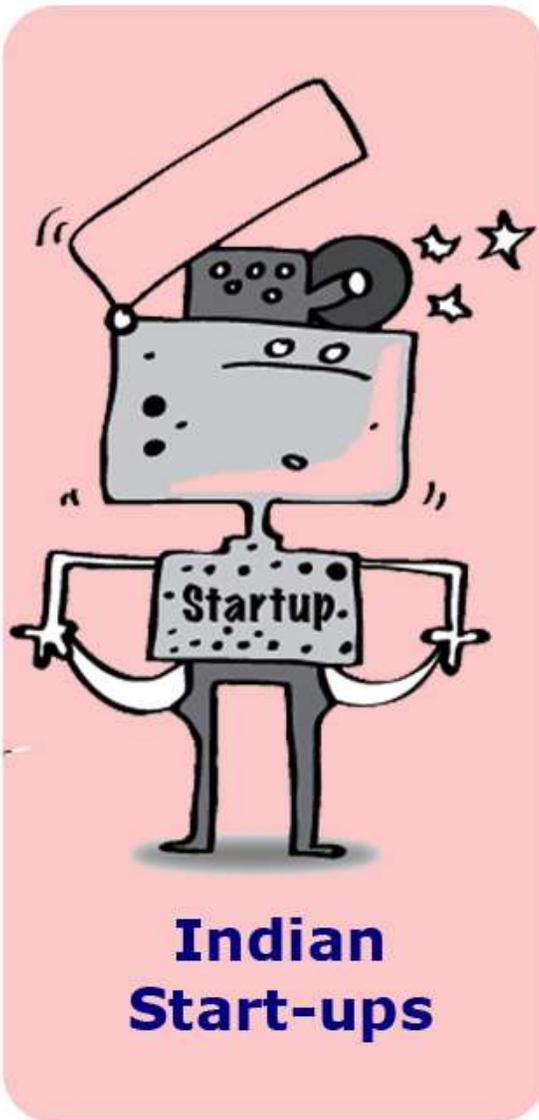


PR SENSE

Spreading Positive Vibrations

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Cover Story of the Month



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From the Desk of Editor-in-Chief



We are pleased to release the 115th (September 2016) edition of your ezine PreSense with the regular interesting contents.

The recent Cauvery dispute between Tamil Nadu and Karnataka has adversely affected the growth and economy of both the states. Our Editorial brings out the need for an urgent resolution.

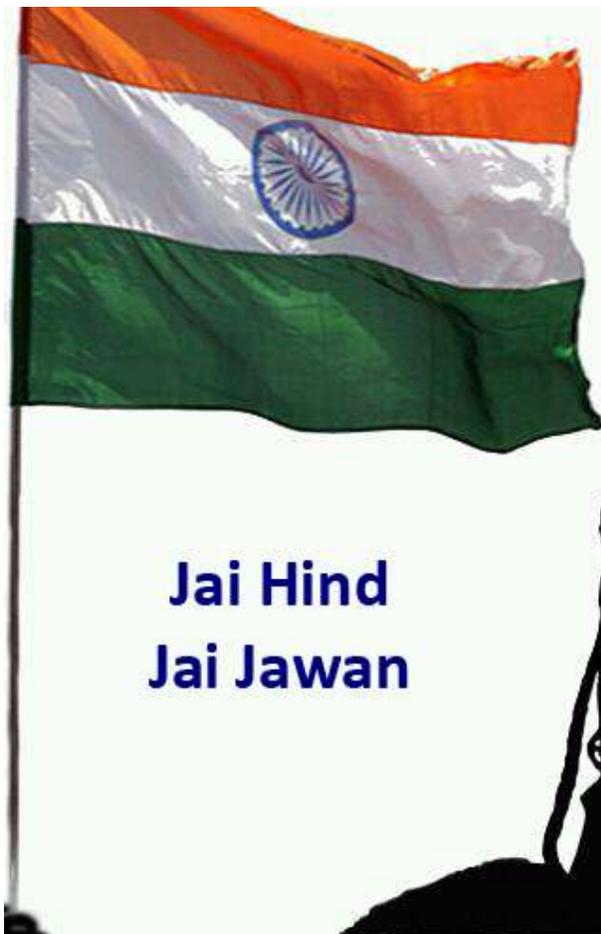
The Start-up India and Stand-up India initiatives by the Prime Minister are likely to create lakhs of entrepreneurs and job

opportunities. Our Cover Story analyses the present status and expectations.

