

**Training-Cum-Exposure Visit to China  
on Promotion and Financing of Micro, Small and  
Medium Enterprises (MSMEs)  
(22 – 29 February 2012)**

**Programme Brochure**



**Programme Director  
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Bankers Institute of Rural Development  
Lucknow**

# **Training-Cum-Exposure Visit to China on Promotion and Financing of Micro, Small and Medium Enterprises (MSMEs) (22 – 29 February 2012)**

## **1. Background:**

China is an economic superpower in making. Her economic growth has been phenomenal and a lesson worth emulating. The micro and small industrial sector has been the growth engine which has propelled the economy on the upward path of economic resurgence. The micro, small and medium enterprises (MSMEs) have played a key role in the economic development of China. The products of Chinese MSME sector have captured a huge export market and are sold even in our country.

## **2. Overview of Indian Economy:**

India with a population of 1.21 billion and a geographical area of 329 m.ha ranks 2<sup>nd</sup> in population and 7<sup>th</sup> in geographical area in the world. Arable land forms 48.8% of its total geographical area. The GDP at 1.10 trillion USD comprises of agriculture, industry and service sectors contributing 17.0%, 19% and 64% respectively. The MSE sector together with medium enterprises dominates the industrial and service sector. Agriculture and MSE sectors together are the thrust areas for employment generation and augmentation of exports.

## **3. MSMEs in India:**

India is set to have the largest working population in the world by 2030. Every year 12.8 million Indian youth enter the job market. Therefore, the focus of all development agencies is on skill development and skill upgradation to improve the employability of large workforce. Food processing, light industries, textile, garments, leather, gems and jewellery etc. are the core sectors aiding the development of the MSMEs in the country. The 4<sup>th</sup> MSME census of 2006-07 indicates that there are 26.1 million enterprises in MSME Sector, of which 7.3 million are engaged in manufacturing activities and 18.8 million in services activities. Share of enterprises in rural areas is 54.4%. The MSME sector provides employment to 59.7 million working population.

The share of MSME to national exports is currently 38%, which is likely to surge to 45% in next 5 years. MSMEs account for 95% of the industrial units and their contribution is about 40% of the value addition in the manufacturing sector. With a view to give boost to the MSME sector, a Credit Linked Capital Subsidy Scheme has been launched to encourage technology up-gradation in the MSME Sector and a Credit Guarantee Scheme has been introduced to provide collateral-free loans to MSEs, particularly the first generation entrepreneurs.

Though the MSEs in India have met the expectations, they do face challenges due to low capital base, inadequate exposure to international environment, inadequate R&D, etc. With slowing down of the world economy and enhanced competition from the developed and emerging economies, many units have been passing through a difficult time.

#### 4. Overview of the Chinese Economy:

China with a population of 1.30 billion and geographical area of 960 m.ha. ranks 1<sup>st</sup> in population and 3<sup>rd</sup> in geographical area in the world. Her massive investment in quality education and productivity enhancement of the workforce has enabled her to achieve a high literacy rate of 93% and lowering the unemployment rate to only 4.25. The GDP of China at 4.81 trillion USD ranks 4<sup>th</sup> in the world and comprises of agriculture, industry, and services contributing 10.6%, 46.8% and 42.6% respectively. MSE Sector together with medium industries dominates the industrial and service sector.

#### 5. MSMEs in China:

Small and medium sized enterprises and non public enterprises have become China's main job creators. Private enterprises alone provided 50 percent of employment in the economy. While approximately 50% of total industrial output still derives from the state-owned factories, a notable feature of China's recent industrial history has been the dynamic growth of the collectively owned rural township and village enterprise (TVEs) as well as private and foreign joint-ventures.

