COSIDICI COURIER

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

VOL. LIV NO. 6 | November-December, 2016

Contents

FROM THE DESK OF THE EDITOR

Environmental Pollution - Emergent Need

Environmental Pollution is the biggest menace to the human race on this planet today. Relationship between human life and environment is quite strong and intimate. The environment consists of earth, water, air, plants and animals.As human beings, we exploit the environment in our endeavour for better living. Such exploitations, over the centuries, have resulted in serious threat to the environment itself. If we continue to pollute and damage the environment, the existence of both man and nature will be endangered.

There are various sources of environmental pollution, such as vehicles, industries, pesticides, deforestation, etc. There is air pollution by vehicles and industries, water pollution by industrial waste and residential sewage, soil pollution by dumping of garbage, radiation pollution by leakage from nuclear plants, noise pollution by vehicles in heavily populated areas, supersonic aircrafts and heavy engineering units. However, the major source of pollution is Industrial Pollution.

It was the industrial revolution that gave birth to environmental pollution as we know it today. The emergence of great factories and consumption of immense quantities of coal and other fossil fuels gave rise to unprecedented air pollution and the large volume of industrial chemical discharges added to the growing load of untreated waste. In the 19th and 20th century, industrial pollution mainly emanated from developed countries namely from United States, Europe and Russia. Pollution became a serious issue after World War II, due to radioactive fallout from atomic warfare and testing. Thereafter, a non-nuclear event, the Great Smog of 1952 in London, killed at least 4000 people. This prompted some of the first, major modern environmental legislations.

In recent times China, Brazil and India's rapid industrialization has substantially increased pollution. China, Brazil and India have relevant regulations but the environment continues to deteriorate. Since pollution crosses political boundaries, international treaties have been made through the United Nations and its agencies to address international pollution issues. The Kyoto Protocol is an amendment to the United Nations Framework Convention on Climate Change (UNFCCC), an international treaty on global warming. It also reaffirms sections of the UNFCCC. Countries which ratify this protocol commit to reduce their emissions of carbon dioxide and five other greenhouse gases, or engage in emissions trading if they maintain or increase emissions of these gases. A total of 141 countries have ratified the agreement. Notable exceptions include the United States and Australia, who have signed but not ratified the agreement. The stated reason for the United States not ratifying is the exemption of the major developing countries like China, India and Brazil.

V.S. RATHORE
Secretary General, COSIDICI

Forms of pollution

The major forms of pollution caused by human activities are listed below :-

Air pollution is caused by the release of chemicals and particulates into the atmosphere. Common gaseous pollutants include carbon monoxide, sulfur dioxide, chlorofluorocarbons (CFCs) and nitrogen oxides produced by industry and motor vehicles. Photochemical ozone and smog are created as nitrogen oxides and hydrocarbons react to sunlight. Particulate matter, or fine dust is characterized by their micrometre size PM10 to PM2.5

Water pollution is caused by the discharge of wastewater from commercial and industrial waste (intentionally or through spills) into surface waters; discharges of untreated domestic sewage, and chemical contaminants, such as chlorine, from treated sewage; release of waste and contaminants into surface runoff flowing to surface waters (including urban runoff and agricultural runoff, which may contain chemical fertilizers and pesticides); waste disposal and leaching into groundwater; eutrophication and littering.

Noise pollution encompasses roadway noise, aircraft noise, industrial noise as well as high-intensity sonar.

Soil contamination occurs when chemicals are released by spill or underground leakage. Among the most significant soil contaminants are hydrocarbons, heavy metals, MTBE, herbicides, pesticides and chlorinated hydrocarbons. Ordinary municipal landfills containing wide variety of urban waste are the source of many chemical substances entering the soil environment and often groundwater.

Radioactive contamination, resulting from 20th century activities in atomic physics, such as nuclear power generation and nuclear weapons research, manufacture and deployment, etc. which release alpha emitters and actinides in the environment.

Littering is the criminal throwing of inappropriate man-made objects, unremoved, onto public and private properties.

Global Warming

Global warming is the most serious consequence of industrial pollution over a long period of time. The emission of various greenhouse gases such as CO2, methane (CH4), among others from various industries, increases the overall temperature of the earth, resulting in global warming. Global warming has serious hazards, both on the environment as well as on human health. It results in melting of glaciers and snow-capped mountains, causing an increase of the water levels in seas and rivers, thereby increasing the chances of floods. Apart from this, global warming also has numerous health risks on humans, such as increase of diseases such as malaria, dengue, cholera, Lyme disease and plague, among others. We

humans have been the primary cause of global warming since 1950s. Humans have ways to cut greenhouse gas emissions and avoid the consequences of global warming, a major climate report concluded. But to change the climate, the transition from fossil fuels like coal and oil needs to occur at the earliest.

Remedy – Pollution Control

Pollution control means the control of emissions and effluents into air, water or soil. Without pollution control, the waste products from consumption, heating, agriculture, mining, manufacturing, transportation and other human activities, whether they accumulate or disperse, will degrade the environment. Under the pollution control perspective, waste is regarded as an undesirable by-product of the production process which is to be contained so as to ensure that soil, water and air resources are not contaminated beyond levels deemed to be acceptable.

In the hierarchy of controls, pollution prevention and waste minimization are more desirable than the other measures of pollution control which are related to waste treatment and disposal. The pollution prevention approach focuses directly on the use of processes, practices, materials and energy that avoid or minimize the creation of pollutants and waste at source. As environmental pollution control technologies have become more sophisticated and more expensive, there has been a growing interest in ways to incorporate prevention in the design of industrial processes - with the objective of eliminating harmful environmental effects while promoting the competitiveness of industries. Among the benefits of pollution prevention approaches and use of clean technologies is the potential for eliminating health risk of the workers.

The other measures of pollution control include the use of devices like Baffle spray scrubber, Cyclonic spray scrubber, Ejector venture scrubber, Mechanically aided scrubber, Spray tower and Wet scrubber for air pollution control. Measures of industrial wastewater treatment include the use of Biofilters, Dissolved air flotation (DAF), Powdered activated carbon treatment and Ultra-filtration. In the field of land development, low impact development is a similar technique for the prevention of urban runoff.

Over the course of the twentieth century, growing recognition of the environmental and public health impacts associated with human activities has prompted the development and application of methods and technologies to reduce the effects of pollution. In response to extensive evidence of the serious contamination associated with unrestricted generation of waste, Governments have adopted regulatory and other policy measures to minimize negative effects and ensure that environmental quality standards are achieved. Governments have also established standards for acceptable practices for collection, handling and disposal to ensure environmental protection. Particular attention has been paid to the criteria for environmentally safe disposal through sanitary landfills, incineration and hazardous-waste treatment.

Pollution Control In India

The Central Pollution Control Board, a statutory organization, was set up in India in September, 1974 under the Water (Prevention and Control of Pollution) Act, 1974. The Board was also entrusted with the powers and functions under the Air (Prevention and Control of Pollution) Act, 1981. Principal Functions of the Board are -(i) to promote cleanliness of streams and wells in different areas of the States by prevention, control and abatement of water pollution; and (ii) to improve the quality of air and to prevent, control or abate air pollution in the country. The Board also serves as a field formation and provides technical services to the Ministry of Environment and Forests under the provisions of the Environment (Protection) Act, 1986.

Bio-medical waste generation and its safe disposal has also become a matter of serious concern due to increasing health facilities and increase in number of hospitals and nursing-homes in various cities in our country. The Bio-medical waste (Management and Handling) Rules notified by Government of India has stipulated rules for proper collection, storage, transportation, treatment and disposal of bio-medical waste. The hospitals have to install treatment facilities like incinerators, autoclaves, etc. for treatment of bio-medical waste to ensure safe treatment and disposal of this infectious hospital waste.