The US Presidential Elections 2016 has captured the global interest. We bring out a special article on the impact of the campaigns. There are other articles in this issue to interest you.

We are confident that you will continue to enjoy this edition. Please share your feedback with us.

K. Srinivasan



**Jai Hind
Jai Jawan**

We Salute Our Indian Army Men

We bow our heads in a solemn mark of respect for our 18 soldiers who were martyred in Uri, Kashmir in their own camps on September 18th 2016.

As we stand in silence, we also laud and salute our Indian Army for their successful surgical attack of the launch pads of terrorists across the border of the Line of Control (LoC) on September 29th 2016, before the terrorists could infiltrate into our Indian soil and attack.



Editorial

Bridge Over the Troubled Waters of Cauvery

History tells us of many a battle fought over man's claim over land. The day has finally arrived when the battle is fought over man's claim over water.



The recent riots in the southern states of Karnataka and Tamil Nadu over the Cauvery River dispute are proof of this. The only outcome of the riots is loss of lives and property, and no solution. The trigger for the violence was the dispute over the sharing of the waters of the River Cauvery between two southern states through which the river flows.

Water is a natural resource and like other natural resources, is getting scarcer by the day, due to adversely changing climatic and environmental conditions. Many river basins are therefore getting depleted of its surplus water. Even then, scarcity is a relative phenomenon. While there might be sufficient water in the world to satisfy the needs of life, its regional and seasonal distribution is uneven, leading to scarcity in certain regions and during certain seasons. Unabashed population growth adds to this demand crisis.

The upper-riparian State of Karnataka is in a position to call most of the shots, irrespective of court orders and central government directives. Karnataka has claimed that it is unable to release water to its neighbouring state when it is reeling under drinking water scarcity. Tamil Nadu meanwhile, appeals for its farmers who are affected by water scarcity caused by insufficient rains and river water for their livelihood – their crops. Selfish political influences in the decision of public policies have aggravated the public water distribution crisis, remaining unresolved by negotiations and court directives.

Dr A.P.J. Abdul Kalam, during his tenure as President of India, spoke of a National Smart Waterways Grid to harness water from surplus river basins to feed water deficient river basins. As far back as the late 1970s, Dinshaw Dastur, a senior consultant engineer had proposed a plan called the Garland Canal Scheme. It envisaged the construction of two mammoth canals, one along the foothills of the Himalayas to catch the snowmelts, and the other around the southern and central plateau of the country, and connecting the two canals by a series of pipelines. This ambitious project has remained in the backburner since then, for want of political resolve, and probably due to its high project cost too.

The Damodar Valley Corporation (DVC) was commissioned in 1948 as an autonomous body, and controlled and managed the flood-prone Damodar Valley that affected the states of West Bengal and Bihar (now Jharkhand). Under its independent and professional management, DVC has been successful managing the equitable distribution of the river water to the states. Mr B.S. Raghavan, IAS as a former Chief Executive of DVC, vouched for the independence and effectiveness of DVC in taking care of the interests of the two states. A similar autonomous body entrusted with the task of the Cauvery River Basin Management is a solution Mr Raghavan recommends, based on his experience with DVC.



Israel showcased itself in a recent exhibition called "Open A Door To Israel" in the city of Bengaluru. It displayed the country's technological advancement in micro drip irrigation, which claims to reduce the use of water for irrigation by 50 per cent. Israel, once known for its arid terrain, has made a tremendous turnaround. It now claims to be a water surplus country. This has been achieved largely due to its rapid strides in technologies like drip irrigation, waste water recycling and desalination. The same techniques have also been adopted by drought hit countries like Paraguay and parts of the United States like California.

