

COVID-19 UDYOG SAHAYAVANI HELP DESK

Project Completion Report



IMPLEMENTING PARTNERS



KNOWLEDGE PARTNERS

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United Nations Development Programme (UNDP) would like to acknowledge the support and encouragement of all partners of the COVID-19 Udyog Sahayavani Project. The timely advisory support provided by many individuals and organisations ensured the success of this project. We would like to place on record our sincere gratitude to all of them.

Government of Karnataka departments and officials

- Department of Planning, Programming, Monitoring and Statistics
- Department of Skill Development, Entrepreneurship and Livelihood
- Department of Industries and Commerce
- Directorate of Micro, Small and Medium Enterprises (MSMEs)
- Karnataka Skill Development Authority

Industries Association of Karnataka, Office-bearers, Help desk executives, Staff, and member MSMEs of the Associations

- Karnataka Small Scale Industries Association
- Peenya Industries Association
- Hyderabad Karnataka Chamber of Commerce and Industry
- Mysore Industries Association

Knowledge Partners and Experts

- UBUNTU – Consortium for Women Entrepreneurs
- Global Alliance for Mass Entrepreneurship
- Vision Karnataka Foundation

Technology Partner

- SAP Labs India

All organisations and experts who participated in the Udyog Sahayavani Webinar Series

- SAP Labs India
- Invest India, Government of India
- AGNII, Government of India
- Officials from various banks and financial institutions
- Deshpande Foundation
- Solution Buggy
- ACCESS Development Services

All organisations and experts who participated in the Udyog Sahayavani MSME Study

All organisations and experts who participated in the placements drives including Magic Bus India Foundation

Interns from the various colleges of India, interning under the Department of Planning, Programming, Monitoring & Statistics, Government of Karnataka

MESSAGE FROM UNDP

The United Nations Development Programme (UNDP) launched its COVID-19 Pandemic Response Strategy in India by prioritising key aspects in support of the Government's response and in line with the global UNDP Integrated Response to COVID-19 and the UN in India Programmatic Response to COVID-19. UNDP supported Micro, Small and Medium Enterprises (MSMEs) in partnership with District and Cluster level Industry Associations in Karnataka, whose mission was to revive the MSMEs and Business Ecosystem in Karnataka during and after the national lockdowns.

The COVID-19 outbreak and the subsequent lockdowns created challenges with unprecedented disruptions for MSMEs in demand and supply chains, cash and revenue cycles of businesses and mass departure of labourers to their respective home states. The Government announced a stimulus package to boost demand, and issued advisories to small businesses with an aim to revive the economy and ensure employment.

Udyog Sahayavani was thus born as an initiative of UNDP in partnership with the Government of Karnataka (GoK) and Industry Associations to support the MSMEs in Karnataka and provide advisory services and hand-holding to MSMEs. The focus areas of UNDP's advisory support are to ensure continuity of business under new norms of the government, safe resumption of production and transportation and facilitation of labour and bridging the skill gaps.

A dedicated MSME Help Desk was set up in partnership with Industry Associations. Creating and disseminating Information, Education and Communication (IEC) materials and collating information about government support schemes enabled in providing support to the affected enterprises through phone consultation. Information dissemination on health, safety and security protocols at the workplace, advisory services on scaling operations and bridging skill gaps, technical expertise, mentorship support, building linkages between financial institutions and government departments were also an essential part of the project. Consultations with bankers, government officials, industry experts, etc. were also held to alleviate the effects of the pandemic on the enterprises.

UNDP expresses its gratitude to all the project implementation partners such as Karnataka Small Scale Industries Association (KASSIA), Peenya Industries Association (PIA), Mysore Industries Association (MIA) and Hyderabad Karnataka Chamber of Commerce and Industry (HKCCI) and the Knowledge Partners, Vision Karnataka Foundation (VKF), Global Alliance for Mass Entrepreneurship (GAME) and Consortium of Women Entrepreneurs Associations (UBUNTU) for their cooperation.



Amit Kumar
Head, Inclusive Growth
UNDP India

The focus areas of UNDP's advisory support are to ensure continuity of business under new norms of the government, safe resumption of production and transportation, facilitation of labour and bridging the skill gaps.

MESSAGE FROM UBUNTU – CONSORTIUM OF WOMEN ENTREPRENEURS

Ubuntu is a Consortium of Women Entrepreneurs' Association which is a platform to bring all women entrepreneur organisations under one umbrella organisation in order to make their business successful and contribute to the economic development of the nation. Ubuntu was established in 2015 and registered under The Societies Registration Act, 1960, on 8th March 2019 as the Ubuntu Consortium. Ubuntu's founders, include Women Entrepreneurs who have established and run successful business ventures and who devote their valuable time to the vision of the Consortium on a purely voluntary basis. Ubuntu's Vision and Mission is to provide a platform for the growth of Women Entrepreneurs in order to build the capacities of Women Entrepreneurs' Associations, to help their members in strengthening entrepreneurs to scale up their businesses. As on date, Ubuntu has registered 24 Women's Associations across the country and 12,000 secondary members. Members from the states of Karnataka, Madhya Pradesh, Goa, Telangana and Maharashtra are registered with the organisation.

During 2020, most entrepreneurs and industries were affected by the ongoing COVID-19 pandemic. This not only affected health but also affected the businesses of women entrepreneurs drastically. During this period, Ubuntu was able to provide a digital marketing platform to support, train and guide member associations to improve their economic condition, thereby strengthening entrepreneurs to scale up their businesses. It also increased the share of businesses, by roping the government, and chalking out a clear strategy of linking consumers, sellers and institutions to develop the capacity of suppliers, in order to meet the requirements of buyers for the ultimate purpose of facilitating sales. Alongside, Ubuntu, in association with KASSIA and UNDP had set up a help desk called "Udyog Sahayavani" wherein entrepreneurs can seek guidance and support services from experts in the field of finance, marketing, human capital, business ideas, health and safety.

Ubuntu aims to help women's organisations and entrepreneurs to facilitate in building a large and robust platform for women entrepreneurs. Ubuntu personifies the 'never say die' spirit, which the association aims to retain and build a membership base from across India and around the world, to prove the power of women's unity and that women can come together, help and support each other in times of crisis and enjoy and cherish the success of Ubuntu.

"Together we stand and Together we grow happily"



K. Ratnaprabha, IAS
Former Chief Secretary,
Government of Karnataka
President, UBUNTU

..."Udyog Sahayavani"
wherein entrepreneurs
can seek guidance and
support services from
experts in fields of
finance, marketing,
human capital,
business ideas, health
and safety.

MESSAGE FROM KARNATAKA SMALL SCALE INDUSTRIES ASSOCIATION (KASSIA)

KASSIA is a premier state level non-government Institution of Small-Scale Industrialists. KASSIA is a registered body under the Karnataka Societies Registration Act, 1960 and functions on democratic lines by holding Annual General Body Meetings, election of Council Members and Office Bearers and adheres to the constitutional by-laws and conventions. KASSIA's vision is to make the organisation the leading catalyst for advancement of MSMEs in Karnataka and a national leader in supporting MSME development. KASSIA's mission is to promote, support and guide the MSMEs in Karnataka to realise their true potential and influence public policy towards that end and foster a climate in which MSMEs can operate effectively by encouraging and promoting positive and well-balanced economic growth. KASSIA is one of the foremost MSME organisations in the country, with a membership base of over 12,000 affiliated associations.

Over the past year, we have taken steps to create more visibility and build the KASSIA brand for everything it stands for at the local, national and international levels. During the year 2020, the entire world has been affected by the COVID-19 pandemic. The declaration of a national lockdown led to unexpected situations where MSME owners, employees and other stakeholders had no experience in coping with this kind of situation. The prolonged lockdown had a detrimental effect on production and delivery of finished products, purchase of raw materials and the availability of manpower. During April to June 2020, the sector faced challenges related to debt repayments, wages, statutory fees, etc.

KASSIA in association with UNDP set up a help desk to support and guide our members to improve their economic condition, and strengthen entrepreneurs to scale up their businesses. KASSIA has conducted webinars, job fairs, and held meetings with State and central government representatives. MSMEs across Karnataka with issues contacted KASSIA help desk and sought guidance on financial, marketing, startup ideas, manpower, health and safety. The help desk executives and collaborating experts provided guidance and other support services to the entrepreneurs. KASSIA expresses its sincere gratitude to the Government of Karnataka, UNDP and Ubuntu for having provided KASSIA with an opportunity to serve MSMEs during the pandemic in Karnataka through the Udyog Sahayavani Initiative.