Conclusion :

The environmental consequences of rapid industrialization have resulted in countless incidents of land, air and water resources sites being contaminated with toxic materials and other pollutants, threatening humans and ecosystems with serious health risks. More extensive and intensive use of materials and energy has created cumulative pressures on the quality of local, regional and global ecosystems. 'While the pollution control approach has achieved considerable success in producing short-term improvements for local pollution problems, it has been less effective in addressing cumulative problems that are increasingly recognized on regional (e.g., acid rain) or global (e.g., ozone depletion) levels. The Earth has very fragile ecosystems and pollution damages the balance of this system. It has been rightly said that "Earth provides enough to satisfy every man's needs, but not every man's greed".

Vikram Singh

(V.S. RATHORE)

■■■

OPENING THE THIRD EYE FOR MSMEs

Tamal Sarkar

At a time when the government's Make-in-India initiative envisages a bigger role for MSMEs, a caution has been sounded: Contribution of manufacturing MSMEs in the GDP and total manufacturing output has decreased steadily in the recent past from 7.7% to 7% and from 42.2% to 37.3%, respectively, during the period FY07-F.Y.13.

A plethora of programmes and schemes designed at making this sector more competitive have been introduced. There are over 350 different initiatives (sub-schemes, if you will) within the existing schemes of different ministries that MSMEs can benefit from. If you add to that the list of schemes that each state government provides, the support vector looks impressive.

Very broadly, the nature of such support can be classified under two heads– support for individual MSMEs to grow by enhancing competitiveness and joint activities, mostly to promote common infrastructure, and support from the various cluster/network-based schemes. But there is an urgent need to promote a third area of the support—the prosaic third eye (the gyanchakshu or the eye of wisdom).

According to some estimates, 70% of India's manufacturing MSMEs are situated in clusters. The knowledge channel of MSMEs is, therefore, largely a function of the cluster system, a complex connectivity of principal firms with support firms and also other stakeholders including technical and financial institutions, independent service-providers and opinion-making bodies like industry associations, etc.

In most of the "underachieving" clusters, the knowledge system—whatever be the degree of complexity—is constrained by a knowledge cap. This is a function of their "horizontal existence"—firms produce similar items and compete fiercely for connection with the forward-linkage providers. As a result, the process of knowledge-sharing doesn't have a business interest. Second, the source of knowledge-sharing is also restrictive with the usual, age-old channels in a cluster that require a near-similar product in a vicious price-cutting cycle. Thus even if some new knowledge slips through some interaction, it again gets trapped in the "competition" cycle.

However, if we can promote product-specialisation with strong vertical chains, knowledge-sharing will become a natural phenomenon as it will promote competitiveness. Going a step further, it is also important that such value-chain integration doesn't come only through division of labour but also through locally-routed specialised knowledge bases that are continuously evolving, making them difficult to copy and erode competitiveness. A classic case is that of the sports-shoe cluster of Montebelluna in Italy. It grew to prominence due to product specialisation. But, eventually, the links to value-chain partners faded into oblivion as that specialisation was only based on division of labour, something that could be easily erased by lower cost labour in a nearby cluster. Thus, while the Montebelluna cluster got marginalised, the cluster of Riviera Del Brenta, situated close by, shot to prominence as it got linked to the global supply-chain partners that provided knowledge gathered from round the world. So, while the cluster created its own niche, it could not be copied.

This indicates that our traditional approach of firm- or CFC-based subsidy has natural limitations to knowledge growth since knowledge flow is limited. Connections with global knowledge come through specialisation, which in turn is a result of superior buyer connections. Such buyer connections push a unit towards specialisation because of the volumes of orders involved and the inputs flowing from buyers that source from across the globe. As a result, for the cluster, knowledge-sharing becomes a route towards achieving greater competitiveness as mutual dependency grows in creating the final product.

To promote this, we need a three-pronged strategy. First is value chain up-gradation, i.e., to incentivise outsourcing internally, such that knowledge, which is static within a cluster becomes dynamic, and externally, i.e., linking up with higher-order producers across the globe. The second strategy is cluster-twinning, i.e., to identify Indian lead clusters in India and link them to global lead clusters. In turn, over the years, these lead Indian clusters will become the knowledge gatekeeper for the Indian economy. The third way forward is opening knowledge-sourcing institutions in global lead clusters. Such linkages will lead to pockets of specialised knowledge within the cluster and firms will willingly share knowledge to maximise returns.

This will open up the third eye for MSMEs and help bring about the impact of the efforts the government is making in promoting them. It will promote Make-in-India on a much more sustainable basis.

■■■

The author is Director, Foundation for MSME Clusters

Source : The Financial Express

MICRO, SMALL & MEDIUM ENTERPRISES

Coimbatore SMEs seck solution to their problems

A delegation from the industrial town of Coimbatore Tamil Nadu met Union ministers at Delhi on December 10, 2016 and gave a memorandum on the issues faced by medium, small and micro enterprises (MSMEs) after the demonetisation of high value currency notes. Most of those represent SMEs. These associations employ about 400,000 people in and around the city. They met Shri Kalraj Mishra, the cabinet minister for SMEs, Shri Giriraj Singh, his deputy, and officials at the Prime Minister's Office. The delegation said their members would, at the earliest, open bank accounts for their workers but sought time due to the complexities involved, including availability of PAN card, Aadhaar card and others. They said time was also needed to create awareness on

the benefits of cashless transactions and sought an amnesty against Provident Fund omissions of the past — they want the PF authorities not to impose retrospective levies for such omissions. The associations also want service charges on the usage of credit and debit cards to be removed, saying this was a concern expressed by workers.

■■■

GIVING MSMEs ROOM TO BREATHE

Sonal Arora

Earlier this year, the labour ministry announced that start-ups will be exempted from nine labour laws, namely the Industrial Disputes Act 1947, Trade Unions Act 1926, Building and Other Constructions Workers' (Regulation of Employment and Conditions of Service) Act 1996, Industrial Employment (Standing Orders) Act 1946, Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) 1979, Payment of Gratuity Act 1972, Contract Labour (Regulation and Abolition) Act 1970, Employees' Provident Funds and Miscellaneous Provisions Act 1952 and Employees' State Insurance Act 1948. The idea behind the move was not to exempt the start-ups completely from the ambit of compliance of these labour laws but to simplify the regulatory mechanism for start-ups and exempt them from inspections under these laws and allow them to self-certify. In another directive, the labour ministry has recently indicated that this relief is going to be extended to MSME as well.

While at the face of it all these steps seem very reassuring, but when you take a broader view of the situation there are two concerns here. The first is the period of relaxation for the start-ups—three years is a very short span of time for a new organization to be able to stand on its feet. In fact, most organizations/start-ups will take a minimum of five-plus years to reach a level where sustenance or survival is not a monthly/quarterly struggle. Secondly, apart from inspections being replaced by self-certification, the relaxations made to the labour law framework do not offer any significant incentives or ease of doing business to a small/medium or a new enterprise.

The current labour law framework in India bunches together every business enterprises, star-up or otherwise, in two very broad categories—employing less than 20 people or employing more than 20. Any company with 20 or more employees falls in the same category, from a labour law compliance perspective, whether it employs 21 people or 2 lakh. In fact, an enterprises employing

between 10 and 20 people, but engaged in a manufacturing process with use of power, falls in this category too. This in itself is a design problem. From a business point of view, MSMEs do not get the advantage of the economies of scale—size of operations and cash-flow that any large organization would have. Yet, from a regulatory compliance point of view, they are subject to exactly the same guidelines. This is a double whammy of sorts, and MSMEs effectively end up getting treated as children of a lesser god.

