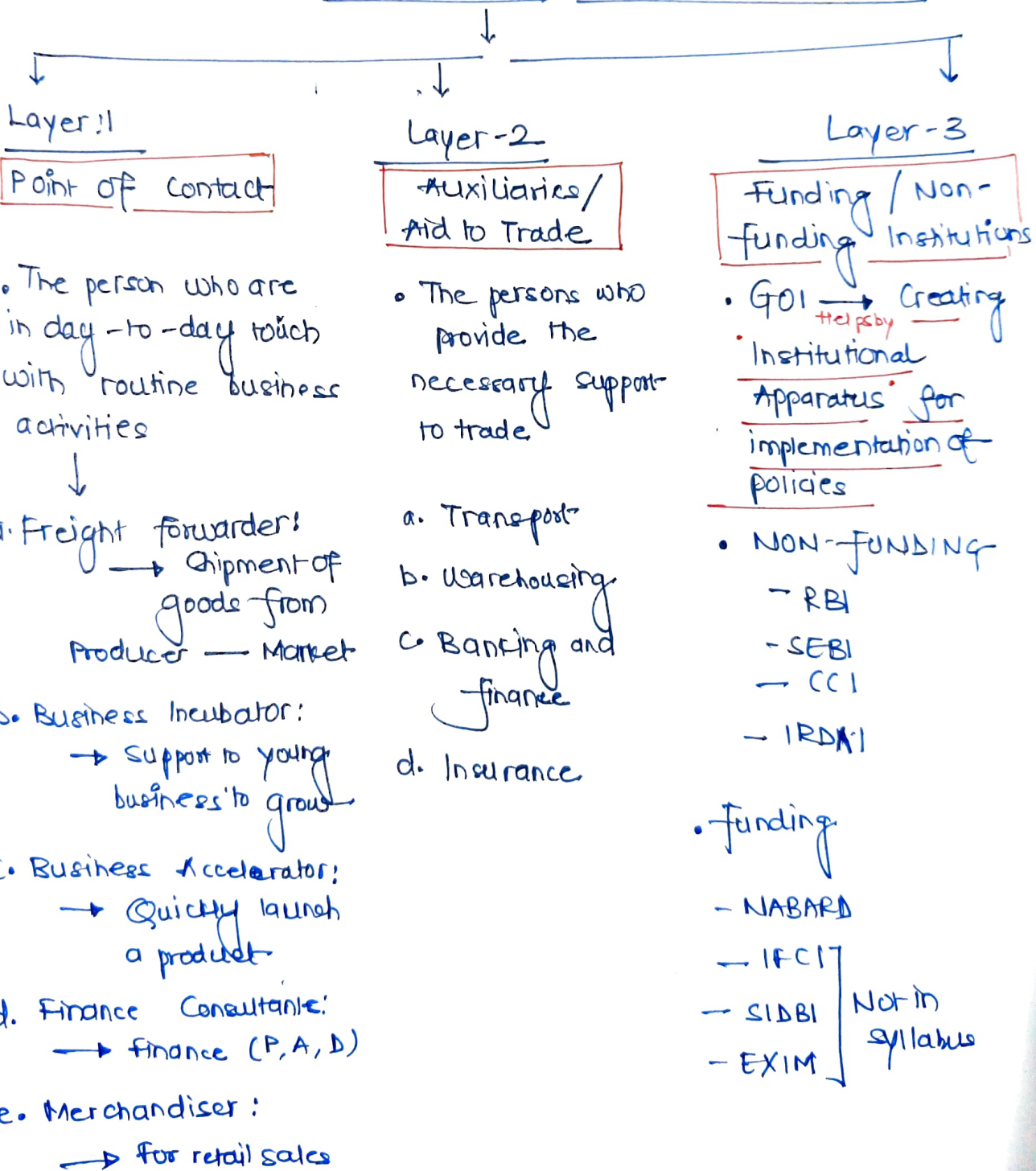


Organisations Facilitating Business
SUPER SUMMARY

- Business facilitators: Institutions/Organisations who operates to ease the doing of business