K B Arasappa
President, KASSIA

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KASSIA in association with UNDP set up a help desk to support and guide our members to improve their economic condition, and strengthen entrepreneurs to scale up their businesses.

MESSAGE FROM PEENYA INDUSTRIES ASSOCIATION (PIA)

While the Government of India and State Government of Karnataka did respond creditably to the situation rolling out many Covid-related incentives and concessions for MSMEs, there were many complaints and grievances of MSMEs about the hurdles they faced in accessing the benefits of such schemes. It is in this context that the Udyog Sahayavani help desk at PIA collaborated well to serve the cause of the MSMEs in this grave crisis by empowering and enabling the MSMEs to cope with the situation.

At the call of the UNDP and the Government of Karnataka, PIA rose to the occasion and mobilised all its intellectual capital to come to the aid of the MSMEs in Peenya Industrial Area. A number of initiatives were taken up by the PIA as part of the Project Udyog Sahayavani, such as Webinars, Campaigns for accessing the various Government Schemes for MSMEs, besides the social welfare initiatives like blood donation camps, etc.

The United Nations Development Programme has been working diligently to achieve its targeted Sustainable Development Goals (SDGs), which were adopted by all United Nations Member-States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. .

The 17 SDGs are integrated, and recognise that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

As the lead UN development agency, UNDP is well-placed to help implement the Goals through its work in 170 countries and territories. The UNDP supports countries in achieving the SDGs through integrated solutions. Today's complex challenges - from stemming the spread of disease to preventing conflict - cannot be tackled neatly in isolation. For UNDP, this has meant focusing on systems, root causes and connections between challenges - not just in thematic sectors – but to build solutions that respond to people's daily realities.

The UNDP's track record in working across the Global Goals is exemplary due to its proven policy expertise. UNDP ensures leaving a better planet for future generations by providing all stakeholders involved with a valuable experience. We are eternally grateful and profusely thank the UNDP and partner governments and agencies and stakeholders, for this timely initiative which has been instrumental in helping the State economy to bounce back from historic lows it had descended to, due to the pandemic.



Prakash C,
President,
Peenya Industrial Association

Udyog Sahayavani help desk at PIA collaborated well to serve the cause of the MSMEs in this grave crisis by empowering and enabling the MSMEs to cope with the situation.

MESSAGE FROM HYDERABAD KARNATAKA CHAMBER OF COMMERCE AND INDUSTRY

The Trade and Commerce of Kalyana Karnataka region which was in the process of recovery from the effects of demonetisation was given a body blow by COVID-19. The lockdown imposed to contain the spread of COVID-19 has virtually crippled the trade and commerce. We owe a debt of gratitude to the Government of India for very boldly coming out with a series of policy measures and Emergency Credit Guarantee Schemes and other rehabilitative measures. These pro-active trade and commerce policies have gone a long way in rescuing the trade and commerce from the ill-effects of COVID-19.

We are very proud of UNDP, Bengaluru for coming out with the innovative idea of MSME help desk and establishing the same at our chamber which has very successfully translated all the Government of India rehabilitative measures into action.

I very strongly feel that the special contingencies require special policy measures to rescue the trade and commerce. The need of the hour for the banks is to rise to the occasion and be liberal to help trade and commerce in order to extricate itself from the jaws of the dreaded pandemic. It will not be in the interest of the health of trade and commerce to stick to the rule book and impose penalties on the defaulting units. Instead the banks should do away with the age-old practice of levying penalties on the erring MSME units, and help support these units during the Pandemic.

I also very earnestly appeal to the fraternity of MSMEs to make efforts at their own level to come out of the present COVID-19 catastrophe, instead of heavily depending on the crutches provided by the Government. I wish our MSME brethren the best in their endeavours and also congratulate the MSME help desk for making all-out efforts to guide the MSME units in distress.



Amarnath C Patil
President, HKCCI

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The innovative idea of MSME help desk and establishing the same at our chamber which has very successfully translated all the Government of India rehabilitative measures into action.

MESSAGE FROM MYSORE INDUSTRIES ASSOCIATION (MIA)

The Udyog Sahayavani initiated by the UNDP working in association with the department of Industries and Commerce, Government of Karnataka and Mysore Industries Association, Mysuru has been a novel Project that has benefitted a large number of Industries particularly MSMEs, in the district , in a short span of time.

At the outset, I profusely thank the UNDP team for giving this opportunity to our Association. Although the duration of the project was short and it came as a boon during the lockdown thus creating a lot of enthusiasm among the beneficiaries. With further extension-work we are confident that the Project will benefit more and more small and marginal industrialists, particularly, in these hard days when Industries - tiny and medium scale industries - are craving for financial and non-financial from all quarters.

I once again thank the UNDP for this great opportunity, and further request the UNDP to extend the project. We assure you that in the extended period we will show enthusiasm and make relentless efforts in making the project a great success.

We are sure, in the existing circumstances, our request will receive your favourable consideration.



Vasu
President, MIA

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The Udyog Sahayavani initiated by the UNDP...has been a novel project that has benefitted a large number of Industries particularly MSMEs, in the district , in a short span of time.

MESSAGE FROM GLOBAL ALLIANCE FOR MASS ENTREPRENEURSHIP (GAME)

The COVID-19 outbreak and the subsequent national lockdown announced by the Government to contain the spread of deadly virus has disrupted the MSMEs and industry ecosystem. The severe disruption in both demand and supply side of operations and reverse migration of labourers has presented MSMEs with fresh challenges. The massive problems faced by the industry calls for united action on a war-footing and collective efforts.

In order enable our MSMEs to revive, thrive and survive, GAME is delighted to have joined hands with UNDP, Government of Karnataka, MSME Industries Associations (KASSIA, PIA, MIA, HKCCI), Ubuntu and Vision Karnataka Foundation through the Udyog Sahayavani initiative. With experience in COVID-19 relief operations for MSMEs, GAME played the role of lead knowledge partner in this initiative by operationalising the Udyog Sahayavani help desk and building a network of external experts and mentors across finance, marketing, digital tools, business consulting and mental health as a resource for the help desk.

The help desk was a single point of contact for any support required by MSMEs. The main objective of the help desk was to help out entrepreneurs in this crisis and provide assistance in getting prepared for the new normal of doing business.

We would like to thank the UNDP and the Government of Karnataka for involving us in this key initiative of supporting the MSMEs. We would also like to thank all the partners involved in this project for the seamless collaboration and expertise: Vision Karnataka Foundation, Ubuntu Consortium for Women Entrepreneur Associations, Karnataka Small Scale Industries Ltd (KASSIA), Peenya Industry Association, Mysore Industries Association (MIA) and Hyderabad Karnataka Chamber of Commerce and Industries (HKCCI).



Srinivas Rao
Chief Executive Officer,
Junior Achievement India Services
(GAME)

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The main objective of the help desk was to help out entrepreneurs in this crisis and provide assistance in getting prepared for the new normal of doing business.

MESSAGE FROM VISION KARNATAKA FOUNDATION (VKF)

Vision Karnataka Foundation is a Community of Change Champions from various walks of social spaces with diverse backgrounds and are specialists across respect domains.

VKF is a think tank to helps to evolve an aggregation of the social impact service providers and entrepreneurs for bringing about a transformational movement of social change that is measurable on the lines of the Sustainable Development Goals (SDGs) of the United Nations.

It gives us immense pleasure to be part of the UNDP's Udyog Sahayavani Project. The project acted as a very timely measure in a dialogue format enabling the MSMEs to step out of the paralysis of the COVID-19 impact and relook at the emerging opportunities by pivoting and harvesting the disruption into a new story board. It not only connected the right expertise at the right time but also enabled a community interaction that resulted in a positive shift for the entrepreneurs to find their steps out of the chaos to embrace the new normal.



Kishor Jagirdar
President
Vision Karnataka Foundation



The project acted as a very timely measure in a dialogue format enabling the MSMEs to step out of the paralysis of the COVID-19 impact and relook at the emerging opportunities...

