



M S M E
MICRO, SMALL & MEDIUM ENTERPRISES
सूक्ष्म, लघु एवं मध्यम उद्यम

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GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

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Government of India
Ministry of Micro, Small and Medium Enterprises
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MSME

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Abbreviations Used

Abbreviation	Full Form
ARI	Agro-Rural Industries
CCEA	Cabinet Committee on Economic Affairs
CCRI	Central Coir Research Institute
CFTI	Central Footwear Training Institute
CICT	Central Institute of Coir Technology
CGTMSE	Credit Guarantee Trust for Micro and Small Enterprises
CLCSS	Credit Linked Capital Subsidy Scheme
CPIO	Central Public Information Officer
DC (MSME)	Development Commissioner (Micro, Small and Medium Enterprises)
DIs	Development Institutes
EDP	Entrepreneurship Development Programme
ESDP	Entrepreneurship-cum-Skill Development Programme
FFDC	Fragrance and Flavour Development Centre
FTS	Field Testing Station
Goi	Government of India

MSME

ICT	Information and Communication Technology
IIE	Indian Institute of Entrepreneurship
IPFC	Intellectual Property Facilitation Centre
IPR	Intellectual Property Rights
KVI	Khadi and Village Industries
KVIC	Khadi and Village Industries Commission
MGIRI	Mahatma Gandhi Institute for Rural Industrialisation
M/o MSME	Ministry of Micro, Small and Medium Enterprises
MSE	Micro and Small Enterprises
MSE-CDP	Micro and Small Enterprises – Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
MSMED Act	Micro, Small and Medium Enterprises Development Act
MSME-DI	Micro, Small and Medium Enterprises Development Institute
MSME-TC	Micro, Small and Medium Enterprises Testing Centres
MSME-TDC	Micro, Small and Medium Enterprises Technology Development Centres
MSME-TS	Micro, Small and Medium Enterprises Testing Stations
MSME-TR	Micro, Small and Medium Enterprises Tool Room

MSME-TI	Micro, Small and Medium Enterprises Training Institute
NB MSME	National Board for Micro, Small and Medium Enterprises
NER	North-Eastern Region
NIESBUD	National Institute for Entrepreneurship and Small Business Development
NIMSME	National Institute for Micro, Small and Medium Enterprises
NMCP	National Manufacturing Competitiveness Programme
NSIC	National Small Industries Corporation Limited
NTSC	NSIC Technical Service Centre
PMEGP	Prime Minister's Employment Generation Programme
QMS	Quality Management System
QTT	Quality Technology Tools
R&D	Research & Development
REGP	Rural Employment Generation Programme
REMOT	Rejuvenation, Modernisation and Technology Upgradation of the Coir Industry
RGUMY	Rajiv Gandhi Udyami Mitra Yojana
RTI	Right to Information

MSME

SDP	Skill Development Programme
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SME	Small & Medium Enterprises
SSI	Small Scale Industries
TDC	Technology Development Centres

1

INTRODUCTION



*Union Minister for Micro, Small and Medium Enterprises,
Shri Virbhadr Singh during an interaction with the Forum of
Financial Writers in New Delhi*

CHAPTER - I

INTRODUCTION

1.1 BACKGROUND

1.1.1 Micro, Small and Medium Enterprises (MSMEs), including khadi and village/rural enterprises are credited with generating the highest rates of employment growth and account for a major share of industrial production and exports. They also play a key role in the development of economies with their effective, efficient, flexible and innovative entrepreneurial spirit. The socio-economic policies adopted by India since the Industries (Development and Regulation) Act, 1951 have laid stress on MSMEs as a means to improve the country's economic conditions.

1.1.2 MSMED Act was notified in 2006 to address policy issues affecting MSMEs as well as the coverage and investment ceiling of the sector. The salient features of the Act include:

- Setting up of a National Board for MSMEs
- Classification of enterprises
- Advisory Committees to support MSMEs
- Measures for promotion, development

and enhancement of MSMEs

- Schemes to control delayed payments to MSMEs
- Enactment of rules by State Governments to implement the MSMED Act, 2006 in their respective States

The Ministry of Small Scale Industries and Agro and Rural Industries was first created on 14th October 1999 and, on 6th September 2001, further bifurcated into two separate ministries, namely, the Ministry of Small Scale Industries and the Ministry of Agro and Rural Industries. Subsequent to enactment of "Micro, Small and Medium Enterprises Development Act, 2006" by the Parliament, the President under Notification dated 9th May, 2007 has amended the Government of India (Allocation of Business) Rules, 1961. Pursuant to this amendment, Ministry of Agro and Rural Industries and Ministry of Small Scale Industries were merged into a single Ministry, namely, "Ministry of Micro, Small and Medium Enterprises." This Ministry designs

policies and promotes/ facilitates programmes, projects and schemes and monitors their implementation with a view to assisting MSMEs and help them scale up.

1.1.3 The primary responsibility of promotion and development of MSMEs is of the State Governments. However, the Government of India, supplements the efforts of the State Governments through various initiatives. The role of the Ministry of Micro, Small and Medium Enterprises (M/o MSME) and its organisations is to assist the States in their efforts to encourage entrepreneurship, employment and livelihood opportunities and enhance the competitiveness of MSMEs in the changed economic scenario. The schemes/programmes undertaken by the Ministry and its organizations seek to facilitate/provide: i) adequate flow of credit from financial institutions/banks; ii) support for technology upgradation and modernization; iii) integrated infrastructural facilities; iv) modern testing facilities and quality certification; v) access to modern management practices; vi) entrepreneurship development and skill upgradation through appropriate training facilities; vii) support for product development, design intervention and packaging; viii) welfare of artisans and workers; ix) assistance for better

access to domestic and export markets and x) cluster-wise measures to promote capacity-building and empowerment of the units.

1.1.4 The majority of people living in rural areas draw their livelihood from agriculture and allied sectors. However, the growth and balanced development of other sectors such as industry and services is also necessary to sustain the growth of Indian economy in an inclusive manner. The Government of India is striving to improve the economic and social conditions of rural population and non-farm sector through a host of measures including creation of productive employment opportunities based on optimal use of local raw materials and skills as well as undertaking interventions aimed at improving supply chain; enhancing skills; upgrading technology; expanding markets and capacity building of the entrepreneurs/artisans and their groups/ collectives. The details regarding Schemes being implemented by the Ministry are given in the subsequent Chapters.

1.2 ORGANISATIONAL SET-UP

1.2.1 The Ministry of MSME has two Divisions

called Small & Medium Enterprises (SME) Division and Agro & Rural Industry (ARI) Division. The SME Division is allocated the work, *inter-alia*, of administration, vigilance and administrative supervision of the National Small Industries Corporation (NSIC) Ltd., a public sector enterprise and the three autonomous national level entrepreneurship development/training organisations. The Division is also responsible for implementation of the schemes relating to marketing and export promotion. SME Division is also responsible for preparation and monitoring of Results-Framework Document (RFD) as introduced in 2009 by the Cabinet Secretariat under Performance Monitoring and Evaluation System (PMES). The ARI Division looks after the administration of two statutory bodies viz. the Khadi & Village Industries Commission (KVIC) and Coir Board and a newly created organization called Mahatma Gandhi Institute for Rural Industrialisation (MGIRI). It also supervises the implementation of the Prime Minister's Employment Generation Programme (PMEGP).

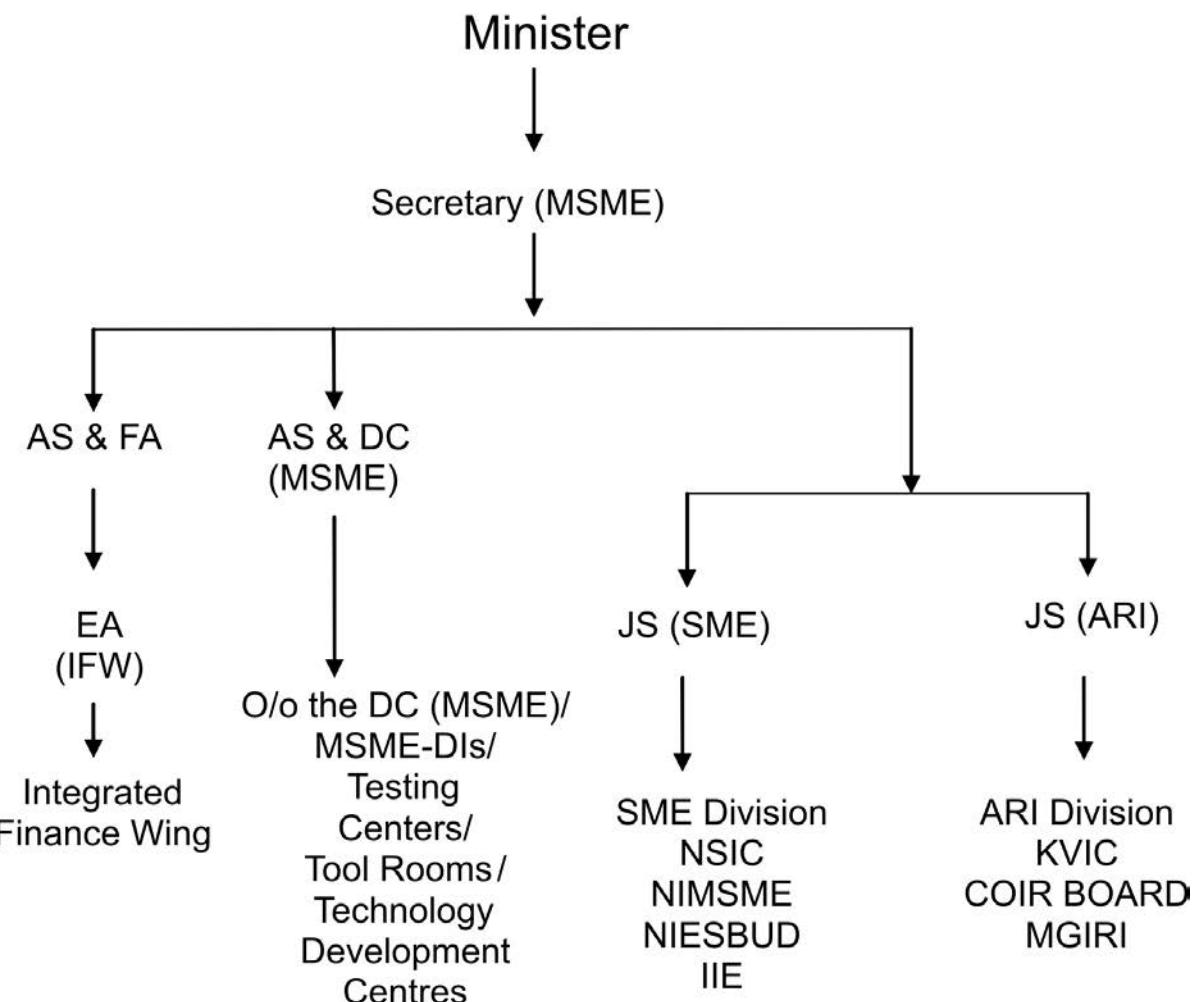
1.2.2 The implementation of policies and various programmes/ schemes for providing infrastructure and support services to MSME's is undertaken through its attached