THREE LAYERS OF BUSINESS FACILITATORS



Layer-1

Point of Contact

The person who are in day-to-day touch with routine business activities

- a. Freight forwarder: Shipment of goods from Producer to Market
- b. Business Incubator: Support to young business to grow
- c. Business Accelerator: Quickly launch a product
- d. Finance Consultants: Finance (P, A, D)
- e. Merchandiser: for retail sales

Layer-2

Auxiliaries/Aid to Trade

The persons who provide the necessary support to trade

- a. Transport
- b. Warehousing
- c. Banking and finance
- d. Insurance

Layer-3

Funding/Non-funding Institutions

GOI helps by Creating Institutional Apparatus for implementation of policies

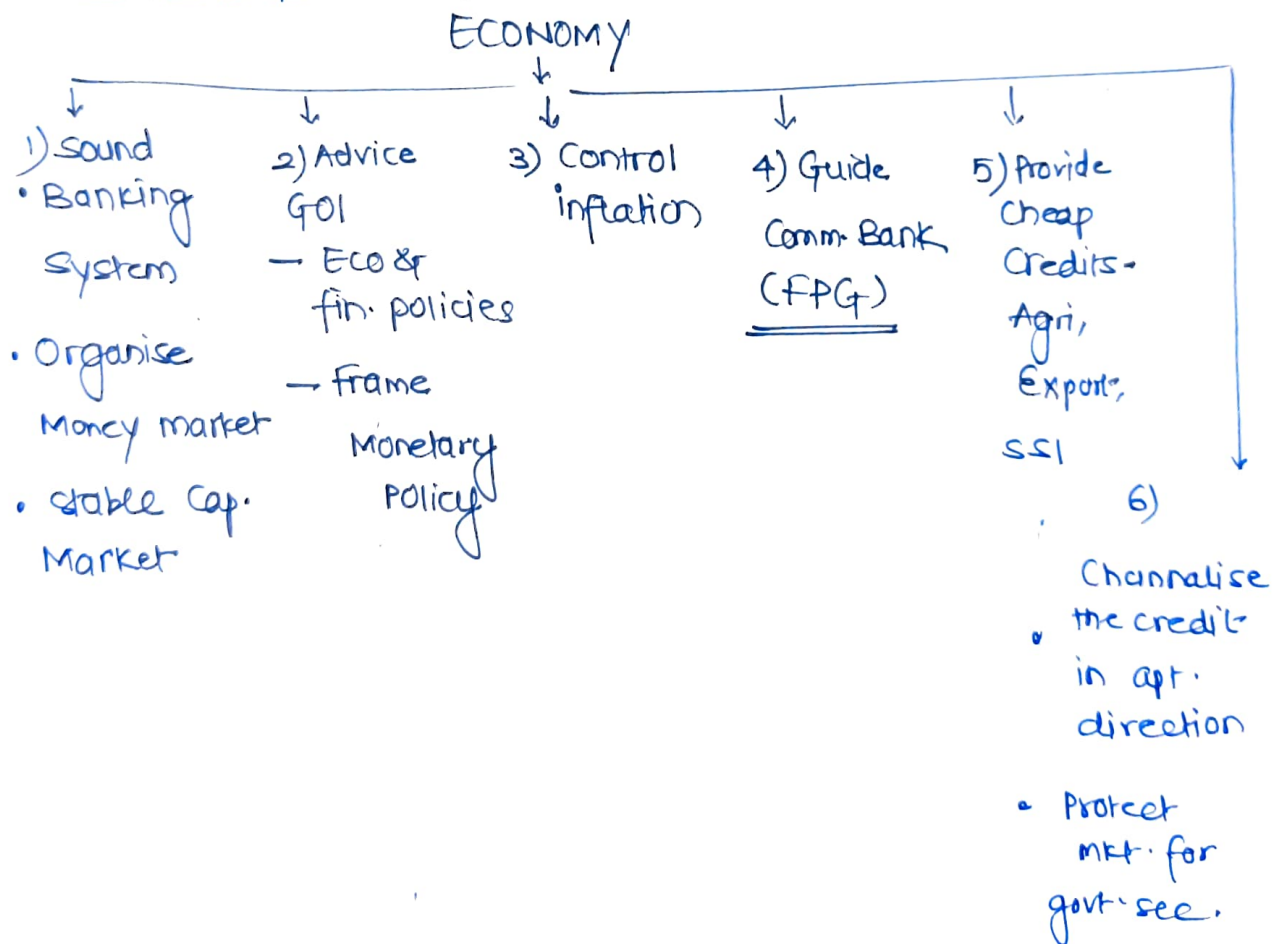
- NON-FUNDING:
 - RBI
 - SEBI
 - CCI
 - IRDAI
 - Funding:
 - NABARD
 - IFCI
 - SIDBI
 - EXIM
- Not in syllabus