Background: Effect of COVID-19 on MSMEs

The COVID-19 outbreak and subsequent national lockdown in India has created unprecedented challenges for Micro, Small and Medium Enterprises (MSMEs). The pandemic brings with it a financial shock that might send the global economy into the worst recession yet. The MSME sector that forms the backbone of the Indian economy began facing newer challenges due to the outbreak of the pandemic.

Since March 2020, the Government of India announced several consecutive lockdowns to contain the spread and combat the effects of the pandemic. This resulted in partial or full stoppage of many businesses, both big and small. The economic slowdown is expected to have put MSME industries of Karnataka back by 10 years in terms of business turnover. Factors like credit deficit, disruption of cash and revenue cycle of the businesses, disruption of demand and supply chains, lack of orders, difficulties in making payments, insufficient supply of raw materials, and displacement of labourers affected the MSME operations.

UNDP's COVID-19 Pandemic Response Strategy in India

COVID-19 is an unprecedented health and development crisis that jeopardises India's tremendous gains in poverty reduction. The epidemic is overloading the already burdened and vulnerable health system and overtaxing frontline health workers. At the same time, the efforts required to contain its spread have severely impacted lives and livelihoods and stalled economic activity. As a consequence of reverse migration, informal workers, people living on the fringes, and those living in poverty are highly vulnerable to facing deepening poverty, hunger, illness, homelessness and social stigma.

The crisis is likely to have a long term consequences on reducing poverty and inequality, threatening India's impressive achievement of lifting 271 million people out of multidimensional poverty between 2006 and 2016 and further pushing nearly 300 million people who continue to live in poverty. The economic slowdown is also severely impacting the informal sector which accounts for more than 85% of the workforce, including millions of migrant workers.

As a result, vulnerable communities are faced with immense social and economic burden that is likely to aggravate pressures on families by increasing the burden of care giving on women, and increased vulnerability to gender-based violence and family violence. To mitigate the consequences of the crisis, the Government of India has taken proactive steps to prevent new infections, provide care and treatment, support economic relief and ensure delivery of basic services and essential commodities, including through a USD 22.5 billion relief package.

Areas of UNDP India interventions

The United Nations Development Programme (UNDP) launched its COVID-19 Pandemic Response Strategy in India. UNDP India has three priorities in support of Government responses and in line with the global UNDP Integrated Response to COVID-19 and the UN in India Programmatic Response to COVID-19. These include supporting health systems; addressing social and economic impacts; and supporting multi-sectoral coordination and inclusive responses. As a part of addressing social and economic impacts, UNDP is supporting MSMEs in partnership with nine State, District and Cluster level Industry Associations in Karnataka, Maharashtra and Telangana.

Introduction: Udyog Sahayavani Help Desk in Karnataka

As part of UNDP's COVID-19 Pandemic Response Strategy, United Nations Development Programme, Karnataka has launched the Udyog Sahayavani Project in partnership with the Government of Karnataka and MSME Industry Associations, to provide business advisory services to entrepreneurs and MSMEs. As part of this initiative, four Industry Associations in Karnataka joined hands to establish an MSME help desk and helpline. The essence of this collaboration is to lend hand-holding support to MSMEs in Karnataka to enable them to operate successfully during the COVID-19 pandemic.

Karnataka is one of the leading industrial states in the country. It is home to over 38 lakh micro enterprises employing over 70 lakh people, thus, making Karnataka the 5th largest state with MSMEs (6% of national share.) The Udyog Sahayavani Project aims to support over 20,000 MSMEs in Karnataka by facilitating access to finance, assisting in capacity development in branding and marketing, and facilitating skill development and job placements of MSME workers.

Through trained help desk Executives, the help desk became a single window operational center for providing the following services to MSMEs:

- Information regarding government schemes, COVID-19 related relief measures
- Business and financial advisory , technical expertise and mentorship support
- Conduct webinars, knowledge sessions and consultations
- Facilitate skill development and job placements in MSMEs
- Coordinate with State and Central Government Departments to facilitate MSMEs



Launch Event of MSME help desk in Karnataka Small Scale Industries Association

Overall Project Outcomes and Data

Project Start Date: July 2020

Project End Date: December 2020

HELP DESK INCOMING CALLS

750+

HELP DESK OUTGOING CALLS

2000+

TRAINING SESSIONS

Capacity
Development of help
desk executives

15+

DISSEMINATION OF IEC

100 collaterals
circulated to

2000+

MSMEs

WEBINAR SERIES

With participation
from over 4500
MSMEs and
entrepreneurs
across Karnataka

30+

GOVERNMENT CONSULTATIONS AND MEETINGS

15+

MSME STUDY

1000+

Survey
responses

SKILLED WORKFORCE

A requirement of
3479 skilled
workforce from
225 MSMEs
including 1092
apprentices from
72 MSMEs

3479

Help Desk Call Data- a snapshot

Once the help desks were set up at the four Industry Associations with trained help desk executives, the help desks started receiving calls from MSMEs and entrepreneurs. Dedicated helpline numbers were publicised widely through various media. A CRM was adopted to record and track the queries, and Executives raised Tickets to resolve the issues.

The executives assisted the MSMEs with information and application procedures of government schemes, and also connected them with experts like government officials, and finance and industry practitioners. Over a 5-month period between August and December 2020, the four help desks handled a total of 782 queries, and resolved 454 (58%) of them satisfactorily with support from experts. 305 queries (39%) are work in progress, while 24 queries have been closed without adequate resolution.

The break-up on the type of queries is as follows: Power and Land (32%), Finance (31%), Workforce (17%), Marketing (14%), New Business (4%)

Status of Query Resolution

	Queries Received	Closed - Resolved	Closed - Non-Solvable	Work in Progress
Finance & Loans	242	179	7	56
Other (Power, Land, Exports)	253	160	6	87
Workforce	140	40	2	99
Marketing	111	43	9	59
New Business	36	32	0	4
TOTAL	782	454	24	305

In the initial months during the lockdown, over 90% queries were related to financial support. After the lockdown, requirement for additional skilled workforce has been on the with each passing month and by November, we saw inquiries related to the workforce make up 75% of the total queries received. However, unlike in finance-related queries where 76% of cases were resolved with the help of experts, close to 70% of workforce-related queries are pending resolution as job fairs are not being conducted as expected.

Type of Query

Industry Association	Finance	Other (Power, Land, Exports)	Workforce	Marketing	New Business	TOTAL
KASSIA	100	80	12	53	14	
HKCCI	81	42	10	42	20	
PIA	41	0	100	6	0	
MIA	20	131	18	10	2	
	242	253	140	111	36	
						782

Udyog Sahayavani Partners and their roles

The UNDP-funded project assisted the setting up of the help desks in four Industry Associations in Karnataka, namely, Karnataka Small Scale Industries Association (State level), Mysore District Industries Association (district level), Hyderabad Karnataka Region Chamber of Commerce (Regional level), and Peenya Industries Association (Cluster level).

Three Knowledge Partners in the project provided training, and monitoring support – Global Alliance for Mass Entrepreneurship (GAME), UBUNTU Consortium for Women Entrepreneurs, and Vision Karnataka Foundation (VKF).

The project was executed in partnership with the Government of Karnataka's Department of Planning, Programme Monitoring and Statistics, Department of Industries and Commerce, Directorate of Micro, Small, and Medium Industries, and Karnataka Skill Development Corporation.

The partners executed the following roles in the project:

United Nations Development Programme	Funding and Facilitation of the Udyog Sahayavani Project
	Design, Development, and Deployment of the MSME Study and Report
	Technical Support and coordination with Government and Industry Associations
Government of Karnataka	Approvals and Support for accessing Atmanirbhar Package and other schemes
	Participation of Government Officials in Webinars
	Participation in consultative sessions with representatives of Industry Associations
Industry Associations	Help Desk Executives deployed to handle calls and support MSMEs
	Conducting Webinars for the benefit of member MSMEs on various topics
	Conducting the MSME Study, and facilitating Job Fairs for MSMEs
Knowledge Partners	Training of Help Desk Executives and Interns in conducting the survey
	Providing experts in Finance, Marketing, etc. to assist Industry Associations
	Overall Monitoring and Reporting of the project

Udyog Sahayavani Webinar Series

The Udyog Sahayavani Webinar Series is a discussion forum aimed at promoting dialogue, exchange of good practices, ideas, and information on different topics related to the Micro, Medium, and Small Enterprises, and the business ecosystem in Karnataka. The Series was launched on a virtual platform in August 2020 and conducted over 30 webinars and workshops with participation from over 4800+ MSMEs and Entrepreneurs across Karnataka.