The final call for a permanent solution to the Cauvery Water dispute lies with the political will to resolve – either by nationalisation of the rivers and waterways for equitable distribution of water to all the states, or by institution of an independent body, similar to DVC to control and manage the Cauvery for fair and equitable distribution to the southern states that depend on it for its lifeline of agriculture and drinking water needs, or else adopt technologically advanced steps as drip irrigation, waste water recycling or desalination.

Mutual discussions and negotiations between the affected states for a solution having failed, this is no longer an option.

By Susan Koshy, Editor
With input from T N Ashok, Editorial Advisor

Impact of GST on people - An analysis



The 122nd Amendment bill of the Indian Constitution to enable the introduction of GST (Goods and Services Tax) was passed by the Parliament and the required number of State Assemblies. President of India has given the assent on 8th September 2016. In the next Parliament Session, the Government is likely to introduce further bills to implement the GST from 1st April 2017.

On behalf of PreSense, K. Srinivasan, Editor in Chief, interviewed M R Venkatesh, well known Chartered Accountant and Economist to understand the impact. While welcoming the concept of GST, he does not agree with the theory that GST can bring in a 2% growth in the economy.

He cautions that multiple tax rate may create more inflation. He is of the view that while car prices may come down, the restaurant bills and telephone bills may go up, affecting the common people. If the tax rate is fixed at 16%, it will control the inflation. He recommends that the Government improve the technology to handle such huge volume of invoices and also frame suitable policies to settle inter state disputes.

Please listen to his interview (8 minutes)
<https://youtu.be/8oDQBoAKy0o>



Cover Story

Creating Entrepreneurs to Generate Job Opportunities – Start-up India Scheme

Dr Abdul Kalam, late former President of India, nurtured a fond dream that consisted of his two desires for India. He shared those desires whenever he interacted with students. These were (1) 'one million' entrepreneurs to be created to generate a 'hundred million' job opportunities. (2) In the same breadth, he also expressed his concern that the Innovation Index of India was ranked far below 50. He wanted India to be in the top 10. (As per 2016 Global Innovation Index, India's rank is 66 out of 128).

Emergence of the Start-up Culture



After 2010, the Start-up culture entered India with many investors showing interest in tech start-ups. According to the latest study, India ranks third with around 4200 initiatives in India for Tech Start-up, standing next to US (47,000) and UK (4500).

The announcement by the Indian Prime Minister Narendra Modi from the Red Fort of Delhi during his Independence Day (August 2015) address about the

Start-up India Scheme, and its subsequent formal launch in January 2016 has made a powerful impact on the potential entrepreneurs in India. Modi's Start-up India and Stand-up India Scheme coupled with Make-in-India, Digital India, and Skill India Schemes are aimed at creating more entrepreneurs and job opportunities.

The tertiary education (college) system in India has always prioritised preparing the students for employment and not entrepreneurship. "Nowadays, youngsters want to be on their own. They have the potential for entrepreneurial skills. Technology has already changed the way of business. I feel technology can generate more entrepreneurs. They need to learn the expertise to package their products and services to suit the demands of the customers. The awareness should be brought about from the Higher Secondary School level itself", said K T Jagannathan, Associate Editor, The Hindu.

Start-up India and Stand-up India Schemes:

While launching the Start-up India Scheme on 16th January 2016 at Vigyan Bhavan, Narendra Modi said "Start-up India is a revolutionary scheme that has been started to help the people who wish to start their own business. These people have ideas and capability, so the government will give them support to make sure they can implement their ideas and grow. Success of this scheme will eventually make India, a better economy and a strong nation".

The purpose of the Scheme is to support potential entrepreneurs. The Government of India provides tax exemptions, if the Start-up entities with 'innovation' component, register through their site www.startupindia.gov.in.



