

REGIONAL MSME CONCLAVE

Theme:
Sustainability & Development
of MSMEs towards Building
New India

May 13, 2022, Bengaluru

The **Institute of Directors (IOD)**, India – Bangalore Region and **MSME Development Institute**, Govt. of India, jointly organised a “**Regional MSME Conclave- Scaling Through Collaboration**” on the theme “**Sustainability & Development for MSME towards Building New India**” on Friday, May 13, 2022 at Hotel Taj Yeshwantpur, Bengaluru.

The event witnessed around **150** business participants comprising of MSME Industry members, Business leaders & Board Members, Directors, Industry & Board Experts, Policy-Makers, Educationists, and private and public sector institutions, including officials from Government.

Brigadier Rajeev Kapoor (Retd.), Regional Director - Bangalore Region, Institute of Directors delivered the '**Opening Remarks**', and introduced the theme of the Conclave and welcomed all dignitaries, speakers, panellists, participants and Event Partners. He broadly touched upon the various topics, their mechanism & challenges and urged the speakers to share their

thoughts/views in empowering the MSME Sector towards building the path of self-reliance in this green & sustainable environment.

Mr. Arun Balakrishnan, Former Chairman & Managing Director, Hindustan Petroleum Corporation Limited; Founder Chairman, HPCL Mittal Energy Limited; & Honorary Chairman - Bangalore Region, Institute of Directors delivered the '**Welcome Address**', and highlighted the theme and role of the MSME Sector. He touched upon the impact of government policies on MSME which in some cases have been detrimental though the policies themselves have been positive for the national economy. The role of MSMEs in generating employment and enhancing exports was also highlighted. He also stated that global warming leading to climate change had impacted businesses across the world. Carbon emissions being the major GHG factor in this regard, MSMEs will also need to invest in technologies to realize government objectives for achieving zero carbon by 2070. Factors like De-Monetisation, Covid, and now the ongoing



Opening Address by
Brigadier Rajeev Kapoor, Regional Director, IOD Bengaluru



Welcome address by **Mr. Arun Balakrishnan**, Former CMD, HPCL,
Founder Chairman-HPCL Mittal Energy Ltd. & Honorary Chairman - IOD Bengaluru



Special Address by
Lt. Gen. J S Ahluwalia, PVSM (Retd), President, Institute of Directors

Russia & Ukraine war have cast a gloom on businesses. These factors may persist for some more time before the business climate in India can start growing again.

Lt. Gen. J. S. Ahluwalia, PVSM (Retd.), President, Institute of Directors, India, in his '**President Address**' spoke about how the Institute of Directors (IOD), a pioneer in espousing the cause of Corporate Governance and preparing "**Boards for Tomorrow**", offers a variety of training courses especially the '**MasterClass for Directors**' program, aimed at addressing the concerns and challenges of Top Executives/Directors, especially Women Directors & Independent Directors by re-orienting them to the various changes taking place and making them aware of the complexities of board functioning and help them internalize skills of how to make effective interventions that minimize risks and enhance the credibility, brand and market valuation of the company.

Thereafter, he also shared his thoughts behind this Conclave with **IOD signing a MoU with the Ministry of MSME** in November 2018 to offer assistance in the field of development of management & governance broadly focussing on networking with Corporates / Board of Directors at International, National & Regional Seminars. Till now, IOD has been instrumental in conducting several programs and putting together thoughts of government perspective in terms of bold reforms, regulatory support, and economic packages, stimulus in nature will surely help in reviving India's new ecosystem aimed at '*Aatmanirbhar Bharat*'.

He said, MSME today is a much more dynamic & vibrant sector of the Indian ecosystem; rather it is a bedrock of India's multipronged socio-economic growth platform. But, he cautioned that MSME is an economic risk-prone sector & is tackling various problems including unemployment & poverty.

He also shared his insight to focus on a comprehensive recovery in terms of economic value & business growth (to be inclusive and sustainable) - a road map is required i.e. Scale up the organization structure by stepping up the value chain in the



Inaugural Speech by **Mr. G. R. Akadas**, Director – MSME Development Institute, Government of India, Bengaluru

manufacturing sector, innovation and adapting to the latest state of art technology be it Digitisation, Project Management, etc.

Mr. G. R. Akadas, Director, MSME Development Institute, Bengaluru, Govt. of India in his '**Inaugural Speech**', highlighted the MSME Sector - its business procedures, policies, principles & mechanisms. He also emphasized on MSME Industry to align their goals for more sustainable growth by putting in extra hard work and work constantly to improve the dynamics of overall approach, discipline, and functioning towards competing with the big Corporates/ Industries, thereby having a positive effect in the environment. His address delved into the following points:

- Ministry of MSME field infrastructure, details of Offices, Testing Centers, and Technology Centers.
- Credit issues for MSMEs and Need for Bank finance for innovations and new entrepreneurs.
- Various new schemes of MSME such as MSME Innovate (IPR, Design & Incubation) Credit Guarantee Schemes.
- Champions portal grievance Redress System etc.

