

Year 2008 Issue - I

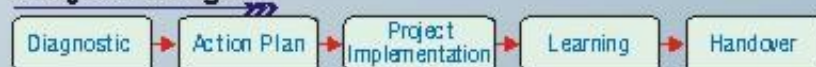
## “ Cluster Speak ”

MSMEs play a vital role in the Indian economy, and are receiving increased attention and support. The Small Industries Development Bank of India (SIDBI) is leading the implementation of a multi-donor project ( World bank, DFID - UK, GTZ - Germany, KfW- Germany ) to increase the flow of credit and related support services to MSMEs.

The objective of the project is to "improve market-oriented business development services (BDS), thereby fostering MSME growth, competitiveness and employment creation."

Specifically this will entail developing interventions to address constraints in the supply and demand for Business development services ( BDS ), such as, awareness creation, product development support, capacity building, and targeted transaction support.

### Project Stages



**M. Kumaraswamy Pillai**

Executive Director  
ACCDS

"For an organisation in Alappuzha with less than one year of operations, the achievements are commendable. If you achieve your goals that will be a great event in coir industry. ACCDS is always with you."



**Mahadevan. P**

President - Indian Coir Association

M. D. - Tamara Coir Tuff Pvt. Ltd.

"After couple of meetings with you I was surprised at the ease with which things are moving. The lack of red tape was a refreshing change."

## CLUSTER Pulse

Cluster Pulse ( CP ) has been appointed by SIDBI as the implementing agency in Alappuzha coir cluster. CP is a not for profit NGO , for hand holding MSME's & artisans through Cluster development initiatives. CP has worked in 70 clusters in countries like India, South Africa, Sweden, Canada, USA, UK, Turkey, Brazil, China & Afghanistan. CP has worked with UNIDO, GTZ, USAID, DFID, IFC, World Bank, ILO, Microsoft, Govt. of Canada, Govt. of Croatia, ministries of Govt. Of India in several clusters. CP has led 78 trade delegations from India to abroad. For details check : [www.clusterpulse.org](http://www.clusterpulse.org)

## What is Business development services ( BDS ) ?

"All those services which small enterprises need to survive and grow, such as training, advice and information." - International Labour Organization.

**“ Anyone Who Stops Learning is old, Whether at twenty or eighty....  
...Henry Ford.”**

## What is Business Development Services (BDS)?



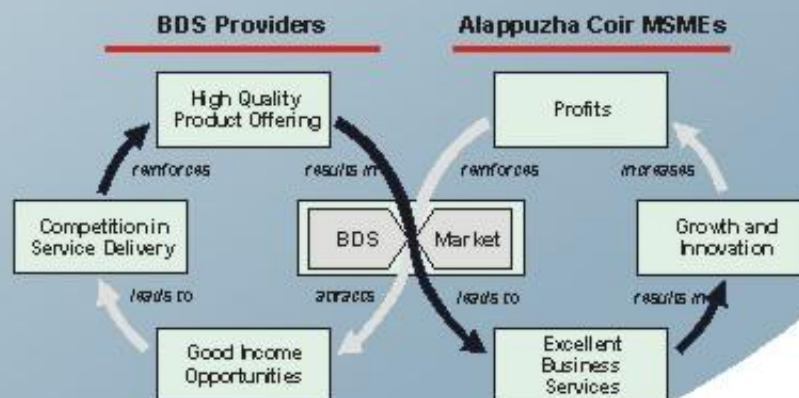
**Business Development Services (BDS) are the services provided by the external experts to the enterprise in all functional areas where they need improvement and by using such services, enterprise can grow and become competitive.**

### **Activities under the project includes :**

1. Building the capacity of BDS providers to effectively meet the needs of MSMEs.
2. Support networking and collaboration among BDS providers -both private and public, including business associations.
3. Facilitate business linkages between MSMEs and larger companies, working through business associations and cooperatives.
4. Develop high quality, practical entrepreneurship and management training for MSME's.
5. Improve access and adoption of new, appropriate technologies among MSMEs.