#### 7. Select Indicators for India and China: 2009-10

<b>Indicator</b>	<b>India</b>	<b>China</b>
Population	1.17 Billion	1.30 Billion
Area	329 M. Ha	960 M.Ha
GDP	1.10 Trillion USD	4.81 Trillion USD
<b>GDP by Sector</b>		
Agriculture	17.0%	10.6%
Industry	19.0%	46.8%
Services	64 %	42.6%
GDP Growth	8.0%	8.7%
<b>Labour Force by Occupation</b>		
Agriculture	60.0%	49.0%
Industry	17.0%	22.0%
Services	23.0%	29.0%
Exports (Agri-Exports)	185 Billion USD	1194 Billion USD
Imports	303 Billion USD	921.50 Billion USD

#### 8. Compelling reasons to visit China:

Development of MSMEs is of prime importance for India's economic development. China is considered as a world leader in this sector. It would be a great learning opportunity to observe from a close quarter how China has augmented and deployed natural, physical, human, social and financial infrastructure for development of MSMEs to her best advantage. It will also be very useful to have a first hand experience of the best practices followed in China for development of MSMEs.

## 9. Programme Objectives:

By the end of the programme, the participants would be able to:

- Describe the features of MSMEs in India and China.
- Describe the innovative / best practices followed by different departments / organizations in China relating to promotion and nurturing of MSMEs.
- Describe the strategies of capacity building of entrepreneurs for growth of MSMEs in China
- Describe the role of financial institutions / Banks in China in MSME financing, innovations in extending credit and the range of credit products.

## 10. Participants:

The programme will be highly useful for senior and middle level officers of RBI, NABARD, SIDBI, Public and Private Sector Commercial Banks, Financial Institutions, Regional Rural Banks, Cooperative Banks, NGOs, MFIs, Government Institutions / Departments and Organizations involved in promotion of MSME sector.

## 11. Programme Fee:

The programme fee is Rs. 1.92 lakh (Rupees One Lakh Ninety Two Thousand only) only per participant. This includes the following

- Cost of training and exposure visit, along with the lodging and boarding (breakfast, lunch, and dinner as is available in China), local movements in China
- Air Travel (Lucknow- Delhi-Beijing-Shanghai-Delhi)
- Visa fee
- Travel insurance

The programme fee, however, does not include expenses for obtaining Passport and the cost of traveling from the participant's Head Quarter (H.Q.) to BIRD, Lucknow and from the Delhi back to their H.Q. after completion of exposure visit

The amount may be remitted through RTGS/NEFT in our bank account maintained with Axis Bank Ltd., Lucknow Branch. The necessary information with a view to enable you to make e-payment is furnished below:

Name of the Institute:	Bankers Institute of Rural Development, Lucknow
Address of the Institute:	Sector-H, LDA Colony, Kanpur Road, Lucknow-226 012
PAN No	AAATB5910G
Name of the Bank	Axis Bank
Bank Account No	053010100132930
Bank Address	25-B, Ashok Marg, Sikander Bagh Chauraha, Lucknow
MICR Code	226211002
IFSC Code	UTIB0000053
Type of account	Saving

Alternatively, the fee is payable by an MICR Demand Draft drawn in favour of the 'Bankers Institute of Rural Development' on any bank, payable at Lucknow.

## **12. Duration:**

The programme will commence at 10.00 hrs on 22 February 2012 at BIRD Lucknow and would conclude on 29 February 2012 at New Delhi. The programme would include a visit to China for 7 days. The day to day schedule will be communicated in due course.

## **13. Programme modules:**

**The programme has the following two modules:**

### **Module 1 at BIRD, Lucknow (1 day)**

- ❖ Overview of Agri-Exports and MSEs in India
- ❖ Recent policy initiatives

Experience sharing

### **Module II Exposure Visit to China (7 days)**

- ❖ Legal frame work in China
- ❖ Enterprise and skill development for MSMEs in China
- ❖ Technology up-gradation
- ❖ Marketing assistance
- ❖ Access to credit and
- ❖ Experience sharing

## **14. Institutions to be visited in China:**

- ❖ China Development Bank
- ❖ Agricultural Development Bank of China
- ❖ Visit to MSMEs: Beijing Zhengzhang Badge Factory and Shandong Luoxin Pharmacy Stock Co. Ltd
- ❖ Development Bank of Sanghai (DBS), Pudong, Shanghai
- ❖ China Zhejiang Bank (Specialized in SMEs Loan)
- ❖ China Construction Bank

## **15. Training Methodology:**

The programme has been designed to facilitate learning through interactive methods including discussion and group work in the classroom and also institutional visits in China. The participants would be required to make presentations based on their experiential learning in China.