RESERVE BANK OF INDIA

(2)

- 1) Date of Establishment: 1st APRIL, 1935
- 2) Acts: Main: RBI Act, 1934
Act (powers): Banking Regulating Act, 1949
- 3) Past: • Private Owned started with 5 cr capital
• Nationalised: 1949
- 4) Head office: Earlier, Calcutta
Now, Mumbai (1937)
- 5) Governed by: CBD - Central Board of Directors (GOI)

6) ROLES OF RBI



7) functions of RBI

(3)

• Issuance of Currency → NOTES, except ONE RUPEE NOTES and SUBSIDIARY COINS

• Controller of Credit → ↑ credit → ↑ purchasing power
↓
TO stop ---- becoming ----
INFLATION
— Quantitative and Qualitative Tools are used.

• Banker of Govt

→ Transactions of CG, SG

- Accepts money
- Makes payment

→ Gives advice on loan

• Public Debts are managed

• 'Gilt - Edged Markets' - operates

[Govt. securities Mkt,

Main Players: LIC, GIC, PF

Huge Money flow

RBI controls --- OMO]

→ In case if liquidity increases,
sells Treasury Bills.

→ Advances → CG, SG with 90 days
repayment terms

→ Policy making advice

(Agr. finance, Industrial finance,
International finance)

→ Custodian of FOREX RESERVES

- Maintains external value of Rupee (INR)
- short-term Trade don't impact much
- BOP - Too much deficit then borrows from IMF
- Reserves are used for meeting BOP

• Bankers' Bank

- Friend & Guide & Philosopher
- RBI decides the CRR for Scheduled Banks
- Controls Credit Positions
- Financial Assistance
(Advances, Loans, Bills are also discounted)
- Inspection
- Call for information
- Sch. Banks are decided by RBI (Sch. II)

• Data Collection & Promotion of Banking in Public

Q) HOW RBI DOES BUSINESS FACILITATION

(5)

Currency Policy

National

Resp. of

- Monetise
- Demonetise
- Remonetise

(All business, economy are dep. on money)

International

- Facilitate Overseas Business Transactions
- Role in EXCHANGE RATE determination

Credit Policy

• No direct funding

• Policies - Impact

Whole economy

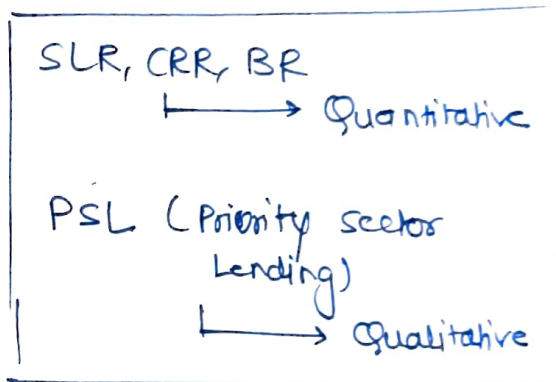
Particular sector

• SLR, CRR, BR

- Huge impact on channelising money

• Commercial Banks

→ Business.



• BANK RATE : RBI $\xrightarrow{\text{Lending}}$ CB $\xrightarrow{\text{Lending}}$ Business (sector)

• LOAN PATTERN : DIRECT LOAN

✓ Rediscounting (Buy Back) of Govt. sec LT-Bills

* BASIS POINT : 1% - - - 100 Basis point

→ Finance → Life - Blood of Business

↓
• Well-developed financial system

↓
Economic Development

→ Developing financial system (RBI)

CONTROLS

- Com. Bank
- NBFC

CONTROLS

- ~~MRRR~~ SLR
- CRR

Sending this controlled money

↓
Development Bank

↓
use it for apt projects.

†

RBI Controls system of

- Paper Based funds.
- Digital Payment
- fund Transfer Mech.

