



## **Proceedings of Managing Committee Meeting**

**May 9, 2020 Through Webinar**

### **Members present**

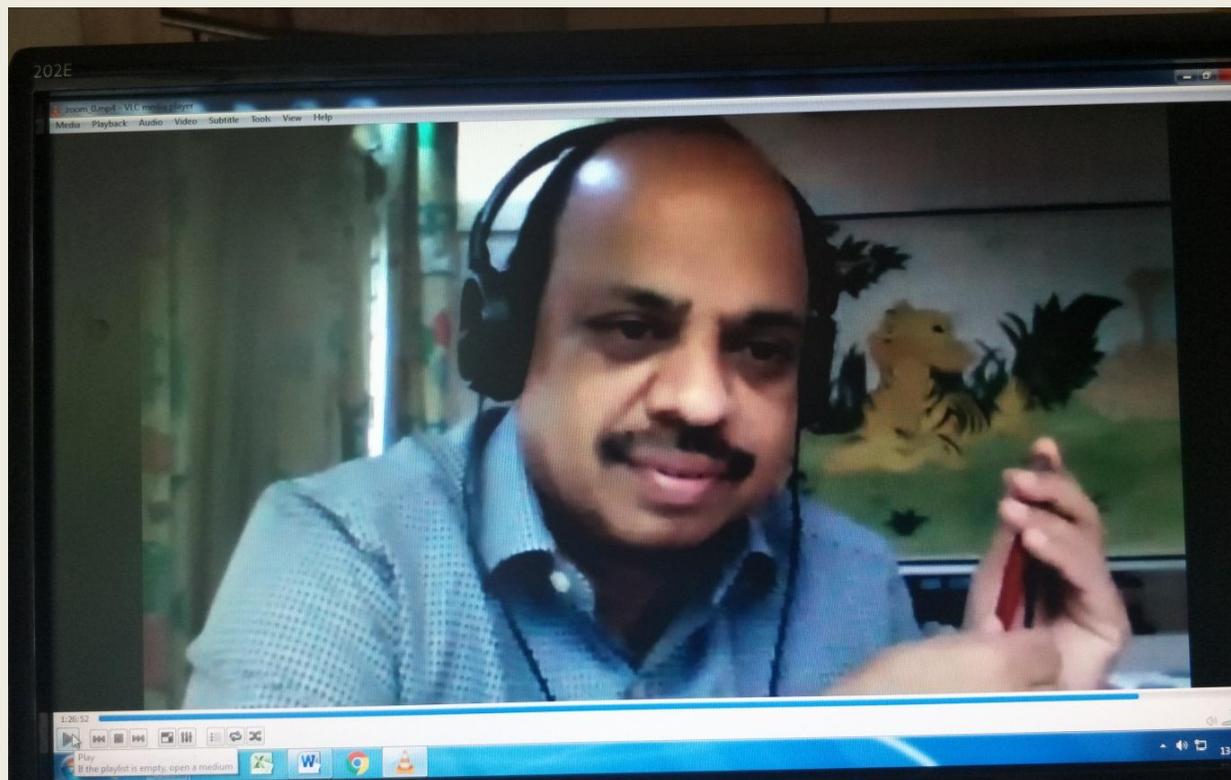
- Office Bearers
- MC Members
- District Conveners

