

TiE Mumbai advises Startups for MSME registration

Mumbai, 1 June 2020: There is no doubt that the MSMEs (Micro, Small and Medium Enterprises) are today the precursors of India's economic growth. They are major contributors to the tax base of India. The government has run several developmental avenues for the empowerment and expansion of the MSME sector. It is beyond any doubt that the key for Startup founders to access all such avenues is to obtain the Udyog Aadhaar MSME Registration in India.

"I see merit in Startups especially early stage and growth stage to avail the benefit of MSME registration. We welcome and support the Government's initiative to make liquidity available to all businesses and this will help the economy to bounce back sooner" said **Atul Nishar, President, TiE Mumbai**.

"With the Atmanirbhar package, MSME registration for startups is a necessity as there are good benefits which early stage companies can avail of besides the loan package which is still getting rolled out. MSME SAMADHAAN is one such benefit where a startup will get payments in a maximum of 45 days. Financial assistance through MSME incubators is also a key attraction. At 100X.VC we are asking all our startup portfolio companies get the MSME registrations." said **Sanjay Mehta, Founder & Partner 100X.VC and Board Member, TiE Mumbai**.

Startups have long been facing a problem of delayed realisation of their bills and receivables, particularly from large corporate buyers and government organisations. Especially in the times of COVID19 when the need for cash flow for startups is at the highest level, being MSME registered makes good sense for Startups given its numerous benefits. The Micro, Small and Medium Enterprises Development Act, 2006, MSME SAMADHAAN made provisions to mitigate the problem of delayed payment, whereby any buyer who fails to make payment to MSMEs, as per agreed terms or a maximum of 45 days, would be liable to pay monthly compounded interest at three times the bank rate notified by RBI.

Any individual or Micro and Small Industries (MSEs) startup that has innovative business ideas at near commercialisation stage can approach the Business Incubators approved under the scheme. Under the scheme, various institutions like Engineering Colleges, Management Institutions, Research labs, etc. that have in-house incubation facilities and faculty for providing handholding support to new ideas/entrepreneurs can apply in the prescribed application form. The main objective of the scheme is to promote & support untapped creativity of individuals and to promote adoption of latest technologies in manufacturing as well as knowledge based innovative MSMEs.

Benefits of the MSME registration

1. Financial assistance up to 15 lakhs for developing and nurturing an idea.
2. Financial assistance of up to 1.00 Cr. as grants in aid for the seed capital support to HIs/BIs for converting deserving ideas into start-ups
3. MSME registration helps in getting government tenders
4. Under bank loan, 15% import subsidy on fully automatic machinery



5. Becomes easy to get licenses, approvals and registrations, irrespective of field of business
6. Compensation of ISO certificate expenditure
7. Registered MSMEs gets tariff subsidies and tax and capital subsidies
8. Gets exemption under Direct Tax Laws

For more details of Atmanirbhar package and its Benefits please visit www.msme.gov.in

Other initiatives by TiE Mumbai -

In this unprecedented scenario, TiE Mumbai continues to assist Startups and has organized several webinars with investors, legal assists, Industry leaders and mentors to help entrepreneurs with much needed guidance to tide over the current situation.

Tech in new retail – Post COVID-19- While the Retail industry is getting ready to face new challenges to revive the business in post COVID-19 phase, there seems to be consensus on certain new trends. Online, whether it is Commerce, Education or Collaboration certainly seems to have gained traction. In retail, Contactless Commerce, In-store digital experiences, Integrated Commerce across new channels, In-store Social distancing, Contactless Payments etc. are emerging as new business requirements for post outbreak customers. Having an online presence will not be a choice anymore but hygiene. The webinar deliberated on the technology imperatives & opportunities from the COVID situation.

Is Your Business Ready to Face the Corona Challenge? - This was a mentoring session for start-ups in the areas of Revenue & Income Optimization, Partnerships & Alliances, Investment & Financing, Operations & People issues and Cash Flow & Financial Management.

Webinar on Raising Funding in Difficult Times – This session focused on the importance of maintaining a nibble footed, solid low-cost business model to tide over the current situation. With a crunch of liquidity and poor consumer sentiments, investors will now look for niche business models to invest in.

Content Is the New Gold – This Ask Me Anything session provided insights for Startups on Content Creation, Brand Building, Customer Engagement & Acquisition through Content, Product /Services Review & Opinions System and Consumer Analytics & Retention in the Social Media World

Understanding the Challenges of Deploying AI in Retail- AI's impact in retail is being felt across a range of functions and use cases ranging from auto-replenishment and preventing stock-outs, to automated self-checkouts to computer vision-based category analytics. This webinar explored the emerging use cases where AI is seeing deployment benefits, how retailers are evaluating between build vs buy decisions while sourcing and how retailers are navigating complex issues around user adoption, data quality, and data literacy

Ask Me Anything with Sasha Mirchandani- This session focused on how to survive the COVID situation and understanding the cash position of the company. He stressed on active communication with all stake



holders, the need to hire opportunistically, explore what will drive growth, innovative concepts of work and also dealt with challenges of managing employees/ teams.

TiE Mumbai supported The Economic Times Sales Strategy Summit – It is a virtual summit featuring live appearances and workshops by some of the greatest minds in sales and marketing. The focus of the summit was to learn how to over deliver at every stage to generate thrilled buyers. The summit also looked at key topics such as buyer journey, productive and effective sales technology, diversity and inclusion in sales force and aligning the sales and marketing functions.

About TiE Mumbai

The Indus Entrepreneurs (TiE), was founded in 1992 in Silicon Valley by a group of successful entrepreneurs, corporate executives, and senior professionals with roots in the Indus region. Since 1992. TiE has been supporting entrepreneurs by offering education, mentorship, networking and funding opportunities. The mission of TiE is to foster entrepreneurship globally through the 5 pillars of TiE : mentoring, networking and education, funding and incubation. Dedicated to the virtuous cycle of wealth creation and giving back to the community. TiE's focus area is to generate enable the next generation of entrepreneurs. There are currently 11,000 members, including over 2,500 charter members in 60 chapters across 17 countries. TiE's mission is to foster entrepreneurship globally through mentoring, networking, and education. Dedicated to the virtuous cycle of wealth creation and giving back to the community, TiE's focus is on generating and nurturing our next generation of entrepreneurs.

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