office, namely the Office of the Development Commissioner (MSME), National Small Industries Corporation (NSIC), Khadi and Village Industries Commission (KVIC); the Coir Board, and three training institutes viz., National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad, National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida, Indian Institute of Entrepreneurship (IIE), Guwahati and Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Wardha a society registered under Societies Registration Act, 1860.

The National Board for Micro, Small and Medium Enterprises (NBMSME) was established by the Government under the Micro, Small and Medium Enterprises Development Act, 2006 and Rules made thereunder. It examines the factors affecting promotion and development of MSMEs, reviews existing policies and programmes and make recommendations to the Government for formulating the policies and programmes for the growth of MSMEs.

1.2.4 The organizational structure of the Ministry is depicted in the following organogram:-

Organizational Structure of the Ministry



The details regarding the attached office and other organizations of the Ministry are given in the following paragraphs.

1.3 DEVELOPMENT COMMISSIONER (MICRO, SMALL AND MEDIUM ENTERPRISES)

1.3.1 The Micro, Small and Medium

Enterprises – Development Organisation (MSME-DO) [earlier known as SIDO], headed by the Additional Secretary & Development Commissioner (MSME), being an apex body for formulating and overseeing the implementation of the policies for the development of MSME in the country, is playing a very positive and constructive role for strengthening this vital sector. It functions through a network of MSME-

DI's, Regional Testing Centres, Footwear Training Institutes, Production Centres, Field Testing Stations and specialized institutes. It renders services such as:

- Advising the Government in policy formulation for the promotion and development of MSME.
- Providing techno-economic and managerial consultancy, common facilities and extension services to MSME units.
- Providing facilities for technology upgradation, modernization, quality improvement and infrastructure.
- Developing Human Resources through training and skill upgradation.
- Providing economic information services.
- Maintaining a close liaison with the Central Ministries, Planning Commission, State Governments, Financial Institutions and other Organisations concerned with development of MSME's.
- Evolving and coordinating policies and programmes for development of MSME as ancillaries to large and medium scale industries.

Over the years MSME-DI's have served a very useful purpose as a catalyst of growth of small

enterprises through its vast network of field organizations spread over different parts of the country. The details of Schemes for the MSME sector which are being implemented by it have been duly incorporated in *Chapter – IV*.

1.4 KHADI & VILLAGE INDUSTRIES COMMISSION (KVIC)

1.4.1 The Khadi & Village Industries Commission(KVIC), established under the Khadi and Village Industries Commission Act, 1956, is a statutory organization engaged in promoting and developing khadi and village industries for providing employment opportunities in rural areas, thereby strengthening the rural economy. The KVIC has been identified as one of the major organizations in the decentralized sector for generating sustainable rural non-farm employment opportunities. This also helps in checking migration of rural population to urban areas in search of the employment opportunities. The details of role and functions of KVIC are mentioned in *Chapter – V*.

1.5 MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)

1.5.1 The national level institute namely 'Mahatma Gandhi Institute for Rural

Industrialization (MGIRI)" (erstwhile Jamnalal Bajaj Central Research Institute) has been established as a society under Societies (Registration) Act, 1860 at Wardha, Maharashtra, to strengthen the R&D activities in khadi and village industry sector. The main functions of the Institute are to improve the R&D activities in the rural industrial sector through encouraging research, extension of R&D, quality control, training and dissemination of technology related information. The details of the institute are provided in *Chapter – VI*.

1.6 COIR BOARD

1.6.1 The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting overall development of the coir industry and improving the living conditions of the workers engaged in this traditional industry. The activities of the Board for development of coir industries, inter-alia, include undertaking scientific, technological and economic research and development activities; developing new products & designs; and marketing of coir and coir products in India and abroad. It also promotes co-operative organisations among producers of husks, coir fibre, coir yarn and manufacturers of coir products, ensuring remunerative returns to producers

and manufacturers. The Board has promoted two research institutes namely; Central Coir Research Institute (CCRI), Kalavoor, Alleppey and Central Institute of Coir Technology (CICT), Bengaluru for undertaking research activities on different aspects of coir industry, which is one of the major agro based rural industries in the country. The details of activities in the Coir sector are mentioned in *Chapter – VII*.

1.7 NATIONAL SMALL INDUSTRIES CORPORATION LTD (NSIC)

1.7.1 The National Small Industries Corporation (NSIC) Ltd. was established in 1955 by the Government of India with a view to promote, aid and foster the growth of small industries in the country. NSIC continues to remain at the forefront of industrial development throughout the country with its various programmes and projects to assist the MSME in the country. The main functions of the Corporation are to promote, aid and foster the growth of micro and small enterprises in the country, generally on a commercial basis. It provides a variety of support services to micro and small enterprises by catering to their different requirements in the areas of raw material procurement; product marketing; credit rating; acquisition of technologies; adoption of modern management practices,

etc. Details of activites of the Corporation are given in *Chapter – VIII*.

The NSIC is directly operating different programmes by a dedicated team of professionals at all levels and operates through 142 offices located all over India and one office located at Johannesburg (South Africa).

1.8 NATIONAL ENTREPRENEURSHIP DEVELOPMENT INSTITUTES

1.8.1 Entrepreneurship development and training is one of the key elements for the promotion of micro, small and medium enterprises (MSMEs), especially for creation of new enterprises by the first generation entrepreneurs. In order to inculcate the entrepreneurial culture amongst the first generation of entrepreneurs on a regular basis, the Ministry has set up three national level Entrepreneurship Development Institutes viz; National Institute for Micro, Small and Medium Enterprises (NI-MSME) (1960) at Hyderabad, National Institute for Entrepreneurship and Small Business Development (NIESBUD) (1983) at NOIDA (Uttar Pradesh) and Indian Institute of Entrepreneurship (IIE) (1993) at Guwahati, as autonomous societies. These institutes are engaged in developing training modules; undertaking research & training; and providing consultancy services for

entrepreneurship development & promotion of MSMEs, including enhancement of their competitiveness. The role, function and activities of the NIMSME, NIESBUD and IIE have been mentioned in *Chapter - IX*.

1.9 NATIONAL BOARD FOR MICRO, SMALL AND MEDIUM ENTERPRISES (NBMSME)

1.9.1 The development work in MSME's involves several Departments/ Ministries and several organisations of Central/ State Governments. To facilitate coordination and inter-institutional linkages and in pursuance of the MSME Development Act, 2006, a National Board for Micro, Small & Medium Enterprises consisting of a total of 47 members has been constituted consisting of 20 non-official members. It is an apex advisory body constituted to render advice to the Government on all issues pertaining to the MSME sector. The Minister in-charge of MSME of the Government of India is the Chairman and the Board comprises among others State Industry Ministers, some Members of Parliament, Secretaries of various Departments of Government of India, financial institutions, public sector undertakings, industry associations and eminent experts in the field. The board meets periodically to take stock of the issues pertaining to the MSME sector.



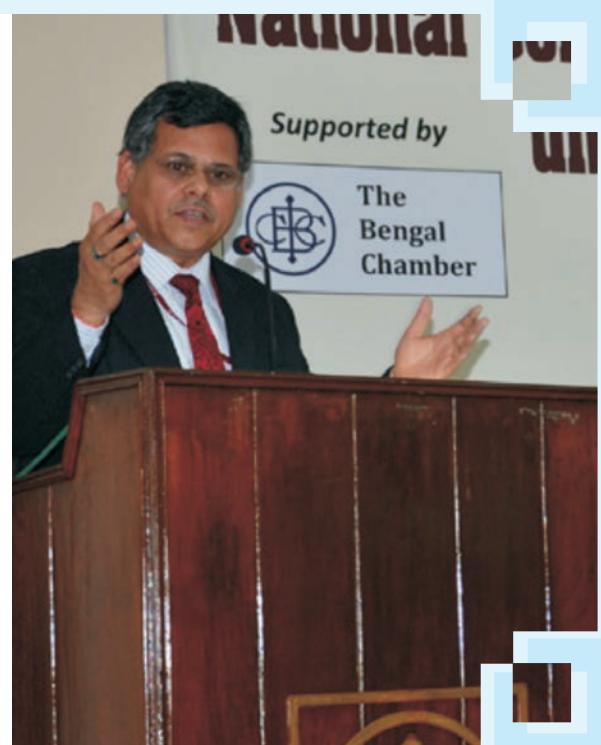
Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh at the inauguration of the Kassia School of Business Management at Bangalore. Secretary M/o MSME Shri R.K. Mathur is also seen.

