



About CoimbatoreBDS.com

As part of the project 'Implementing Business Development Services in the Coimbatore Engineering Cluster', a web portal www.coimbatorebds.com has been launched to provide a Common Platform for Service Providers and Enterprises in Coimbatore Engineering Cluster. The Coimbatore Engineering manufacturers, BDS providers, consultants and suppliers can register to avail services of the web portal. The sections Events in Engineering Sector and Upcoming Events will provide latest information on the activities and events..

REGISTER AT
www.coimbatorebds.com



UPCOMING EVENTS PLANNED FOR NEXT QUARTER (JAN-MARCH-2010)

- Sanitization & Interface with BDS providers
- One to one interface with selected BDS Providers
- Interface with technologies suppliers like TERI/IIF
- Awareness programmes on Quality standards for unorganized firms
- 2nd Cluster Coordination Committee Meeting
- Awareness programmes on Quality standards for unorganized firms
- BDS Clinic [Guide the Industry as per their requirement for development]
- BDS Clinic [Guide the Industry as per their requirement for development]
- Capacity Building of local BDS in providing ISI certification
- Gap analysis of foundries related to technologies.
- Interactive meet between Bankers, Machinery suppliers and SMEs for technology up gradation related to melting energy efficiency.
- Organizing Awareness programme on Energy saving measure
- Training of local BDS by PCRA/NPC on energy audits

For more details visit www.coimbatorebds.com

About APITCO

APITCO, incorporated in 1976, is a premier Technical Consultancy Organisation (TCO) promoted jointly by all-India financial institutions (IDBI, IFCI, ICICI), industry development corporations in Andhra Pradesh (APIDC, APSFC) and Commercial Banks (Andhra Bank, Indian Bank, State Bank of India, Syndicate Bank).

APITCO has been actively engaged in the development of fruit processing, foundry, readymade garments, handloom cotton durries and mango jelly clusters in Andhra Pradesh. Currently, APITCO is implementing nine SME cluster development projects in Andhra Pradesh for Mango Jelly Processing; Food Processing; Turmeric Processing; Readymade Garments Manufacturing; Burnt Lime Manufacturing; Graphite Crucible Manufacturing; Imitation Jewellery.

APITCO has been chosen by SIDBI-PMD Division as the Facilitating Agency for the development of BDS markets in the Coimbatore Engineering Cluster.

For Further Details, contact

No.23, Kongu Nagar, Near City Co-operative Bank, Ramanathapuram, Coimbatore-641045, Tamilnadu, Ph-0422-2316249

A. Sridhar
(Cluster Development Manager)
sridhartippu@yahoo.co.in
Cell: +91 09442221029

G.Y. C. Reddy
(Network Expert)
gyreddyapitco@gmail.com
Cell: +91 09790426979

About CAPSULE

An association of SME services providers' organisation under one umbrella providing services to User SME organization. The ultimate goal is to enable MSMEs improve business performance and achieve sustainable growth. CAPSULE will do this by providing a basket of varied cost effective services comprising of the latest management methods and technology solutions which will in turn help the MSMEs make the best use of available resources.

How to Reach CAPSULE?

• www.capsuleindia.org • info@capsuleindia.org • +91-40-23600074



Volume 1 Issue 1
July-Dec 2009

News Bulletin

Implementing Business Development Services (BDS)
For MSMEs in Coimbatore Engineering Cluster
Implemented by SIDBI & Facilitated by APITCO Limited



Dear Readers,

A greeting to you all from Coimbatore BDS. Coimbatore BDS is the subsidiary of Andhra Pradesh Industrial Technical Consultancy Organisation. Hope this New Year 2010 brings plenty of peace and prosperity in all your ventures.

As you are all aware that Coimbatore BDS is right earnestly playing its role as a champion in taking your business to the next stage of growth through various activities.

At the out set it aims at placing Coimbatore on the global engineering arena as a potential out sourcing centre for excellence in engineering goods. This would set the impetus to grow high in this competitive field and stay in the front as a forerunner.

APITCO has been aiding clusters development all over India to facilitate promotion of products that are popular in their place of origine of establishment. For example the setting of Alapuzha BDS was greatly useful in developing the coir industry that was fighting for revival hitherto. Similarly the Kanpur BDS has helped the leather industry come out of the doldrums in a successful manner.

