterjee
Sagittarius Communications Pvt Ltd
Ph: 9007307884 / 8697719310 / 9830006528