2

GROWTH AND PERFORMANCE OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) AND FOURTH ALL INDIA CENSUS OF MSMEs



*Secretary M/o MSME,
Shri R.K. Mathur
addressing a conference
at Bangalore.*



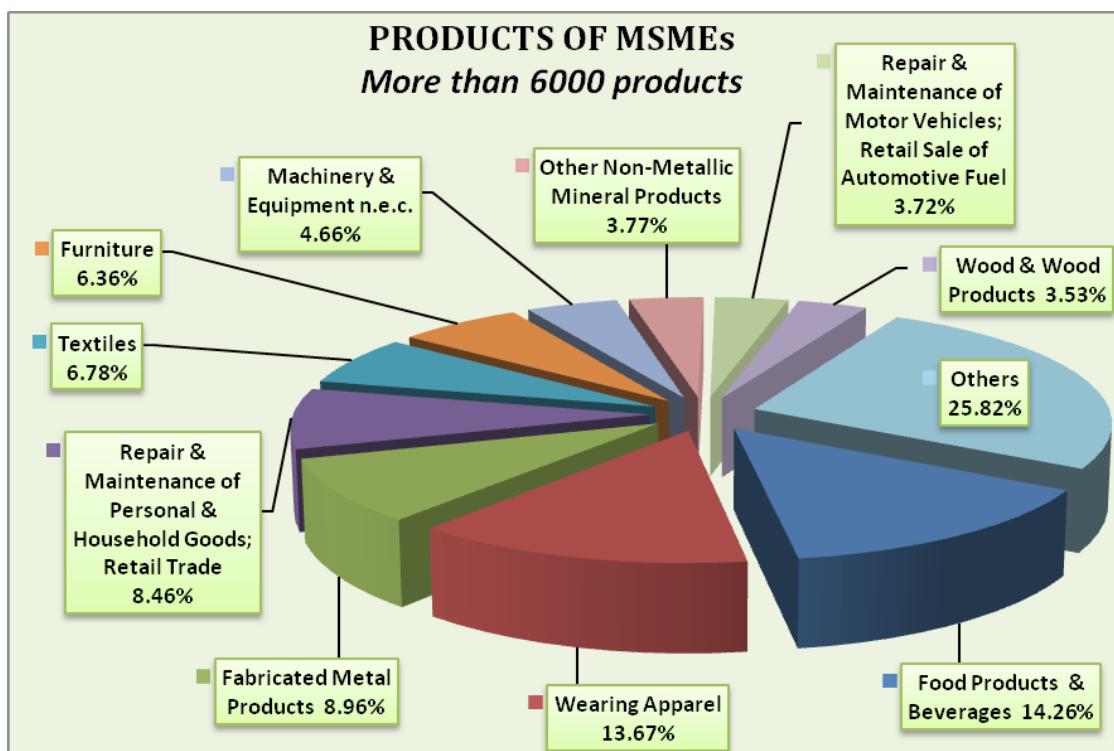
*Former Secretary, M/o MSME,
Shri Uday Kumar Varma
addressing a Conference
at Kolkata on May 27, 2011.*

CHAPTER - II

GROWTH AND PERFORMANCE OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) AND FOURTH ALL INDIA CENSUS OF MSMEs

The micro, small and medium enterprises (MSMEs) sector contributes significantly to the manufacturing output, employment and exports of the country. It is estimated that in terms of value, the sector accounts for about 45 per cent of the manufacturing output and 40 per cent of the total exports of the country. The sector is estimated to employ about 595

lakh persons in over 261 lakh enterprises throughout the country. Further, this sector has consistently registered a higher growth rate than the rest of the industrial sector. There are over 6000 products ranging from traditional to high-tech items, which are being manufactured by the MSMEs in India. It is well known that the MSMEs provide good opportunities for both self-employment and wage employment.



Source: - Final Report of the Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Registered Sector.

Recognizing the contribution and potential of the sector, the definitions and coverage of the MSE sector were broadened significantly under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 which recognized the concept of “*enterprise*” to include both manufacturing and services sector besides, defining the medium enterprises. For collecting and compiling the data for the MSMEs sector (including Khadi, Village and Coir Industries), the Fourth All India Census of MSMEs with reference year 2006-07, was launched during 2007-08 in the country. Fourth All India Census 2006-07 covered both registered and unregistered sectors. The data collection of the Fourth All India Census of MSMEs for the registered sector was on complete enumeration basis (census) and for the unregistered sector, sample survey was

adopted. In addition to “Quick Results: Fourth All India Census of Micro, Small & Medium Enterprises 2006-2007” published earlier, “Final Report : Fourth All India Census of Micro, Small & Medium Enterprises 2006-2007: Registered Sector” has been brought out. The data processing of the Fourth All India Census, unregistered sector is under process and draft report is being finalised.

2.2 PERFORMANCE OF MSMEs

The Office of the DC (MSME) provides estimates in respect of various performance parameters relating to the sector. The time series data in respect of the sector on various economic parameters is given in the following Table 2.1.

Table 2.1: MSMEs Performance: Units, Employment, Investments, Production & Exports.

Sl. No.	Year	Total Working MSMEs	Employment	Fixed Investment	Production (Current Prices)	Exports
		(Lakh numbers)	(Lakh persons)	(Rs. crore)		
I	II	III	IV	V	VI	VII
1	2001-02	105.21	249.33	154349	282270	71244
		(4.07)	(4.44)	(5.11)	(8.03)	(2.07)
2	2002-03	109.49	260.21	162317	314850	86013
		(4.07)	(4.36)	(5.16)	(11.54)	(20.73)

Sl. No.	Year	Total Working MSMEs	Employment	Fixed Investment	Production (Current Prices)	Exports
		(Lakh numbers)	(Lakh persons)	(Rs. crore)		
I	II	III	IV	V	VI	VII
3	2003-04	113.95	271.42	170219	364547	97644
		(4.07)	(4.31)	(4.87)	(15.78)	(13.52)
4	2004-05	118.59	282.57	178699	429796	124417
		(4.07)	(4.11)	(4.98)	(17.90)	(27.42)
5	2005-06	123.42	294.91	188113	497842	150242
		(4.07)	(4.37)	(5.27)	(15.83)	(20.76)
6	2006-07	261.12	595.66	500758	709398	182538
		(111.57)	(101.98)	(166.20)	(42.49)	(21.50)
7	2007-08	272.79	626.34	558190	790759	202017
		(4.47)	(5.15)	(11.47)	(11.47)	(10.67)
8	2008-09	285.16	659.35	621753	880805	N. A.
		(4.53)	(5.27)	(11.39)	(11.39)	
9*	2009-10	298.08	695.38	693835	982919	N. A.
		(4.53)	(5.46)	(11.59)	(11.59)	
10 [#]	2010-11	311.52	732.17	773487	1095758	N. A.
		(4.51)	(5.29)	(11.48)	(11.48)	

The figures in brackets show the percentage growth over the previous year. The data for the period up to 2005-06 is Small Scale Industries (SSI). Subsequent to 2005-06, data with reference to Micro, Small and Medium Enterprises are being compiled. The growth for the year 2010-11 is based on the average growth rate for the previous three years. * : Provisional, # : Projected, N. A. : Not Available.

It may be mentioned that data with respect to MSMEs have been collected/compiled for the first time in 2006-07 and hence include both the manufacturing and service sectors. Till the year 2005-06, data in the Table 2.1 refer to small scale industry only.

2.3 PERFORMANCE OF THE

SECTOR IN NORTH EASTERN REGION (NER)

The estimated number of registered working MSMEs in North-Eastern region, their employment, fixed investment and production for the year 2010-11 (*Projected*) have been provided in the Table given below.

TABLE 2.2: North East and the Registered MSMEs (2010-11) (Projected).

Variables	State	Year	Sikkim	Arunachal Pradesh	Nagaland	Manipur	Mizoram	Tripura	Meghalaya	Assam	Total
Number of working enterprises	2006-07	122	417	1332	4492	3715	1343	3010	19864	34295	
	2007-08	136	480	2110	4530	3941	1499	3416	21618	37730	
	2008-09	207	587	4631	4670	4419	1711	3826	23249	43300	
	2009-10	225	698	5602	4759	4919	1931	4725	24927	47786	
	2010-11	279	829	9315	4881	5403	2180	5497	26887	55271	
Employment (Person)	2006-07	1159	5411	16281	19960	26032	23166	12700	210507	315216	
	2007-08	1292	6228	25790	20129	27616	25857	14413	229095	350420	
	2008-09	1967	7617	56605	20751	30965	29514	16143	246379	409940	
	2009-10	2138	9057	68473	21146	34469	33309	19936	264162	452689	
	2010-11	2651	10757	113857	21689	37860	37604	23193	284933	532543	
Fixed Investment (₹ Crore)	2006-07	27.82	543.78	718.33	96.76	296.95	326.57	134.54	5867.40	8012.15	
	2007-08	31.01	625.93	1137.90	97.58	315.01	364.50	152.69	6385.49	9110.12	
	2008-09	47.20	765.46	2497.44	100.59	353.22	416.05	171.01	6867.26	11218.25	
	2009-10	51.31	910.21	3021.08	102.51	393.19	469.55	211.20	7362.90	12521.95	
	2010-11	63.62	1081.04	5023.46	105.14	431.88	530.10	245.70	7941.84	15422.78	
Production (₹ Crore)	2006-07	51.37	237.21	1396.04	199.80	309.90	608.30	447.31	9389.20	12639.13	
	2007-08	57.26	273.05	2211.44	201.49	328.75	678.96	507.64	10218.27	14476.87	
	2008-09	87.16	333.91	4853.65	207.72	368.63	774.98	568.57	10989.20	18183.83	
	2009-10	94.74	397.06	5871.33	211.68	410.34	874.63	702.17	11782.35	20344.29	
	2010-11	117.48	471.58	9762.85	217.10	450.71	987.41	816.90	12708.79	25532.81	

2.4 COMPARISON OF THE MICRO AND SMALL ENTERPRISES (MSEs) SECTOR WITH THE OVERALL INDUSTRIAL SECTOR

The MSE sector has maintained a higher rate of growth *vis-à-vis* the overall industrial sector. Comparative growth rates of production for both the sectors are given in the Table below.

TABLE 2.3: Comparative Data on Growth Rates of MSE Sector

Year	Growth rates of SSI Sector [2001-02 base IIP(%age)]	Over all Industrial Sector Growth rates (%age) #
2004-2005	10.88	8.40
2005-2006	12.32	8.00
2006-2007	12.60	11.90
2007-2008	13.00*	8.70
2008-2009	**	3.20
2009-2010	**	10.50
2010-2011	**	7.80

* : Projected, IIP – Index of Industrial Production.