### **Secretariat:**

- B Shekhar

### **Welcome**

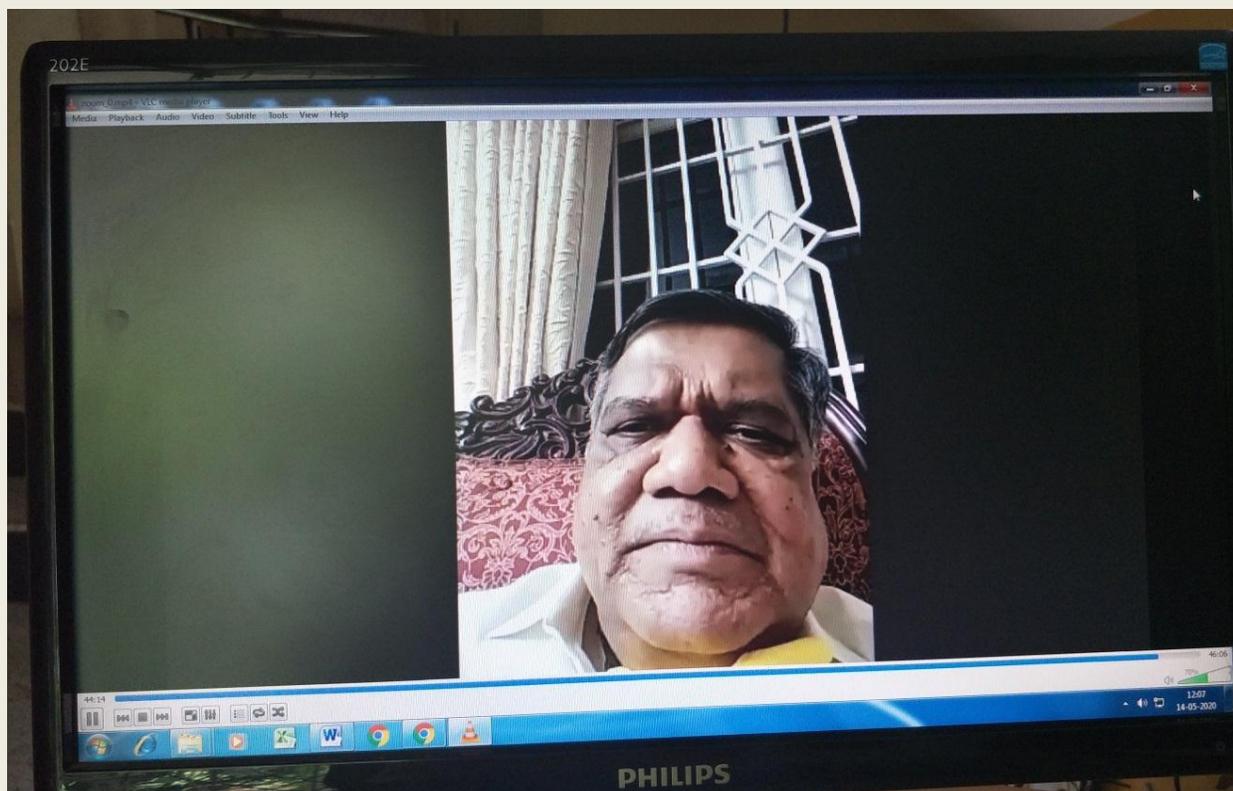
Mr. Srikanta Dutta President, LUB-Karnataka welcomed the all Managing Committee members and thanked them for attending the webinar based meeting despite their busy schedules. He then briefly outlined the various programmes that LUB-K had hosted in last six months of 2019-2020. He highlighted the point that the MSME sector is currently cruising through unprecedented hardship due to covid-1 and the resultant lockdown.



***Mr. Srikanta Dutta, President, LUB-K Setting the agenda for the MC Meeting***



In the last few months, President informed that several quality programmes were held like Tech Bharat, IMS curtain raiser, Seminar on E-Mobility and Charging Infrastructure, Prasikshana Varga *et.al*, all of which received top end appreciation from participants. The President particular emphasized that Tech Bharat event has placed LUB-K in the leagues of promoter of startups in the country as it got rave reviews from all stakeholders. He specifically commended Mr. Bhojaraj for his single-handed approach in getting LUB-K on the big bang Start-up brand equity.