The webinar and workshop series strengthened access to information and furthered knowledge promotion and skill enhancement of MSMEs. By bringing experts and government officials on its platform, the webinar series also ensured timely dissemination of new and evolving schemes and regulations of the government in the context of COVID-19 pandemic.

The following is the list of webinars conducted from August to December 2020:

S.No.	Date	Name of the webinar	Organised by	Participants
1	05/08/20	Digital marketing and government support for women entrepreneurs	UNDP AND UBUNTU	200
2	21/08/20	How to steer your business during lean periods- Insights for MSMEs and entrepreneurs	UNDP and KASSIA	85
3	12/09/20	Repurposing business during COVID-19	Peenya Industries Association	112
4	12/09/20	Managing Business during COVID-19- Repurposing Business in association with industry associations and MSMEs	Mysore Industries Association and IIM Bangalore	40
5	21/09/20	Webinar with Pollution Control Board (KSPCB)	Peenya Industries Association	50
6	30/09/20	Existing tax regime for online & offline sellers & its impact on MSME ecosystem	Mysore Industries Association and FISME	30
7	03/10/20	HKCCI members' interactive with the directors of APMC	Hyderabad Karnataka Chambers of Commerce & Industries	90
8	05/10/20	Small Scale Industries Owners meet	Hyderabad Karnataka Chambers of Commerce & Industries	30
9	05/10/20	How MSMEs in the Manufacturing Sector can succeed	Vision Karnataka Foundation	175
10	06/10/20	Digital Empowerment of artisans and rural micro-entrepreneurs for sustainable online market linkages	UNDP,UBUNTU and ACCESS	30
11	13/10/20	Time to Upgrade	Karnataka Small Scale Industries Association	130
12	13/10/20	Digital empowerment of women micro-entrepreneurs for sustainable online market linkages	UNDP,UBUNTU and ACCESS	40
13	14/10/20	Digital Empowerment of women Micro-entrepreneurs for sustainable online market linkages	UNDP,UBUNTU and ACCESS	65
14	15/10/20	Export, Foreign Trade Policy and Procedures	Karnataka Small Scale Industries Association	85
15	19/10/20	Enhancement to the GST return system	Peenya Industries Association	75
16	21/10/20	Stress Management	Karnataka Small Scale Industries Association	80

17	23/10/20	Industrial development issues of Kalyan Karnataka region	Hyderabad Karnataka Chambers of Commerce & Industries	100
18	26/10/20	Apprenticeship initiative in Mysuru- Webinar meeting with Department of Skill Development and Training, SAMC, SCES	Mysore Industries Association	30
19	28/10/20	Zero Budget marketing Concept for MSME Sector	UNDP and Vision Karnataka Foundation	126
20	02/11/20	Opportunities & Challenges in Pharma Sector	UNDP and Vision Karnataka Foundation	670
21	02/11/20	Pollution control(Karnataka State Pollution Control board-KSPCB)	Peenya Industries Association	50
22	10/11/20	Interaction meet with bankers regarding different financial schemes related to COVID-19	Peenya Industries Association	80
23	11/11/20	e-Invoicing Solution	Peenya Industries Association	120
24	03/12/20	SAP Labs India's Support System for MSMEs	UNDP and SAP Labs India	60
25	21/11/20	Start -up opportunities in Kalyan Karnataka region	Hyderabad Karnataka Chambers of Commerce & Industries	100
26	25/12/20	Interaction programme between bankers and MSME entrepreneurs	Hyderabad Karnataka Chambers of Commerce & Industries	90
27	19/11/20	Opportunities & challenges in Food Processing Sector	Vision Karnataka Foundation	1200
28	25/11/20	Cluster Development with funding support	Vision Karnataka Foundation	643
29	26/11/20	Atmanirbhar India-Make in India	Peenya Industries Association and Global Alliance for Mass	80
30	27/11/20	Opportunity in Export-Import Business, Buyers Identification, IE Code Procedure	MSME DI, Bengaluru	50
31	12/12/20	Financial Indicators	Hyderabad Karnataka Chambers of Commerce & Industries	150
Total Participants				4866

Udyog Sahayavani Webinar Series



UNDP team interacting with Smt. K. Ratnaprabha, IAS, former Chief Secretary, Government of Karnataka and President, UBUNTU and women entrepreneur members from UBUNTU

Smt. Gunjan Krishna, IAS, Commissioner, Department of Industries and Commerce, Government of Karnataka speaking about the schemes of the department at a webinar organised by PIA



Webinar by SAP Labs India, with KASSIA and UNDP



Government Consultations and Meetings

The Udyog Sahayavani Project and UNDP facilitated and strengthened linkages with multiple government departments. Numerous consultations and meetings between government officials and MSMEs and members of Industry Associations were held under this project. Through these meetings, UNDP enabled dialogue and representation on critical policy matters such as better financing instruments for MSMEs, skill development and job placements in MSMEs, new corridors of investment and development in the state, etc.

Some of the participating departments were – Department of Planning, Department of Industries and Commerce, MSME Department, Karnataka Skill Development Council, Karnataka Skill Development Authority, Deputy Commissioners of Districts, Elected representatives and Ministers of key departments, amongst others.

Since July 2020, 14 meetings and delegation exchanges were organised between UNDP, the Industry Associations and the participating departments of the Government of Karnataka.

The following is the list of Government consultations conducted between August and December 2020:

S. No.	Date	Name of the webinar	Organised by	Participants
1	01/06/20	The formative discussions on the project with UNDP on the structure and functions of the Udyog Sahayavani project and finalization of proposal	UNDP and Additional Chief Secretary – Planning and Youth, Govt. of Karnataka	5
2	19/08/20	Introduction & debrief conducted by project Lead of UNDP and future engagement planned with the Directorate MSME	UNDP and Director, Directorate of MSME, Govt. of Karnataka	3
3	26/08/20	HKCCIs skill and Work Force requirement-members interaction with Directors KSDC	Karnataka Skills Development Corporation, UNDP and HKCCI	20
4	28/08/20	Introduction & debrief conducted by Project Lead UNDP team- The schemes of DIC were enumerated and their feasibility was discussed for Udyog Sahayavani Project. Exploration of the Sarthak Scheme was started with PWC	UNDP and Commissioner for Industries Development, and Director, Department of Industries and Commerce	3
5	28/08/20	KASSIA's skill and workforce requirement- Members interaction with Director, Karnataka Skill Development Corporation	Karnataka Skill Development Corporation, UNDP and Karnataka Small Scale Industries Association	30
6	31/08/20	Submission of Memorandum for Industrial Development of the Kalyan Karnataka Region	Hyderabad Karnataka Chamber of Commerce & Industries and Hon'ble Minister for Large & medium Scale Industries	5

7	15/09/20	MSME Survey discussion for Women Entrepreneurs	Department of Planning, UNDP and UBUNTU	32
8	15/09/20	MSME Survey discussion for HKCCI	Department of Planning, UNDP and HKCCI	10
9	24/09/20	MSME Survey discussion for KASSIA	Department of Planning, UNDP and Karnataka Small Scale Industries Association	60
10	07/10/20	PIA members meeting with Chairperson Karnataka Skill Development Authority	Peenya Industries Association and Karnataka Skill Development Authority	64
11	16/01/20	Meeting with Kalaburagi Ladies Association Manufacturers Park (K-LAMP) members	Hyderabad Karnataka Chamber of Commerce & Industries	40
12	21/10/20	Internship and Placements	Peenya Industries Association and Karnataka Skill Development Authority	115
13	30/10/20	Meeting with the Deputy Commissioner for Free COVID-19 Test for Factory Employees	Mysore Industries Association	20
14	06/11/20	Karnataka Skill Development Authority meeting with Peenya Industries association (PIA)	Peenya Industries Association	30
Total Participants				437

The help desk also facilitated the following consultations with various departments:

Government Department	Purpose of linkage
District Industries Centre	Availing subsidies
Directorate of MSME	For skill training & consultation
Agricultural Produce & Livestock Market Committee	Agricultural produce/trade related issues
Karnataka Industrial Areas Development Board	Industrial sites related Issues
Gulbarga Electricity Supply Company Limited (GESCOM)	Electricity subsidy
State Apprenticeship Monitoring Cell, Karnataka	Workforce requirement
Karnataka Skill Development Authority and Karnataka Skill Development Corporation	Skilling and training workforce
Karnataka State Pollution Control Board	Understanding pollution guidelines and processes
Karnataka Skill Development Corporation	Workforce requirement
Karnataka State Pollution Control Board	Consent registration
Bangalore Electricity Supply Company Limited	Electricity related issues
Labour Department	Labour related Issues
Karnataka State Small Industries Development Corporation Ltd	Land related issues
MSME Development Institute	Schemes related information
Department of Industries and Commerce	Taxation/ VAT & GST related information and issues



UNDP team facilitating a meeting between KASSIA and MD, Karnataka Skill Development Corporation (KSDC) for assessing the needs of KASSIA's members for Skill Development and Apprenticeship training



Consultation between Mysore Industries Association and DC, Mysuru for free COVID-19 tests for employees of MSMEs

Capacity Development of Help Desk Executives

The training module for help desk Executives has been designed and administered by Global Alliance for Mass Entrepreneurship (GAME) with the help of a dedicated trainer appointed for the purpose.

