



Christian Chamber of Commerce and Industry

Monthly Newsletter April 2013 • Volume 9 • No. 4

Private Circulation

Courtesy Call on H. E. Shri K. Sankaranarayanan by a delegation from the Christian Chamber of Commerce & Industry to appraise H. E. of the activities of the Organization



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FROM THE DESK OF THE CHAIRMAN

April is the cruelest month not just for poet T S Eliot but also for young city students appearing for Class X and XII. While the 15 to 21 day long examinations conclude by the end of March, the wait for results leads to depression. Statistics suggest that during the month of April many suicides related to fear of flunking were reported from across the state.



There are a lot of Helpline numbers to counsel the students of their anxiety. Ironically, the helpline numbers, which were launched to counsel students suffering from 'exam anxieties', go off air in April, a fact much criticized by city-based counselors. Exam-related anxieties should be treated until the results are declared. The anticipation of failure is as emotionally disturbing as failure itself. Most counselors rued how authorities were ignoring suicides by students reported in the months following the board exams. "It's not enough to offer telephonic counseling during the examinations and after declaration of results. Students should be counseled even during the intervening period.

In today's competitive world, higher education is a smart investment to be made unto yourself and your career. A specialized course of study or a professional degree will just provide you with that extra ounce of privilege that culminates into success. Getting into your selected course of education involves an initial step known as Entrance Exam.

Admission to almost all the Diploma, Post Diploma, Degree, Post Graduate and Research and Fellowship programs in all the Universities, Colleges and Institutes are carried out on the basis of rankings in the Entrance Exam.

Every year about 7-8 million students after 10+2 seek out higher education opportunities. And the options available to them are mind-boggling. With about 1.34 million seats, engineering appears to be the most visible career option. And barring the top 300-odd colleges, admission to an engineering college is not a challenge anymore. Medicine still remains an exceptionally tough stream to get in with just over 30,000 seats. While there is no authoritative figure on arts and science colleges, the number is about another 1.5 million seats.

The struggle is lopsided because the numbers in the top 1% of the institutions are way behind the top 1% of the aspirant class. In other words, good institutions are woefully inadequate. With degree/diploma/certificate offerings in 350-odd disciplines, the study choices before a young

ENTREPRENEURSHIP ACTION PLAN

A group of like minded Christian entrepreneurs who can come together to create an Entrepreneurship Action Plan, a blueprint for decisive action to unleash Christian entrepreneurial potential, to remove existing obstacles and to revolutionise the culture of entrepreneurship in India. Investments in changing the public perception of entrepreneurs, in entrepreneurship education and to support individuals who are under-represented among entrepreneurs are indispensable if we want to create enduring change. Only if a large number of Christians recognise an entrepreneurial career as a rewarding and attractive option will entrepreneurial activity in our community thrive in the long term.

Investing in entrepreneurship education and research is one of the highest return investments all businessmen can make. Role of higher education in entrepreneurship goes far beyond the delivery of knowledge to participating in business ecosystems, partnerships and industrial alliances. With high-tech and high-growth enterprises increasingly becoming a focus of entrepreneurship-related public policies, higher education institutions are an active component of members and group innovation policies, strategy and entrepreneurship.

In order to exploit the potential of entrepreneurship education, the group can take a number of actions:

Create an environment where entrepreneurs can flourish and grow.

Develop a community entrepreneurial learning initiative for impact analysis, knowledge sharing, development of methodologies and peer mentoring among interested individuals.

Reinforce co-operation with interested community members to assess the introduction of entrepreneurship education in each individual and support those wishing to learn from successful peers.

Christians in India have potential in creating successful and healthy entrepreneurial culture.

Lawrence Coelho

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aspirant are indeed vast. I take this opportunity to wish all the children appearing for the Entrance exams all the very best and good luck.