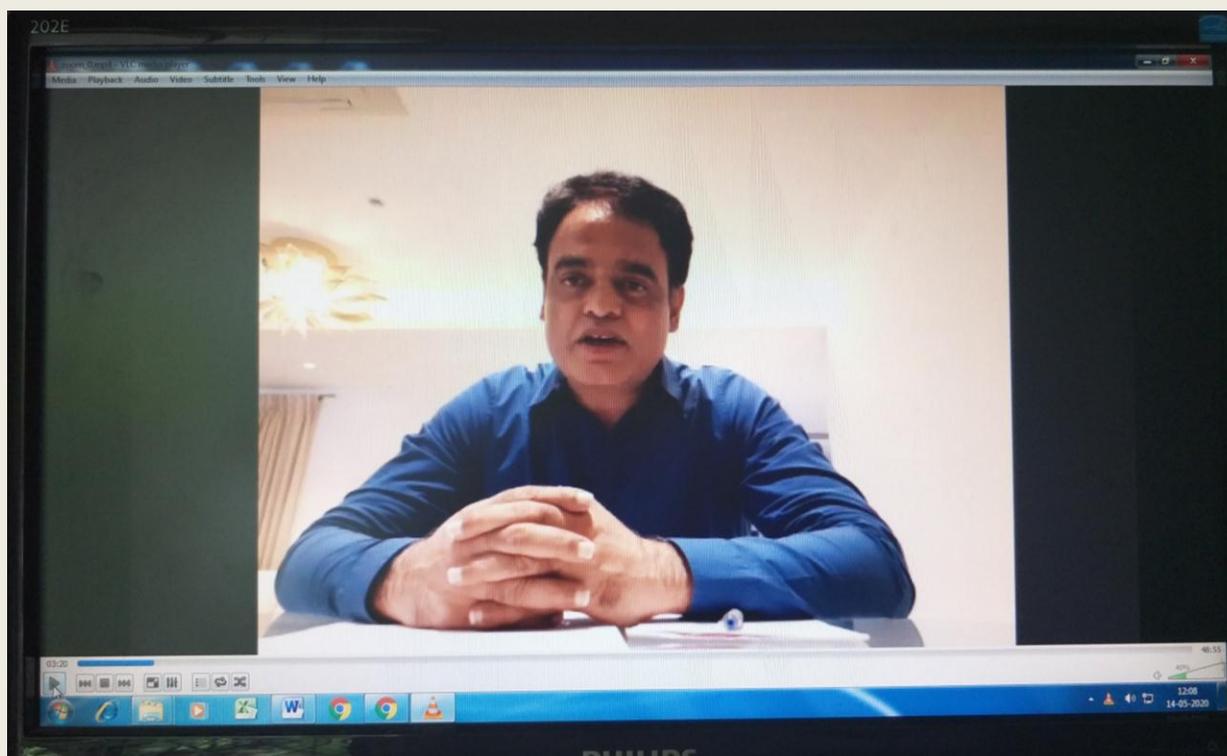
***Shri Jagadish Shettar, Hon'ble Minister for Large and Medium Industries, GoK addressing LUB members thru webinar***

The President said that, several programmes and events were planned to be hosted in the first half of the year, especially the LUB-Business Excellence Award, IMS Curtain raiser and others. But as Covid-19 struck the business community and GoI was coerced to announce a complete lockdown to contain the rapidly scaling virus in the nation, all programmes stands deferred as of now. The President while mentioning on Stapana Divas celebration informed that LUB-K had planned to organize this event on a grand scale since it also coincided with Silver Jubilee year of LUB by way of honouring companies with Business Excellence Awards. But unfortunately due to lockdown, this event now stands deferred to a future date.



However, the President informed that in order to keep members engaged and well prepared to face the pre and post Covid situations, the Office Bearers swung into action and took a conscious decision to host Webinars. In all over 26 Webinars were organized in a month's time frame.

The Webinars were organized with Government officers, industry captains, domain experts and professionals who spoke on critical issues facing the MSMEs and illustrated how establishments can re-strategize and adapt to the new disruptive business environment and also the evolving neo business environment post-covid.