All these were possible due to the logical planning and meticulous execution of the various strategies deciphered by the expert team of professionals. They had a clear vision and firm objectives to see through their venture successfully for the welfare of the different industries all over India.

With Best Wishes

A.Sridhar
Cluster Development Manager, Coimbatore

CLUSTER VISION

Coimbatore Engineering cluster will be promoted as the most preferred outsourcing destination globally by incorporating ethical practices in all business deals. The raison d'etre of this organisation is to:

- Update latest technology to stay in the front.
- Adopt effective marketing strategies.
- Stream line production methods in all industries in order to get international recognition.
- Follow global energy and environmental standards.
- Achieve cost effectiveness and prompt delivery of services in the year 2010.

OBJECTIVES

- Improve the energy efficiency standards of motors and pumps manufactured in the cluster
- Strengthen credit linkages of micro enterprises with financial institutions
- Improve the cupola efficiency and reduce emission of foundry cluster.
- Product development through linkages with technical institutes and research organizations.
- Promotion of Information and Communication Technology (ICT) for improving effective supply chain management.

PROJECT PARTNERS

The World Bank, Department of International Development (DFID), U.K., KfW and GTZ, Germany are the major international partners in the project. Banking Division, Department of Economic Affairs (DEA), Ministry of Finance and Government of India is the nodal agency for the same. Small Industries Development Bank of India (SIDBI) has been given the task of implementing the project. SIDBI has formed a dedicated Project Management Division (PMD) at New Delhi. The World Bank, Department for International Development (DFID), UK, KfW and GTZ, Germany are the major international partners in the project.

CLUSTER COORDINATION COMMITTEE MEETING

On 13th July 2009 Cluster Co-ordination Committee meeting was organised at SIEMA board room. Mr. PRV Krishnan, Project Manager and senior consultant APITCO invited all the committee members then gave a power point presentation on the problems faced by the SMEs and explained how APITCO will solve in span of three years under BDS programme. He also briefed on the objectives and importance of forming the committee for implementing BDS project effectively in engineering cluster at Coimbatore. Mr. Jay Kumar Ramdas, President of SIEMA informed about the present scenario of Foundry, Pumps and Motor industries. Mr. Palanivelu, Deputy Director MSME Development Institute explained how they are supporting Micro, Small and Medium enterprises in designing, technology up gradation, marketing their products, and also financial assistance. Mr. Narjaree explained about the schemes which are being implemented by the SIDBI and Japan Line Credit which will be useful for upgrading their industries and also requested the committee members to utilize and propagate the working capital loan linked with IDBI bank. Mr. Asokan suggested the committee to target the micro enterprises, because there is no effort made so far for its development. There were many organizations helping Small and Medium enterprises where as Micro Enterprises are not utilizing the opportunities because of improper maintenance of accounting systems. He also explained the roles and responsibilities of District Industries Centre. Mr. Srinivasa Rao Managing Director APITCO explained the benefits of availing BDS under Cluster Development Programme (CDP) sponsored by SIDBI for the growth and sustenance of MSMEs in the competitive world. Mr. James President of TACT elucidated the problems faced by the micro enterprises in different modes. The main problem is allotment of land by the Government for reallocation of industries and getting loans from Financial Institutions. Mr. Jayakumar Ramadass, SIDBI General Manager and General Manager of DIC and Palanivel expressed the need for more committee members in CCC. Mr. Manoj Mittal summarized the Committee meeting and suggested to take low hanging fruits for immediate impact of BDS programme.

EVENT SNAPSHOT



As part of the project the Cluster Coordination Committee (CCC) was constituted with the following members:

- Mr. S.Srinivasa Rao, Managing Director, APITCO, Hyderabad
- Mr. NB Narjaree, General Manger, SIDBI, Coimbatore
- Mr. Manoj Mittal, DGM[PMD], SIDBI, PMD, Newdelhi
- Mr. Asokan, General Manager, DIC, Coimbatore
- Mr. Palanivelu, Deputy Director, MSME Di, Coimbatore
- Mr. Thyagarajan, Southindia Coordinator, MSME, Foundation, Chennai
- Mr. Ravindran, Industrial Engineer, Coimbatore Productive Council, Coimbatore
- Mr. Jayakumar Ramdas, President, SIEMA, Coimbatore
- Mr. Pondian, President, COWMA, Coimbatore
- Mr. James, President, TACT, Coimbatore
- Mr. Kumaresan, Secretary, TACT, Coimbatore
- Mr. Rajan, Managing Director, Mahaganapathi Pumps and motores, Coimbatore
- Mr. Selvam, Member, TACT, Coimbatore
- Mr. Ashadevi, Assistant Director, DIC, Coimbatore
- Mr. Rajkiran, Sr.Consultant, APITCO, Hyderabad
- Mr. P R V Krishnan, Sr. Consultant, APITCO, Hyderabad
- Mr. Sridhar, Cluster Manager, APITCO, Coimbatore
- Mr. G.Yachandra reddy, Network Expert, APITCO, Coimbatore