The Government of India has also advised 1,25,000 bank branches to provide financial assistance to a minimum of two greenfield enterprises viz. (1) SC/ST entrepreneur and (2) women entrepreneur. By the end of March 2017, the banking industry is likely to create 2.50 lakh (250,000) new entrepreneurs with financial assistance ranging from Rupees 10 lakhs (1,000,000) to 1 crore (10,000,000) each. Since these loans are guaranteed by the National Credit Guarantee Corporation, the banks provide finance without collateral security. In some cases, subsidy is also provided.

It is also understood that every week on Wednesday, one senior government official follows up on the progress of the scheme through Video Conferencing with the Managing Directors of the banks.

Tech Start-ups

At the end of 2015, India had more than 10,000 Start-ups, which included around 4200 Tech Start-ups. Bengaluru City hosts nearly 30% of Tech Start-ups, followed closely by Delhi-NCR. Mumbai, Chennai, Pune also have a substantial number of Tech Start-ups.



Earlier till October 2015, too much of hype was created over these Tech Start-ups. "These start-ups were valued, not based on sound business or financial fundamentals. It was like a bubble. These Start-up companies focussed on valuation and not on values. We do not need start-ups which will implode in 4 years", said Deepa Seshadri, Chartered Accountant and Management Consultant.

Since the launch of the Start-up India Stand-up India Scheme in January 2016, the Start-up ecosystem is getting stabilised. It is estimated that by 2020, India will have 12,000 Tech Start-ups.

The study, conducted by Assocham recommended that aligning 'Start-up India' with 'Make in India' and 'Digital India' campaigns had the potential to expand the domestic ecosystem for new entrepreneurs.

Stages of Start-ups

According to Shyam Sekar, Chief Mentor and Founder of Startup Xperts, a business strategy consulting company for start-ups, any Start-up should pass through the following stages to become stable. Broadly, this concept applies to all new greenfield enterprises.

- Idea validation
- Formation of the company
- Building up of prototype product and test marketing
- Initial customer acquisition
- Building brand image, PR strategies, marketing strategies



- Scale up – Continuous research on customer expectation – Provide great customer experience, thereby creating value for the customers and also their entity
- Stability

Salin Amanda Louis, Co-Founder of Persona, a Horizontal Leadership Strategy consulting firm, said that three things were important for the sustainability of any business, irrespective of its being a start up or an MNC. They are business strategy, branding strategy, and marketing and communication strategy.

Funding

If the entrepreneur has a good idea that can be validated or developed, they can look for ample sources for funding their projects, like bank loans, bootstrapping, angel funding, venture capital, private equity, etc. Right from the beginning, they need to take the help of Mentors and Advisors.

The eligible greenfield enterprises can apply for bank loans under this scheme through www.standupmitra.in or directly with any bank branch. Banks can provide financial assistance upto Rs.1 crore.

Challenges

It is understood from various sources that nearly 75-80% of Start-ups fail in the post-product development stage. It is said that nearly 40% of the Start-ups fail even before 18 months of their coming up.

Arvind Thyagarajan, Founder and Chairman of HD Medical Group in Silicon Valley, USA said that the Start-ups in India failed because their investors did not believe in fundamentals. "Now it is getting matured in India. In USA, only 10% of the Start-ups fail. They believe in the fundamentals of business. In India, even a mobile app gets hyped, without understanding the usage and revenue model", he added.

In Silicon Valley, importance is given to 'problems' to develop the 'solutions'. On the other hand in India, the entrepreneurs first develop their 'technological solution' and then look for the market and problems to employ them.

Arvind Thyagarajan has more than 60 patents in his name. Inspired by Dr Abdul Kalam, he wanted to be an innovator cum entrepreneur in the early 2000s. Since he did not get proper support in India, he shifted to Silicon Valley, where he succeeded as an entrepreneur. He also mentors youngsters in USA to become entrepreneurs.