With regards,

Henry Lobo

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ANSWERS TO CCCI MEMBERS QUERIES ON MSME SECTOR

By Steven, Lawrence D' Souza

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1) Please give precise definition of MSME Sector

There exist several definitions of the term small and medium enterprises (SMEs), varying from country to country and varying between the sources reporting SME statistics. According to the Micro, Small and Medium Enterprises Development Act, MSME's are defined on the basis of **their investment in plant and machinery and equipment for enterprise rendering services**. The last definition quoted in another article in March issue of CCCI newsletter of year 2006 has since been revised-Precise Definition-the recent budget allows small, micro and medium units to grow beyond limits and **enjoy all non tax benefits** like concessional bank and institutional loans, subsidies etc.

Type-Unit	Manufacturing Enterprise	Service Enterprise
Micro	Up to Rs.25 lakh	Up to Rs.10 lakh
Small	Above Rs.25 lakh and up to Rs 5 crore	Above Rs.10 lakh and up to Rs.2 crore
Medium	Above Rs.5 crore and up to Rs. 10 crore	Above Rs.2 crore and up to Rs.5 crore

2) What steps and initiatives undertaken by the government in fiscal year 2012-13 before budget to revitalize the MSME sector:?

- BSE and NSE launched the SME platforms, which will serve as an opportunity for Indian SMEs to raise funds from capital markets.
- To achieve the overall target set by the Prime Minister's National Council on Skill Development, Ministry of MSME and the agencies conducted the skill development programmes for 478,000 persons during FY12. During FY13, the Ministry aims to provide training to 572,000 people through its various programmes for development of self-employment opportunities as well as wage employment opportunities in the country.

- To improve the productivity, competitiveness and capacity building of MSMEs, the Government of India has adopted a cluster-based approach. During Apr-Jan 2012, the government has taken 8 new cluster for diagnostic study, 5 for soft interventions, and 4 for setting up of common facility centres. Till Jan 2012, the government has taken total 477 clusters for diagnostic study, soft interventions and hard interventions and 134 infrastructure development projects.

3) What is One Person Company (OPC) mentioned in recent Companies Bill?

It is a New Vehicle for sole proprietors - Companies Bill 2012 introduces the concept of a One Person Company (OPC) for the first time in India. It defines an OPC as a company which has only one member. India is known for entrepreneurship and the country proprietorships. Arguably the oldest and most common form of doing business in India, sole proprietorships previously had limited options for incorporating the business. Although no empirical studies have been done as yet on the advantages of incorporating (for example, limited liability) vis-à-vis sole proprietorship (presumably fewer compliance requirements for an OPC have already been simplified as compared to other companies and it will be interesting to see the response from sole proprietorships towards embracing this alternative

4) What are the guidelines for listing on SME Exchange?

GUIDELINES FOR LISTING

	SME exchanges	Main exchange - BSE and NSE
Post issue paid-up capital	Up to Rs.25 crore	At least Rs.10 crore
Net tangible assets and net worth	BSE SME; At least Rs.1crore, NSE Emerge; Positive net worth	Net tangible assets at least Rs.3 crore for 3 years, net worth at least Rs.1 crore in 3 years.
Minimum application and trading lot size	At least Rs.1 lakh	NA
Underwriting	100% Merchant bankers should underwrite at least 15% from their own account	Not mandatory
Minimum investors	50 for IPO only	NA
Market making*	Responsibility of merchant banker for 3 years	If minimum post issue capital is less than Rs.10 core, then 2 years market making

5) What has been progress - SME Exchange so far since past few months?