Workshop on Standard and Labelling

A workshop was organized on Standard and Labelling for Pump sets at The Southern India Engineering Manufacturing Association [SIEMA] Conference Hall on 13th July , 2009. Mr. Jayakumar Ramdass, Managing Director of Mahendra Pumps and President of SIEMA welcomed all the delegates and participants. He mentioned that 10 companies were registered under the programme of BEE and SIEMA's target was to bring about 75 members under it. In next session Mr.NB Narjaree, General Manager, SIDBI Coimbatore informed SIDBI's rate of interest is the lowest in the country. The PLR is 11% when compared with many of the Banks and the maximum rate SIDBI charged is about 11.75% based on the internal rating. Mr Manoj Mittal, Deputy General Manager[PMD], New Delhi instructed all the organized sector and unorganized sector should follow the BEE rules and regulations in obtaining the Five Star Rating. He also explained SIDBI Project Management Division is assisting SMEs through Cluster Development Programmes in INDIA.

Mr S.Srinivasa Rao, Managing Director. APITCO briefed that APITCO has been assisting SMEs for the past three decades through various State and Central Government Schemes and mentioned nearly 310000 entrepreneurs have got benefit from APITCO. Mr Sandeep Garg, Energy Economist, BEE explained the role and importance of star rating in global scenario and foreign countries policy in marketing their products with star rating labeling. He also mentioned energy efficiency certificate is must by the year 2010 for the entire electrical and electronics product. Mr Rajkiran Bilolkar, Senior Consultant (Energy) from APITCO detailed presentation on importance of Energy Efficiency and facilitation role in getting ISI certification and Star Labeling for the motors and pumps industries. Mr AK Chaturvedi, Manager, SIDBI Coimbatore presented a power point presentation on SIDBI schemes implementing in various ways.

Interaction Meet with Bankers & FIs

An Interaction Meet with Bankers and Financial Institutions (FIs) was held at SBI Campus, Coimbatore on 25th October, 2009. Nearly 28 entrepreneurs attended the programme. The programme was inaugurated by Mr Mahendra Ramdass, President of Confederation of Indian Industry (CII) and was welcomed by Sri K. Ilango President of CODISSIA . Mr. Mohan. S, Chief Manager, SBI explained regarding all the financial schemes useful to the entrepreneurs with rate of interest and pay back period. In this work shop many entrepreneurs discussed with bank managers about their liabilities and take over procedures. Participants showed their interest to start new ventures under credit guarantee schemes. Bank Managers appreciated the effort of APITCO for inviting so many participants for the event. Entrepreneurs realized that Current Accounts must be require to open new accounts on firm names.

Interaction Meet with SIDBI & NSIC

APITCO invited Tamilnadu Micro and Cottage Industries Association (TACT), COSMAFAN and Coimbatore District Electroplater Association (CODEA) association members to Gowtham Centre for interacting with SIDBI and National Small Industry Corporation (NSIC) representatives. Nearly 20 members attended the programme. Everybody discussed individually with SIDBI and NSIC representatives for their requirement in purchasing machinery and raw materials. Mr. Narjaree, General Manager, SIDBI explained about the Japan International Cooperation Agency (JICA). He advised to CODEA members to get consent letter from Tamilnadu Pollution Control Board (TNPCB) to enable easy finance for all the units from SIDBI. Mr. Sarvan Kumar, NSIC, Manager explained about the raw material credit facilities to CODEA members. After interaction meet with TACT members he immediately distributed five applications for further processing. BMOs expressed their satisfaction on APITCO's effort for arranging interaction meet with SIDBI & NSIC.