SEBI

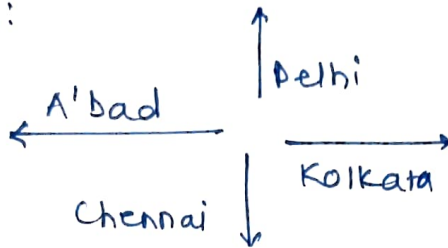
Securities And Exchange Board of India

1) Date of Est: 12th April, 1988

2) Mother (Main) Act: SEBI Act, 1992 (30th Jan, 1992)

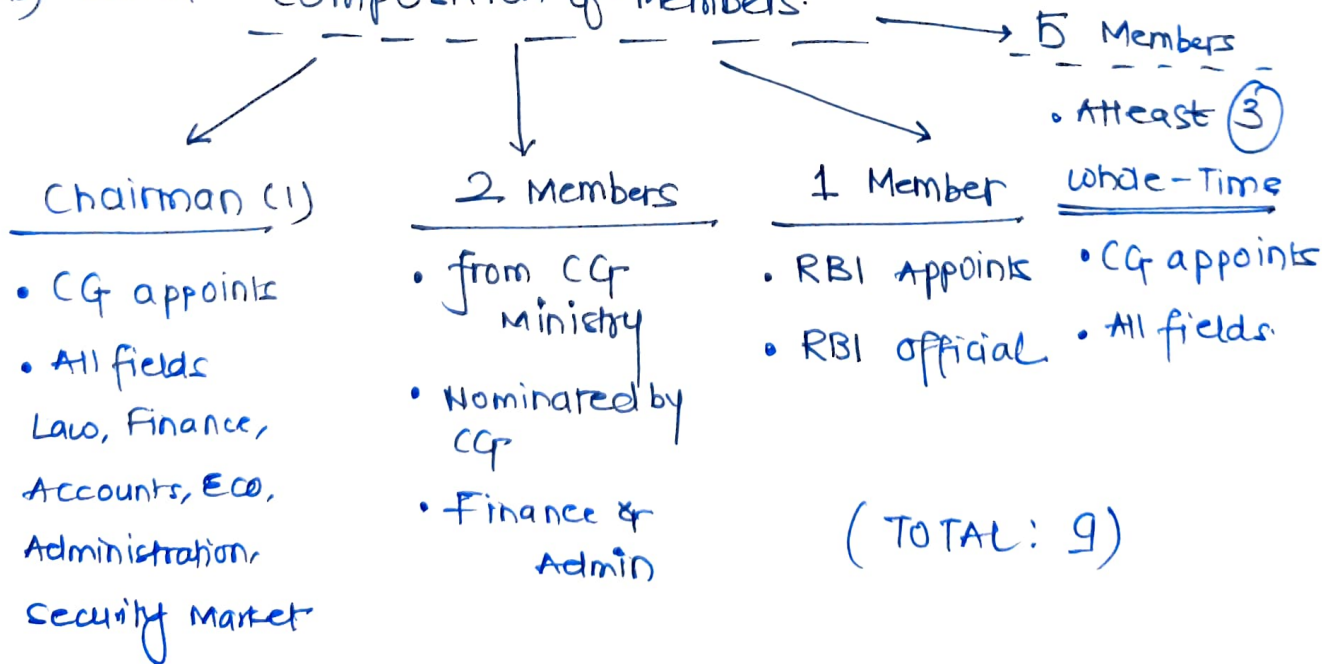
3) HO: Bandra Kurla Complex, Mumbai

4) Regional office:



5) Before SEBI: CCI - - - Controller of Capital Issues
↳ Capital Issues Control Act, 1947

6) SEBI - Composition of Members.