The country's premier Stock Exchange BSE Ltd has emerged as the market leader in SME segment with more than 90 percent market share. In the last one year since the launch of the SME platform, 17 companies were listed, while nine more are in the process of listing their shares by March 31 this year. The overall response not good, hence this year budget relax trading volumes to raise funds without mandatory IPO-Initial Public Offer condition

6) Major regulatory changes in banking financial sector ?

a) **Coop Credit Societies will now have to Get Bank Licence to raise funds and carry on business.** They can't take deposits without RBI nod within a year of norms notification to be issued shortly.

b) **Banks May Get to Buy Assets of Defaulters at Reserve Price** - RBI Notification shortly after exhaustive report submitted.

c) **Financial Advisors must Get RBI Approval before seeking SEBI Nod -**

Finance companies that intend to offer investment advisory services will have to first seek approval from the Reserve Bank of India before approaching capital market regulator SEBI for its nod.

d) The Financial Sector Legislative Reforms Commission (FSLRC) has proposed the merger of Sebi, Forward Markets Commission, IRDA and Pension Fund Regulatory and Development Authority into a **unified agency**. It would be one of seven proposed by the panel in its report submitted to the government recently for various sectors in financial market.

7) What is Asset Reconstruction Company? How applicable SME sector?

India SME Asset Reconstruction Company Ltd. (ISARC) is a Securitisation and Asset Reconstruction Company registered with Reserve Bank of India under Section 3 of the SARFAESI Act that strives for speedier resolution of NPAs in the MSME sector, ISARC, promoted by SIDBI along with SIDBI Venture Capital Ltd., Bank of Baroda and United Bank of India as other sponsors and 10 other public sector banks, LIC of India any 4 State level institutions as shareholders is poised for substantial growth.

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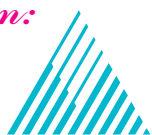
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PACKAGING INDUSTRY IN INDIA

Source PouchPack

Industries create wealth, but one industry that not only creates wealth through manufacturing and also by preserves the wealth or value created by other industries, it is the packaging industry. It is not only about packing products, which rules this industry, but also the development of newer packaging machines such as carton packaging machines, pouch making & packaging machines, liquid filling and sealing machines & many other machines and relative packaging materials. Along with new product development, employment scope and value addition to the Indian economy, this industry plays a pivotal role in preserving the quality and lengthening the shelf life of uncountable products. From food products to medicines, from domestic appliances to industrial machinery, from water to air, every product that can be packed is packed, stacked, and transported. The visible and catalytic role of packaging in modern market has also added dimensions to the concept of branding and consumer education. To the extent that every consumer durable item is packed to suffice the need of safety, convenience and attraction, so that the product packed gains its due market recognition. In nutshell, packaging as an activity catapults FMCG consumption and boost an economic growth in India.

Competition did not spare this sector and the increasing need to look for markets has contributed to the rise in demand for suitable, cost-effective and environment friendly packaging material, **packaging machines** and modern technologies. Packaging as a process influences the following aspects of a product life cycle. Protection and Preservation: Designed to ensure that the product reaches the consumer in good condition packaging protects products as they move from the manufacturer to the consumer. External factors such as climate, hazardous substances, contaminants and infestation etc., do not affect the product quality.



Supplementary Product Protection: Owing to its importance of retaining factory condition, packaging contributes to food safety quality and nutrition.

Communication: One of the most successful and modern method of consumer education is smart packaging. The messages communicated on the package are vital in educating buyers to make informed decisions.

Convenience: The most desired advantage of packaging is convenience. The ease of transport and storage lightens the logistic issues for all manufacturer, seller and buyers.

Marketing Trends: Increasing emphasis on the look, appeal and quality of retail packaging has defined new concepts of promotion.

Understanding the fact that packaging influences product life cycle has given roads to packaging material and packaging machine manufacturing units. The growth of packaging industry in Indian has paved way for many SMEs to stage their capability in making various types of packaging machines such as pouch packing machines, carton packaging machines, liquid filling & sealing machines, shrink wrapping machines and more. The units, big or small, have been successfully catering to the custom packaging needs of FMCG, pharmaceutical, electronic appliance and several other consumer durable and industrial product manufacturing units. The ever expanding scope in packaging industry in India has led to greater specialization and sophistication from the point of view of technology, safety, waste reduction, energy efficiency and environment friendliness of packing material and packaging machines.