Most MSMEs deal with unpredictable business situations, and growth for them is tough and slow. However, cumulatively the MSME sector contributes around 40% of India's manufacturing output; it consists of 50 million units and provides employment to over 100 million people—the largest after agriculture. An effective and real-time enforcement of the concept of ease of doing business for this sector would come in only if we move beyond the lip service of just exemptions from inspections and focus on more impactful changes.

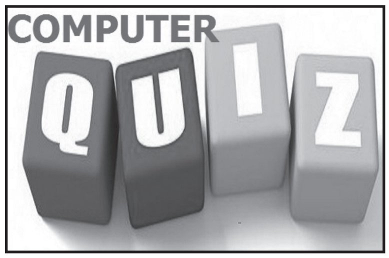
The first step in this direction would be to recognize that it is fundamentally wrong to keep bunching MSMEs with enterprises many times their size and scale. And this should not just be with regard to applicable labour laws, but in terms of applicability of the laws themselves. MSMEs employing 50 or less employees—if possible, even 100 or less employees—should not be subject to the same guidelines as those that employ more than the specified number. A varying, simplified and minimalistic set of regulations should be designed for this sector. The proposed Small Factories Bill has taken cognisance of some of the requirements of this sector but there is a need to see this through in terms of implementation. In the interim, there is a lot that can and should be done at the level of states. A case in point is Rajasthan wherein the state has gone ahead with reforms and the numbers of employees required for purpose of applicability of the Factories Act has been increased from 10 to 20 (in electricity-powered factories) and from 20 to 40 (in factories without power) thereby putting small factories in Rajasthan outside the purview of the Factories Act. Further, the Contract Labour Act will be applicable only to those establishments and contractors who employ 50 or more contract-labourers / workmen (as against 20 in the preceding 12 months, as per the existing law). Companies employing upto 300 employees can let go of people or close down without taking the government's prior approval.

There is an urgent need for similar reforms across other states. Moreover, similar guidelines need to be executed for the service-based MSMEs. In the absence of these reforms, our MSMEs will continue to remain dwarfs.

The author is Vice President, Team Lease Services.

Source : Financial Express

QUESTIONS OF CYBERQUIZ ~ 63



Q.1 In 1997, when Bill Gates visited India, he released and endorsed an Indian software product. Name it !

[a] Ramco Systems' Marshall Enterprise Management system; [b] GIST - an Indian language software; [c] Shakti - an office suite in Indian language; [d] Lipi - a word processor for Indian languages.

Q.2 Infosys Technologies has won this prestigious global award in 2003 and 2004. In fact, it is the only Indian company to have ever been named for this award. What is it ?

[a] Global MAKE (Most Admired Knowledge Enterprises) Award; [b] The Best Company in the Computer Software Sector in Asia by Global Finance magazine; [c] The World's Most Respected Company by the Financial Times-PwC annual survey; [d] Best Award for the contribution of learning to organisational performance by American Society for Training and Development (ASTD).

Q.3 Which company jointly owns Bell Labs with AT&T ?

[a] Western Electric Corporation; [b] General Electric; [c] General Dynamics; [d] IBM.

Q.4 What did the "Gang of Nine" do in 1988 ?

[a] Developed Extended Industry Standard Architecture (EISA) bus standard for IBM PC clones as a counter to IBM's use of its proprietary Micro-Channel Architecture (MCA) in its PS/2 series. [b] Developed PS/2 keyboard and mouse interfaces for PCs; [c] Developed IBM compatible desktop computers; [d] Joined hands to develop a versio of DOS different from PC-DOS or MS-DOS.

Q.5 vCard is a specification defining what ?

[a] Format for electronic exchange of daily work scheduling information; [b] Exchange of data between two handheld devices wirelessly; [c] Format for creating an electronic business card; [d] Different hardware upgrade cards.

For Answer See Page No. 20

LETTER TO THE EDITOR

Dated : 20/12/2016

Dear Editor,

I have read the last few issues of bi-monthly Journal – "COSIDICI COURIER" with great interest. It is a very useful and informative magazine, especially for MSMEs. It would not only help them understand the role of SFCs and SIDCs but also bring about positive interaction between them.

Jai Kishan Thakur

Moreover, COSIDICI National Awards for Outstanding Entrepreneurs instituted by COSIDICI is a laudable initiative. As an apex body of SFCs and SIDCs, your Council is performing an important role in helping reduce bottlenecks and improve performance.

Kindly accept my heartiest congratulation on this unique accomplishment which will keep COSIDICI's name alive for generation to come.

Best Regards,

Yours sincerely,
Sd/-
(Jai Kishan Thakur)
Chief Editor
Rajdhani News Channel,
Chhar Kadam Hindi Newspaper,
46, Shakarpur, Delhi-110092

PROFILE OF MEMBER CORPORATIONS

Madhya Pradesh Financial Corporation (MPFC)

Madhya Pradesh Financial Corporation is the premier institution of the state, engaged in providing financial assistance and related services to small to medium sized industries. Also, it is registered as Category-I Merchant Banker with Securities Exchange Board of India and has set up a separate merchant banking division in the name of MPFC Capital Markets.

Incorporated in the year 1955,under the State Financial Corporation Act, 1951 (No. LXIII of 1951), it works under the control of the Board of Directors, consisting of representatives from State Government, Small Industries Development Bank of India, Reserve Bank of India, Scheduled Banks, Insurance Companies, Co-operative Banks and other shareholders.

MPFC is a well knit organisation with its head quarters at Indore - the industrial hub of Madhya Pradesh, and 20 offices at different places. Smt. Smita Bharadwaj, IAS, President COSIDICI is presently Managing Director of MPFC. She has been a Director of Small Industries Development Bank of India since August 13, 2015. Under her leadership MPFC is scaling new heights of achievements.

Services :

M. P. Financial Corporation has been providing financial assistance to industrial units in the state of Madhya Pradesh for the last five decades. It has been extending wide ranging fund and non fund based services. A number of new schemes for providing financial assistance and services to industries, professionals and other business associates have been successfully introduced by the Corporation.

MPFC's fund based schemes are available for setting up industrial/business ventures within the state of Madhya Pradesh whereas, the non fund based schemes are available throughout India.

Term Loan

Term loan is provided for the purpose of creation of fixed assets(such as land, factory building, plant and machinery, electricals etc.), for setting up of new units and for mordernisation, diversification, expansion, and/or replacement of equipment in existing units. Finance is provided to new industrial units. It is also provided to Hotels, Service Industries, Transportation, R & D activities. The maximum limit of assistance to non-corporate sector is Rs. 200.00 lacs and for corporate sector it is Rs. 500.00 lacs. Period of assistance depends upon merits of the case ranging between 5-8 years.

Smt. Smita Bharadwaj, IAS
M.D., MPFC

Equipment Finance :

Assistance is available for acquiring identifiable and new items of plant & machinery, equipments etc. It is available to industrial concerns in existence for atleast 4 years, earning profits/ declaring dividend on its share for preceding two years and are not in default to institutions/banks in payment of their dues dues. Maximum amount available is 77.5% of the cost of the machine - restricted to Rs. 90.00 lacs per proposal. The overall debt equity ratio (including the assistance under the scheme) should not be more than 2:1.

Asset Credit :

Assistance under this scheme is available for purchase of equipment for the purpose of expansion, modernisation, diversification and/or for the replacement of the equipments. Medical equipments, energy saving systems, vehicles and other equipments for manufacturing and service industry are also eligible under the scheme.