#: Source- M/o Statistics and PI website- <http://www.mospi.nic.in>

** : Due to revised definition of MSMEs Sector, methodological revisions are under progress.

In order to capture the recent trends in the growth rates of MSMEs Sector and its contribution to Industrial Production and Gross Domestic Product, a Working Group on Index of Industrial Production specifically for MSMEs Sector has been constituted in August, 2011 under the Chairpersonship of

Prof. C. P. Chandrasekar of the Jawaharlal Nehru University, New Delhi, to suggest a new methodology for its computation.

2.5 CONTRIBUTION OF MSEs IN THE GROSS DOMESTIC PRODUCT (GDP)

TABLE 2.4: Contribution of MSEs in GDP

Year	Contribution of MSEs (%) at 1999-2000 prices in	
	Total industrial Production	Gross Domestic Product (GDP)
2004-2005	38.62	5.84
2005-2006	38.56	5.83
2006-2007	45.62	7.20
2007-2008	45.24	8.00
2008-2009	44.86	8.72

The data for the period upto 2005-2006 is for Small Scale Industries (SSI)

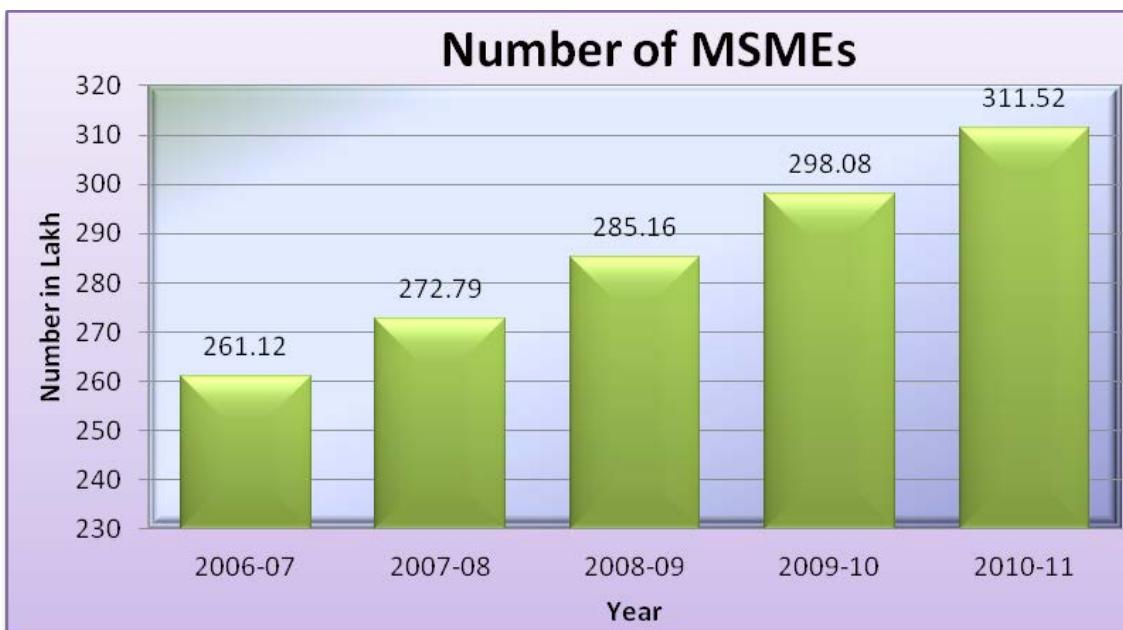
2.6 EMPLOYMENT IN MSME SECTOR

The total employment in the MSMEs sector in the country as per the Final Report of the Fourth Census of MSMEs 2006-07: Registered Sector was 93.09 lakh persons. As per the

estimates compiled for the year 2010-11, the employment was 732.17 lakh persons in the MSMEs sector.

2.7 CHARTS SHOWING OTHER STATISTICS OF THE SECTOR

a) Number of Enterprises in MSMEs Sector



* Projected data for the year 2009-10 to 2010-11.

b) Employment in MSMEs Sector



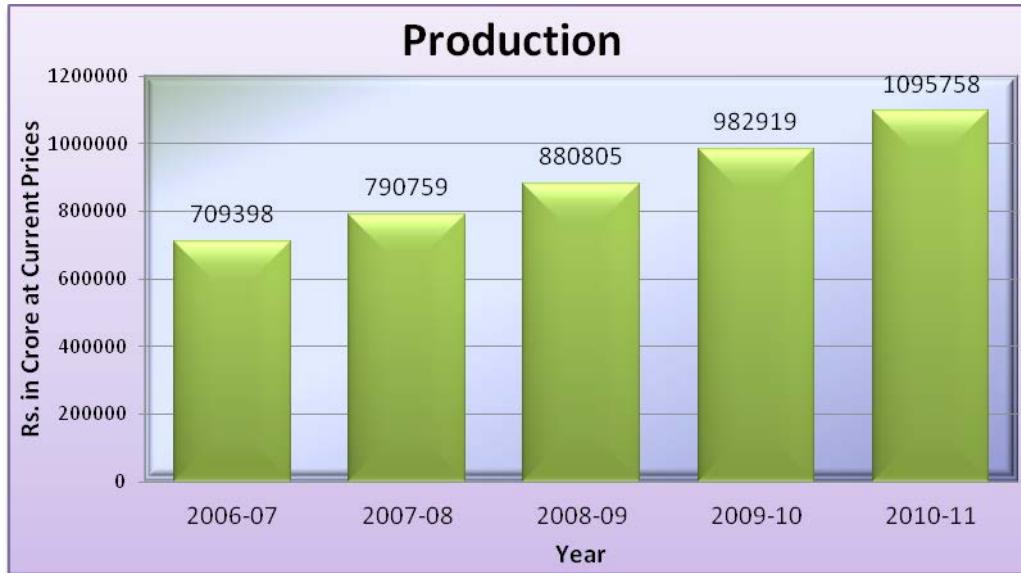
* Projected data for the year 2009-10 to 2010-11.

c) Fixed Investment in MSMEs Sector



*: Projected data for the year 2009-10 to 2010-11.

d) Production in terms of Gross Output in MSMEs Sector



*: Projected data for the year 2009-10 to 2010-11.

2.8 Fourth All India Census of MSMEs with reference year of 2006-07

2.8.1 Office of the Development Commissioner (MSME), Ministry of Micro, Small & Medium Enterprises, had so far conducted three censuses on micro and small enterprises. The latest Census which is the Fourth Census, was conducted with reference period 2006-07 and was completed during 2010-11.

2.8.2 Objectives of the Fourth Census

- (i) To strengthen the database for the MSMEs

i.e. collection of data in respect of number of enterprises, employment, production, extent of closure/sickness, clustering and other relevant economic parameters pertaining to micro, small and medium enterprises.

- (ii) To collect data on enterprises owned and/or managed by women, SC/ST and OBC.
- (iii) To collect data on Khadi and Village Industry units and Coir sector units and the units registered under Prime Minister's Rozgar Yojana (PMRY).
- (iv) To estimate the size of the unregistered MSME sector, including Khadi & Village Industries and Coir Industries through

sample survey using Economic Census (EC-2005) framework of Central Statistical Organization.

were for the year 2006-07.

2.8.3 Methodology of Fourth Census:

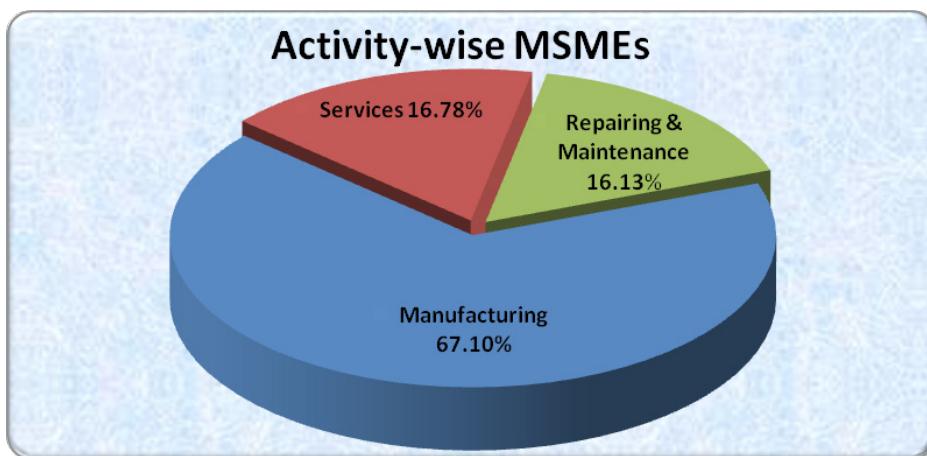
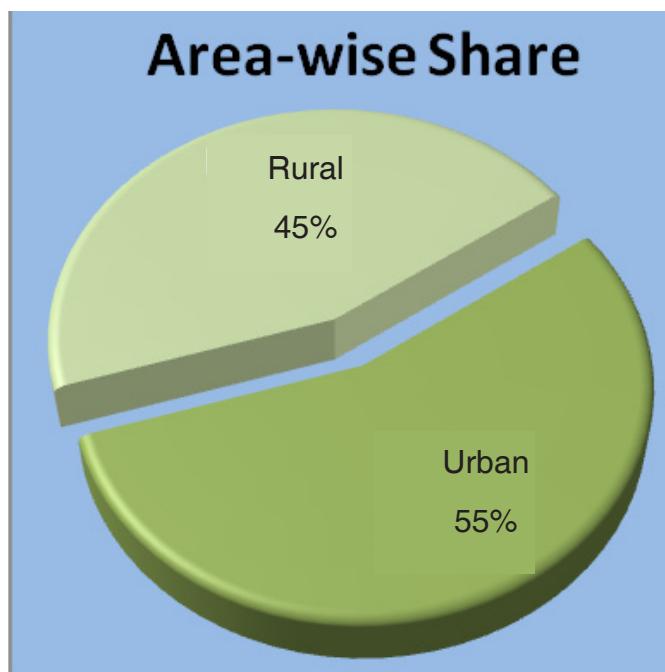
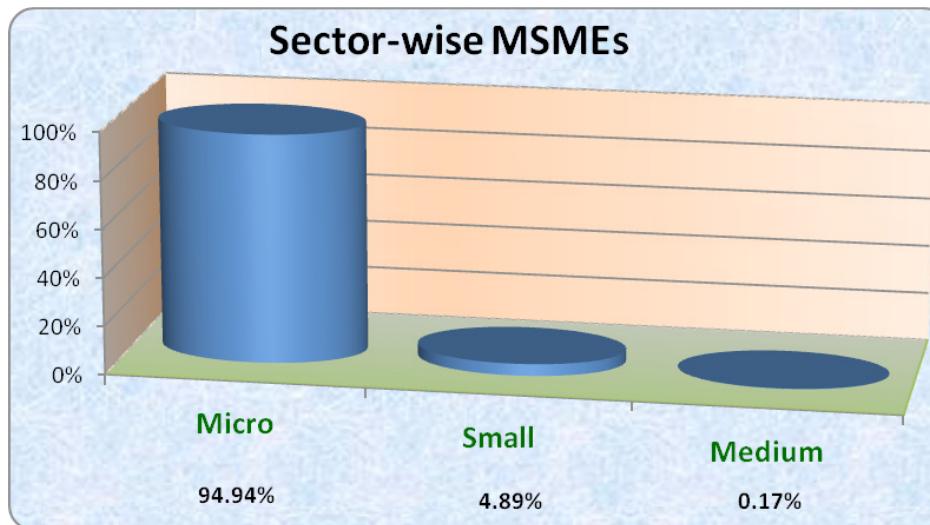
- (i) As per the definition, all the enterprises with investment in plant and machinery up to Rs. 10.00 crore in the manufacturing sector and up to Rs. 5.00 crore in the services sector have been covered in the 4th census.
- (ii) With the available time and resources, it was decided that while the registered sector shall be enumerated completely, the method of sample surveys shall be adopted for obtaining the estimates for the unregistered sector. The estimates for the registered and un-registered sector taken together will give a complete picture of MSMEs sector.
- (iii) Information on economic activity, type of organization, type of management employment, fixed investment, products, gross output, exports, sickness and its causes etc., were collected from the registered units as well as from unregistered units. The data collected