The first training was conducted on 29th July 2020, and the following topics were covered:

1. Roles and responsibilities of help desk Executives
2. Critical government schemes in MSME sector
3. Format for process-flow of calls

In the course of 6 months, over 15 training sessions have been conducted. The Executives are trained in finance, taxation, marketing, skill development related schemes and measures announced by the Central and State Governments. This has equipped them to attend to the grievances of MSMEs and guide them appropriately.

The following is the list of capacity building trainings conducted between July and December 2020:

S. No.	Name of the Training
1	Roles and Responsibilities of Help desk Executives
2	Typical finance concerns of MSMEs
3	Collateral-free scheme
4	Discussion about calls received at Help desk
5	Sub-debt Scheme
6	Mudra Loan Scheme
7	Start-up India Scheme
9	Government of Karnataka Schemes for MSMEs
10	Government of India Schemes for MSMEs
11	Q&A- Typical queries of callers
12	How to handle finance related queries
13	Telephonic support/ conversation etiquettes
14	Basic database management in MS Excel
15	Challenges and opportunities for MSMEs in Karnataka

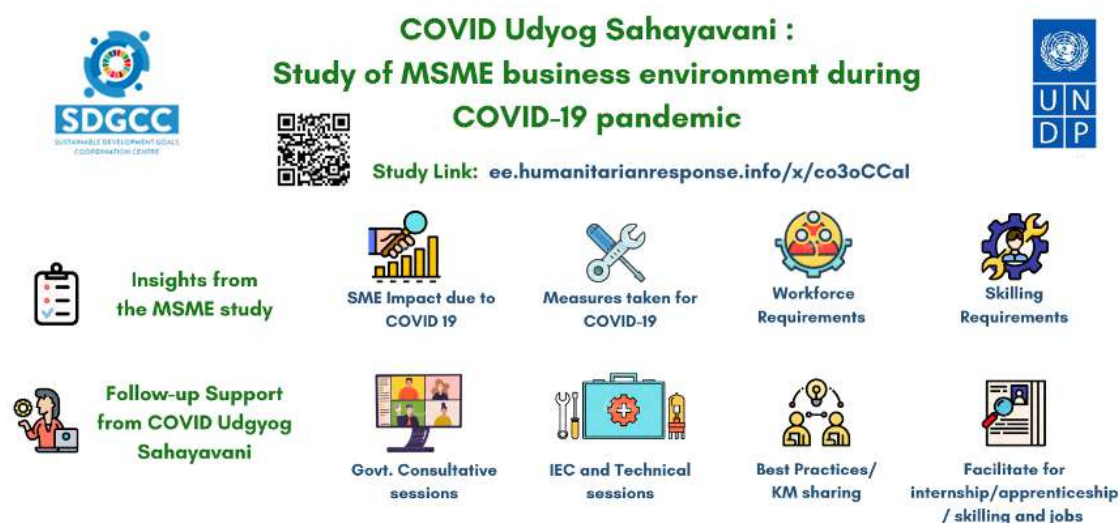
Design, Development, and Deployment of the MSME Study

The MSME Study has been designed by UNDP Karnataka, jointly together with Department of Planning, Department of Industries and Commerce, and Department of Skill Development, Government of Karnataka. This is the first such survey of MSMEs conducted by UNDP in India.

The Udyog Sahayavani project was launched on September 01, 2020. All partner organisations worked together in its conception, design, development and deployment. The questionnaire was closed for submissions on 14th October. Around 1000 responses were received. The study has gathered data directly from business owners in Karnataka with the help of four Industry Associations and three Knowledge Partners who are part of the Udyog Sahayavani Project.

The objectives of the survey were to record the immediate impact of the lockdown on the MSME businesses, to understand the solutions in order to overcome the impact of the pandemic, to design a strategy for addressing challenges through programme and policy interventions and to design an incentive package for businesses. The target group was micro, small and medium enterprises including self-employed individuals. The survey sought responses from 20 districts of Karnataka.

On 15th September, 2020, a joint consultation was organised with participants from UNDP, the Planning Department, GoK and Ubuntu member associations.



Skilled Workforce Requirements and Job Placements - replace manpower

Using the Skill Connect Kaushalkar Portal of the Government of Karnataka, the help desk Executives enabled the MSMEs to submit their skill and labour requirements and further connecting them to eligible candidates enrolled on the portal. UNDP also enabled the organisation of virtual job fairs and outreach campaign to over 4000+ MSMEs for workforce requirement. With the help of Magic Bus Foundation, one of the implementation partners, virtual job fairs were organised at the Karnataka Small Scale Industries Association, Peenya Industries Association, Mysore Industries Association, and at Karnataka Skill Development Authority.

The MSME Survey threw up a requirement of 3479 employees from 225 MSMEs including 1092 apprentices from 72 MSMEs. Placements are ongoing and will continue throughout 2021.



Job Fair: Employee Registration Desk at KASSIA



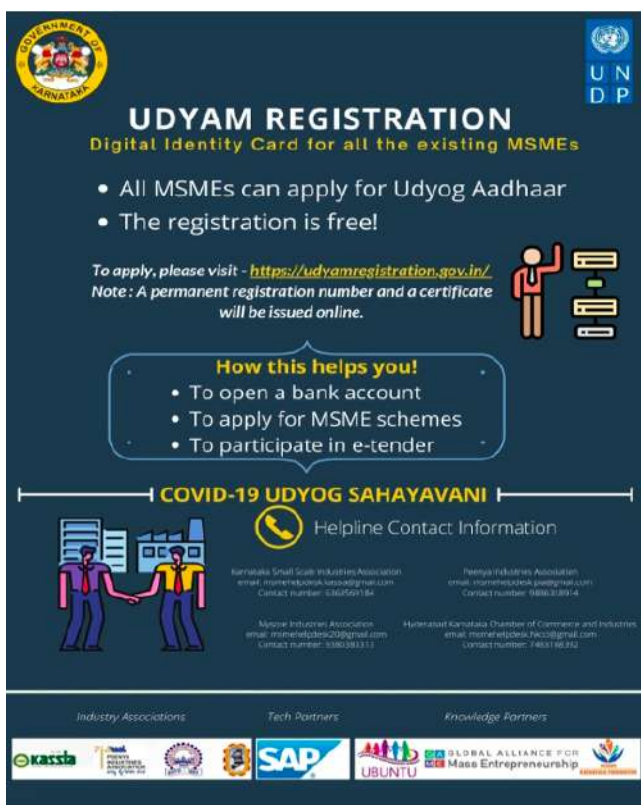
Publicity Poster for Virtual Job Fair at KASSIA

Dissemination of IEC and Knowledge Material

The project facilitated the design and circulation of knowledge materials to MSMEs in the form of single-page flyers, videos and posters through social media.

Collateral were developed on the following aspects: Schemes of the Government of Karnataka and Government of India such as Atmanirbhar Package, Collateral-free scheme, Sub-debt Scheme, Mudra Loan Scheme, Startup India Scheme, Udyam Registration, and others.