This scheme is available to existing concerns having atleast two years profitable operations. Upto 100% of the cost of the equipment can be financed under the scheme with a minimum of Rs 25.00 lacs and maximum of Rs. 500.00 lacs. The debt equity ratio (including the assistance under the scheme) should be 1:1. The assistance under the scheme is available for 3 to 5 years & is repayble in monthly/quarterly instalments.

Short Term Loan :

This scheme has been designed to meet the short term requirement of funds for working capital purposes due to peak season needs or for fulfillment of specific order/job enhancement of working capital limits pending upto Bank etc. It is provided to concerns which are in the profit for the last 4 years, having working capital limits sanctioned by any other commercial bank, having regular account with MPFC /Other financial institution. The minimum assistance under the scheme is Rs. 2.00 lacs and maximum Rs. 100.00 lacs. The debt equity ratio should not be more than 1:1 and current ratio should not be less than 1.5:1. Repayment should be done within 12 months.

Working Capital :

Term Loan is provided under this scheme to part finance long term/medium term working capital requirements of the industrial units. It is provided to industries having last 3 years profitable operations and proven track record with institution/bank. MPFC borrowers whose fixed assets are mortgaged with MPFC and those who are not MPFC borrowers but intend to offer all their existing fixed assets by way of mortgage as primary security can also avail assistance under the scheme. Minimum loan of Rs. 2.50 lacs and maximum loan of Rs. 500.00 lacs may be provided under this scheme. Repayment should be done within 3-5 years.

Electro-Medical Equipments :

Financial assistance under this scheme is available for purchase of new electro medical and other equipments. It is provided to private practioners having MBBS or BDS or physiotherapist or equivalent qualification. Repayment should be done within 6 years.

Hospital Finance :

Term Loan is available for establishment of new hospital/nursing homes (having minimum 10 beds). It is also available for expansion/ modernization of existing facilities.

Finance For Professionals :

Term loan is available for setting-up professional practice/consultancy venture, for the first time or for acquiring additional equipments in existing setup. It is provided to professionals in the field of management, accountancy, medicine, architecture, engineering etc. The cost of project should not exceed Rs. 10.00 lacs, of which land/ building should not be over 50% of the total outlay. Repayment should be done within 5 years.

H P Portfolio Management :

Financial assistance is available for the purpose of providing hire purchase loans against motor vehicles(HMVs and LMVs).Other equipments viz. dumpers, excavators, construction and mining equipments etc., are also covered under the scheme. The corpus amount is provided to existing reputed finance companies who are engaged in this business. Under the scheme, the assisted finance company enters into a Memorandum of Understanding (MOU) with MPFC. Subsequently, it gets individual agreement executed between the vehicle operator and MPFC, whenever the corpus fund is used. The corpus fund assistance is a one time assistance and needs to be utilised within a specified period. All risk of finance under the scheme are to be undertaken by such assisted company.

Loan Replenishment :

Assistance under this scheme is available for the purpose of purchase of further machineries and extension of factory building for the existing line of activity. It is provided only to MPFC's existing profit making borrowers with good track record of repayment(at least thee due installments of loan should have been paid in time). The limit of assistance is upto the extent of loan already repaid by them till the date of application. Minimum loan is Rs. 2.50 lacs and maximum loan is Rs. 75.00 lacs. Repayment should be done within 5 years.

D G Set Finance :

With a view to tide over the problems faced by the entrepreneurs/industrialists due to frequent power failures/cuts, a scheme for financing D G Sets has been introduced. Assistance under this scheme is provided to all existing industrial units. However, assistance to projects under implementation may be considered on merits. Upto 90% (60% for second hand) of the cost of D G Set (invoice value) subject to maximum of Rs.50.00 lacs loan can be considered under the Scheme. Repayment should be done within 5 years. The rate of interest applicable is same as the normal lending rates. A penalty @2% p.a. is levied in case default for the period and amount of default.

Finance For Marketing Activities :

- Assistance is available for the purpose of :-
- meeting capital expenditure on marketing campaign
- acquiring mobile sales vans
- setting up/renovation of showroom, warehouse, marketing office for industrial concerns
- acquiring ISI, ISO and/or other certification
- developing infrastructure like setting-up of permanent exhibition centres, industrial complex etc.
- It is provided to existing SSI/MSI profit making industries with good track record with financial institutions/Banks.
- Minimum amount of assistance under the scheme is Rs. 10.00 lacs with a maximum of Rs. 50.00 lacs.
- Assistance under this scheme is available for 2-5 years.

Scheme For Financing Miscellaneous Fixed Assets :

Assistance under this scheme is available for acquisition of miscellaneous fixed assets (MFAs) as mentioned hereunder to meet :-

- the cost of purchase of vehicles in the name of the company
- the cost of office automation equipments
- the cost of construction/ acquisition of the office premises/guest house for the company
- Assistance shall be provided to existing assisted concerns/companies who have:-
- availed minimum Rs.200 lacs from the Corporation.
- repaid atleast 25% of the total loan disbursed to the them.
- earned profits for last two years and having positive networth.
- good track record with the Corporation.
- The minimum loan amount under this scheme would be Rs. 5.00 lacs and maximum would be Rs. 50.00 lacs. The loan shall be repayable in 3 to 8 years.

Scheme For Medical Professionals :

Any medical professional is eligible for financial assistance under this scheme who holds minimum qualification of MBBS/BDS.

Financial assistance shall be considered for the following purposes to meet :-

- cost to purchase premises/chamber/flat to set up clinics/consultation chambers, and/or
- cost of medical equipments, infrastructure/ furnishing, computers, office automation system, ambulance, car/van, interior decoration etc.
- The loan shall repayable within 2 to 6 years.

Composite Loan :

Assistance under the scheme is available for procurement of equipments, or working capital, or both. It is granted to artisans, village and cottage industries, and small scale industries in the tiny sector (located in areas other than metropolitan areas), involving utilisation of locally available natural resources and/or human skills. Loan upto a maximum of Rs. 2.00 lacs in granted under the scheme. Repayment should be done within 10 years, with an initial moratorium of 12-18 months (both for interest and principal). No upfront fee is levied under the scheme.

Commercial Complex :

The scheme is for providing financial assistance for construction of commercial complex including show rooms and sales outlets. Loan will be given for purchase of land and construction of commercial complex within the State of M.P. Sale of shops, show room or any portion of complex shall be permissible with the prior approval of the Corporation. The proceeds shall be desposited in the loan account of the borrower as per terms of agreement. The minimum cost of project should be Rs 10.00 lacs. The promoter is required to contribute 50% of total cost of project. In case of companies, net worth should not exceed Rs. 10.00 Crores. MPFC will hold the first charge by mortgaging assets i.e. land & building, shop premises, saleable part of commercial complex. The loan should be repaid in 5 years, including a maximum of 2 years moratorium.

Corporate Advisory Services

MPFC provides corporate advisory services including management systems, project services, firming consortium tie ups, technical assistance etc.

DO YOU KNOW !

Seven Management Lessons From Mahabharata

The Indian epic may seem distant and archaic, but it continues to be relevant even in today's world. If you want to be the best leader, it should be your guide, especially your work life.

1. Seize every opportunity

Look out for opportunities outside your scope of work. Never hassle yourself too much with the motive of defeating your competitor. Rather, invest all energies on a bigger goal - to add strength and power to your business.

2. Win allies

Five brothers won against a hundred. How do you think the Pandavas did that? The relationships they established over the years paid off. You may be busy focusing on your own growth at the present, but you must start reaching out to more people and making allies. They will push you forward when the time comes.

3. Commitment: Keep it strong

Once you're up for a challenge, do not back out. Had the Pandavas fretted about being negligible in number in comparison to the Kauravas, they would've never even tried. Determination and commitment will surely take you a long way.

