

FOREWORD

I derive immense pleasure in presenting the Annual Report of Small Industries Service Institute, Nagpur for the year 2003-04. The Small Scale Industries (SSI) Sector is a vital constituent of the total industrial sector because of its dynamic & vibrant nature. The sector acts as a nursery for the development of entrepreneurial talent and has been contributing significantly to meet the social objective of providing employment opportunities to millions of people across the country. SSI sector is an important segment of the Indian economy with around 3.6 million industrial units in the country. The predominant position of SSI sector in Indian Economy may be assessed from the fact that it contributes around 40% towards the manufacturing sector output, 36% of country's direct export and provides direct employment to over 19.4 million persons. The sustained growth of SSI sector in the post independence period has been made possible by the special attention bestowed by the policy makers. In the context of new challenges arising out of the impact of WTO and Globalization on the Indian SSI's. We yearn for the health and growth of the small scale sector.

So considering the present needs of the industry as well as prospective entrepreneurs, SSI, Nagpur organized various training programmes during the year. SSI, Nagpur organized 11 EDP's, 8 Motivation Campaigns and 6 MDP's. Apart from these, other programmes such as ISO-9000/TQM, Waste Minimisation & Cleaner Production, Energy Conservation, Packaging for Export, Awareness programme on ISO-14001 Environment Management System (EMS) etc. were also organized during the year.

In this era of 'LPG' i.e. Liberalization, Privatization & Globalization, SSI sector is confronted by a stiff competition not only from Indian Large & Medium Scale Industries but also from the industries all over the world. SSI, Nagpur in its bid to help the small scale industries in exporting their products, organised 2 MDP's on Export Marketing and also forwarded the products of SSI units of the Vidarbha region for exhibition in International trade fairs organized in various countries through IIC DC (SSI), New Delhi.

During the year 2003-04, SSI, Nagpur earned a revenue of Rs. 5, 87,779/- through various programmes & other activities which is quite on a higher side as compared to the last year's revenue of Rs. 3, 59,410/-.

The performance of the Institute was achieved with the hard work and whole-hearted support of the officers and staff of the Institute.

I would like to place on record my appreciation for the co-operation extended by many Government departments, Organizations and Industries Associations including the SSI entrepreneurs. I also take this opportunity to express my deep appreciation to all the officers and staff keeping the motto and sincere work for all the achievements.

(A.S.MADHAVIKAR)
DIRECTOR

ABOUT US

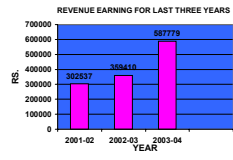
Small Industries Service Institute, Nagpur has been working for promotion and development of Small Scale Industries of Vidarbha region comprising of 11 districts viz, Akola, Amravati, Bhandara, Buldhana, Chandrapur, Gadchiroli, Wardha, Yavatmal, Nagpur, Gondia & Washim of Maharashtra state. S.I.S.I provides services in the fields of

1. Technical Consultancy
2. Management Consultancy
3. Economic Information
4. Export Promotion
5. Management Development Training Programmes
6. Entrepreneurship Development Training Programmes
7. Skill Development Training Programmes
8. Seminars, Workshops, Motivation & Awareness Campaigns
9. Ancillary & Vendor Development Programmes
10. Modernization
11. ISO- 9001 Certification awareness through educational workshops
12. Sub – Contract Exchange (SCX)
13. Assistance to Sick Industries
14. Preparation of Project Reports/Status reports

15. Workshops on Energy Conservation/ Waste Minimization & Cleaner Production.

16. Participation in the International Trade Fair Exhibition for Marketing Development Assistance (MDA) of SSIs. the benefit of SSIs.

Revenue Earnings of SISI Nagpur



HIGHLIGHTS OF ACTIVITIES

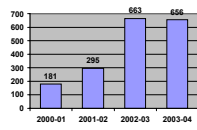
ASSISTANCE TO PROSPECTIVE ENTREPRENEURS:

With the main objective to develop new entrepreneurs in Vidharba region, Small Industries Service Institute, Nagpur provided consultancy & guidance to 2810 (as against target of 2600 for the year 2003-04) prospective entrepreneurs for selection of products, machinery/technology, location , financial assistance etc not only at the office but also through lectures delivered at the programmes organized by Maharashtra Centre for Entrepreneurship Development (MCED), Engineering Colleges, Polytechnic Colleges etc.

ASSISTANCE TO EXISTING ENTREPRENEURS:

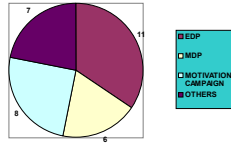
To improve the Manufacturing Technology, Design, Process, Quality, Toolings and also for improving the managerial aspects, Small Industries Service Institute, Nagpur provided techno-managerial consultancy to 656 existing entrepreneurs against the target of 615 as assigned by our head quarters for the year 2003-04. This also includes activities such as improvement in marketing, Availability of finance, through NSIC registration etc.