7) Functions:

Responsible

↳ Issuer of security

↳ Investor

↳ Market Intermediaries

8) 3 IN 1 ROLE OF SEBI

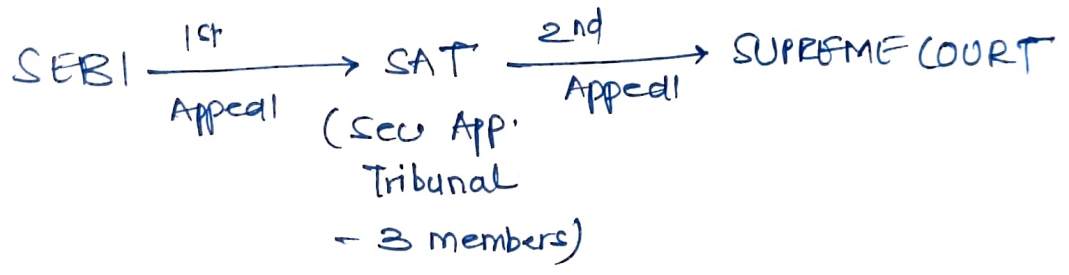
↳ Quasi-Legislative: Draft Rules/Reg.

↳ Quasi-Judicial: Pass Judgement

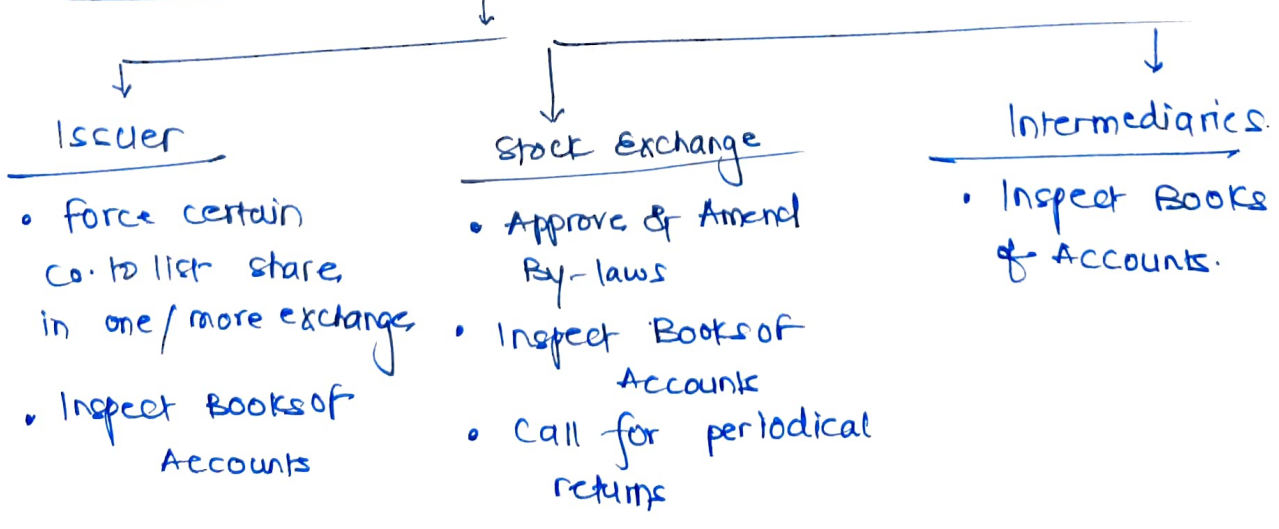
↳ Quasi-Executive: Investigation, Enforcement action

9) SEBI is POWERFUL

But to create accountability there is an appeal process



10) POWERS



11) Concluding points about SEBI (=Facilitator)

(9)

- Co. list on stock exchange
so, co. are able to access capital market for fund requirement
- Check trading of above stocks on stock exchange
- Protect Investors from fraud
↳ Constant watch --- co, broker etc.
- Ensure steady flow of fund
- Promotes Overseas participation in Indian Capital Markets.

Competition Commission of India

- Date of Establishment: 14/01/2003
 - Form: Body Corporate
(SLE, Perpetual Existence,
Common Seal)
 - Act: Competition Act, 2002
↓
Amended by Comp. (Amendment) Act, 2007
- | |
|-----------------|
| • Members: 1 CP |
| 6 Members |
| CCP (Apt) |