### **The project loop :**

*The fostering of a skilled and entrepreneurial BDS sector will lead to a self-supporting loop of improved innovation and competitiveness in Alappuzha's coir industry.*



## **BDS Supply & MSME demand match making**

On one hand : Build the capacities of BDS providers.

On other hand : Create demand in MSME's for BDS providers.

And : Create a linkage between the two - MSME's & BDS Providers.



### **ACTIVITIES CONDUCTED TILL DATE :**

### **Project Launch**

The project was launched on 6<sup>th</sup>. July 2007 in the presence of Mr. A C Jose, Chairman Coir Board, Mr. Rakesh Rewari, DMD - SIDBI, Mr. Kjell Olsen-GTZ, Mr. Mahesh Mishra - DFID, Mr. V S Rathore, CGM - SIDBI, Mr. Manoj Mittal, DGM - SIDBI, Dr. R K Singh, AGM - SIDBI & K M Nair - SIDBI.



Mr. A C Jose, Chairman - Coir Board, lighting the lamp to declare the project launched.



- \* Diagnostic study completed.
- \* First Work Group meeting held.
- \* Action plan developed.



### **1st. BDS training held - Dec. 2007**

First BDS training was held on 1 Dec. & 2 Dec. 2007 in Alappuzha & Kochi. Field visit to MSME coir units & inhouse training was conducted. The training was attended by 39 participants - both from public & private sector. Training focused on exposing the coir sector to the BDS providers & giving learning inputs to BDS providers in functional areas like marketing , production , finance, HR & exports in relation to coir products. Training faculty were from KMA, CCRI, SIDBI & Cluster Pulse.



Classroom Training



At Weaving Unit



At Spinning Unit



Field Visit

## ACTIVITIES CONDUCTED TILL DATE :

### IICF 2007 participation - Dec. - 2007

The project participated in India International coir fair - 2007 from 7-11 Dec. 2007 in Kochi & interacted with buyers, coir MSME's & BDS providers. 80+ one to one meetings were held with MSME's , buyers & BDS providers.



Booth At IICF - 07

### BDS Directory printed - Jan. 2008

A BDS directory of Service Providers from Alappuzha and near by areas printed and distributed to MSME's. Directory has details of BDS Providers in areas of Finance, Marketing, Production, Organization and HR.



BDS  
Directory

### Domestic market pilot initiative - Jan. 2008

A BDS provider has facilitated a marketing MOU between J D Agencies & Venice coir consortia for supply of coir door mats & mattings to Reliance mart, Spencers, Magna, MORE, Subhiksha and Big Bazar. The initiative will connect the MSME to markets in Andhra Pradesh, Gujarat, Maharashtra & Rajasthan.



Sample by Buyer



Buyer at MSME Unit

### MOU signed with ICA - Feb. 2008

An MOU was signed with Indian Coir Association (ICA). The MOU covers areas of work which will lead to competitiveness of ICA members. Four functional areas of empowerment have been covered in the MOU : Marketing - including exports, finance, production & HR. Special focus is on design development. A web site for ICA is being developed by Cluster Pulse under the MOU.



MOU Signing with ICA -  
Mignesh & Mr. Mahadevan

### Strategic sourcing - Village pilot initiative - Feb. 2008

A village Aryad has been adopted for strategic sourcing initiative. The goal is to improve the quality of production & connect the village directly to the supply chain. Other Villages adopted are Andhakaranazhi, Vettakkal, Arthungal, Eramallor, Ezhupunna.



Spinning Shed

#### Implementation team



Jagat Shah  
Project Director



Aref Adamali  
Competitiveness Expert



Mignesh Parekh  
BDS Expert



Koleshwar Rao  
Cell and SME Expert



Sanjosh  
Cluster Manager



Binny  
Admin Manager

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