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INDIAN ECONOMY 2013

Introduction to Indian Economy:

Since the last two decades Indian economy is on a rise and has proved its mettle to the Indian. India is one of the **fastest growing economies** and is often considered as one of the major super powers. India is an Asian nation with seventh largest land base and second largest in term of population. The economy of India is the largest economy in the Indian by nominal GDP and the fourth largest by purchasing power parity (PPP).

Understanding Indian Economy:

Indian economy stands today as one of the influential and attractive economy. The liberalization move by the Indian Government in 1990s has given a boost to the Indian economy and put her into a fast track economic growth route. With the beginning of the new millennium, India was considered as an emerging super power. In 2009, Indian GDP based on purchasing power parity (PPP) stood at USD 3.5 trillion making it the fourth largest economy. India's service industry accounts for 62.5% of the GDP while the industrial sector contributes 20% to the GDP. The agricultural sector which was the back bone of Indian economy post-independence took a back seat in 21st century and contributed only 17.5% to the GDP. India growth rate has been an average of 7% since 1997 and has maintained a growth rate above 5% even in times of global recession. The Information Technology and IT outsourcing services has been the biggest contributor to India's growth. India's per capital income (PPP) is not too attractive and stands at USD 4542. India currently accounts for 1.5% of the total Indian trade as per WTO, 2007 publications.

Industrial activities accounts for 20% of the economy. India is characterized by small and medium manufacturing units with few major players. 14% of the total workforce is engaged in manufacturing activities. Liberalization has brought in many private players and multi national organizations into manufacturing foray.

Services - Service Providers & Services Sector contribution in Indian Economy:

India is one of the leading service providers and services sector contributed 62.5% to the GDP and employ 34% of the work force. With large base of English speaking educated people, India has become a preferred destination for business services.

Agriculture Indian Economy:

Though agricultural activities employ 52% of the total work force yet it contributes only 17.5% to the total GDP. Mostly, agriculture is carried out using traditional methods and

farmers are dependent on heavily on monsoons. Green revolution and white revolution has given a boost to this sector but it is yet embrace technology on a large scale.

Banking and Finance - Indian Economy:

India has one the largest network of bank branches and most of the people in India enjoy banking facilities. India has a robust banking economy which was proved by the fact that it remained largely unaffected by the global recessions.

External Trade and Investments:

Balance of Payments:

India's balance of payment has been in RED since independent and though growing exports in post-liberalization era is expected to bring it down, the current rising oil bill is making it look difficult.

Foreign Direct Investments (FDI):

India is the preferred destination for FDI since liberalization. Industrial reforms have made the scenario more attractive and with growing economy it looks promising in terms of return.

Global Trade Relations:

Since liberalization India's contribution to total global trade has increased to 5%. China, UK, The US, Japan, Russia and EU are the major trading partners to India. Both imports and exports have taken a leap by 20% on an average.

Concerns:

Though India is considered as a major economic power but it faces many challenges.

Indian Economy VS Agriculture:

Agriculture sector in India lacks innovation and investment. It still uses the traditional methods of farming giving less produce per hectare of cultivated land as compared to global standards. The total area under farming is also reduced due to growing industrialization and urbanization. India has to strike a balance between industrial growth and agricultural growth.

Effect of Poverty on Indian Economy:

24% of the Indian population lives below the poverty line (USD 1.25 per day). There is a large regional income disparity in India where six low income states are home to more than one third of population. According to Indian Bank, India is classified as low income economy.

Effect Corruption on Indian Economy:

Corruption has been a wide spread problem in India. Liberalization has reduced the red tape and bureaucracy but still it never lost it ground. Most of the government spending fail to reach the general public and government initiative are marked by large scale corruption.