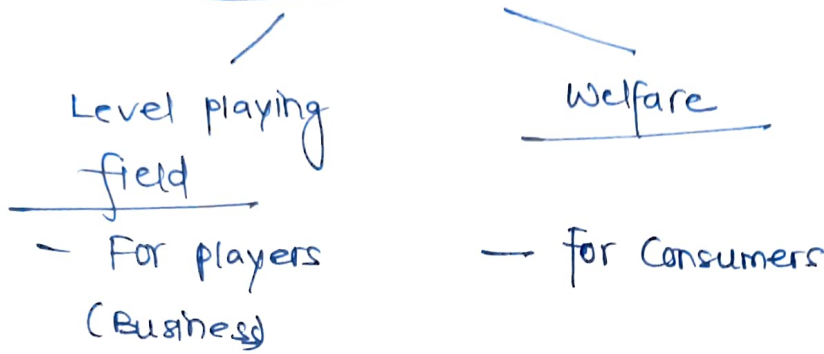
ROLES

- a) Remove - Unfair Business Practice
- b) Penalise - Erring Entities (which keep on cheating the customer, don't follow the rules)
- c) Promote - Healthy Competition - - - NO MONOPOLY
- d) Remove - Practices having adverse effect on Competition
- e) Promote - Freedom of Trade
- f) Protect - Consumers.
- g) spread → Information on benefits of competition in Indian Economy

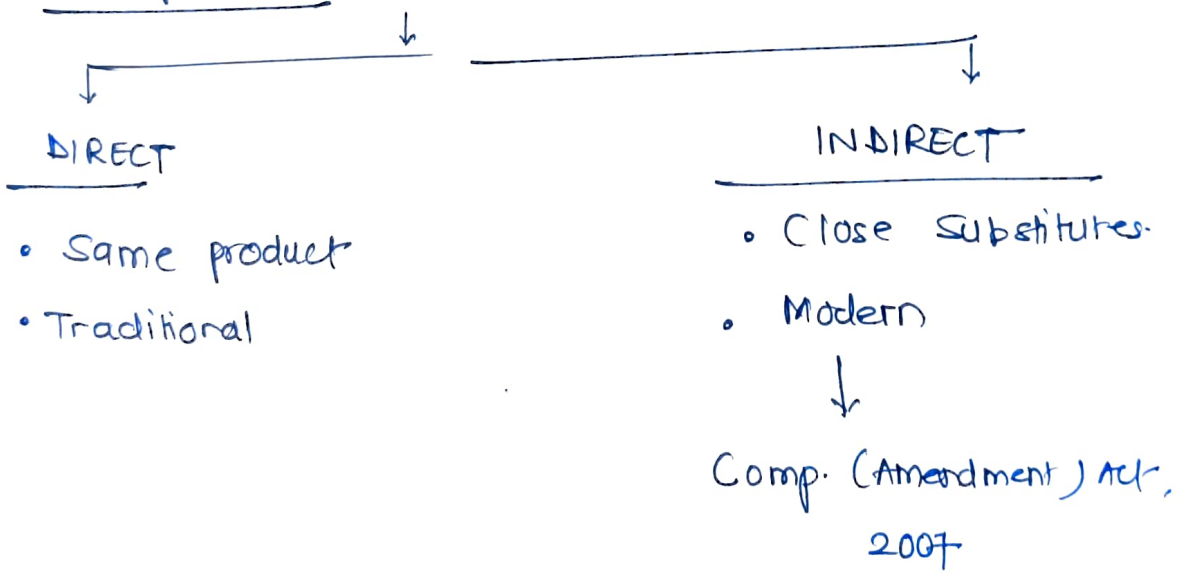
* IS COMPETITION GOOD?