4. Know how to build team spirit

The Kauravas were plenty in number but null in strength. Make your team work towards a single goal instead of personal ones. Take contributions

from everyone. Hear everyone out; make them learn how to work with each other.

5. Know every member's potential

If you're going to manage a team, you better know what role they suit the best. The Pandavas knew how to harness energies from each man in their army. You should be smart enough to use your team's ability and potential to the maximum.

6. Distribute work

The more people you have, working towards different goals, the more efficient the output is going to be. One-man leadership strategy didn't work for the Kauravas and there is no way it's going to work for you.

7. Give your team Individual Goals

Allot individual goals to each team. This will help build up enthusiasm and in turn, help you in the long run. Even though the Pandavas were working towards the same ultimate goal, they had individual roles in the battle too.

■■■

Life is just a short walk from the cradle to the grave, and it sure behooves us to be kind to one another along the way.

ECONOMIC SCENE

Exports increased by 2.29% in Nov

Exports rose in November, recording a growth of 2.29 per cent, though the trade deficit shot up to about two-year high of $13 billion mainly due to increase in gold imports. Exports of engineering products rose by 14.10 per cent, petroleum by 5.73 cent and chemicals by 8.3 per cent, compared to the same month last year, according to official data released on December 15, 2016.

Imports too increased by 10.44 per cent to $33 billion. Rise in gold imports by 23.24 per cent to $4.36 billion in November pushed the trade deficit to a two-year high of $13 billion as against $ 10.33 billion in the same month last year. The country's merchandise exports during April-November period of the current fiscal recorded a growth of 0.10 per cent to $174.92 billion. Imports, however, contracted by 8.44 per cent to $241.1 billion, leaving a trade deficit of $66.17 billion as against $88.57 in April-November 2015-16.

Nabard to give RuPay cards to 34 mn farmers

With the government pushing for digital payments ecosystem even in rural areas and agriculture sector, National Bank for Agriculture and Rural Development (Nabard) has planned to provide RuPay cards to over 34 million farmers in villages across India. These cards will be provided through cooperative banks and farmers' credit cooperative societies.

Nabard has already asked credit societies and cooperative banks to open saving accounts directly or under Jan Dhan. Through RuPay cards, farmers can buy seeds, fertilisers and other farming equipment. Nabard has already planned to deploy 200,000 point-of-sale (PoS) machines in 100,000 villages, for which it has allotted funds of Rs 120 crore. These PoS machines will be installed by commercial banks. Nabard will give Rs 6,000 per equipment incentive to the commercial banks for purchase of PoS machines. Cooperative banks and farmers' credit cooperative societies will open accounts and issue RuPay cards to the farmers. Farmers who have bank accounts will also get these cards.

Industrial production grows 0.7% in Sept

Riding on the festive demand, India's industrial production rose in September, although concerns remain over the sustainability of the recovery in the coming months after demonetization has temporarily knocked down demand. The Index of Industrial Production rose 0.7% in September compared with a 1% decline in August, data released by the Central Statistics Office on November 11, 2016 showed. For the April-September period, production declined 0.1% compared to a 4% growth last year.

Apr-Nov indirect tax collections rise 26.2%, direct tax 15.12%

The government's revenue collection during April to November saw the indirect tax collections growing at 26.2% while direct tax collections were 15.12 per cent. Total direct and indirect tax collections at the end of November stood at Rs.9.64 lakh crore, 59% of the Rs.16.26 lakh crore target for 2016-17. The government is targeting 12.64% growth in direct tax at Rs.8.47 lakh crore for the current fiscal and 10.8% in indirect tax at Rs.7.79 lakh crore. Direct tax collections touched Rs 4.12 lakh crore and indirect tax revenue stood at Rs 5.52 lakh crore during April-November, due to collections in personal income tax and excise duty, respectively. Direct tax revenue includes corporate and personal income tax. Indirect tax takes into account mobilisation from excise, service tax and Customs duty.

The gross collection of corporate income tax (CIT) grew at 18.75% after adjusting for refunds while under personal income tax (PIT), it was 23.89% over the corresponding period last financial year. Excise duty collections clocked a growth of 43.5% in April-November at Rs 2.43 lakh crore while service tax recorded an increase of 25.7% at Rs.1.60 lakh crore. Customs collections during the 8-month period was at Rs.1.48 lakh crore, registering a growth of 5.6%.

FDI increases by 77.5% in September

With the government relaxing FDI policy and taking steps to improve ease of doing business, the Foreign Direct Investment in the country increased by 77.5 % to $5.15 billion in September this year. In September 2015, the FDI was $2.9 billion, according to the data of the Department of Industrial Policy and Promotion (DIPP). During April-September period of this fiscal, FDI in the country grew by 30 % to $21.62 billion as compared to $16.63 billion in the same period last year.

Among the top 10 sectors, services received the maximum FDI of $2.29 billion during the first half of this fiscal, followed by telecommunications ($2.78 billion), trading ($1.48 billion), computer software and hardware ($1.03 billion) and automobile ($729 million).

During the period, India received the maximum FDI from Mauritius ($5.85 billion) followed by Singapore ($4.68 billion), Japan ($2.79 billion), the Netherlands $1.61 billion) and the US ($1.43 billion). During financial year 2015-16, foreign fund inflows grew at 29 % to $40 billion as against $30.93 billion in 2014-15.

The government relaxed FDI norms in various sectors, including defence and civil aviation to boost FDI in the country. Foreign investments are considered crucial for India, which needs around $1 trillion to overhaul its infrastructure sector such as ports, airports and highways to boost growth. Growth in foreign investments helps improve the country's balance of payments (BoP) situation and strengthen the rupee.

INFRASTRUCTURE

Govt. approves Rs.6,068-cr highway projects

The government has approved 12 highway projects worth Rs 6,067.9 crore in eight states viz Manipur, Nagaland, Arunachal Pradesh, Maharashtra, Goa, West Bengal, Uttarakhand and Uttar Pradesh. Most of the 476-km projects are under engineering, procurement and construction (EPC) mode for augmenting highways. Of the 12 projects, nine are in EPC mode, two in hybrid annuity and the remaining one in OMT (operate-maintain- transfer) mode. Four of the projects pertain to Manipur, Nagaland and Arunachal Pradesh for augmenting of existing highway stretches on NH 39 and NH-415. The three projects for Maharashtra pertain to two and four-laning of highway stretches on NH-930, NH-211 (New NH-52) and NH-211 (New NH-52).

The Goa project is for construction of Margaon Western NH Bypass for NH 17 (New NH-66).

The West Bengal project pertains to four-laning of Kolaghat to Haldia section of NH-41 with ROB cum Flyover while Rehabilitation and upgrade of Barhani-Kataya Chowk near Shohratgarh section of NH-730. The Standing Finance Committee (SFC) approved reconstruction with geometric improvement of two lane to two lane with paved shoulder of a section of NH-125 in Uttarakhand.

SUCCESS STORIES OF TIIC ASSISTED UNITS

M/s. Seshasayee Paper and Boards Ltd., Erode

Seshasayee Paper and Boards (SPB) Ltd. was established in 1960 under the leadership of Sri.S.Viswanathan, a freedom fighter turned Industrialist, on the banks of river Cauvery in Pallipalayam, Erode. The company had a technical collaboration with Parsons & Whittmore of the U.S.A,. The State Government encouraged the company by participating in its equity through Tamil Nadu Industrial Investment Corporation Limited (TIIC). The Government's share of Rs. 1.00 crore amounted to nearly 28.5% of the total share capital. SPB commenced operations with the licensed capacity of 20,000 tonnes in the year.