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ENERGY CRISIS IN INDIA



Energy has useable relationship with the production and consumption by the people. Both the factors move in ratio to population and consumption. Energy use and its sources need to be reviewed before we decide about describing the relative factors of energy. Sun, water, air and chemicals are some of the main sources of energy and they help in generating power from the sources. We have used water for thermal powers which move a mineral or a chemical in demand. The warning alert in this zone reminds for the exhaustion of the raw fuel and increase in population which results into enhancement in demand for energy.

The next used fuel was water in Hydel-power houses. Furthermore, is the use of atomic energy or nuclear fuel for power generation. Indian experts are already working hard on the non-conventional energy resources such as sun, wind blowing, tidal waves and biogas generation. As it is, very little could be done in this direction. Scientists are busy in developing a long term fuel for power generation. Village folks use cow dung, plants etc. for such productions. Indian scientists and atomic experts are committed to harness the natural resources for welfare use of resources. They could locate some deposits of "THORIUM" which can be sued for power generation.

Our experts experimented car or bus driving on CNG and LPG gases. We could as such produce some lenses which helped in the development of sun rays into water heaters. However, nothing much could be done in the direction or the pace was so slow that it failed to cope with the demand and supplies.

We have to take a serious note of prevailing set up and gear up the efforts to control the generation and utilize our techniques to produce more, while utilizing our resources. Consumption control could be through control on population and creating awareness for the problem. Enhanced production is more a subject of technical experts' jurisdiction and they may handle it. There is no dearth of variety of fuels provided we are willing to use them.

Awareness has to be created so that the consumers avoid wastage. More care should be taken for stored resources, because they end up on their own. The other part of resources which are created by its own circle just as water etc. in the same exploration for new fuels should continue. This may help in meeting the requirement Norms should be worked to save energy and awareness should be created among masses to follow the norms; industrial consumption can offer good help in this direction. They can avoid wastage and produce gadgets with economized use of electricity or energy. Recently Phillips, Crompton, Surya and other bulb producers have introduced low-watt tubes for domestic use. This can help in the low consumption in domestic sector. In the same way, new production should cover the manufacturing as per requirements.

People should be encouraged to use non-conventional energy. A solar domestic cooker, which is simple to manufacture, can save 60 percent of the LPG fuel, and almost 70 percent of any other fuel. Such cookers should be made available on subsidized prices.

Energy crisis is universal, we can and should support the efforts to face the crisis and minimize it to the least possible extent.



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A BRIEF HISTORY OF OUTSOURCING

Article Source IT Outsourcing Services

Outsourcing may well be the latest buzzword in the global business world, but this phenomenon has certainly not been restricted to the last few years. If one has to trace the genesis of outsourcing, one has to go back to the time of the Industrial Revolution that took place between 1750 and 1900 across Europe. The period witnessed a mass production of goods, a widening market and spiraling profits like never seen before. Unable to handle all the functions that were demanding serious attention all at once, many companies wisely began contracting with third parties to take care of essential but tedious works like accounting, legal work, insurance to firms specializing in them.

The middle of the 20th century saw rapid strides in development, transportation, and technology, which gave a further fillip to the fledgling outsourcing industry. To increase their flexibility and profits, companies during the 1970s and the 1980s started focusing on their core competencies and began outsourcing the non-critical functions to those who had the time and the expertise to handle such tasks. These experts could be in the same city or in another country. It was only in the late 1980s that outsourcing began to be recognize as a sound business strategy. Since most companies were in any case not a hundred per cent self-sufficient, they had to outsource those functions in which they lacked internal competence.

Amongst the earliest businesses to enter the world of outsourcing was the publishing industry. Publishers were often forced to look to outside help for basic functions such as composition, printing, and fulfillment services. They used external suppliers for these crucial but nevertheless ancillary services, thus qualifying in a way as baseline stage in the evolution of outsourcing.