***Dr. Ashwath Narayan, Hon'ble Deputy Chief Minister, GoK addressing LUB members thru webinar***

In all the webinar was designed in three parts:

- Overview of the subject
- Deep-dive on the topic
- Open session

Several topics like finance, taxation, sales, marketing, preparedness strategies, Pep and motivational talks, future trends and prophesies were touched upon by the webcasters in the one-hour session daily.



The President expressed his commendation to LUB-K Women Entrepreneurs as they supplied para-medic kits like masks and sanitizers relentlessly during the lockdown period.

In the meanwhile, President informed the MC members that several representations highlighting various pain points faced by the MSME sector were submitted to the State and



***Shri Tejesvi Surya, Hon'ble Member of Parliament seeking suggestions from LUB members***

Central Governments. He also expressed his appreciation that a few points highlighted by LUB have been addressed by the Government and several more are in the offing.

Ms. Chaya Prabhu who spoke at the virtual meeting said that the webinars helped them a lot in staying motivated as all webcasters were optimistic of the economy returning back to its glory though with a bit of an aberration as of now.



A MC member Ms. Priya informed the audience that they had supplied over one lakh masks to the Government. In fact they worked overtime to keep the job work continuing. For them Covid provided good them with good opportunity to expand their business horizon.

Another MC member, Ms. Shylaja informed that the Kusuri Mani concept which is very popular in Bangalore city should be emulated in other districts also so that women are encouraged to establish their enterprises. For which Ms. Chaya Prabhu agreed to look into the proposal.



***Mr. K Narayana Prasanna, General Secretary, LUB-K initiating MC meeting***

Mr. Narayana Prasanna, General Secretary taking up the first agenda for which the MC meeting was convened said that the LUB National Forum as suggested to all State Chapters to look for Chinese goods import substitution.

Explaining the concept he said that over the last 15-20 years, India has been importing Chinese goods into India very indiscriminately. The reasons for Chinese imports include manufacturing costs which is 1:2, proactive Government policy, Technology adoption; mass manufacturing efficiency and several other aspects provided by the Chinese Government to promote their domestic industry.

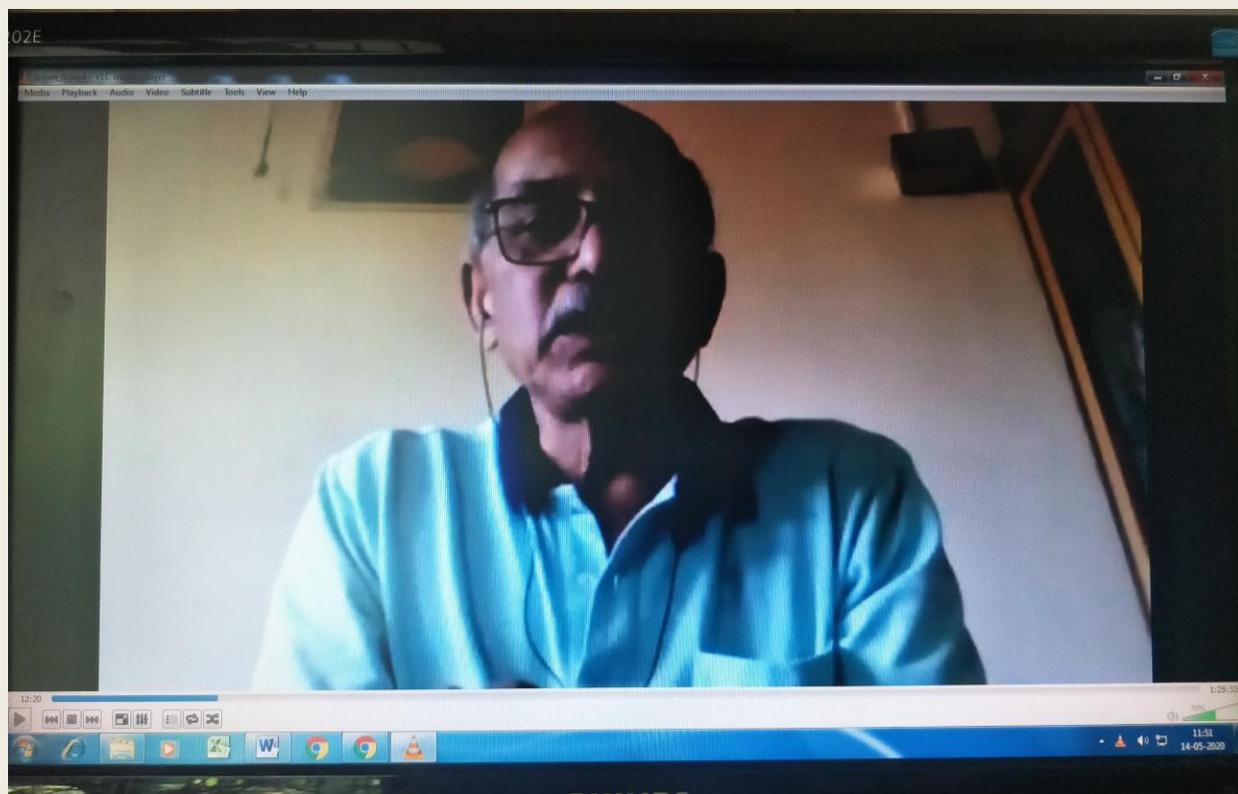
In this backdrop General Secretary informed that LUB India has initiated a programme to counter the import and encourage manufacturing atleast some of the products which are within the ambit of Indian industries and promote the same here. These products can be