2.8.4 Status of Fourth Census:

- (i) Final Report of the Fourth All India Census of Micro, Small & Medium Enterprises 2006-2007 for the Registered Sector has been brought out.
- (ii) In order to estimate unregistered MSMEs in the country, a sample of 10,312 villages and 568 towns at All-India level were selected for data collection of enterprises. The data processing work of the Fourth All India Census of MSMEs, unregistered sector is under progress.

2.8.5 Estimates obtained from Registered MSMEs:

- (i) **Size of the registered MSMEs sector**
The size of the registered MSMEs sector is estimated to be 15.64 lakh. Of the total working enterprises, the proportion of micro, small and medium enterprises were 94.94%, 4.89% and 0.17% respectively. This comprises of 67.10% manufacturing enterprises and 32.90% services enterprises. About 45.23% of the enterprises were located in rural areas.



(ii) Nature of activity

67.10% of the enterprises in the registered MSMEs sector were engaged in manufacturing, whereas 16.78% of the enterprises were

engaged in the services activities as may be seen from the table given below. The remaining 16.13% of the enterprises were engaged in repairing and maintenance

Distribution by Nature of activity :	(Numbers in Lakh)
Manufacturing	10.49 (67.10%)
Services	2.62 (16.78%)
Repairing & Maintenance	2.52 (16.13%)
Total	15. 64 (100%)

(iii) Type of organization

The table given below shows that 90.08% of the enterprises in the registered MSMEs sector were proprietary enterprises. About 4.01% of

the enterprises were run by partnerships and 2.78% of the enterprises were run by private companies. The rest were owned by Public Limited Companies, Co-operatives/ Trusts or others.

Distribution by type of Organization :	(Numbers in Lakh)
Proprietary	14.09 (90.08%)
Partnership	0.63 (4.01%)
Pvt. Company	0.43 (2.78%)
Pub. Ltd. Company	0.08 (0.54%)
Co-operatives	0.05 (0.30%)
Others	0.36 (2.30%)

(iv) Type of management/ownership

An enterprise (Manufacturing or Services) managed by one or more women entrepreneurs in proprietary concerns, or in which she/ they individually or jointly have a share capital of not less than 51% as partners/ share holders/

Directors of Private Limited Company/ Members of Co-operative Society is called a 'Woman enterprise'. It was found that 13.72% (numbering 2.15 Lakh) of the enterprises in the registered MSMEs sector were women enterprises, whereas the share of enterprises actually managed by female was also 13.72%.

Number of enterprises managed by :	(Numbers in Lakh)	%
Male	13.49	(86.28%)
Female	2.15	(13.72%)
Total	15.64	(100%)

As regard social groups, 7.60% of the entrepreneurs of Other Backward Classes enterprises were owned by Scheduled Caste (OBCs). Thus, 48.75% of the working (SC) entrepreneurs, 2.87% by Scheduled enterprises in the registered MSMEs sector Tribe (ST) entrepreneurs and 38.28% by were owned by socially backward classes.

Ownership by type of Social Category:	(Numbers in Lakh)	%
Scheduled Caste(SCs)	1.19	(7.60%)
Scheduled Tribe(STs)	0.45	(2.87%)
OBCs	5.99	(38.28%)
Others	8.01	(51.26%)

In terms of religion, 81.22% units were owned by Hindus whereas enterprises owned by Muslims, Sikhs and Christians were 9.11%, 3.31% and 4.12% respectively.

Ownership by type of Religion:	(Numbers in Lakh)	%
Hindu	12.70	(81.22%)
Muslim	1.43	(9.11%)
Sikh	0.52	(3.31%)
Christian	0.64	(4.12%)
Jain	0.08	(0.52%)
Buddhist	0.01	(0.07%)
Others	0.26	(1.64%)

The main findings of the Census are given at Annexure IV (a) and IV (b). Details in respect of Industry Sector at two-digit level of National Industrial Classifications (NIC) are given at Annexure IV (c).

3

POLICY INITIATIVES



Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadra Singh releasing the books "Laghu Udyog Samachar" and "A Guide to Self-Employment", at the MSME-DI Conference on Policy Changes for Effective MSME Schemes.

CHAPTER - III

POLICY INITIATIVES

3.1 IMPLEMENTATION OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

3.1.1 The MSME Development Act 2006 came into effect on 2nd October 2006. Subsequently both the Central and State Governments have taken effective steps towards implementation of the Act. While the Central Government has framed a number of Rules and issued Notifications in respect of the Act; different State Governments have also issued notifications under the Act as detailed below:-

- (i) **Notification of Authority for receiving Memoranda for Micro and Small Enterprises (MSEs):** All States & UTs except Mizoram have issued the necessary Notifications nominating the authority for receiving Entrepreneurs Memorandum for MSEs.
- (ii) **Notification of Rules of MSE-Facilitation Council (MSEFC):** All States & UTs with the exception of Arunachal Pradesh, Assam, Manipur, Mizoram, Nagaland and Chandigarh have issued the Notifications



Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh addressing the 9th Meeting of National Board for Micro, Small and Medium Enterprises (NBMSME), in New Delhi. Shri Amarendra Sinha, Additional Secretary & Development Commissioner (MSME) is also seen.

providing for Rules of Micro and Small Enterprises Facilitation Council (MSEFC).

(iii) Notification of Constitution of Micro and Small Enterprises Facilitation Council (MSEFC): All States & UTs except Manipur, Nagaland and Sikkim have issued the Notifications for constitution of Micro and Small Enterprises Facilitation Council (MSEFC).

3.2 RESERVATION/DE-RESERVATION OF PRODUCTS FOR MANUFACTURE IN THE MICRO AND SMALL ENTERPRISE SECTOR

3.2.1 The Policy of Reservation of Products for Exclusive Manufacture in SSI (now MSEs) was initiated in 1967 with the objective of achieving socio-economic development, through development and promotion of small units all over the country. This was expected to result in countering the challenges of regional industrial imbalances, employment generation through self-employment ventures, increased productivity, etc. However, with the gradual opening up of the economy, de-reservation had to be resorted to for providing opportunities to MSEs for technological upgradation; promotion of exports and achieving economies of scale. Accordingly, the MSEs are

being encouraged to modernize and enhance their competitiveness for facing the challenges arising out of liberalization and globalisation of the economy.

3.2.2 The items are reserved/de-reserved in accordance with Section 29(B) of the Industries (Development & Regulation) Act, 1951, which, *inter-alia*, provides for the constitution of an Advisory Committee headed by the Union Secretary (MSME). The Advisory Committee makes its recommendations for reservation/de-reservation in light of the factors like economies of scale; level of employment; possibility of encouraging and diffusing entrepreneurship in industry; prevention of concentration of economic power to the detriment of the common interest and any other factor which the Committee may think appropriate. At present only 20 items are reserved for exclusive manufacture in micro and small enterprise sector. A list of items reserved for exclusive manufacture in micro and small enterprise sector are given at Annexure V.

3.3 NATIONAL MANUFACTURING COMPETITIVENESS PROGRAMME (NMCP)

Providing competitive edge to the units in the MSME Sector in the global environment has been one of the important cornerstones

of the policies being pursued by the Government for sustenance of the sector.

With a view to build the capacity of the Indian micro, small and medium manufacturing enterprises for overcoming competition in the global markets and facing challenges being posed by the entry of the multi-nationals in the domestic markets, the Ministry of MSME is implementing the National Manufacturing Competitiveness Programme (NMCP).