As the concept became popular and more and more businesses began to be aware of how much they could benefit from outsourcing, the next stage was outsourcing support services. This started sometime in the 1990s. Cost-saving became the keyword as organizations eagerly



outsourced non-essential support services to qualified experts at a lower cost, thereby freeing their own manpower and other resources. Departments such as accounting, human resources, data processing, internal mail distribution, security, plant maintenance, and the like began to be regularly outsourced.

Around that time, economies in the developing nations began opening up. Among them was India. Thanks to the government's

stress on education and development of information technology, India soon began to successfully woo the developed nations who were in desperate of need of low cost and talented workers. So, the IT revolution and the massive developments in computer technology played a crucial role to carry outsourcing to its next level.

Today, India has been universally acknowledged as the hub of the outsourcing industry. It is the number one choice of more than 85% of US companies, especially when it comes to software development and IT-related jobs. Outsourcing to India may have begun with data processing, call centres and BPOs and medical transcription services, but today almost all kinds of jobs wing their way to India.

The face of outsourcing has changed as well. While the ubiquitous freelancer was hailed as the backbone of the outsourcing world, today, he has been ousted by a new breed of workers the virtual employees. Enterprising outsourcing service providers in India are providing not just a worker for a short-term project, but full-time, dedicated employees who can handle large volumes of work, long-running projects and the like. Basically, outsourcing has also evolved into remote staffing, allowing a company in the US to experience having its own offshore office in India.

There may be voices raised in criticism of outsourcing, but it is an undeniable fact today - outsourcing is a necessity in today's global scenario. If a company has to survive, stave off the competition, make profits and grow it simply has to outsource.

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FDI IN RETAIL SECTOR IN INDIA: HOW DOES THIS AFFECT YOU?

Source: Health & Lifestyle

Retailing defines the direct interface between the manufacturers and the end users who are basically individual consumers. The retail business owners stock up all goods after purchasing it directly from the manufacturers and then sell it to individual customers keeping a profit margin for themselves. Of late the retailing industry in India has bloomed with much coveted success causing positive impact on the national economy. As per the recent revelations by the popular International Management Consultancy AT Kearney, India has been considered the second most lucrative destinations of the world for retail business.

In India, retailing industry is segregated into two classes-organized retailing and unorganized retailing.

Organized retailing entails trading conducted by licensed retailers and unorganized retailing includes all types of low cost trading like local shops, small roadside stores and temporary shops or door to door selling of various goods. Until now, according to the Indian retailing laws, Foreign Direct Investment in multi-brand retail market was prohibited. But government is thinking to open the FDI in retail in India which implies that foreign investment in retailing is possible up to 51%. Now the announcement of retail FDI in India has triggered a series of debates on both positive and negative notes and become political issue. So let's discuss these things, what all this means to you through advantages and disadvantages:

Advantages of FDI in retail sector in India:

- **Growth in economy:** Due to coming of foreign companies' new infrastructure will be build, thus real estate sector will grow consequently banking sector, as money need to be required to build infrastructure would be provided by banks.
- **Job opportunities:** Estimates shows that this will create about 80Lakh jobs. These career opportunities will be created mostly in retail, real estate. But it will create positive impact on others sectors as well.
- **Benefits to farmers:** In most cases, in the retailing business, the intermediaries have dominated the interface between the manufacturers or producers and the consumers. Hence the farmers and manufacturers

lose their actual share of profit margin as the lion's share is eaten up by the middle men. This issue can be resolved by FDI, as farmers might get contract farming where they will supply to a retailer based upon demand and will get good cash for that, they need not to search for buyers.

- **Benefits to consumers:** Consumer will get variety of products at low prices compared to market rates, and will have more choice to get international brands at one place.
- **Lack of infrastructure in the retailing chain** has been one of the common issues in India for years which has led the process to an incompetent market mechanism. For example, in spite of India being one of the largest producers of vegetables and fruits, lack of proper count of cold storages has significantly affected the selling of these perishable items. FDI might help India overcome such issues by channelizing the resources in the right manner.
- In the last years, the Public distribution system is proved to be significantly ineffective. In spite of the fact that the government arranged for subsidies, the food inflation has caused its negative impact continuously and it can be handled by FDI.