Dr. Deepak Kumar Hota, Former Chairman & Managing Director, BEML Limited in his '**Keynote Address**', created a context of how state-sponsored technological initiatives link ordinary Indians and power a vibrant start-up scene that has unleashed growth for India thereby improving the lives of 1.4 billion people while simultaneously managing the changing geopolitical forces to create a vibrant India with technological leaps, energy transition and geopolitical realignments to outgrow most other big countries.

He stressed on '**Aatmanirbhar Bharat Abhiyan**' (Self-Reliant India campaign), a mission started by the **Hon'ble Prime Minister of India, Mr. Narendra Modi** towards making India a Self-reliant country from an economic perspective including self-reliance in defense by reviving all spheres from demand-supply to manufacturing, thereby **propelling India towards a \$5 trillion economy**.



Keynote Address by
Dr. Deepak Kumar Hota, Former CMD – BEML & Board Member



Special Presentation by **Shri. M. V. R. Murali Krishna**,
Deputy General Manager, State Bank of India, Bengaluru North



Special Presentation by
Mr. Anup Pai, Co-Founder & CEO – eSamudaay.com

He said it is imperative to make a shift, not only temporarily but also, on a long-term basis, especially with the changing global scenario wherein organizations will have to look forward to people with skills such as - ethical ability, managerial ability, and visionary foresight. The "pace of change, is going to change" and companies have to become more entrepreneurial and flexible in the ways they operate.

He also emphasized various proposals approved by the Government of India for modernization of India including the Armed Forces under “**Make in India**” with a focus on design, development, and manufacturing in India with “**Pradhan Mantri Gati Shakti**” masterplan.

In his concluding remarks, he highlighted that **Budget 2022-23** has been an enabler for MSMEs supported by a host of Government policies via Emergency Credit Line Guarantee Scheme (ECLGS), Samadhan, Sambandh, Trade Receivables Discounting System (TReDS), Udyam, etc. with banks engaging with MSMEs like never before and the concept of Aatmanirbhar Bharat envisioned by the **Hon'ble Prime Minister**, will certainly help to build a new and strong India.

This was followed by the '**Special Presentations**' by:

- i. **Mr. M. V. R. Murali Krishna**
Deputy General Manager
State Bank of India, Bengaluru North
- ii. **Mr. Anup Pai**
Co-Founder & Chief Executive Officer
eSamudaay

Mr. Krishna presented, discussed & deliberated the values and role played by State Bank of India in keeping the SME sector buoyant during testing times like COVID and briefed the audience about the various digital initiatives undertaken for matching borrowers' expectation involving less paperwork, and more efficiency in the loan process.

During his presentation, he laid special emphasis on schemes empowering MSME Sector, especially Women entrepreneurs from the economically weaker sections, and requested them to upgrade their skills in business, assured all help to people, and requested them to utilize the facilities offered by State Bank of India. He also emphasized building trust between the entrepreneurs and banks, which can only be enhanced through constant interaction, and a clear and sympathetic understanding of realities being faced by the industry of MSME Sector and other small businesses.

Mr. Pai delved into the role of the “Internet in transitioning from Proprietary Platforms to Open Networks for MSME Sector through Network Collaborations. He explained the emergence of Banking Conglomerates, Global Technology platforms & Distributed Digital Economy covering govern & enable investment flows, monetization of information, and gamification of everything.

He highlighted the current situation of Centralization driven by Mega-Banks and Mega-Platforms and deliberated on the Decentralized future through Open Network for Digital Commerce (ONDC) and other Open Network platforms, being created by the Government of India.

Plenary Session - I



Talk on Food Processing & Export by
Dr. Prakash Halami, Chief Scientist & HOD
Central Food Technological Research Institute (CFTRI)

He stressed, “What we are doing today is still not enough”. Organizations must work on creating new business models, which are technology-driven, and which create closer linkages with stakeholders and urge the MSME sector to form a Local Digitization Taskforce to connect with ONDC and reclaim data sovereignty. He also recommended the formation of National and Regional industry sector-wise Value chain forums to develop a common voice for MSMEs operating in the same industry as Digitization of the MSME sector through Open Networks, a pressing need for Risk capital to attract Start-ups to participate in this activity.