Today SPB has grown in strength to its current installed capacity of 1,15,000 tonnes. It operates an integrated pulp, paper and paper board Mill and produces a wide range of products such as printing and writing papers, packing and wrapping papers and specialty papers. SPB exports nearly 15% of its production and is a significant exporter in the Indian Paper Industry. Due to its excellent export performance, SPB has been awarded 'Golden Export House' status. SPB is the flagship company of the 'SPB-ESVIN GROUP', consisting of Ponni Sugars Limited, a leading sugar mill, High Energy Batteries (India) Limited, Esvin Advanced Technologies Ltd (bio-technology), and SPB-PC Limited (consultancy). TIIC is a stakeholder of Seshasayee Paper and Boards Limited, since birth of this Paper Mill. Through its Nominee Director, TIIC has been providing valuable advice to the Board.

M/s. Sakthi Sugars Limited, Coimbatore

Established in the year 1961, Sakthi Sugars Limited (SSL), today has in its fold, four Sugar plants. Three of them in Tamil Nadu located at Sakthinagar, Sivaganga and Modakurichi and one plant in Orissa at Dhenkanal. With the aggregate capacity of 19,000 Tonnes of cane Crush per Day (TCD), Sakthi Sugars Limited is one of the largest producers of Sugar in the country.

Expanding its industrial presence, SSL diversified into manufacturing of Industrial Alcohol in the seventies and later, into Soya products. SSL has also installed three Co-generation Power plants at its sugar factories in Tamil Nadu with a combined capacity of 92 MW. TIIC has been extending its helping hand to the Company since its inception. It subscribed to the shares of the company in the early years and remains a shareholder in the company. SSL is proud to be associated with TIIC since its inception.

■■■

ACTIVITIES OF COSIDICI

Executive Committee Meeting :

The Executive Committee Meeting and Annual General Body Meeting of COSIDICI were held on November 11, 2016 at Scope Complex, New Delhi.

Strengthening Of Training Arrangements For The Officers of SLFIs :

The Executive Committee appreciated the Training Programmes organized by CAB (RBI), Pune for the officers of SLFIs. 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. However, the college requires an optimum number of participants for each training programme. The Executive Committee was requested to prevail upon the members to avail of the excellent training facilities of the college.

The Executive Committee was further informed that COSIDICI's initiative to organize training programmes by drawing upon the pool of talent of officers of the Member Corporations had not yet received adequate response. The Executive Committee was of the view that due to the exceptional circumstances prevailing at the moment in the country viz. the demonitisation drive, the Corporations would like to channel their time and energies towards preparing for the resultant consequences and may not be able to send their officers for training at present. It, therefore, decided to review the situation in the next Executive Committee Meeting.

Strategies for Restructuring and Revitalisation of State Financial

The members expressed their concern that support from SIDBI to SFCs has come down. The SFCs were finding it difficult to raise resources from the market as State Governments were either not providing government guarantee or the guarantee commissions were too high. The SFCs Act, therefore, needed to be amended to provide more operational leverage to these Corporations. Smt. Smita Bharadwaj, IAS, MD, MPFC informed the Executive Committee the matter had been taken up with SIDBI which in turn had forwarded it to the Ministry of Finance.

The Members also felt the new NPA norms prescribed by RBI to be implemented 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 stated that the NPA norms are prescribed by RBI and have been made applicable to SFCs also. In this connection, the Executive Committee felt that the SLFIs have assisted artisans, craft persons, first-generation entrepreneurs and SSI units which have contributed to the States' progress by way of sales tax, local duties etc. KSFC had recently conducted a study on the impact of KSFC's assistance to MSMEs on the economy of the state of Karnataka. It was found that every crore of loan assistance by KSFC generated VAT and ST income of Rs.18.49 lakhs per annum. Also KSFC had generated 13,500 skilled jobs, 1500 indirect jobs annually. Many of the present day multinational companies eg. Infosys, Biocon which had been denied finance by the banks due to the risk involved were first funded by these SLFIs in the states. The SFCs are not only financing risky projects of first generation entrepreneurs but were also empowering women entrepreneurs and entrepreneurs from weaker section (SC/ST) under their specific schemes at concessional rates which was necessary for inclusive growth. Hence, separate and relaxed NPA norms needs to be prescribed for SFCs.

Further, many of the SFCs had diversified their activities : -

- Shri Mohd. Nasimuddin, IAS CMD, TIIC informed that the Corporation under its NEED scheme has helped more than 1800 new entrepreneurs in setting up their projects. TIIC is also funding and handholding vendors.
- Shri Premnath Ravindranath, General Manger, KFC informed the Executive Committee that KFC has given 2 floors in its own premises for Incubators and Start Ups in which 20 start ups have already started functioning. KFC has provided infrastructure for which rent is being charged. KFC under the scheme KSEDM has already helped over 1400 entrepreneurs individually or in groups. The limit for financing an entrepreneur under the scheme is Rs. 7 lakhs and Rs.15 lakhs for a technocrat. For groups, the limit would be Rs.20 lakhs. KFC and a Banker's Committee interviews the entrepreneurs before selecting any project. The selected entrepreneurs were then given training for 2 weeks after which their loan applications were processed. The repayment period is maximum of 5 years, including one year moratorium.
- Shri Amit Sharma, KAS, MD, J&K SIDCO informed the Executive Committee that J&KSIDCO had created Land Banks & Infrastructure for Industrial Development. The amount of resources required for this development was huge. Therefore, the Corporation has given land to big houses like Patanjali and ITC. Patanjali had given assurance that the area would be functional in 99 days. Many big industrial houses also have set up industries in these areas.
- Dr. V. Adimoulame, General Manager, PIPDIC informed the Executive Committee that PIPDIC is also developing industrial areas. However, the Corporation provides only minimum infrastructure which is leased out to the Medium Scale Industries.

This commendable work of SLFIs needed to be showcased to the Government of India and different fora for which COSIDICI had instituted National Awards for the Successful Units Financed by SLFIs in the year 2013.

The Executive Committee felt that the COSIDICI National Award Functions had been successful in their objective viz. of giving visibility to the contribution made by the SLFIs towards the industrialisation and economic progress of the country and to motivate the successful units to continue with their good performance. The 4th National Awards Function will be held in the last week of January, 2017 or first week of February, 2017 in Madhya Pradesh, Indore.

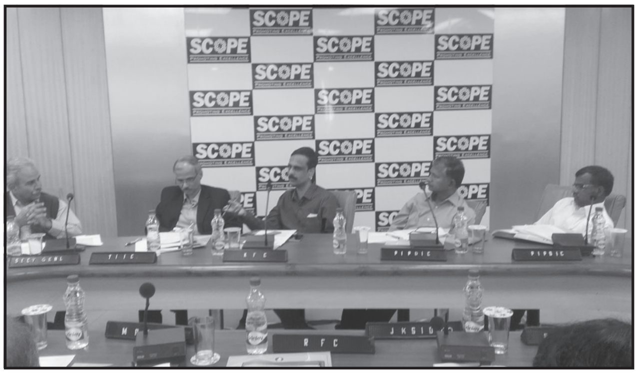
The Executive Committee decided that good units under the following five categories be nominated for the 4th COSIDICI' National Award Function 2017 : -

- Best First Generation Entrepreneur;
- Best Entrepreneur;
- Best Woman Entrepreneur;
- Best Unit in Service Industries (tourism/ hospital etc.);
- Best Exporting Unit / Most innovative product;

The Corporations were requested to keep in view the compliance of the units with the prevailing environmental norms.