The objective of NMCP is to ensure healthy growth of the MSME Manufacturing Sector. The 10 components of the Programme dealing with the firm level competitiveness are being implemented in the Public-Private-Partnership (PPP) mode. The 10 components of NMCP address the entire gamut of manufacturing in the sector. The details of the components of the Programme are shown in the following Table: -

TABLE 3.1: Components of NMCP

Sl. No.	Component with Short Name
1.	Marketing Support / Assistance to MSMEs (BAR CODE)
2.	Support for Entrepreneurial and Managerial Development of SMEs through incubator (INCUBATOR)
3.	Setting up Mini Tool Room & Training Centres (MTR)
4.	Building Awareness on Intellectual Property Rights (IPR)
5.	National Programme for Application of Lean Manufacturing (LEAN)
6.	Enabling Manufacturing Sector to be Competitive through Quality Management Standards and Quality Technology Tools (QMS/QTT)
7.	Technology Upgradation and Quality Certification Support to SMEs (TEQUP)
8.	Marketing Assistance for SMEs and Technology Upgradation Activities (MARKETING)
9.	Design Clinic Scheme to bring Design expertise to the Manufacturing sector (DESIGN)
10.	Promotion of ICT in Indian Manufacturing Sector (ICT)

3.4 Prime Minister's Task Force on Micro, Small and Medium Enterprises (PM's Task Force on MSMEs)

3.4.1 The Prime Minister had announced setting up of the Task Force in August, 2009 when representatives of prominent MSME associations had met him to highlight their issues and concerns. Accordingly, the Task Force under Shri T.K.A. Nair, then Principal Secretary to Prime Minister was constituted on 2nd September 2009 to reflect on the issues raised by the associations and formulate an agenda for action after discussions with all stakeholders. Its members included Member, Planning Commission, Secretaries of concerned Government Departments, Deputy Governor, RBI, Chairman and Managing Director, SIDBI and representatives of MSME associations.

3.4.2 The detailed recommendations cover 6 major thematic areas including credit, marketing, labour, rehabilitation & exit policy, infrastructure, technology & skill development and taxation. A separate section covers the development of MSMEs in the North-East and Jammu & Kashmir. The implementation of these recommendations is being monitored periodically by the Steering Group constituted under the Chairmanship of Principal Secretary to the Prime Minister. Action has been completed

on a substantial number of recommendations. Further, a Council on Micro, Small and Medium Enterprises (MSMEs) under the chairmanship of Hon'ble Prime Minister has been set up in the Prime Minister's Office to lay down broad policy guidelines and review the development of the MSME sector.

3.5 Rajiv Gandhi Udyami Mitra Yojana

The objective of Rajiv Gandhi Udyami Mitra Yojana (RGUMY) is to provide handholding support and assistance to the potential first generation entrepreneurs, who have already successfully completed Entrepreneurship Development Training Programme (EDP) / Skill Development Training Programme (SDP)/ Entrepreneurship-cum-Skill Development Training Programme (ESDP) /Vocational Training Programmes (VT), through the selected lead agencies i.e. 'Udyami Mitras', in the establishment and management of the new enterprise, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise.

An 'Udyami Helpline' (a Call Centre for MSMEs) with a toll free No. 1800-180-6763 is functioning under the Scheme which provides information, support, guidance and assistance

to first generation entrepreneurs as well as other existing entrepreneurs. The Udyami Helpline provides information about various promotional schemes of the Government, procedural formalities required for setting up and running the enterprise and how to access credit from Banks etc.



Shri Virbhadra Singh, Hon'ble Union Minister, MSME (right) addressing the delegates of Conference on "Policy Changes for Effective MSME Schemes : Analysis & Road Map" Shri Uday Kumar Varma, former Secretary, MSME is also seen (left).

4

ROLE AND FUNCTIONS OF OFFICE OF THE DEVELOPMENT COMMISSIONER (MSME)



Shri R.K. Mathur, Secretary, MSME (right) and Shri Amarendra Sinha, Additional Secretary and Development Commissioner, MSME (left) during an interaction with the Forum of Financial Writers in New Delhi

CHAPTER - IV

ROLE AND FUNCTIONS OF OFFICE OF THE DEVELOPMENT COMMISSIONER (MICRO, SMALL & MEDIUM ENTERPRISES) {O/o DC (MSME)}

4.1.1 The O/o DC (MSME) was established as Small Industries Development Organisation (SIDO) {now referred to as Micro, Small and Medium Enterprises – Development Organisation (MSME-DO)} in 1954 on the basis of the recommendations of the Ford Foundation. The MSME-DO is playing a very constructive role by rendering comprehensive services including consultancy through institutional set up of its field organizations spread over different parts of the country. The Office of the Development Commissioner (Micro, Small and Medium Enterprises) has been functioning as an apex/nodal organ and provides link between the Ministry/Department and field organizations. It has been working as an attached office to the Ministry of Small Scale Industries (now Ministry of Micro, Small and Medium Enterprises) since 6th September, 2001. Over the years, it has witnessed its role evolve into an agency for advocacy, handholding and facilitation of the small industries sector. It has over 60 offices and 18 autonomous bodies under administrative control. These autonomous bodies include Tool Rooms; Training Institutions

and Technology Development Centres. It provides a wide spectrum of services to the small industries sector, now enlarged to also include Micro, Small and Medium Enterprises. The institutions, *inter-alia*, include facilities for testing, tool making, training for entrepreneurship development, preparation of project and product profiles, technical and managerial consultancy, assistance for exports, pollution and energy audits etc. The organisation provides economic information services and also advises Government in policy formulation for the promotion and development of MSME sector. Its field offices also work as effective links between the Central and the State Governments for the development of MSME sector.

4.1.2 As a result of the globalization and liberalization of the economy, the units in the sector were increasingly called upon to face new and bigger challenges not only from MNCs etc. but also from bigger domestic players. Recognising the dynamics of the new environment in which these units were operating, the O/o DC (MSME) now focuses

on providing support in the fields of skill development, credit, marketing, technology and infrastructure. The emerging global trends and national developments have transformed the role of the organization into that of catalyst of growth of small enterprises in the country. The major functions of the organization are: -

- i) Advising the Government in policy formulation for the promotion and development of MSME Sector;
- ii) Providing techno-economic and managerial consultancy, common facilities and extension services to the MSME units;
- iii) Providing facilities for technology upgradation, modernisation, quality improvement and infrastructure;
- iv) Developing Human Resources through training and skill upgradation;
- v) Providing economic information services;
- vi) Maintaining a close liaison with the Central Ministries, Planning Commission, State Governments, Financial Institutions and other organisations concerned with development of MSME's;
- vii) Evolving and coordinating policies and programmes for development of MSME as ancillaries to large and medium scale industries.

4.1.3 The organisation has a network of 30 MSME Development Institutes (MSME - DIs); 28 Branch MSME-DIs; 4 MSME Testing Centres (MSME-TCs); 7 Field Testing Stations (MSME-TSs); 18 Autonomous Bodies - which include 10 MSME Tool Rooms (MSME-TRs); 6 MSME Technology Development Centres (MSME-TDCs) and 2 MSME Footwear Training Institutes (MSME-TDC-CFTIs). There are also 2 departmental Training Institutes (MSME-TIs).

4.1.4 MSME Development Institutes (MSME-DI's): There are 30 MSME Development Institutes (MSME – DIs) and 28 Branch MSME Development Institutes set up in the State capitals and other industrial cities all over the country. The main activities of these institutions are as follows:-

- Assistance/Consultancy to Prospective Entrepreneurs
- Assistance/Consultancy rendered to existing units
- Preparation of State Industrial Profiles
- Preparation/Updation of District Industrial Potential Surveys
- Project Profiles
- Entrepreneurship Development Programmes
- Motivational Campaigns
- Production Index
- Management Development Programmes
- Skill Development Programmes

- Vendor Development Programmes for Ancilliarisation
- Quality Control & Upgradation
- Export Promotion
- Ancillary Development
- Common Facility Workshop/Lab.
- Preparation of Directory of Specific Industry
- Intensive Technical Assistance
- Coordination with DICs
- Linkage with State Government Functionaries
- Market Surveys
- Promotion of handholding programme called Rajiv Gandhi Udyami Mitra Yojana (RGUMY) for micro & small entrepreneurs.
- Other Action Plan Activities assigned by the Headquarter.

4.1.5 MSME Tool Rooms (MSME-TRs): The 10 MSME-TRs set up under Indo-German and Indo-Danish collaborations assist MSMEs in technical upgradation and provide good quality tooling through designing and producing tools, moulds, jigs & fixtures, components etc. These also provide training and consultancy in the area of tool and die making.

4.1.6 MSME Technology Development Centres (MSME-TDCs) are product-specific Centres for addressing product specific problems and rendering technical services,

developing and upgrading technologies and manpower development & training in respective product groups like Foundry & Forging; Electronics; Fragrance & Flavour; Sport Shoes; Electrical Measuring Instruments and Glass.

4.1.7 MSME Testing Centres (MSME-TCs) at Chennai, Delhi, Kolkata and Mumbai have facilities for quality upgradation, training/ consultancy in testing, quality control, quality management, process quality control systems, etc. The 7 Field Testing Stations (MSME-TSs) provide focused testing services in the cities of Bangalore, Bhopal, Ettumanur, Jaipur, Hyderabad, Kolhapur and Puducherry which have significant concentration of MSMEs.

4.1.8 MSME – Technology Development Centres (Central Footwear Training Institutes) (MSME-TDC-CFTI) at Agra and Chennai are engaged in developing designs and development of footwear and also providing training for skill development footwear industry.

4.1.9 MSME - Training-cum-Product Development Centres (TPDCs)

Four Training-cum-Product Development Centres (TPDCs) are being set up for Agro and Food Processing Industries in the campus of MSME - Development Institutes at Ludhiana, Kanpur, Indore and Guwahati within a total cost of Rs. 4.57 crore.

4.2 MSME TOOL ROOMS (MSME-TRs)

4.2.1 The 10 MSME-TRs set up under the Indo-German and Indo-Danish collaborations, assist MSMEs in technological upgradation. These tool rooms provide good quality tooling through design and production of tools, moulds, jigs & fixtures, components etc. These Tool Rooms also provide training and consultancy in the area of tool engineering.