- Competition ↑ Producers Innovation ↑ Cost ↓
- Choices ↑

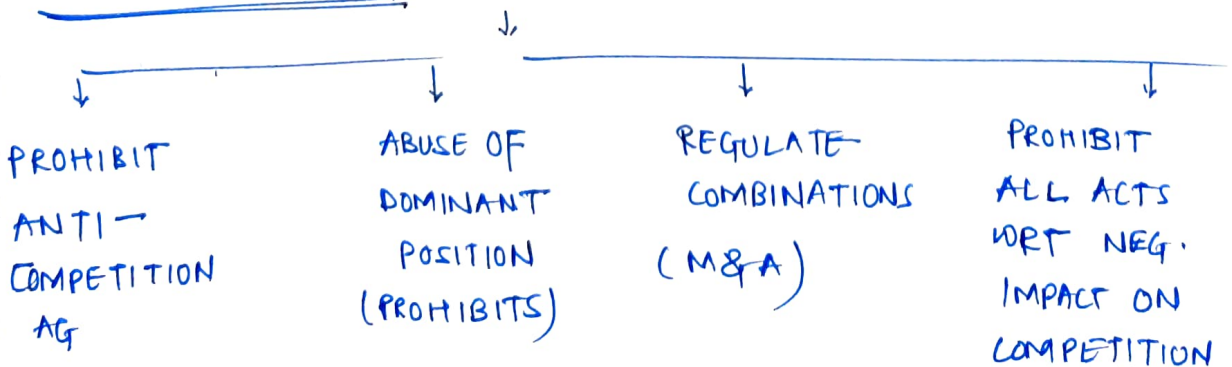
* CCI --- FAIR COMPETITION



* Competition



* CCI MISSION

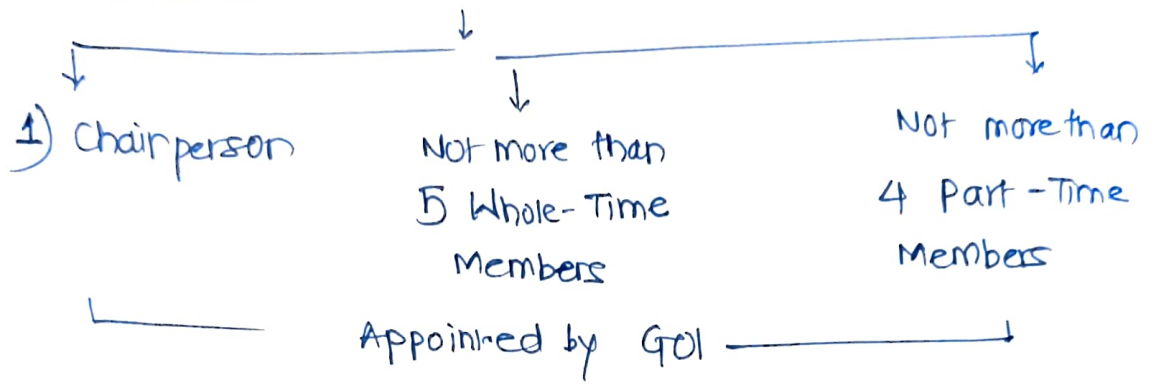


IRDAI

Insurance Regulatory and Dev. Authority
of India

- Sector: Insurance
- Date of Est: 14/Oct/2003
- Act: IRDA Act, 1999

MEMBERS



Objectives

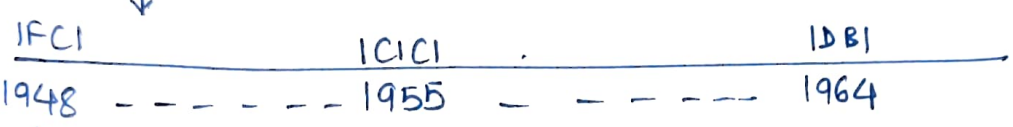
- Protect - Interest of Insurance Policy Holders
- Regulate, Promote, Ensure - Growth of Ins. Industry
- Ensure - Speedy settlement of claims
- Bring - Transparency and orderly conduct of financial markets dealing with insurance
- Take action - Against those who don't the given procedures.
- Bring - Optimum amount of self-regulation

IRDAI - BUSINESS FACILITATOR

- Develop & Regulate Insurance Industry
- Confidence among policy holders.
- Educate general public about merits of getting insurance policies.

FUNDING INSTITUTIONS.

- Indian Development Bank → Finance for special Purpose (Industrial Devt)



↓
Converted into NBFC

NABARD

- Apex Dev. Bank of India
- Main Motive: finance for agr. and dev. of Rural areas
- Date of Est: 12th July, 1982
- Act: NABARD Act, 1981
- Head-office: Mumbai

→ Initiatives by NABARD

- SHG - Bank Linkage
- Watershed Development
- Increasing Crop Productivity
- Natural Resource Mgt. Prog.

→ Roles of NABARD

- Development of Cottage, Small & Village Industry
- Promote Integrated Development
- Re-finance facilities
 - SCARDB: state co-op. agr. and rural dev. bank
 - SCB: state co-op. Bank
 - RRB: Regional Rural Bank
 - CB: Commercial Bank
- Discharge Duties
(Pg: 5.17)