Interface with CMD, Exim Bank for refinance limits/other business Opportunities for SFCs and SIIDCs :

The Executive Committee appreciated the efforts of COSIDICI to organize a meeting with Exim Bank with a view to enable the SLFIs to remodel themselves by identifying their strengths and weaknesses to adapt to the changing economic environment. Exim Bank Promotes, Facilitates and Finances Export of Indian Goods, services and Investments abroad. As each State has its own unique Economic, Industrial, Agricultural, Geographical, Social and Cultural environment, they have a great potential for manufacturing and Exports of various goods and services. Exim Bank is already reaching out to the State Governments to support exporters having operations in the State to achieve higher exports through facilitation of market linkages, adoption of state-of-the-art technology and accessing suitable financing etc. Exim Bank has entered into MOU with the State Governments of West Bengal, Andhra Pradesh and Rajasthan to jointly work on policy matters related to export strategies in these States. These MoUs are expected to (i) Facilitate capacity building and skill development workshops; (ii) Provide State Governments and exporters from the States an opportunity to participate in the various trade fairs and events undertaken by EXIM Bank; and (iii) Support State Governments and exporters from the States with project and market advisory services, and trade-related research on various sectors, products etc. The Exim Bank has started an export portal for those SMEs which have the potential but have not started exporting yet. The SLFIs could provide valuable information regarding products exported from their States and the names of the Companies which are capable of manufacturing these products, thus developing a State Level partnership for financing, facilitating and promoting exports. The SLFIs are, therefore,



capable of providing global linkages to their respective States.

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

The Executive Committee appreciated the bi-monthly Journal titled – "COSIDICI COURIER" as well as 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". It had approved the proposal for holding the 'Essay Writing competition 2016' in its previous meeting. The E.C. decided to give two topics for this Competition viz :

- Impact of change in the currency on the Industries with special reference to the SLFIs;
- Resource mobilization post demonetization with special reference to the State Level Institutions.

The following rules were laid down by the E.C. for the said competition : -

- The Essay Writing Competition will be open to employees of Member Corporations and the members of their families i.e. spouse and dependant children;
- The essay will not exceed 2000 words.
- The essays received will be evaluated in COSIDICI office and the top two essays will be awarded first and second prize of Rs.10,000/- and Rs.5,000/- respectively. The decision of COSIDICI will be final.

The Essays received from the participants will be evaluated in COSIDICI. The value of 1st Prize will be Rs.10,000/- and that the 2nd Prize Rs.5,000/-

The Executive Committee also appreciated the publication of "COSIDICI Executive Telephone Directory 2016" for its Member Corporations.

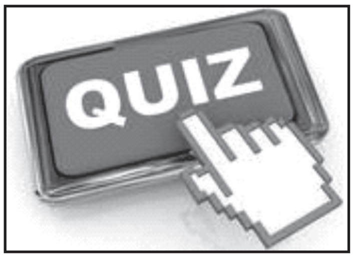
Annual General Body Meeting

The Annual General Body meeting of COSIDICI was held on November 11, 2016 at Scope Complex, New Delhi. The following were elected as the Members of the Executive Committee of COSIDICI for the year 2016-2017 : -

Smt. Smita Bharadwaj, IAS, MD, MPFC, Indore as the President of COSIDICI for the year 2016-2017. Shri Janak Digal, IAS, CMD, DFC, New Delhi; Shri Mohd. Nasimuddin, IAS, CMD, TIIC, Chennai; Shri Ritesh Kumar Singh, IAS, MD, KSFC, Bangalore; Shri Rajamanickam, IAS, MD, KFC, Thiruvananthapuram; Shri W.V. Ramana Murthy, IAS, MD, APSFC, Hyderabad and Shri Amit Sharma, KAS, MD, J&K SIDCO, Srinagar were elected as Vice-Presidents. Shri Anand B. Kulkarni, IAS, MD, MSFC, Mumbai; Shri Sudhir Rajpal, IAS, MD, HSIIDC, Chandigarh; Shri Hemanga K. Sharma, IAS, MD, AIDC, Guwahati; Shri Vaibhav Galariya, IAS, MD, RIICO, Jaipur; Dr. Indu Malhotra, IAS, MD, PFC Chandigarh; Shri T. Karikalan, IAS, MD, PIPDIC, Pondicherry; and Shri Samrendranath Koley, WBCS (Exe.), MD, WBFC, Kolkata were elected as Executive Committee Members. Besides, Shri Arvind Ghatkar, MD, EDC Ltd., Goa and Shri S. I. Sharma, MD, MANIDCO, Imphal were co-opted as Executive Committee Members for the year 2016- 2017. The contents of the Annual Report of the Executive Committee meeting of COSIDICI for the year 2015-2016 were noted and approved by the General which also approved the audited statements of accounts for the year 2015-2016.

■■■

ANSWERS OF CYBERQUIZ ~ 63



1[a] Ramco Systems Marshall Enterprises Management System : Chennai-based Ramco Systems is a global provider of Enterprise Solutions and Services in key areas such as Manufacturing Aviation, Asset Management, Trading & Logistics, Healthcare, eGovernance, Banking & Financial Services, Corporate Performance Management and Human Resources Management.

2[a] Global MAKE (Most Admired Knowledge Enterprises) Award : The Global MAKE Winners are chosen by an international panel of Fortune Global 500 senior executives and leading knowledge management experts.

3[a] Western Electric Corporation : This legendary Lab is the birth place of many revolutionary technologies like transistor, laser, and the UNIX operating system.

4[a] Developed Extended Industry Standard Architecture (EISA) bus standard for IBM PC clones as a counter to IBM's use of its proprietary Micro-Channel Architecture (MCA) in its PS/2 series : The Gang of Nine comprised of nine competitors of IBM: AST Research, Compaq Computer, Epson, Hewlett-Packard, NEC Olivetti, Tandy, WYSE, and Zenith Data Systems.

5[c] Format for creating an electronic business Card : The electronic business card is exchanged through email or teleconferencing. vCard specification has been developed by versit, a consortium comprising giants such as IBM, Apple, AT&T and Siemens.

NEWS FROM STATES

Maharashtra to raise Rs.26,700 crore for Mumbai-Nagpur e-way

Maharashtra State Road Development Corporation (MSRDC) will raise Rs.26,700 crore, half of it from the domestic market, for the 710 km Mumbai-Nagpur super-communication expressway named Samriddhi Marg. The Asian Development Bank (ADB) is expected to provide the remaining Rs.13,750 crore. MSRDC, the nodal agency for the project, has roped in SBI Caps for raising funds. MSRDC will fund the engineering - procurement - construction contract in its entirety and has sought the state government's approval for approaching the ADB for the long-term loan.

Maharashtra's Public Works Minister Shri Eknath Shinde said the project, which would pass through 10 districts, 30 tehsils and 354 villages, would have toll contractors in rotation for two or three years after the expressway's launch in 2019. MSRDC Vice-Chairman and Managing Director Shri Radheshyam Mopalwar said. "Of the total project cost of Rs 46,000 crore, MSRDC has indicated civil cost of Rs 24,000 crore; contingencies, financing charges and IDC of Rs 6,000 crore; node development cost of Rs 2,500 crore; utility shifting cost of Rs 500 crore; and land acquisition cost of Rs 13,000 crore". The tender for construction will be issued after acquisition of 60 per cent of the land, which will require another 75 days. The project will need 20,820 hectares of land, 8,520 hectares for the expressway, 1,500 hectares for amenities and 10,800 hectares for development nodes. Of the total land acquired, 17,499 hectares will be farmland, 2,922 hectares fallow land and 399 hectares forest land. This is the first project in Maharashtra to adopt land pooling, which involves notification of intent, accepting objections of landowners, inquiring about their objections, solving their issues and finalising the land pool prior to obtaining the consent of the holder. Over 500 meetings with villagers have been held. Landowners will be provided developed land for residential or commercial purpose. MSRDC has so far implemented projects worth Rs 7,753.58 crore, including the Mumbai-Pune expressway, the Worli-Bandra sea link and 55 flyovers in Mumbai. It is implementing projects worth Rs 827 crore and has proposed projects worth Rs 33,270 crore apart from the Mumbai-Nagpur expressway. The new projects include expansion of the Mumbai-Pune expressway (Rs 5,000 crore), a Versova-Bandra sea link (Rs 7,500 crore) and a 104 km Pune eastern ring road (Rs 9,000 crore).