When asked about the reasons for failure in the post product development stage, he said, "In Silicon Valley, importance is given to 'problems' to develop the 'solutions'. On the other hand in India, the entrepreneurs first develop their 'technological solution' and then look for the market and problems to employ them. Products or services should be relevant to the market. I am strong in technology. When I moved to Silicon Valley, I found a Mentor for Business Strategy. In India, the entrepreneurs do not go to good 'Mentors' for the areas they are not competent. They assume that they have the expertise for every aspect. Technical entrepreneurs do not plan and budget for good marketing strategies. Indians are

What is Stand-Up India

Stand-Up India Scheme Facilitates bank loans between ₹ 10 lakh and ₹ 1 Crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrower per bank branch for setting up a greenfield enterprise. This enterprise may be in manufacturing, services or the trading sector. In case of non-individual enterprises at least 51% of the shareholding and controlling stake should be held by either an SC/ST or woman entrepreneur.



highly conservative. Money spent on Branding, Public Relations and Marketing Strategies are investments. Americans succeed because of their proper planning. In India, our people do not 'plan' to fail. But they 'fail' to plan".

Vikram Kharvi, Marketing Communication Strategist, Adfactors PR, Mumbai agreed with Arvind Thygarajan. He added, "Many entrepreneurs think marketing means burning money in advertising for customer acquisition. Very few have the long-term vision on how they should be looking at their brand and how they would build it brick by brick. They want quick solutions to everything; everyone wants to jump onto the digital bandwagon, without evaluating what the right strategy is for them. Not every start-up entrepreneur values professional advice as they start assuming that their products are the only right thing to happen to mankind."

Not every start-up entrepreneur values professional advice as they start assuming that their products are the only right thing to happen to mankind

Suggestions:

While preparing for this cover story, we had discussions with many bankers. While the Government of India is monitoring the progress of the Stand-up India with the management of the Banks on a weekly basis, the Scheme has not percolated down to the bank branch level. Many Branch Managers are not aware of this loan scheme.

Many entrepreneurs are also not aware that they could apply for loans through www.standupmitra.in. While the target for the banking industry for FY 2016-17 is 2.50 lakh greenfield enterprises, only around 8000 entrepreneurs have applied through this portal.

Much confusion prevails over the incubation, though the Government has authorised some incubation centres for certification purposes. There can be innovation in the non-technical areas like management, education, communication, etc. The Government should recognise such innovations too. Business incubation centres and Technology incubation centres may be set up at various educational institutions to provide for and handhold potential entrepreneurs.

While the Government of India is monitoring the progress of Stand-Up India with the Management of the Banks on a weekly basis, the Scheme has not percolated down to the bank branch level. Many Branch Managers are not aware of this loan scheme.

During the course of discussions with various entrepreneurs, we observed that while they were highly competent in their respective technology skills, they did not have sufficient knowledge about business and marketing strategies. Hundreds of successful Indian entrepreneurs like Arvind Thyagarajan of Silicon Valley offer their services to support Indian entrepreneurs in all aspects. The Government of India

should connect with these groups and take it forward.

While PreSense appreciates the laudable efforts of the Prime Minister to achieve the goal that was also the vision of Dr Abdul Kalam, PreSense suggests that sustained efforts and campaign be taken up immediately to make this Scheme a great success.

By K Srinivasan, Editor in Chief



International

US Presidential Elections- A Few Snap Shots

The American Presidential Election is set for November 8th this year. The poll campaign that began about 16 months ago is considered as one of the weirdest. A rank outsider to the Republican Party - Donald Trump - with a dubious reputation as a billionaire businessman

PRESIDENTIAL ELECTION 2016



finally stole the party nomination for the President's office, throwing aside many established Republican candidates. Exploiting American's dread of the Islamist terror, he promises to ban the entry of Muslims to USA. Trump wants to drastically cut taxes to benefit the wealthy (who pay far lower tax than the middle class) in order to stoke domestic investment and generate jobs. Another of his promises is to deport millions of illegal Hispanic (mainly Mexican) immigrants and erect a border wall between USA and Mexico (at its

cost) to prevent future influx. He holds African-Americans and Hispanics as mainly responsible for crime. He accuses China and other emerging economies (India, where he has sizeable investment, is not named) of stealing American jobs and vows to punish those countries with strict trade barriers. Trump accuses President Obama and Hillary Clinton of being responsible for the rise of the terror outfit, ISIS. He attempts to polarise the conservative white (about 155 million) and non-white (about 76 million) voters. And, Trump seems to be succeeding, as the latest opinion polls show a very close race.