The name and location of different Tool Rooms are as under:-

- (i) MSME-Tool Room (Central Tool Room), Ludhiana;
- (ii) MSME-Tool Room (Indo German Tool Room) , Ahmedabad

- (iii) MSME-Tool Room (Indo German Tool Room), Indore;
- (iv) MSME-Tool Room (Indo German Tool Room), Aurangabad;
- (v) MSME-Tool Room (Central Tool Room & Training Centre), Kolkata;
- (vi) MSME-Tool Room (Central Tool Room & Training Centre), Bhubaneshwar;
- (vii) MSME-Tool Room (Indo Danish Tool Room), Jamshedpur;
- (viii) MSME-Tool Room (Central Institute of Hand Tools), Jalandhar;
- (ix) MSME-Tool Room (Central Institute of Tool Design), Hyderabad and
- (x) MSME-Tool Room (Tool Room & Training Centre), Guwahati



4.2.2 These Tool Rooms & Training Centres provide production, training and consultancy services in the areas of tool engineering i.e. facilities for production of tools, moulds, dies, jigs & fixtures, etc. and providing skilled manpower to industry. These services help the industry to become more productive and competitive.

4.2.3 These Tool Rooms apart from conducting

various short term courses and vocational training programmes for school dropouts, also organize different long-term courses such as 'Post-graduate Diploma in Tool Design and CAD CAM'. They have achieved nearly 100% placement for the trainees of their long- term courses in different industries.

4.2.4 Achievements of MSME Tool Rooms during 2011-12 (up to 30th November 2011) are as under :-

(i)	Revenue Target 2011-12 (Rs. in lakh)	8620
(ii)	Revenue Earned (Rs. in lakh)	5535
(iii)	No. of Units Serviced	6849
(iv)	No. of Trainees (Long Term)	8992
(v)	No. of Trainees (Short Term)	25720
(vi)	No. of SC/ST Trainees	9069
(vii)	No. of OBC Trainees	5084
(viii)	No. of Minority Trainees	823
(ix)	No. of Women Trainees	3653
(x)	No. of Physically Handicapped Trainees	26

4.3 MSME TECHNOLOGY DEVELOPMENT CENTRES (MSME TDCs)

4.3.1 MSME Technology Development Centres (MSME TDCs) are product specific Centres to look into MSME's specific problems

and render technical services, develop and upgrade technologies & manpower development and training in specific product groups like Foundry & Forging, Electronics, Fragrance & Flavour, Sport Shoes, Electrical

Measuring Instruments and Glass, etc. MSME TDCs include the Electronics Service & Training Centre (ESTC), Ramnagar; Institute for Design of Electrical Measuring Instruments (IDEMI), Mumbai and Process and Product Development Centre (PPDC), Agra.

4.3.2 The main objective of these Technology Development Centres is to develop human resources for meeting the requirements for transfer of technology in respective products fields. These Centres are also running training courses as per the requirements of the industry.



4.3.3 Achievements of MSME Technology Development Centres viz. ESTC, Ramnagar, IDEMI, Mumbai and PPDC, Agra during 2011-12 (up to 30th November 2011) are as under :-

(i)	Revenue Target 2011-12 (Rs. in lakh)	1610.00
(ii)	Revenue Earned (Rs. in lakh)	1001.81
(iii)	No. of Units Serviced	3578
(iv)	No. of Trainees (Long Term)	459
(v)	No. of Trainees (Short Term)	4400

(vi)	No. of SC/ST Trainees	1151
(vii)	No. of OBC Trainees	542
(viii)	No. of Minority Trainees	83
(ix)	No. of Women Trainees	934
(x)	No. of Physically Handicapped Trainees	18

4.4 MSME TESTING CENTRES (TCs) AND MSME TESTING STATIONS (TSs) Accreditation Board of Testing & Calibration laboratories (NABL) certification as per ISO (17025).

4.4.1 MSME -TESTING CENTRES(TCs)

Office of DC (MSME) is operating four MSME -Testing Centres (formerly RTCs) located at New Delhi, Mumbai, Chennai and Kolkata. MSME – Testing Centres provide testing and calibration facilities to industries in general and Micro, Small & Medium Enterprises in particular for raw materials, semi finished and finished products, manufactured by them. The centers are equipped with the State - of - the - art indigenous and imported equipments in the disciplines of Chemical, Mechanical, Metallurgical and Electrical Engineering to undertake Performance test, Type test and Acceptance test of semi finished, finished products etc. The centers also undertake calibration works for Measuring Instruments and Equipment conforming to international standards. These centers are accredited by internationally recognized National

4.4.2 MSME -TESTING STATIONS (TSs):

4.4.2.1In order to provide testing facilities in areas with cluster of industries and some strategic areas, the Government of India have set up MSME- Testing Stations (formerly FTSSs) at Jaipur, Bhopal, Kolhapur, Hyderabad, Bangalore, Puducherry and Ettumanur. These Testing Stations extend facilities for testing of various products viz. chemicals, dye-stuffs, lamps, rubber products, castings and forgings, paints and varnishes, domestic electrical appliances, general engineering etc.

4.4.2.2These Testing Stations in fact act as extension of the MSME- TCs there by serving the needs of the industries situated in far-flung areas. The MSME- Testing Stations are regularly modernizing/upgrading their facilities to cater to the need of industries in general and

Micro, Small & Medium sector in particular, day functioning and modernization of MSME situated in their locality.

-Testing Centres / Stations.

For the year 2011-12, an amount of Rs 515.00 lakh have been allocated for day to The performance of MSME- TCs/TSs during 11th Five Year Plan Period (2007-2012) are as follows:

Year	Revenue earned (Rs.lakhs)		R e c u r r i n g Expenditure (Rs. lakhs)		No. of jobs completed		No. of MSME Benefited	
	TCs	TSs	TCs	TSs	TCs	TSs	TCs	TSs
2007-08	326.03	106.81	430.40	111.84	12214	14261	2428	4662
2008-09	348.11	122.91	568.32	175.21	14013	21916	2608	5844
2009-10	387.96	137.04	638.37	209.92	14497	22471	6805	8163
2010-11	389.77	175.12	701.76	229.10	13981	26488	6304	8497
2011-12 (upto Nov. 2011)	268.26	137.30	523.98	132.43	12664	16771	4869	5444

4.5 MSME-DEVELOPMENT INSTITUTES (MSME-DIs) rendering necessary assistance to MSMEs by conducting various programmes like Seminars, Industrial Motivational Campaigns, Feasibility Reports, Area Survey Reports. They also provide Common Facility services, In-plant

4.5.1 MSME-DIs are providing techno managerial consultancy assistance and

Studies, EDPs to MSMEs.

4.5.2 Under the scheme, funds are allotted to meet the expenditure on salary, travel and other expenses of the staff posted in these institutes including rent/taxes for the building occupied by these institutes. Funds are also provided for infrastructure, machinery and other technical equipments, which may be required by MSMEs. The common facility centre in these DIs also provide help to MSME sector in developing hi-tech tools, dies, jigs and fixtures etc.

4.5.3 To provide the best possible common

facility services to MSEs, there is a need to replace old machines with new ones, preferably hi-tech machines, as the services provided by the modernized workshops to MSEs is excellent. Further, to keep pace with the technological requirement, the MSEs are in the need of specialized services including CAD/CAM facilities.

4.5.4 On these machines, training is provided to the workers sponsored by MSMEs and unemployed youths. After getting the training, these trainees are absorbed by the large units/ MSMEs. Many trainees take up the training to upgrade their skills and set up their own unit.



4.6 Vertical Shaft Brick Kiln (VSBK) Technology at MSME-DIs

4.6.1 A Plan Scheme namely “Adoption of Vertical Shaft Brick Kiln technology in brick manufacturing units under Package for Promotion of Micro and Small Enterprises” is under implementation.

4.6.2 The programme is being implemented in the selected clusters of brick manufacturing units in the states of Madhya Pradesh, Chhattisgarh, Jharkhand, Odisha and Rajasthan. MSME-DIs of Cuttack, Indore,

Ranchi, Jaipur and Raipur are coordinating agencies for implementation of the programme.

The programme also involves organization of seminars/workshops by MSME-DIs to introduce the technology and showcasing the technology by conducting tours of entrepreneurs at the sites of technology providers and entrepreneurs where successful units of VSB Kilns are already in operation. Interested entrepreneurs will be able to undergo various training courses on VSBK technology in their respective areas for upgradation of their knowledge. The progress of this Scheme is given below:

1.No. of Demo Plant set up till date	4 Nos. in Chhattisgarh, Odisha, Rajasthan and Madhya Pradesh. 1 No. in Jharkhand is under construction and to be completed by end of this financial year.
2. No. of Seminars/Workshops organised for awareness of Brick manufacturing owners	26 Nos.
3. No. of training programme organized	27 Nos.
4. No. of exposure visit organised	5 Nos
5. No. of Testing Lab. set up till date	4 Nos. in Chhattisgarh, Odisha, Rajasthan and Madhya Pradesh

4.7 MSME – TRAINING INSTITUTES

4.7.1 MSME – Technology Development Centre (Central Footwear Training Institutes) at Agra and Chennai respectively are involved primarily in human resource development for footwear and allied industry by conducting various training programmes and related activities. One of its premier courses is two

Year Diploma in “Footwear Manufacturing and Design” which is accredited with Textile Institute U.K. The Institutes also extend Common Facility Services to the local MSMEs with their well equipped infrastructural facilities and render consultancy services in the field of footwear & allied industries.

4.7.2 The Achievements of these Institutes as on November 30, 2011 are given below:

(i)	Revenue Target 2011-12 (<i>Rs. Lakh</i>)	491
(ii)	Revenue Earned (<i>Rs. Lakh</i>)	338.70
(iii)	No. of Units Serviced	1384
(iv)	No. of Trainees (<i>Long Term</i>)	408
(v)	No. of Trainees (<i>Short Term</i>)	9332
(vi)	No. of SC/ST Trainees	3904
(vii)	No. of OBC Trainees	786
(viii)	No. of Minority Trainees	457
(ix)	No. of Women Trainees	4418
(x)	No. of Physically Handicapped Trainees	4

CFTI, Agra has started “PG Diploma in Footwear Technology” course with an objective to develop techno managers for the shoe industry. The institute has also conducted skill development training programmes for footwear artisans in different locations of Uttar Pradesh, Rajasthan, Madhya Pradesh, Tripura and Bihar.