manufactured either by individual MSME entities or by forming Clusters or Consortiums in each state.

To counter this issue at macro level, LUB India has formed a Group called - UTPADAN SAMUH which will basically initiate import substitute product manufacturing in India in the coming months.

Further explaining the structure of Utpadan Samuh group he said that it will consist of LUB President, General Secretary, and immediate Past Presidents and will be headed by LUB margadarshak Shri Prakash Chand ji and State President / General Secretary from all the States.



***Shri Govind Lele, National General Secretary LUB addressing members on Stapan Diwas***

While in the State, a Group will be formed comprising of a team drawn from various product verticals. In each Group one person will be entrusted with the responsibility to coordinate with the team to identify the product/s which is/are commercially and technologically viable for manufacturing in India. A project report with product statistics, import details like annual quantity, value of import, Market potential, technology



requirement, equipment required, investment costs, workforce structure, market study report, etc. need to be researched and submitted for implementation. This can also be done for contract manufacturing for OEMs, wherein a number of MSMEs can form Groups and produce the product and supply it directly to OEMs.

A few States vis-à-vis Tamil Nadu, Himachal Pradesh and Telengana have already formed such industrial clusters with a group of LUB members joining together and developing a product in different industry verticals. This can be concept can be replicated in Karnataka also.

Continuing the discussion on Chinese imports, Mr. Lakshmisha, Joint General Secretary, LUB-K proposed to prepare a comprehensive document listing the possible products with its HS codes so that industry is sure of what is being imported and how best we can manufacture the same domestically.