Disadvantages of FDI in retail sector in India:

- According to the non-government cult, FDI will drain out the country's share of revenue to foreign countries which may cause negative impact on India's overall economy.
- The domestic organized retail sector might not be competitive enough to tackle international players and might loose its market share.
- Many of the small business owners and workers from other functional areas may lose their Jobs, as lot of people are into unorganized retail business such as small shops.

However the government is quite stringent on this issue and determined to allow FDI in India. The actual impacts would be observed over time and till then the laymen have nothing but to hope for the best!

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SMALL FIRMS DO NOT PLAN TO FAIL, BUT FAIL TO PLAN (CHAITANYA SHAH IS AN SME FINANCIAL AND GROWTH NAVIGATOR)

One of the cornerstones of the success of any business is meticulous planning and execution. Most businesses fail not because they plan to fail; but because they fail to plan. The fact is that most small businesses fail to grow because they lack a strategic plan to realize their vision.

And if that was not sufficient enough, another fact that plays an important part in this failure is the lack of effective implementation once a plan is developed. As a business owner while considering formulating a strategic plan, the first question you must answer is what, exactly, do you want to accomplish? Once that has been determined you will then need to develop a strategy for making it happen. As the old adage goes, "Plan your work and work your plan."

Planning your work

For a small business, a strategic plan is essentially a step by step guide to map out how it will reach various milestones – goals and objectives, set for the business. It starts with a vision of what the business will be and how it will function in the near future, typically three to five years out. The plan also serves as a systematic management tool for implementing the strategies. The goal is to integrate every aspect of the business into a systemic approach for achieving the vision of the business.

Although each business will have its individual strategic plan depending on facts of each of the cases and will differ in some of the details. However, there are certain basic elements which will remain constant and will be part of most business strategies. Some of the common elements that should be part of every plan are given below:

- Define your mission, your vision and your values / culture
- Conduct analysis and evaluation of resources
- Establish your goals and objectives
- Determine your strategies for accomplishing your objectives
- Decide on your action plan
- Create your organization and accountability structure
- Develop an operating budget
- Design and implement an integrated MIS tool to measure and quantify progress
- Periodically conduct business performance reviews vis-à-vis the plan

Communicate the performance results and corrective actions to the entire organization

Work on organizing shortage in resources

The key to successful strategic planning is to involve everyone in the business, to some degree, in the planning process. Employees are vital to the strength and success of any business enterprise, and the business owner alone cannot effectively run the business - nor carry out the strategic plan.

Working your plan

Now that you have your strategic plan, how do you execute / implement it effectively? This is the fate of far too many small businesses - creating a wonderful document that eventually ends up in a file collecting dust while the business keeps on struggling to survive. What is often missing is effective coordinated planned action to communicate the vision and strategies to the employees, and the ability to translate strategy into implementable actions.

This at times is referred to as execution / tactical planning. This phase of the strategic planning process is crucial to implementing the overall strategy of the business -- to bring the vision to reality. A tactical plan drives the execution of the strategic plan across the entire organization. As each department completes their action plans to work "on" the business, they accelerate the success of the strategic plan.

A tactical plan essentially lays out the plans and procedures for getting to the defined strategy. It will involve the scheduling of immediate or short-term activities that are required to achieve the objectives of strategic planning.

For example, your strategic plan is to open several outlets of your restaurant-brand. The tactical plan might include hiring a well-known marketing consultant for the company, for setting up different restaurants - which areas, cuisine, size among others.

A strategic plan is essential to the success of any business, but how it gets implemented will determine how successful the business becomes. Having a clear vision is not enough - you must also have clear objectives; a strategy for attaining them; and the tactics and communications to see it through.



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