Hillary Clinton, the Democrat's nominee, faced a stiff challenge from a new comer to the party - Bernie Sanders. The latter rallied the young and disadvantaged voters, who are angry because of rising cost of education, low wages, scarce jobs and economic insecurity. He promised to waive off student loans, tax the wealthy and take steps to reduce rising income disparities. Hillary could manage to get the final nomination only after she embraced Sander's progressive agenda. It is for the first time that a woman, with considerable administrative experience and community service, is contesting for the presidency. One expected Hillary to excite the voters and enjoy an edge. But it has turned out to be an uphill battle. As most commentators have noted, Hillary's capacity to hold the highest office is under much greater public and media scrutiny than that of Trump and there are hints of gender bias.

Gender Gap

It was less than 100 years back when American women got the right to vote and now they constitute more than 50 percent of the voters. Most observers state that the outcome of the November poll will largely be decided by the women voters. If they turn up in sufficient numbers, the voter gender gap could make a difference to the range of 5-15 percent. In the recent few elections, women have preferred Democrat over Republican candidates. Issues that agitate women voters are wage differentials between men and women (that Hillary wants to bridge), and the plight of single women (55 million) who face job insecurity. More



white, older men have voted for Republican and they also generally turn up in more numbers on voting day.

Diversity

One in three eligible voters this year, according to the esteemed Pew Research, will be Hispanic, African-American, Asian or another minority. This group has generally voted in larger numbers for the Democrats.

However, there are worries about the registration of eligible voters. Unmarried women, people of colour and millennial - known as Rising American Electorate (RAE) numbering about 133 million make up a diverse group; they are also under-registered (American election commission is not supposed to run a drive for voter registration), under-informed, and generally exploited. 75 million of RAEs did not vote in the 2014 election cycle.

Media & Presidential Poll

The 2016 Presidential election has come to be regarded as the first social media election. Twitter, Snapchat and Facebook have become the candidates' media of first choice, replacing television. The Republican nominee, Donald Trump dominated the others in employing the social media for expressing his opinion on election issues. His bombast linking Islam, Muslims, and Jihad with terror and his intention to ban Muslims entry into USA, generated over 200,000 likes and dominated the social media conversation. It eclipsed all key election issues such as economy and security. The mainstream media such as television, radio and newspaper, got their news from the social media, and in turn the social media picked up news and commentaries from conventional media. The candidates were able to directly connect to the people without the intermediation of mainstream media.

This has come to be called 'Snapchat Election'. Snapchat set up special teams to cover the campaign and its videos reached audiences instantly. As Snapchat decided to remove its content every 24 hours, campaign managers had to push new content with new angles and new issues. Here again, Donald came up with a trump by making most controversial claims about President Obama's birth, government support to ISIS, and massive job losses.

Was Donald Trump a Media Creation?

Many people including President Obama have blamed the media for building up Donald Trump and not subjecting him to scrutiny. According to New York Times, he received free publicity worth about \$1.9 billion. According to the popular radio host, John Zeigler the media had vested interest in playing up Trump's outrageous, even preposterous statements as it brought more eyeballs and revenue. A communication expert wrote in www.politico.com, 'If media is complicit, so be it. But media did not create the Trump political phenomenon. The real origin is far more interesting: Trump artfully created the media that in turn created Trump'.

