

## Supply chain management: Why it matters to your business



**LEFT:** Mr J. R. Bangera, President, FKCCI (3rd from left) presenting the inaugural address. On his right are Mr M. S. Venkataraman, Head, Supply Chain Management, Pegasus Forwarding and Uthra Logistics and Mr M. Bhaskar, Advocate and Trainer on Corporate Indirect Taxation. On his left are Mr V. Srinivasan, Joint Director, FIEO (BLR), and Mrs Dorothy Saldanha, Deputy Secretary, Federation of Indian Micro and Small & Medium Enterprises (FISME), Bangalore. **RIGHT:** A View of the participants.

FIEO in association with Visvesvaraya Industrial Trade Centre (VITC), Government of Karnataka, Federation of Karnataka Chambers of Commerce and Industry (FKCCI) and Federation of Indian Micro Small & Medium Enterprises (FISME) organized a full-day workshop on "Supply Chain Management" at Bangalore on April 27, 2012. The event was attended by 60 participants from the export-import trade.

In his welcome address, Mr V. Srinivasan, Joint Director, FIEO (Bangalore) briefed about the Federation's activities. He added that supply chain management and materials management are competitive business edge tools today. A supply chain is a system of organizations, people, technologies, activities, information and resources involved in moving a product or service from the supplier to customer. With competition growing by the day, cost reduction in business operations and yet making available various products to customers as per their requirement, come into sharp focus. The importance of supply chain management cannot be over emphasized as it has become the cutting

edge of business, after product quality and manufacturing capabilities of any business firm.

Supply chain activities transform natural resources, raw materials and components into a finished product that is delivered to the end user.

In his inaugural address, Mr J.N. Bangera, President, FKCCI, highlighted the importance of supply chain management and shared his experience in the industry how proactive planning happens, also recalling the importance of supply chain management in cost, operation and more customer satisfaction. He added that for most companies today, excellence at supply chain management won't be just a desirable goal; it will in fact become a fundamental requirement for the business to succeed and prosper.

Many companies are very early in this globalization journey, and are facing vexing challenges to the smooth and cost-efficient flow of goods across the globe. Even those companies that are well down the global supply chain curve are finding that after getting the

basics down, they encounter a whole new set of opportunities and challenges in achieving operations excellence on a global scale.

In her proposed vote of thanks, Mrs Dorothy Saldanha, Deputy Secretary, FISME highlighted the importance of intellectual property in the globalized economy and services offered by FISME. She also appealed to MSME to take advantage of the IPR Facilitation Centre (IPFC) for MSMEs. She said these facilitation centres employ qualified and trained personnel including legal professionals and patent attorneys to guide and help MSMEs secure and protect their intellectual property in a convenient and cost effective way.

Mr M.S. Venkataraman, Head, Supply Chain Management, Pegasus Forwarding and Uthra Logistics, and Mr M. Bhaskar, Advocate and Trainer on Corporate Indirect Taxation, made a presentation on various aspects of supply chain management covering the following:

- To understand the various supply chain partners

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- Their respective roles
- To improve on process
- To improve on documentation
- To improve on cost
- Customer satisfaction

With a clear focus on the above objects read along with the definition of supply chain management, the discussion was carried on individually to analyze on the various channel partners in the import and export trade process listed below:

- Licensing
- Freight forwarders
- Customs house agents
- Transporters
- Warehouse operators

- Taxation partners

Each of the above channel partner's roles and the legal framework was discussed, and also on the other channels partners given below, their role in making the import and export operation a wonderful experience:

- Risk management partners like insurance companies, ECGC, etc.
- Banks
- Inspection agencies
- Promotional agencies
- Distribution service providers
- Consultants for SCM, individual functions, cost control, manpower, etc.

The process view of the import and export and the respective documents handled by the respective above channel partners were also discussed.

Tips on supply chain management from a leading international professor were also shared and the whole focus of the above interaction was directed towards customer satisfaction, which is the ultimate result of supply chain management.

Mr Shiva Shanmugam, President-elect, FKCCI, delivered the concluding remarks. ■