Before you speak let your words pass through three gates.

At the first gate, ask yourself 'Is is true.' At the second gate ask, 'Is it necessary.' At the third gate ask, 'Is it kind'.

Single-window clearance facility to entrepreneurs announced

To ease the process of setting up and running businesses in the state, the Uttar Pradesh government will soon provide single-window clearance facilities to entrepreneurs, while projects pending approval at the Uttar Pradesh State Industrial Development Corporation (UPSIDC) are expected to be cleared by December 31, 2016.

Speaking at The Indian Express Round Table Conference, UPSIDC MD Shri Amit Ghosh said that after interactions with various stakeholders on the issue of boosting industrial growth in the state, the UPSIDC had taken a series of measures. Maintaining that small industries were the worst-affected due to the tedious process of getting multiple approvals, Ghosh said, "We have moved a Cabinet note and it has been approved by the Cabinet that just like for large industries, for MSMEs also there will be common application form, single application form, the small investor will not have to go to 11 departments. He will go only to DIC. Addressing an audience of entrepreneurs and government officials, Shri Ghosh provided examples of areas in the State ready to be allotted for industrial development — 179 plots in Auraiya for the plastics industry, 200-acre multi-nodal logistics park near Kanpur and a food and agro park in Baheri, among others. "We have excellent land in Kanpur and

Allahabad and both these cities are going to be on the Amritsar-Kolkata industrial corridor. The Container Corporation of India has offered to set up a 200-acre multi-nodal logistics park near Kanpur and that is going to be the nucleus of the new integrated manufacturing cluster called Bhaupur in 2,500 acres.

In Greater Noida, the process of allotting plots has been made online where investors can choose plots on their screens, know the nature of facilities provided in the area and provide copies of documents for allotment to the Greater Noida Industrial Development Authority (GNIDA) on their computer screens. "Online payment gateways have been made available and plots are allotted within 15 days.

Human beings, who are almost unique in having the ability to learn from the experience of others, are also remarkable for their apparent disinclination to do so.

POLICY POINTERS

GST council finalises peak rate at 28%

The Goods and Services Tax (GST) Council has fixed a 4-slab tax structure of 5 per cent, 12 per cent, 18 per cent and 28 per cent, with lower rates for essential items and the highest for luxury and de-merits goods, many of which would also attract an additional cess. A proposal by some states, including Kerala, to have special GST rates on luxury and sin goods was not accepted. The Centre has proposed "cross-empowerment" whereby both the Centre and states will have powers to scrutinise and audit all assessees.

Finance Minister Shri Arun Jaitley said about 50 per cent of the consumer price index basket will be taxed at zero rate, with a view to keep inflation under control. It was clarified that food grains would be GST exempt and not zero-rated and would not qualify for input credit.

GST rates agreed upon by Centre and States are as under : -

Food grains	Exempted
Necessary and daily use goods	5%
Standard Rate I	12%
Standard Rate II	18%
Peak Rate	28%
Luxury goods, tobacco, aerated drinks	28%+cess

Govt. working on ways to let firms start biz in just 4 days

Aiming to break into the top 50 best countries to do business in, the government has identified areas requiring doing away with complex rules and simplifying procedures to enable businesses to start in only four days'.

With India ranked poorly at 130 among 190 nations on the World Bank's Ease of Doing Business index, Finance Minister Shri Arun Jaitley on December 20, 2016 held a meeting to identify areas to improve the business climate

and the country's ranking by cutting down on steps required to start a venture and make easy credit available.

An e-biz portal will be a one-stop shop for dealing with matters related to the Ministry of Corporate Affairs as well as registrations of PAN/TAN and employee provident fund/employee insurance. "The Ministry of Corporate Affairs, CBDT (Central Board of Direct Prices), the Ministry of Labour and Employment will work towards reducing the number of procedures for starting a business to four and the number of days to start a business also to four," an official statement said. Currently, it takes a minimum of three weeks to start a company in India.

Shram Suvidha Portal will be the only portal for filing returns, challans and making online payment for the Employee Provident Fund Organisation and the Employee State Insurance Corporation. The Department of Revenue and the Ministry of Shipping will work towards increasing the number of direct delivery consignments to 40 per cent by the end of this month. They will also have to ensure the cost and time to export and import get reduced substantially to bring India within the top 50. In the World Bank's latest "Doing Business" report, which ranks 190 nations on how easy it is for private companies to follow regulations in 11 areas, India comes in at 130.

■■■

HEALTH CARE !

The Correct Information You Need To Know About Food Additives

Have you seen the words like "do not contain food additives" marked in the food packaging? Or the use of advertising, media and other means to say its products do not contain food additives? This is a selling point of some individual enterprises. But, this will only mislead the public awareness of food additives, even deepening public misunderstanding of food additives. How much do you know about food additives ? Do you really think the food contains food additives equivalent to the problem food? Actually, food additives are an integral part of modern food processing industry. Do not use any food additive is difficult for the food-making process now. Except for a few kinds of foods which do not use food additives, a big percentage of food in the supermarket use food additives. For example, rice has preservatives; flour adds anti-knot agent and preservatives; oil needs bleaching agent and anti-oxidant; salt has anti-knot agent; soy or sauce contains preservatives; bread has expanded pine agent; anti-season fruits use preservative and preservatives. In fact, the use of additives is completely safe if it is used scientifically.

In recent years, Chinese pay more and more attention to the demand of healthy eating. They care about whether what they eat is safe and healthy. Especially when they mention the food additives. When asked how to treat this issue, the Nobel Prize winner Robert said: some food additives are beneficial to the human body, and it is an integral part of the modern food industry. Most of the time, the fear of additives comes from people who do not have an understanding about it. It is not easy to figure out what is useful and what is harmful without testing. This can guarantee the use of additives will not bring harm to consumers. The safety of food additives is established on the basis of reasonable usage, the maximum amount of food additives is not allowed, or it may cause harm to the human body. The food additives should have accurate measurement according to the total amount. Due to lack of precise measuring equipment in some enterprises there is excessive use of food additives.

When it refers to food additives such as colors and flavors, people may think these are harmful substances. In fact, food additives themselves are harmless, such as red pigment and lutein. These are colorants in food additives, it adjusts the color of food. But the ingredient is carotenoids. It is good for your body. But the harm to human body is due to improper addition of food additives. Many illegal manufacturers use too many food additives. In order to increase products' shelf life, producers often add excess of preservatives and anti-oxidants in the products to prevent corruption or metamorphosis; in order to keep food stability, they add excess thickeners to keep food texture stable; in order to make food unit better color, they use excess pigment and bleach; or in order to make sure food has good fragrance and taste, the producers use excess flavor, sweetener and sour agent. Some enterprises uses industrial-grade additives to reduce the cost, also to hide food quality issues.

With the development of food industry, varieties of food additives will be increased and the usage will become more popular. This is an inevitable trend. People can not live without food additives. More importantly, the use of food additives is a guarantee of food security. So far, domestic food safety incidents are all not caused by food additives. Melamine and Sudan belong to fake and illegal variety. Food additives are everywhere in the modern civilized society. The right choice is to accept food additives, strive to make food additives scientifically and use them judiciously.