This was followed by the **Plenary Session - I** on “**Food Processing & Export**”

The Session had the following distinguished speakers:

- i. **Dr. Prakash Halami**
Chief Scientist & HOD
Central Food Technological Research Institute (CFTRI)
- ii. **Mr. Srivatsa Sreenivasarao**
Co-Founder & Chief Executive Officer
TraceX Technologies

Dr. Halami (*present virtually*) highlighted '**how value addition and food processing in general and at grass root level have had an impact on the Indian economy**' and '**how technological intervention has revolutionized the Indian food industry and helped the farmers**'.

He highlighted that Value-added agriculture is an important strategy for both agricultural entrepreneurship and rural development. It is a process of increasing the economic value and consumer appeal of an agricultural commodity,” and therefore needed to empower the farmers and weaker sections of the society by providing safe, quality, and branded food to the consumers, reduce post-harvest losses, reduction in import and increasing exports, encourage the growth of subsidiary industries thereby leading profitability of the farmers.



Talk on Food Processing & Export by
Mr. Srivatsa Sreenivasarao, Co-Founder & CEO of Trace TraceX Technologies

In his concluding remarks, he stressed that an Increase in processed food & processing and value addition of agriculture commodities needs prime importance from all stakeholders and to maintain sustainability, per acre food production is needed in the Indian agriculture.

Mr. Sreenivasarao highlighted the usage of '**Blockchain powered Food Traceability platform**' for Agri & Food Value-chains, and importance of the traceability and sustainability, given the higher cost of product recalls/ food wastage and increasing consumer consciousness in opting for sustainable foods. He emphasized the role of Blockchain in building a decentralized, tamper-proof, transparent supply chain is the unique value proposition to its clients, thereby providing a single source of truth from farm to plate.

Citing examples, he said how each client uses the technology developed and used by them covers internal supply chain efficiency and consumer provenance and how Enterprise clients, D2C brands, Contract farmers export houses, and Government t projects can leverage digitization leading to traceability.

To enable transparency, the organization worked with a consortium of Resource Institutions, Farmers, FPOs, etc. - One of the agro commodity traders was able to produce residue-free Basmati rice exported from India to Europe wherein it was able to track and trace the pesticide and water usage across different stages of the paddy life cycle and similarly others were also able to trace the production of aflatoxin-free chillies and so on. The aim is to showcase trust in the end, to consumers and incentivize the right behaviour at the farmer level.

He concluded by talking about the new value chains that he and his organization is exploring its interests to foray into the space of carbon accounting and providing credible carbon offsets for the enterprise clients.

Plenary Session - II



Talk on Green Mobility (EV) & Associated Infrastructure by
Mr. Uday Narang, Chairman, Anglian Omega Group and Omega Seiki Mobility



Talk on Green Mobility (EV) & Associated Infrastructure by
Mr. Maxon Lewis, Managing Director, Magenta EV Solutions Private Limited

This was followed by the **Plenary Session - II** on “**Green Mobility (Driving into a Cleaner Future) - Electric Vehicles & Associated Infrastructure**”

The session had the following distinguished speakers:

- i. Mr. Uday Narang**
Chairman
Anglian Omega Group and Omega Seiki Mobility
- ii. Mr. Maxon Lewis**
Managing Director
Magenta EV Solutions Private Limited

Mr. Narang during his talk highlighted that **technology is redefining the business landscape in automotive manufacturing**, right from 'strategy and execution' to 'outcome and innovative business models', which have become imperative for business growth. Towards mitigating the fast-deteriorating ambient air quality and depleting fossil fuel reserves, electric mobility is often seen as a savior technology, and in the last couple of years; India has witnessed a massive thrust towards the deployment of electric vehicles both in private as well as public mobility domains.

Over the last five years, Electric Vehicles (EVs) are revolutionizing road transport with the global EV market growing at a faster pace and during the coming decade, the demand is expected to explode. It is a green industrial policy that supports a post-pandemic economic recovery and is instrumental in reducing air pollution and mitigating climate change and is intended to reduce oil imports and strengthen energy security. It is a central component with an important carbon emission reduction measure, second only to greening power sectors. This indicates a strong growth rate that is likely to accelerate in the next few years.

To truly improve EV adoption and India's role as a value chain participant, the government cannot rely solely on subsidies; it

will also need to attract more private investment to the country. The good news is that there are positive signs of investor interest.

The Central Government and State Governments have adopted several encouraging policies that have incentivized the deployment of e-buses and charging stations. These measures are promising but need more streamlining and coordination between policies from the central government, state governments, and local administration.

He emphasized that future technology development should focus on local design and manufacturing of battery cells and Battery Management Systems (BMS) to specifically suit Indian requirements, thermal management, and higher power density for better performance, possibilities of safe fast charging options, and reduced cost of ownership (as compared to conventional counterparts) and better user interfaces.

He concluded by emphasizing on the scope of India's EV market growth, which rests on the availability of capital for original equipment manufacturers, battery manufacturers, and charge-point operators as well as improvements in infrastructure and diversified options for consumers.