## **16. Essential Documents (Passport and Visa):**

Participants must be holding valid passport (with 'Emigration Clearance Not Required (ECNR) endorsement) valid for at least six months from the date of issue of visa. The participants should also be eligible for travel abroad. If the officers nominated do not possess passport, they may be required to obtain the same immediately on their own. The passport number needs to be communicated to BIRD 30 days before commencement of the programme i.e. by 21 January 2011. Visa will be arranged as part of the programme fee. The procedure to be followed in this regard will be advised separately. However, expenses relating to personal interview at Chinese embassy, if required, will have to be borne by sponsoring organization.

## **17. Last Date for Receiving Nominations:**

The nominations must reach BIRD in the format given on the last page of this Brochure by 15 January 2012. All nominations may be addressed to the Director, BIRD at the following address:

The Director  
Bankers Institute of Rural Development (BIRD)  
Sector 'H', LDA Colony  
Kanpur Road  
Lucknow- 226012  
Fax: 0522-2421176, 2421047

## **18. General Information:**

The participants will be provided air-conditioned single occupancy accommodation (with attached bath) in the Institute's Hostel at Lucknow. Comfortable stay arrangements will be made in hotels at Beijing and Shanghai in China. The participants will reach BIRD, Lucknow directly in the morning of 22 February 2012. Enquiries relating to this Programme may be addressed to the Programme Director:

Name of Programme Director: Dr. Sunil Kumar

Phone (O): 0522-2421119

Email: [sunil.bird@gmail.com](mailto:sunil.bird@gmail.com)

## **19. About BIRD:**

Bankers Institute of Rural Development (BIRD) established in 1983 by National Bank for Agriculture and Rural Development (NABARD), is a premier training, research and consulting organization in India in the field of agriculture, rural development, microfinance and development banking. The institute conducts region-focused, issue-specific and research-based training courses and seminars, as well as feasibility, diagnostic studies, exposure visits etc. It has undertaken consultancy assignments for many international bodies like South Asian Association for Regional Co-operation (SAARC), International Fund for Agriculture Development (IFAD), World Bank, United Nations Development Programme (UNDP), Department for International Development (DFID), ILO, etc., besides Planning Commission

of India. It has been regularly conducting training programmes on agriculture and rural development for Banks, Government Departments / Corporations, Development Organizations and NGOs. BIRD has also been regularly conducting National level seminars / workshops / consultation meets in the area of agriculture and rural development.

Nomination Form:

The proforma nomination form is given on the next page

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**Nomination Form**

**Full Name\*** -----

**Nationality:** -----

**Date of Birth:**

D	D	M	M	Y	Y	Y	Y
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**Sex:**

Male	Female
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**Educational / Professional Qualification:** -----

**Name and Complete Postal Address of your organization:**  
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-----

**Telephone No. (With STD code):** (O) ----- (R) ----- (M) -----

**(Fax):** ----- **E-Mail** -----  
-

**Present Designation:** -----

**Passport No.:** -----

**Place of issue:** -----

**Valid up to:** -----

**Whether the Passport has ECNR endorsement?**

Y	N
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Signature of  
The participant

Signature of  
Head of the Sponsoring Organization  
Head of the Department

**Particulars of Course Fee:**

**Demand Draft No.** -----

**Date** ----- **Amount (Rs.)**-----

**Name of the Bank:** -----

- ❖ Strictly as appearing in the Passport
- ❖ Nominations can also be mailed at [sunil.bird@gmail.com](mailto:sunil.bird@gmail.com)
- ❖ Fees may be paid electronically as per details given in para 11 of the Programme Brochure.