***Shri Thippeswamy, addressing members on Stapana Diwas***

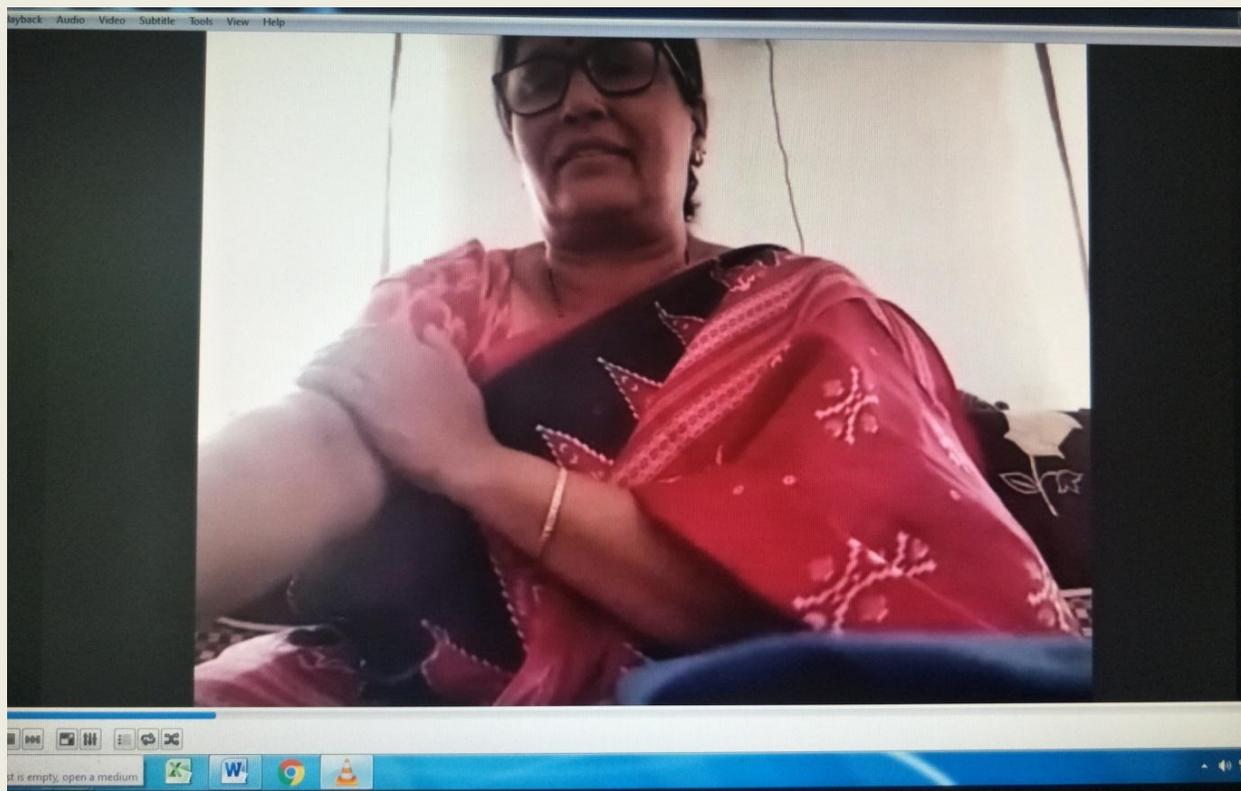
Moving onto general discussion Mr. Yagnesh, Past General Secretary, LUB-K proposed that members should look at intra-trading opportunities within the membership base. Members who have additional/spare capacities should be utilized by other members so that it is a win-win situation for both the entrepreneurs, especially in this crucial period. Sub-

contracting of facilities in various industry verticals like CNC, electrical, textiles, rubber, plastics, garments can be crossed-utilised by members.

Similar suggestion came from Mr. Sachin Sabnis whereby he proposed to utilise B2B portals to market membership products which will be more effective and viable.

Mr. BS Sreenivasan, VP, LUB-K congratulated Women entrepreneurs who have pitched in at the right time to tailor masks which basically eased shortage issue to a great extent.

Mr. Girish Gumaste, proposed that Core Committee be formed to identify specific products that domestic industry has the capability to manufacture it. This way the implementation of import substitution will be faster and more viable. While Rajesh Chinchewadi informed the members that Telecom equipment and Plastic industry clusters were formed by LUB a few years ago. He suggested drawing learnings from these consortiums as ready reference when they look at Chinese clusters in India.



***Ms. Chaya Prabhu, Chairperson, Women Entrepreneurs Cell, LUB-K sharing business perspective at the MC meeting***

Mr. Shivanand Awathi proposed that Industrial Valve manufacturing cluster can be established in Hubballi. He said that he would like to take the lead if this cluster is formed.



Hubballi has better manufacturing capabilities to produce high-end industrial valves which can be a good import substitution.