Assistance to existing entrepreneurs



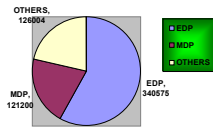
TRAINING PROGRAMMES:

Small Industries Service Institute, Nagpur conducted the Training Programmes in the field of Management & Entrepreneurship Development during the year 2003-2004. The details of the programmes are given below-



Graphical presentation of various programmes organized during 2003-04

REVENUE EARNED THROUGH VARIOUS PROGRAMMES



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MANAGEMENT DEVELOPMENT PROGRAMMES (MDP)

The MDPs conducted by the Institute are designed to improve the managerial competence of the SSI's/Prospective Entrepreneurs. During the year 2003-2004, against the target of 06 set by the Head Quarter the Institute has conducted 06 MDPs, in which 150 entrepreneurs were trained. This included 11 Women, 39 SC, and 08 ST. The MDPs conducted by this Institute have attracted the participants from reputed SSIs and have also been appreciated by the leading Industries Associations & NGOs. The special programmes on UDAAN - Human Resources Development, Export Marketing, Advertising & Marketing, Taxation & Financial Management were organized by the Institute as per the details given below. Revenue of Rs. 1,21,200/-was realized against expenditure of Rs. 67,023/- from 6 management development programmes.

2002-03

| S.No. | Name of the programme | Venue | Cross Section of Participants | | | | | | Revenue in Rupees | |
|---------------|-----------------------------------|--------|-------------------------------|-------------|-----------|----------|-----------|----------|-------------------|-------------------|
| | | | Gen | Women | SC | ST | OBC | Others | | Total |
| 1. | MDP on UDAAN-Resource Development | Nagpur | 23 | (3) | 6 | 1 | - | - | 30 | 21,200/- |
| 2. | Export Marketing | Nagpur | 16 | (3) | 5 | 2 | 8 | - | 31 | 27,500/- |
| 3. | MDP on Export Marketing | Nagpur | 11 | (1) | 10 | 2 | - | 2 | 25 | 19,000/- |
| 4. | MDP on Financial Management | Nagpur | 5 | (3) | 9 | 2 | 4 | - | 20 | 14,500/- |
| 5. | MDP on Advertising and Marketing | Nagpur | 8 | - | 9 | 1 | - | - | 18 | 13,000/- |
| 6. | MDP on Taxation | Nagpur | 20 | (1) | - | - | - | - | 26 | 20,000/- |
| Total: | | | 89 | (11) | 39 | 8 | 12 | 2 | 150 | 1,21,200/- |

1. MDP on UDAAN-HRD:

SISI, Nagpur organized a five day Management Development Programme on UDAAN – Human Resource Development from 7th – 11th July, 2003. Shri Lokesh Chandra, collector, Nagpur, was the Chief Guest for the Valedictory Function. Shri A.S. Madhavar, Director, SISI, Nagpur, Presided over the Valedictory function. 30 Participants representing various industries participated in the programme and a revenue of Rs. 21,200/- was realized.

2. MDP on Export Marketing:

Presently, three types of markets exist for the SSIs. 1) "Niche Market" 2) Domestic/Local market and 3) Global/international market. With the introduction of non discriminatory trade laws under WTO and with the removal of Quantitative Restrictions (QRs) and placement of the items under open General License (OGL), the SSI sector will have to produce only one type of product which is competitive in terms of quality and cost in all the three types of markets. In other words, by 2012 there may be only one market since there will not be distinction between global and domestic market and the watchword for the same would be the quality to be attained by the use of state-of-the-art technology. Under these circumstances, SISI organized a five day Management Development Programme on Export Marketing from 25.08.2003 to 29.08.2003. Assistant General Manager of State Bank of India, Nagpur, Shri T.P.N. Rao was the Chief Guest for the Valedictory Function. The programme had covered various topics related to exports, export marketing, such as international trade and agreements, Indian scenario, agencies involved for exports, legal aspects, financial aspects related to pre and post shipments. The course has also covered product policy and training, export pricing, foreign exchange control along with case studies. 31 Participants representing various industries participated in the programme including 05 – SC and 02 – ST candidates and a revenue of Rs. 27,500/- was realized.

3. MDP on Export Marketing

SISI, Nagpur organized a five day Management Development Programme on Export Marketing from 09.09.2003 to 13.09.2003 at Nagpur. 25 participants participated in the programme including 10 - SC, 02 - ST and 08 Candidates from SSI's and revenue of Rs. 19,000/- was realized.