By S. Narendra, Former Information Advisor to Prime Ministers

(The author is Shri S Narendra, who wrote this article on the special invitation of PreSense. Shri S Narendra has served four Prime Ministers from Shri Narasimha Rao to Shri Vajpayee. He was the Chief Spokesperson of Government of India for 7 years. He is the Guru for many Indian communication professionals, which includes Prime Point Srinivasan, Editor in Chief of PreSense.)



Nation

PreSense Submits Suggestions on NEP2016 to MHRD

The Ministry of Human Resources Development (MHRD) of the Government of India has published in their site the draft copy of the National Educational Policy 2016 (NEP2016) prepared by them. They have requested all stakeholders to debate and submit their recommendations and suggestions to MHRD before 30th September 2016.



The eMagazine PreSense and the Sansad Ratna Awards Committee organised a seminar at Dr MGR Janaki College of Arts and Science for Women, Chennai on Saturday the 3rd Sep 2016. Susan Koshy, Editor of PreSense welcomed the audience and explained the purpose of the seminar. Sivakeerthi, education consultant and Bhawanesh Deora (Secretary, Sansad Ratna Awards Committee) coordinated the programme.

The programme had two panel discussions. The first one was on 'School Education' and the second one was on 'Higher Education, Research and Governance'. R Nurullah, senior journalist moderated both the panel discussions.

P Ravi (Regional Director of National Institute of Open Schooling), Dr Jahitha Begum (HOD, Department of Education, Gandhigram Rural University) and Lakshmi Radhakrishnan (Former Chairperson of Madras Dyslexia Association) were the panelists for 'School Education'.

In the second panel, Dr A Kalanidhi (Former Vice Chancellor of Anna University), Dr Sudarsan Padmanabhan (Associate Professor of IIT Madras), Dr R Jagannathan (Former Vice Chancellor of Middle East University, UAE) and Harish Metha (Secretary, SS Jain Education Society) shared their views on higher education.

The participants also shared their suggestions for incorporation in the recommendations. A Sub-Committee with Dr Jagannathan, Dr Sudarsan Padmanabhan (both our Editorial Advisors) and Ramesh Sethuraman (Technology expert) prepared the recommendations. Our recommendations were submitted personally to MHRD on 26th September 2016.

Recommendations of PreSense submitted to MHRD can be downloaded from <https://goo.gl/kUYCM8>

By K. Srinivasan, Editor in Chief





PRince

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**DON'T WORRY ... BOLLYWOOD WILL
TAKE REVENGE OF **URI ATTACK...**
BY MAKING A **FILM...** ON IT...**



From the Archives of Sep 2010 Edition – Avoiding Miscommunication – An Interesting Procedure in the Indian Railways and Airlines



Two persons – the Loco Pilot and the Assistant Loco Pilot operate the locomotive. Due to the high decibel noise in the cab (where the pilots are seated), oral communication between the two is likely to be distorted. To avoid this, Indian Railways follow an efficient system. The Assistant Pilot would watch the signal positions and alert the Main Pilot.

When the Assistant Pilot sees 'Green Signal' about half a kilometer in advance, he would shout at the top of his voice like a military commander, "Signal Proceed". On hearing this, the Main Pilot will also sight the Signal and shout back in a high pitched voice like a military command, "Yes Signal Proceed". In a similar manner, they would use other commands like "Signal Caution", "Signal Attention", "Signal Danger". In spite of the noisy environment in the locomotive, they would be able to get the commands right. It is reported that so far, no accident has taken place due to 'miscommunication'. Any accident would have occurred due to 'misinformation'.

In the airlines, there are two pilots (Commander and Co-Pilot) operating the aircraft from the cockpit. While, one of the pilots would be in conversation with the ATC (Air Traffic Controller), the other pilot would be monitoring the conversation.



Even at the ATC end, one officer would be giving the command to the aeroplanes and another officer would be monitoring with his headset to avoid miscommunication and misunderstanding.

When the ATC says "Air India 123 Mumbai Control Climb flight level three-six-zero", the pilot from the aeroplane would repeat the words, while the other officers would monitor their conversation. To avoid miscommunication, they use three-six-zero, instead of three hundred and sixty.



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