Mr. Lewis during his talk, highlighted a few core components/issues which can accelerate local manufacturing wherein we all can play a key role in '**EV Battery Recycling**' wherein the coordination and design related to end-of-life of EVs, EV battery repurposing and recycling including the use of high quality of raw materials, to changing chemical compositions of EV batteries and inefficiencies in the recycling process and lack of availability of public EV charging stations, limited public awareness regarding the benefits of e-mobility may hinder the widespread adoption of this technology was discussed.

He also encouraged the audience, especially the participants from the MSME Sector to explore and participate in building the

Plenary Session - III



Talk on Supply Chain Management & Logistics by
Mr. Bhavik Kumar, Senior Director – Practo Technologies Private Limited

right infrastructure by integrating autonomous mobility solutions into urban planning to support needs, social, economic, and environmental sustainability including disposal of hazardous e-waste. He stated that there is a strong market in the two, three & four-wheeler segment and as of now approx. 95% or more of all-electric vehicles sold in India are two-wheelers.

In his concluding remarks, he stated that the high cost of the electric car, non-availability of charging infrastructure, battery collection, transportation, and storage to coordinating training programs from improving extended producer responsibility to facilitating clustering and joint venture can drive efficiencies & cost reductions but he was optimistic that with the right incentives and policy framework, India can leapfrog and become a major player within the next decade.”

This was followed by the **Plenary Session - III** on “**Supply Chain Management & Logistics**”

The session had the following distinguished speakers:

- i. Mr. Bhavik Kumar**
Senior Director
Practo Technologies Private Limited
- ii. Mr. Vikash Khatri**
Founder
Aviral Consulting

Mr. Kumar, a digital entrepreneur & specialist in Supply Chain & Logistics, spoke about the digital ecosystem in the supply chain; the difference between supply chain & logistics, and various facets of supply chain technology solutions to date. He also explained the differences between legacy systems, IT systems, and digital solutions with examples of business impact while choosing among them. He called out the advantages of the digital ecosystem and shared various KPIs that should be



Talk on Supply Chain Management & Logistics by
Mr. Vikas Khatri, Founder – Aviral Consulting

considered while chasing metrics for supply chain & logistics optimization by sharing many formulae for the same.

Mr. Khatri (*present virtually*) said, in today's era supply chain has become the backbone of any business. Large corporates have started giving due weightage to the supply chain in their overall strategy **but the MSME sector has significant headroom for improvement in the supply chain**. An efficient supply chain **can unlock value for the MSME sector and integrate them into the global supply chain**.

MSME sector needs to relook the supply chain comprehensively for cost, reliability, responsiveness, and agility. Core areas to improve supply chain efficiency will be Network, Inventory, Transportation, and Processes where technology will be the key enabler in all these areas.

This was followed by the **Plenary Session - IV** on “**Open Networks for Digital Commerce and Finance**”

Plenary Session - IV



Panel Discussion on Digital Commerce and Finance by
Mr. Sourav Shekhar, Mr. Anup Pai & Mr. Rajat Deshpande



Vote of Thanks by **Mr. R G Rajan**, Board Member & Honorary Zonal Director
Institute of Directors, Bangalore

The session had the following distinguished speakers:

- i. Mr. Rajat Deshpande**
Co-Founder & Chief Executive Officer
Fin Box
- ii. Mr. Sourav Shekhar**
Founder & Chief Executive Officer
Wekalp
- iii. Mr. Anup Pai**
Co-Founder & Chief Executive Officer
eSamudaay

Mr. Pai (Session Moderator) commenced the Session by introducing the theme and this was followed by a panel discussion. The panel highlighted that while the 'micro segment' made up a bulk of the enterprises of the MSME sector, there was no financial product addressing their needs. The panel drew a strong correlation between organizations that are data-poor and unfinanced. Digital tools are now commoditised and the MSME sector can adopt these tools to get on par with the corporate sector when it comes to digital, and therefore bring down the cost and time for receiving financing.

Mr. R. G. Rajan, Board Member & Honorary Zonal Director, Institute of Directors - Bengaluru proposed the 'Vote of Thanks' by extending thanks & gratitude to all the speakers, guests and event partners.

The **Event Partners** were:

- **Principal Partner:** eSamudaay
- **Gold Partner:** State Bank of India
- **Associate Partner:** Accordience Business Services LLP

The Conclave was hosted in Hybrid Mode – both physically and via Zoom Platform, and also streamed live on YouTube. ■

This report is compiled by:

Brigadier Rajeev Kapoor (Retd.)
Regional Director - Bangalore Region
Institute of Directors

View of audience



Group photo of Team IOD, Bangalore



SPECIAL THANKS TO OUR EVENT PARTNERS

In **Association** with



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