Over 100 knowledge collaterals were created and circulated to over 20,000 MSMEs:



UDYAM REGISTRATION
Digital Identity Card for all the existing MSMEs

- All MSMEs can apply for Udyog Aadhaar
- The registration is free!

To apply, please visit - <https://udyamregistration.gov.in/>
Note: A permanent registration number and a certificate will be issued online.

How this helps you!

- To open a bank account
- To apply for MSME schemes
- To participate in e-tender

COVID-19 UDYOG SAHAYAVANI

Helpline Contact Information

Karnataka Small Scale Industries Association
email: msmehelpdesk.kasaid@gmail.com
Contact number: 9382501184

Peenya Industries Association
email: msmehelpdesk.pia@gmail.com
Contact number: 9886318914

Micro Industries Association
email: msmehelpdesk22@gmail.com
Contact number: 9380383111

Hyderabad Karnataka Chamber of Commerce and Industries
email: msmehelpdesk.hkcc@gmail.com
Contact number: 7483185092

Industry Associations Tech Partners Knowledge Partners

Kassha, Peenya Industries Association, SAP, UBUNTU, GLOBAL ALLIANCE FOR Mass Entrepreneurship



Trade Receivables Discounting System (TReDS)

- TReDS is an electronic platform for facilitating the financing / discounting of trade receivables of MSMEs through multiple financiers.
- These receivables can be due from corporates and other buyers, including Government Departments and Public Sector Undertakings (PSUs).

For more details, Please visit -
<https://www.rbi.org.in/Scripts/FAOView.aspx?id=132>

COVID-19 UDYOG SAHAYAVANI Helpline Contact Information

Karnataka Small Scale Industries Association
email: msmehelpdesk.kasaid@gmail.com
Contact number: 9382501184

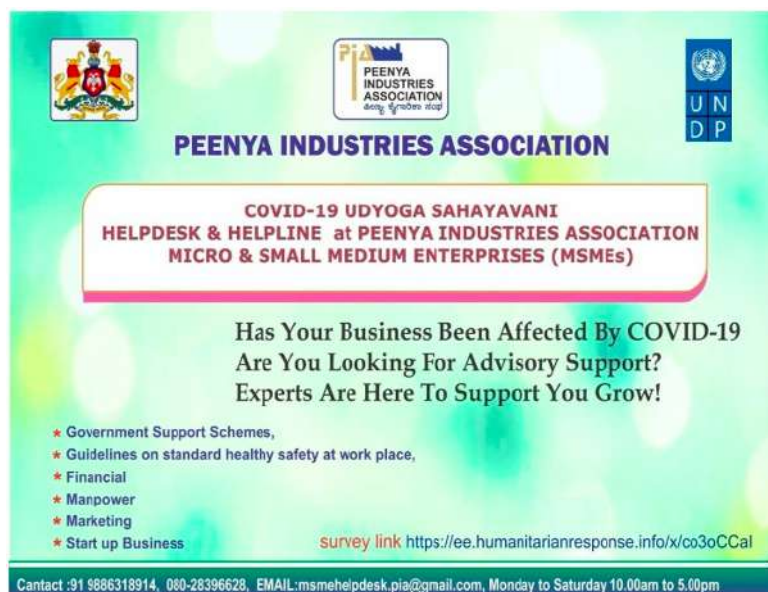
Peenya Industries Association
email: msmehelpdesk.pia@gmail.com
Contact number: 9886318914

Micro Industries Association
email: msmehelpdesk22@gmail.com
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Contact number: 7483185092

Industry Associations Tech Partners Knowledge Partners

Kassha, Peenya Industries Association, SAP, UBUNTU, GLOBAL ALLIANCE FOR Mass Entrepreneurship



PEENYA INDUSTRIES ASSOCIATION

COVID-19 UDYOGA SAHAYAVANI HELPDESK & HELPLINE at PEENYA INDUSTRIES ASSOCIATION MICRO & SMALL MEDIUM ENTERPRISES (MSMEs)

Has Your Business Been Affected By COVID-19 Are You Looking For Advisory Support? Experts Are Here To Support You Grow!

- Government Support Schemes,
- Guidelines on standard healthy safety at work place,
- Financial
- Manpower
- Marketing
- Start up Business

survey link <https://ee.humanitarianresponse.info/x/co3oCCal>

Contact :91 9886318914, 080-28396628, EMAIL:msmehelpdesk.pia@gmail.com, Monday to Saturday 10.00am to 5.00pm



विकास आयोग का कार्यालय
(महान, माध्यम और छोटे उद्योगों के लिए)
एन.एम.एस.ई.डी.ओ. (महान, माध्यम और छोटे उद्योगों के लिए)
नवीन भवन, 7^थ फ्लोर, मेट्रोना अल्ट्रा राईड, न्यू दिल्ली-110 008

OFFICE OF THE DEVELOPMENT COMMISSIONER (MICRO, SMALL & MEDIUM ENTERPRISES), MINISTRY OF MICRO, SMALL & MEDIUM ENTERPRISES, GOVERNMENT OF INDIA
New Bhawan, 7th Floor, Metrona Ultra Road, New Delhi-110 008

No. 1(12)/CLCSS/Misc/Fake Loans /2020-21

FRAUD ALERT

Dated: 29th September 2020

It has come to the notice of the Ministry of Micro, Small and Medium Enterprises, that some unscrupulous elements are contacting people and extorting money on the pretext of facilitating them with loans directly from the Ministry of MSME under various schemes of the Ministry.

It is hereby informed that the Ministry of MSME, Government of India, does not directly deal with individual beneficiaries for any of its credit schemes. All the credit schemes of the Ministry are implemented through Banks/Financial Institutions only. Individuals who want to apply for the MSME loans/credit facilities should contact their nearest Scheduled Commercial Banks. All the details of the credit schemes of the Ministry of MSME are available on our websites viz. <https://msme.gov.in>, <http://demsme.gov.in> and <https://champions.gov.in>.

Ministry of MSME cautions entrepreneurs and members of the public not to fall prey to such offers made by such fraudsters either directly or through website/phone calls etc. Ministry of MSME further advises entrepreneurs and members of public that dealing with such fraudulent individuals/institutions could cause financial loss to them and the Ministry shall not be in any way accountable for the same.

Success Stories from the Udyog Sahayavani Help Desk

The stories of MSME resilience and rebound that emerged as a result of the project are encouraging. Below are some of the success stories of MSMEs and entrepreneurs who persevered through challenges in order to “build back better” in the later part of the pandemic.



Deccan Merchant

First-Generation Entrepreneur Bounces Back from Post-COVID-19 Slump in Business

Noorhusna Gaus

The COVID -19 pandemic not only caused health risks to a majority population but also resulted in an economic slowdown. The lockdown restrictions imposed by the government led to the partial or full closure of many businesses. However, there is still hope as many entrepreneurs bounced back from the slump with timely assistance and guidance. Here is a story of one such entrepreneur, who managed to salvage her business despite the economic slowdown.

Noorhusna Gaus is a first-generation woman entrepreneur. She lives in Vijayapura, Karnataka, India. Noorhusna founded the company ‘Deccan Merchant’ in 2016. The company manufactures different models of utensil scrubbers such as green pad scrubber, steel pad scrubber, specialized scrubber, etc.

Noorhusna is an enthusiastic entrepreneur and believes in teamwork. She took pride in establishing the business and left no stone unturned to achieve success. The enterprise enabled her to enjoy economic independence and social interaction. She worked hard to develop a rapport with her employees and customers.

As the business was picking up, COVID-19 struck a deadly blow. The pandemic hit Noorhusna physically as well as financially. Her health was badly affected due to the infection and her business had to be shut down for 3 months due to the lockdown restrictions. The sudden closure wiped away the working capital reserves of the business. The lack of income and additional expenses of salaries and machinery maintenance took a toll on the finances.

Being a motivated entrepreneur, Noorhusna restarted the business after the lockdown. Her team conducted market research that indicated a slowdown in demand and an increase in raw material prices. The team went back to the table to redesign the products and make them suitable for the new market conditions. She also employed various cost-cutting policies to reduce business expenses. Despite their consistent efforts, Noorhusna and her team could not solve the liquidity crisis.

In a desperate attempt to re-establish her footing and bounce back, Noorhusna approached several banks for financial support, but in vain. She approached the help desk and the experts at Karnataka Small Scale Industries Association (KASSIA) came to her rescue during the tough times.