Awareness Workshop on ISI Certification

An awareness workshop on ISI Certification for one to one interaction with BDS providers was organized at Ramanthapuram, Coimbatore on 29th October, 2009. The objective of the programme was to create awareness about ISI Certification and to bring them into the organised sector. As part of action plan activities under SIDBI-BDS Project, Engineering Cluster Coimbatore, organized another Awareness Workshop on ISI Certification for Motors and Pump Manufactures in association with Kovai Power driven pumps and Spares Manufactures Association (KOPMA) at APITCO office on 26th November, 2009. Nearly 30 members attended from KOPMA association. Mr. A.Sreedhar, Cluster Manager invited all the dignitaries and Motor & Pump manufactures for the programme. In the beginning he briefed all the SIDBI-BDS project action plan activities and their beneficial activities for Pump Industries. He also explained benefit of cash voucher scheme in taking ISI certification. Mr Aloknath Chaturvedi, Manager from SIDBI inaugurated the programme . He detailed all the programmes of SIDBI and mentioned the difference between the Commercial Banks and Service Banks

like, SIDBI. He quoted many examples how SIDBI is giving hand hold services for the growth of Industries. Mr Ranganathan, External Consultant explained the importance of ISI Certification and mentioned be mandatory by March 2010. He requested to the industry to register their names under cash voucher scheme to obtain ISI certification.

Mr S.Mohan, Chief Manager from SME Branch State Bank of India explained the new schemes to develop the cluster development associations. He mentioned that the Branch will support 100% to assist any sort of loan to SMEs. Miss Ashadevi, Asst. Engineer from DIC elucidated the benefits of Central Excise Duty and back end rate of interest after obtaining the ISI certification. She also mentioned the different schemes supporting new entrepreneurs and existing industrialists. .

Mr Maniraj President KOPMA expressed that for the first time one big organization like APITCO came forward to extend its support to small cluster development association like KOPMA under SIDBI-BDS Project. He opined the project will lead to create employment, access to finance and infrastructure development.

The issues identified during the dignostic study are :

BDS Areas	Key issues
Raw Material	Lack of common procurement initiative Lack of credit to procure raw material
Skill Development	Shortage of skilled manpower
Finance	Poor financial linkages to Micro enterprises
Market Access	Lack of orders for micro enterprises
Safety & occupational Health	Frequent accidents and absenteeism in foundry Industries
Technology	Low awareness on manufacturing niche products
ICT	Low use of ICT tools by micro enterprises
Energy Auditors	There is need to provide training on Energy Auditors
Certifications	Weak linkages between Industries and BIS, BEE

Launch Workshop

A Launch Workshop was organized for launching the Coimbatore project at Coimbatore Cluster along with SIDBI at Hotel Rathna Regent, Coimbatore on 24th September, 2009. Sri I D Prasad, Advisor, APITCO welcomed the participants. He explained about the SIDBI BDS project implementation in Coimbatore Engineering Cluster and he mentioned about APITCO's achievements in the past three decades in the development of Micro Enterprises in rural areas. Sri Narjaree, GM, SIDBI informed about few schemes of SIDBI on Enterpreneurs Development Programme, Cluster Development Programme, Skill and Technology Upgradation Programme etc. Sri Saravanakumar, NSIC enlightened the gathering by informing details about the upcoming fair SUBCON to be held in the month of September and invited 30 buyers to join and register in it. He advised all SMEs present to obtain credit rating (75% subsidy). On obtaining a good rating the unit will also be able to obtain loans easily.

Sri.Gunabalan, Sitarc briefd on various types of testing and calibrations are available, and asked the members of the

cluster to make use of their services. He informed that the testing of pumps and motors is expensive, as the state of the art equipment are used to facilitate the service, which needs to be calibrated once in every six month. TACT, State Secretary, Mr.Athmanesan recommended QA certificates to be obtained by all units be it small medium or micro enterprises. Kalyanasundaram, President, Tamilnadu Pumps and Motors Association (TAPMA) also informed various schemes are available but a bridge is required between the units and the banks to avail these facilities. He also requested the creation of an industrial estate away from the city with the help of the Government through this project. Mr.Maniraj, President, KOPMA informed about the fluctuations in prices of pumps and motors and he ascertained a fixed retail price for the industry. Mr A.Sridhar, Cluster Manger and GY Reddy, Network Expert, APITCO presented a Power Point Presentation on annual action plan about BDS project and about the role of APITCO for the development of Small and Medium Enterprises through BDS project.

Photo Gallery