While Mr. Sandeep Parvatiyar suggested that we need to explore components being sourced by America from different countries like China, Germany and Japan and manufacture them domestically. This will be an excellent opportunity to replace that market with Indian core component manufacturers.

Mr. Sachin Sabnis submitted that Belgaum industries are currently facing difficulties as most OEMs are yet to start their operations. He suggested the government needs to act fast by way of providing stimulus packages so that MSMEs don't down their shutters. On the other hand he also cautioned MSMEs by saying that they need to re-think business models and adopt and find new pathways in their entrepreneurial journey, if they need to scale up and sustain their establishments.

Mr. T Srinivasan, National Vice President, LUB suggested that a core team be formed to look at ways and means to counter the import substitution issue.

President agreed to form the Core Committee and said that it can be on a voluntary basis as a lot of time and effort should be dedicated to managing and bring out a strategy paper on the mission agreed upon. He also pointed out that LUB Start-up team members can also partner with the Core Team so that they will be in a better position to look at innovation aspect in a more wholistic way and guide product development for import substitution project.

He also put forth a suggestion whether a consultancy firm can be appointed to study the Chinese product profile so that this will help us strategize listing for import substitution.

Mr. Yagnesh while commending BESCO for accepting LUB-K's suggestion to waive off Electricity fixed charges for two months also raised his concern over the very survival of MSMEs in the coming months. He was of the opinion that members will be facing a lot of issues related to finance, order books, salary payouts, PF, Bills, rents and similar such critical issues. In this backdrop, he proposed that LUB-K on priority should establish a Grievance Cell in order to address member concerns and resolve the same by forwarding pain points to right authorities for redressal. The General Secretary requested Mr. Yagnesh to chair the Grievance Cell which was accepted by him.

In conclusion of the MC meeting, General Secretary proposed to host a webinar on Safety.



## **Action Plan**

The following members in principle have agreed to be part of the **Core Team for Import Substitution agenda with more voluntarily joining in the course of few days...**

- Mr. Narayana Prasanna, General Secretary
- Mr. Shivaananda Awati: MC Member
- Mr. Gireesh Gumaste: MC Member
- Mr Sandeep Parvathekar
- Smt Shailaja Vittal
- Smt Kalpana Nagaraj

## **LUB-K Grievance Cell**

Mr. Yagnesh, Former General Secretary LUB-K, agreed to Chair the LUB-K Grievance Cell which will look into daily redressals received from State membership base. He will suggest ways and means to resolve issues related to procedural and administrative matters by taking the issue with Government and Private Entities.

There being no other matter in the agenda, Mr. K Narayana Prasanna thanked all MC members for participating in this fruitful deliberations and said that he looks forward to working with them to realize the objectives and goals which were discussed in this meeting.

**+++EOM+++**



### List of MC Members Participated in the Meeting held on May 9, 2020

Sl No.	Members Presents	Leave of Absence
1	Mr. P S Srikanta Dutta	Mrs. Kalpana Nagaraj
2	Mr. Narayana Prasanna K	
3	Mr. Niranjan Kumar TV	
4	Mr. C N Bhojaraj	
5	Mr. Lakshisha C V	
6	Mr. T Sreenivasan	
7	Mr. B S Srinivasan	
8	Mr. Yagnanarayana M N	
9	CMA. Raveendranath Kaushik	
10	Mr. Girish Gumaste	
11	Mr. H V S Krishna	
12	Mr. Rajesh Chinchewadi	
13	Mrs. Hema Chinchewadi	
14	Mr. K.M Ravi Kumar	
15	Mrs. Chaya Prabhu	
16	Mr. RA Narasimhan	
17	Mr. B.N Ravishankar	
18	Mr. Sachin Sabnis	
19	Mr. Sandeep Parvathikar	
20	Mr. Shivanand Awathi	
21	Mrs. Shylaja Vittal	
22	Mr. K S Sharma	
23	Ms. Priya A Puranik	