The help desk Executives informed her about all the schemes available for struggling entrepreneurs due to the pandemic's effects. She was further provided with regular updates on the schemes and its accessibility. KASSIA-Help Desk also conducted webinars on how to approach the banks for financial assistance, skill development workshops, sessions to improve communication skills, time management, COVID-19 protocols and hygiene, etc.

Equipped with the right knowledge and skills, Noorhusna applied for a bank loan to meet the working capital requirements. The application process took almost 2 months but she waited patiently while taking care of her business in every way possible. After 2 months, Noorhusna was able to get funding for the redevelopment of the business.

"I am thankful to the KASSIA Help Desk for their timely intervention. Without their help, I would be struggling to meet the financial needs of my business. I have gained immense knowledge from their webinars and online sessions. This knowledge will be with me forever and guide me in every step of growing my business. The weekly feedback call from the help desk executive of KASSIA is what I appreciate the most as they motivated me to improve my efforts and give 100% to my business."

Noorhusna has set an example for fellow entrepreneurs struggling due COVID-19 slowdown. She lives with her head held high as she has not only managed to rebuild her business but also supported her employees during times of distress.

Success Stories from the Udyog Sahayavani Help Desk



Genuine Products

A Genuine Example For Businesses Affected By COVID-19 Induced Economic Slowdown

Ramesh Hegade

Many businesses suffered a liquidity crunch due to the unprecedented lockdown restrictions announced to curtail the COVID-19 pandemic in India. Even business organisations with a good track record and profitability could not survive the losses due to a 3-month closure of activity. However, the COVID-19 special schemes announced by the government and continuous handholding by some organisations like Karnataka Small Scale Industries Association (KASSIA) helped entrepreneurs to emerge from the onslaught of economic slowdown and rebuild their businesses. Here is an example of one such Organization that bounced back and set an example for others.

Genuine Products is an engineering and manufacturing company based in Bangalore. Originally founded as a workshop for welding machinery and sheet metal parts, the company now has morphed into a professionally run family business. The ISO 9001-2008 accredited Organization was established by Mr Ramesh Hegade in the year 1986 and is currently run by second generation family members.

Genuine Products had a processing facility of over 50,000 square feet for manufacturing heavy and sheet metal. The company had a trained team of 200 employees and delivers turnkey solutions to marquee customers such as Saint Gobain, ABB, Kennametal, Bosch, and also to various OEM's.

Like every other business in the country, the pandemic struck a big blow to the organisation. The workforce crunch caused by the lockdown and a sudden fall in demand led to a 22% decrease in turnover as compared to last year. Several issues such as liquidity crunch, weak demand, uncertainty about future cash flows, and reduced productivity surrounded the management from all sides and affected their decision-making. Moreover, the management did not have proper information about the various schemes launched by the government to sustain businesses affected by the pandemic.

When the lockdown was lifted, the company faced a severe liquidity crisis and required urgent funds to maintain regular operations. They ran from pillar to post to arrange the required funds but with no success. Even after multiple follow-ups with their bank, they could not get a loan to sustain the business.

As a last resort, they approached the UNDP – KASSIA Udyog Sahayavani helpline. KASSIA, coordinated with the bank to resolve all their issues and objections and helped Genuine Products to get the loan within a few days. The webinars and workshops organised by the KASSIA Help Desk also helped them to have access to information about the various packages and schemes announced by the government. The workshops also provided an opportunity to network with other entrepreneurs and learn from each other.

“Genuine Products is indebted to KASSIA Help Desk for their timely intervention. Without them, our business would not have survived the economic slowdown. Even after sustained efforts, we could not find a source to get funds to run the business. KASSIA was our last hope of survival. We approached their help desk with the hope that they will arrange the required funding and we were not disappointed. KASSIA help desk coordinated with the bank and sent a request for a loan to our unit. Within a few days, I received a message from the bank that fifty per cent of the loan amount was sanctioned. The regular programs conducted by KASSIA help desk aid entrepreneurs like us to gain requisite knowledge about the different schemes and packages. I thank the organisation for their continuous support and guidance.”

No one can predict the future. But it is important to build sustainable businesses that can withstand sudden changes in the market scenario. . Genuine Products is one such organisation that bounced back on its feet and set an example for others.

Success Stories from the Udyog Sahayavani Help Desk



G.S Gears

Creating Resilient Business Organization That Can Withstand Unexpected Turbulence

M.M Giri

The pandemic during the year 2020 has taught us many lessons. One of the crucial lessons taught by the pandemic is the necessity of creating resilient business models that can withstand unexpected turbulence and continue to strive. The government has stepped up its efforts to educate entrepreneurs about building sustainable businesses. Apart from offering financial support, organizations like Peenya Industries Association (PIA) also provide education and training to new and experienced entrepreneurs on how to handle the challenges posed by the pandemic and the slowdown in the economy that ensued.

Here is an inspiring story of a manufacturing company that teaches entrepreneurs how to equip themselves with the right knowledge and use it for the benefit of themselves as well as society at large.

M/s G.S.Gears is a manufacturing company established by a first-generation entrepreneur Mr M.M Giri. The business was established in the year 1996 and has managed to withstand the test of time. G.S.Gears is a manufacturer of automobile and machinery gears. The company supplies gears to major industries in the country and also has a significant presence in exports.

Mr Giri is a staunch believer in Mahatma Gandhi's principles and abides by the quote - 'Knowledge is strength'. Being a dedicated entrepreneur, he put in conscious effort to understand each and every aspect of the business. He was a hands-on businessperson and had complete knowledge of all the departments including manufacturing, accounts, and marketing.

The slowdown in the economy caused by the government-imposed lockdowns to curtail the COVID-19 pandemic affected the operations of M/S G.S. Gears as well. There was a significant delay in the receipt of dues from customers, which led to a severe cash crunch. Moreover, the salaries of the employees, accounts payable, and maintenance costs were piling up. Mr Giri had never faced such a dire situation in his entire life. He was unsure about how to overcome the challenges and sustain his business.

UNDP in partnership with Peenya Industries Association has established a help desk to provide advisory and mentorship services to MSME's including provide Information on government support schemes, standards of health safety and security at workplace, advisory services on scaling operations and bridging skill gaps, technical expertise and mentorship support, linkages to financial institutions and government departments, consultations with bankers, government officials, industry experts, etc.,

The keen businessman lost no time and approached the UNDP - PIA Udyog Sahayavani for guidance. The expert team of PIA help desk has a thorough discussion with Mr Giri and detailed all the schemes available for Covid-hit industries and the procedures to avail these schemes. Armed with the information, he approached the bank and was successful in getting a loan.

Because of his keen sense of administration, Mr Giri understood that it is not just enough to get funding in order to run the business. He had to prepare his employees to work in the stressful atmosphere of uncertain post-pandemic times. He sensed that there is a need to educate and train his employees to overcome the stress and anxiety brought in by the pandemic. He enrolled the entire team for various webinars conducted by PIA help desk on skill development, safety and hygiene during the pandemic, networking, handling stress, etc. The knowledge gained in the webinars helped his employees to inculcate positivity and optimism, and improve their productivity.

"I cannot express my gratitude in words to the government and the PIA help desk. I have never imagined any such events happening in my life. From the very beginning, I was completely involved in the growth of the company and never faced any issues. The pandemic has brought many uncertainties, especially for businesses. When the economic slowdown hit my business, I was clueless about how to face the challenge. PIA help desk came to my rescue at those uncertain times. They not only helped me to get adequate funding to overcome the working capital crisis but also trained my employees to overcome the stress and anxiety caused by the pandemic. I wish all the entrepreneurs had such support and guidance."

The success story of Mr. Giri is testimony to the fact that willingness to learn and ability to use the knowledge in the right direction are indeed the need of hour for entrepreneurs.

Success Stories from the Udyog Sahayavani Help Desk



Empowering Micro-Entrepreneurs With Financial Support And Skill Development

Nagaraj Lagshetty

Micro-enterprises play a crucial role in the socio-economic development of a country. They not only improve the quality of life of the business owner but also help to uplift the lifestyle of people in the community. These enterprises add value to the economy by increasing the income and spending power of people by creating employment opportunities. Micro enterprises also play a great role in industrializing the backward and rural areas of the country and ensuring that the fruits of development are distributed to all. The government of India has launched special schemes to aid micro-entrepreneurs by providing them with the necessary funding and skill development lessons.