4. MDP on Financial Management

A world Bank study of "Firm size and the Business Environment" conducted in 1999-2000 through a survey across 80 countries, covering more than 10000 firms revealed that the major obstacles for business development for small, medium and large enterprises appeared to be financing, infrastructure, taxes and regulations, stability in policies, etc. In terms of ranking, financing appeared to be the top problem as one third of the firms covered under the survey indicated this to be major obstacle for their business. For small and medium scale enterprises, this figure was slightly higher while in respect of large units, it was somewhat lower. The main problems faced by the small scale entrepreneurs is, how to get access to the finance to set up their industrial ventures and once that goal is achieved, how to manage the finance. To address the later part of the programme a MDP on Financial Management was organised by the Institute from 10.09.2003-13.09.2003 at Nagpur. Shri M.U. Kamath, Assistant General Manager, State Bank of India (Industrial Finance), Nagpur, was the Chief Guest for the Valedictory Function. 20 participants participated in the programme including 09 - SC, 02 - ST, 4 OBC and 5 from General category. Out of these, 13 candidates were from SSI's and a revenue of Rs. 14,500/- was realized.

5. MDP on Advertising & Marketing

SISI, Nagpur organized a five day Management Development Programme on Advertising and Marketing from 06.01.2004 to 10.01.2004 at Nagpur. 18

participants participated in the programme including 09 - SC, 01 - ST and 11 candidates from SSlts and a revenue of Rs. 13,000/- was realized.

6. MDP on Taxation

SSSI, Nagpur organized a five day Management Development Programme on Taxation from 14.01.2004 to 18.01.2004 at Nagpur. 26 participants participated in the programme including 21 candidates from SSlts and a revenue of Rs. 26,000/- was realized.

ENTREPRENEURSHIP DEVELOPMENT PROGRAMMES

In order to encourage self-employment amongst the educated unemployed youth of the society, this Institute conducted EDP campaign and one month product cum process oriented Entrepreneurship Development Programmes in both urban and the rural areas of Vidarbha region of Maharashtra. During the year 2003-2004, against the target of 09 set by the office of the Development Commissioner (SSI) the Institute has conducted 11 EDPs in which 02 were on self financing basis. 368 no. of participants were trained including 304 women prospective entrepreneurs. Total revenue of Rs.440575/- was realized against expenditure of Rs. 3, 09,554/- from 11 Entrepreneurship Development Programmes.

The special programme on Herbal Beauty Parlor, Mfg. of Herbal Cosmetics & Bio-sach Products, Mfg. of Artificial Jewellery making, Soft Toys & Jute Wall Hanging, Mfg. of Novelty, Fancy & Utility Items, Bakery Products, Mfg. of Food Agro Based and Chemical Products and Fashion Designing received excellent response and high appreciation from the prospective entrepreneurs.

2003-03

| No. | Name of the Programmes | Gen. | Wom-en | SC | ST | OBC | Dis-er | Total | Revenue (Rs.) |
|-----|--------------------------------------|------|--------|----|----|-----|--------|-------|---------------|
| 1. | EDP on Fashion Designing at Bhandara | 24 | 150 | 26 | 01 | 07 | 01 | 51 | 37,500/- |

| | | | | | | | | | |
|---------|--|-----|------|-----|----|----|----|-----|-----------|
| 2 | EDP on Fashion Designing at Nagpur | 25 | (20) | 04 | 02 | -- | -- | 31 | 42,000- |
| 3 | EDP on Herbal Beauty Parlor at Nagpur | 26 | (13) | 06 | -- | -- | -- | 32 | 43,500- |
| 4 | EDP on Mfg of Herbal Cosmetics & Bio-tech Products at Nagpur | 27 | (50) | 06 | 02 | -- | 01 | 30 | 48,000- |
| 5 | EDP on Mfg of Artificial Jewellery Making, Soft Toys & Jute Wall Hanging at Nagpur | 03 | (21) | 20 | 02 | -- | -- | 25 | 21,000- |
| 6 | EDP on Mfg of Novelty, Fancy and Utility Items, Nagpur | 05 | (23) | 10 | 31 | -- | -- | 45 | 38,250- |
| 7 | EDP on Bakery Products at Nagpur | 27 | (10) | 05 | 01 | -- | -- | 33 | 44,250- |
| 8 | EDP on Mfg on Food Agra Based & Chemical Products at Raichur | 19 | (18) | 10 | 02 | -- | -- | 31 | 17,500- |
| 9 | EDP on Fashion Designing at Karol | 19 | (17) | 12 | 06 | 01 | 01 | 39 | 21,000- |
| 10 | EDP on Fashion Designing at Yavatmal | 12 | (20) | 06 | 01 | -- | 01 | 20 | 4,575- |
| 11 | EDP on Four Wheeler Repairing & Servicing at Nagpur for 3 months | 21 | -- | 03 | 01 | -- | -- | 25 | 23,000- |
| Total : | | 208 | 304 | 102 | 41 | 08 | 04 | 308 | 3,48,575- |