The story of Nagaraj Lagshetty is proof of the fact that timely guidance and support from the government can work wonders for the micro-enterprises and help them tide over difficult times.

Nagaraj Lagshetty lives in Taj Sultanpur village, Gulbarga, Karnataka. He comes from an economically backward family. His father is a farmer and his mother, a housewife. The family had meagre resources and could hardly afford his education. Lagshetty aspired to complete his graduation and strived hard to secure funding for his education.

Nagaraj started selling agarbatti incense sticks (agarbatti) for his living. Initially, he started it on a very small scale owing to the lack of capital to buy the raw materials. He had limited customers, whom he visited regularly and supplied the products. The turnover was very low, however, he earned enough money to sustain himself and pay his college fees.

After graduation, Nagaraj wanted to take his business to the next level. However, he did not have a proper plan nor he had any information about securing capital. All he had was the determination to start a business and the confidence that he would be able to build it.

He came across an article in the newspaper, about information regarding the UNDP - Hyderabad Karnataka Chamber of Commerce and Industries (HKCCI) help desk. He immediately contacted the help desk for guidance on how to get funding for his business. The help desk executives informed him about the 'Mudra Shishu Loans' announced by the government for encouraging micro-enterprises. They also informed him that these loans are collateral-free and have a considerable repayment schedule. The HKCCI help desk also provided directions on how to apply for the loan, the documents required and the formalities to be completed.

Equipped with this knowledge, Nagaraj applied for a Mudra Shishu loan from the Canara bank in his village. His application was selected by the bank and he received a loan of Rs.50, 000 to set up his business. He set up a small perfumery shop and run it successfully. He is not only self-employed but also provides employment opportunities to others in his village.

'I owe my success to the UNDP - HKCCI help desk. Without their able guidance, I would not have come this far. When I was frantically searching for information on government schemes for micro-enterprises, the help desk experts helped me with the right option. They handheld me throughout the application procedure and aided me in every possible way. I am also thankful to the government for announcing thoughtful schemes to provide the necessary funding for small and micro-entrepreneurs like me. Thank you HKCCI help desk team for making my dream come true and helping me establish my business." says Nagaraj with a smile on his face.

There are many people like Nagaraj, who are keen to establish their businesses and play a pivotal role in the economic development of the country. Organizations like HKCCI help to foster their entrepreneurial spirit by offering able guidance and support. The story of Nagaraj Lagshetty is one example of how micro entrepreneurs can contribute to the development of the society.

Observations and Policy Recommendations of the Udyog Sahayavani Project

Project Udyog Sahayavani was a unique and timely intervention to tide over the economic difficulties of MSMEs on the aftermath of the COVID-19 pandemic and the subsequent lockdown. The need was felt to have a single roof to provide advisory support for addressing the challenges faced by MSMEs during the pandemic.

The pilot initiative, funded by UNDP worked in four Industry Associations of Karnataka for a period of six months, from July to December 2020. An MSME Study was conducted in October 2020 to understand the challenges facing businesses during and post-lockdown period. Supported by the data of the study, the following observations have been recorded:

Observations:

1. MSMEs operate in a fast-paced environment, with frequent changes in the policies and the business environment. An Information asymmetry existed where there was no single source of communication or contact to disseminate the changing policy measures since lockdown.
2. The majority of the queries at the help desk were related to Power and Land (32%), Finance (31%), Workforce (17%), Marketing (14%), and New Business (4%). There were many policy related and systemic issues that were brought to the help desk, which could not be resolved immediately and adequately by the help desk.
3. Between March and July 2020 during the peak months of lockdown, the MSMEs were operating in survival mode, where funding and adequate cash-flows became a critical requirement for continuing operations. Post August 2020, the MSMEs came into the revival stage, where skilled workforce became very important.
4. With an existing slump since 2019 already impacting the economy, COVID-19 aggravated financial access for small businesses. Those on the healthier side in terms of on financial aspects were able to avail the COVID-19 relief effectively. A large section of the industries could not avail any crisis relief due to heavy fire fighting or not being situated under the government-allotted lands. They were left out in the process.
5. Businesses had to pivot to an online presence due to the lockdown, and this necessitated picking up new skills related to e-commerce and digital marketing. Due to traditional structures, the adoption of new sales channels was difficult for MSMEs, especially for very small and micro businesses, and women enterprises.
6. MSME Industry closure, job losses, and unemployment were high during and after the lockdown. According to estimates of the local Industry Association, in Mysore district alone during lockdown, more than 26000 Micro and Small Scale Industries, and more than 20000 Self-Employed MSMEs, 165 Export-Oriented Industries and 50 large Industries shut down their business. The organisation for organising Job Fairs took time to pick up, and where available, the MSMEs reported that quality of candidates was not optimum.

Recommendations on Udyog Sahayavani Help Desk and Advisory Support

1. According to the MSME Study data, 30% MSMEs were not aware of government schemes, and 50% responded they did not know how to access the schemes. The MSME Help Desk which was piloted for 6 months should be made permanent in the leading Industry Associations and the Chambers in Karnataka. They should be equipped with a call-management and query resolution apparatus, with adequate staff.
2. A Single Window Clearance for MSMEs is the need of the hour. On the same lines, the MSME Help Desk created awareness by organising interaction meetings and awareness programmes (both virtual and in-person) on various schemes of the government like Atmanirbhar package, Mudra, Stand up India, Startup India, Digital India, Make in India, Credit linked Capital Subsidy Scheme (CLCSS), Prime Minister Employment Generation Programme (PMEGP), Karnataka Employment Generation Programme (KEGP), Credit Guarantee Fund Trust (CGFT) Scheme, etc.
3. A grievance redressal portal should be established for the issues faced by MSMEs with time-bound resolutions for the grievances. The MSME Help Desk has so far been instrumental in submitting representations to the different government departments regarding electricity bills, loans, land-related issues, etc., and towards assisting MSMEs in Udyam Registration.
4. An on-ground support team should be established to help the MSMEs liaise with the various government and financial bodies to ease the operational challenges the organisations typically face.
5. Creation and circulation of Kannada and English IEC material including flyers, posters, brochures and videos has to be ensured through different social media.

Recommendations on Information Dissemination – Webinars and Events

1. According to the MSME Study data, a large number of MSME founders (over 70%) requested virtual sessions on different aspects of running a business.
2. The Udyog Sahayavani Webinar Series should be institutionalised and made a permanent feature.
3. Information asymmetry must be reduced as quickly as possible. Mechanism to disseminate policy changes, relief measures announced by the government and other bodies in a simplified language should be put in place. The online dissemination mechanisms combined with in-person interactive sessions by the concerned government officials will help in reducing the information gap and reach the benefits of the relief schemes to intended target sooner.
4. For doing business in the “new normal”, focus should be on conducting webinars and knowledge sessions on financial skills, technology, sales and marketing, computer skills, and communication and soft skills.

Recommendations on Funding and Finance

1. Public sector banks should be encouraged to give loans to the MSME sector. The banks must make a clear distinction between the performing and non-performing MSME units and help the former with special supportive measures and a special credit lines.
2. More financial awareness programmes and Funding Fairs should be organised with leading banks to improve interaction and information dissemination to MSME units.

Recommendations on Skill Development and Job Placements

1. According to the MSME Study data, 60% MSME owners are looking to provide skill trainings for their employees. Government departments should focus on conducting short-term courses. A well thought-out industry-academic programme to get the youth trained with the skills required by industry is essential.
2. Dual System of Training should be implemented by the government in conjunction with Industry Associations.
3. Other than the technical skills, focus should be on conducting sessions on communication and soft skills and digital literacy, as these are in high demand.
4. The Government Departments and Industry Associations should align to conduct MSME Job Fairs. Publicity campaigns should be organised in regional media channels, newspapers, and social media to ensure that more youth are aware and apply for jobs in the MSME sector.
5. Government Job Portal's database should be streamlined and updated regularly to provide a steady source of high-quality employers and employees.
6. The outbreak of the pandemic has witnessed a large-scale migration of labourers from North India working in rice mills in North Karnataka region. In this regard, the concerned association recommends setting up training institutes to train the local workforce and cater to the workforce demands of these industrial units.



IMPLEMENTING PARTNERS



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