CFTI, Chennai under HRD Mission Programme

of ILDP has trained 7365 candidates in placement linked skill development and 3874 candidates in skill upgradation.

4.8 CREDIT LINKED CAPITAL SUBSIDY SCHEME (CLCSS)

4.8.1. The Ministry of Micro, Small and Medium Enterprises (MSME) is operating a Scheme namely Credit Linked Capital Subsidy Scheme

(CLCSS) for Technology Upgradation of Micro and Small Enterprises. The Scheme aims at facilitating Technology Up-gradation of Micro and Small Enterprises (earlier known as Small Scale Industries). The Scheme was launched in October, 2000 and revised from 29.9.2005. The revised scheme aims at facilitating Technology Upgradation of Micro and Small Enterprises by providing 15% Capital Subsidy (limited to maximum 15.00 lakh) for purchase of Plant & Machinery. Maximum limit of eligible loan for calculation of subsidy under the scheme is Rs.100 lakh. Presently, 884 technologies under 48 products/ sub-sectors have been approved under the scheme. Since inception of the scheme, 15613 units have availed subsidy of Rs. 813 crores till 30.11.2011.

4.9 Credit Guarantee Fund Scheme for Micro and Small Enterprises

4.9.1 The Government launched the Credit Guarantee Fund Scheme for Small Industries (now renamed as Credit Guarantee Fund Scheme for Micro and Small Enterprises) in August, 2000 with the objective of making available credit to MSEs, particularly Micro Enterprises, for loans up to Rs. 100 lakh without collateral/ third party guarantees. The scheme is being operated by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) set up jointly by the Government of India and SIDBI.

4.9.2 The Scheme covers collateral free credit facility (term loan and/ or working capital) extended by eligible member lending institutions to new and existing micro and small enterprises up to Rs. 100 lakh per borrowing unit. The guarantee cover provided is up to 75% of the credit facility up to Rs.50 lakh with an incremental guarantee of 50% of the credit facility above Rs.50 lakh and up to Rs.100 lakh (85% for loans up to Rs. 5 lakh provided to micro enterprises, 80% for MSEs owned/ operated by women and all loans to NER). One time guarantee fee of 1.5% of the credit facility sanctioned (0.75% for NER including Sikkim) and Annual Service Fee of 0.75% is collected from the Member Lending Institutions (MLIs).

4.9.3 As on 30th November 2011, there were 125 eligible lending institutions registered as MLIs of the Trust comprising of 26 Public Sector banks, 19 Private Sector Banks, 67 Regional Rural Banks (RRBs), 4 foreign banks and 9 other Institutions viz Andhra Pradesh State Financial Corporation, National Small Industries Corporation (NSIC), North Eastern Development Finance Corporation Ltd. (NEDFi), Delhi Financial Corporation, Kerala Financial Corporation, Tamilnadu Industrial Investment Corporation Ltd., Jammu & Kashmir Development Finance Corporation Ltd. (JKDFC), Export Import Bank of India (EXIM Bank) and Small Industries Development Bank of India (SIDBI).

4.9.4 As on 30th November 2011, cumulatively 6,98,365 proposals have been approved for guarantee cover for a total sanctioned loan amount of Rs.31642.11 crore.

4.10 Scheme of Micro Finance Programme

4.10.1 The Ministry has been operating a Scheme of Micro Finance Programme since 2003-04 which has been tied up with the existing Micro Credit Scheme of SIDBI. Under the Scheme, the Government of India provides funds to SIDBI under 'Portfolio Risk Fund' (PRF) which is utilized for security deposit requirements of loan from the Micro Finance Institutions (MFIs) / NGOs. At present SIDBI takes fixed deposit equal to 10% of the loan amount. Under the PRF, the share of MFIs/ NGOs is 2.5% of the loan amount (i.e. 25% of security deposit) and balance 7.5% (i.e. 75% of security deposit) is adjusted from the funds provided by the Government under the scheme. The funds under PRF are to be utilized for extending loans in the underserved States like North Eastern States, Sikkim, Bihar, Jharkhand, West Bengal, Orissa, Madhya Pradesh, Chhattisgarh, Uttar Pradesh, Jammu & Kashmir, Rajasthan and Uttarakhand and underserved pockets/ districts of other States.

4.10.2 During 2011-12, the Government has released an amount of Rs.16.10 crore

towards 'Portfolio Risk Fund' (PRF). As on 30th November 2011, cumulative loan amount provided to MFIs/NGOs under the Scheme stood at Rs.1548.23 crore covering approximately 22.59 lakh persons. Of this, it has been estimated that the share of women beneficiaries under the Scheme is more than 80%.

4.11 MICRO & SMALL ENTERPRISES CLUSTER DEVELOPMENT PROGRAMME (MSE-CDP)

4.11.1 The Micro and Small Enterprises – Cluster Development Programme (MSE-CDP) is being implemented for holistic and integrated development of micro and small enterprises in clusters through Soft Interventions (such as diagnostic study, capacity building, market development, export promotion, skill development, technology upgradation, organizing workshops, seminars, training, study visits, exposure visits, etc.), Hard Interventions (setting up of Common Facility Centers) and Infrastructure Upgradation (create/upgrade infrastructural facilities in the new/existing industrial areas/ clusters of MSEs). Assistance is provided for the following activities under the scheme-

- (i) Preparation of Diagnostic Study Report with Government of India (GoI) grant of maximum Rs 2.50 lakh.

- (ii) Soft Interventions with GoI grant of 75% of the sanctioned amount of the maximum project cost of Rs 25.00 lakh per cluster. For NE & Hill States, Clusters with more than 50% (a) micro/ village (b) women owned (c) SC/ST units, the GoI grant will be 90%.
- (iii) Detailed Project Report (DPR) with GoI grant of maximum Rs 5.00 lakh for preparation of a technical feasibility and financial viability project report.
- (iv) Hard Interventions in the form of tangible assets like Common Facility Centre having machinery and equipment for critical processes, research and development, testing, etc. with GoI grant upto 70% of the cost of project of maximum Rs 15.00 crore. For NE & Hill States, Clusters with more than 50% (a) micro/ village (b) women owned (c) SC/ST units, the GoI grant will be 90%.
- (v) Infrastructure Development with GoI grant of upto 60% of the cost of project of Rs 10.00 crore, excluding cost of land. GoI grant will be 80% for projects in NE & Hill States, industrial areas/ estates with more than 50% (a) micro (b) women owned (c) SC/ST units.
- (vi) The GoI assistance shall also be available to Associations of Women Entrepreneurs for establishing exhibition centres at central

places for display and sale of products of women owned micro and small enterprises @ 40% of the project cost.

4.11.2 Progress of MSE-CDP

A total of 477 clusters in the country have so far been takenup under the MSE-CDP for Diagnostic Study, Soft Interventions and Hard Interventions spread over 28 States and 1 UT. Apart from these, infrastructure development projects for creating industrial infrastructure have also been taken up. Under infrastructure development component, 98 new ID Centres have been sanctioned till 30th November, 2011. Out of the above sanctioned centres, 77 new ID Centres have been completed. A total of 11708 plots have been allotted to small and tiny units and 3956 units established. Infrastructure Upgradation in 33 old industrial estates have also been undertaken. Out of these, Upgradation in 25 old inudustrial estates have been completed. The efforts under the scheme are focused on covering more and more clusters and infrastructure development projects from all the States / UTs.

4.11.3 Physical Progress (1st April 2011 to 30th November, 2011)

- New clusters undertaken for Diagnostic Study Reports (DSRs) – 08 Nos.

- Cluster undertaken for soft interventions including ongoing clusters – 05 Nos.
- New Common Facility Centre (CFC) approved – 03 Nos.
- In-principle approval for CFC - 02 Nos.
- Upgradation of old ID Centre – 01.

4.11.4 Financial Progress

Sanctions of Rs. 4.26 cr. have been issued till 30th November, 2011 during the current financial year under MSE-CDP.

4.12 National Manufacturing Competitiveness Programme (NMCP)

The National Manufacturing Competitiveness Programme (NMCP) is the nodal programme of the Government of India to develop global competitiveness among Indian MSMEs. Conceptualised by the National Manufacturing Competitiveness Council (NMCC), the Programme was initiated in 2007-08. An amount of Rs.682 crores has been allocated during the 11th Plan period for NMCP. There are ten components under the NMCP targeted at enhancing the entire value chain of the MSME sector. The ten components are described below:-

4.12.1 Marketing Support/ Assistance to MSME (Bar Code) Under NMCP scheme

In order to provide continued financial support

to MSEs for adoption of Bar Code, a component was added in the SSI-MDA Scheme for 75% reimbursement of annual recurring fee for 1st three years to MSEs w.e.f 1st June 2007. The funding for reimbursement of annual recurring fee are provided under NMCP Scheme – Marketing Support /Assistance to MSME (Bar Code). Financial assistance of Rs.17.84 lakhs to 211 cases of MSEs for annual recurring fee has been provided upto 30th November, 2011.

4.12.2 Scheme for Providing Support for “Entrepreneurial and Managerial Development of SMEs through Incubators”

The scheme aims at nurturing innovative business ideas (new/ingenious technology, processes, products, procedures, etc), which could be commercialized in a year. Under the scheme, various institutions like Engineering Colleges, Research labs etc. will be provided funds up to Rs. 6.25 lakh for hand holding each new idea/entrepreneur. The incubator will provide technology guidance, workshop and lab support and linkage to other agencies for successful launching of the Business and guide the entrepreneur in establishing the enterprise. Under the scheme seventy-six institutions and 238 ideas have been approved as on 30th November, 2011.

4.12.3 Mini Tool Rooms under the Public Private Partnership (PPP) mode:

Under this component 15 Mini Tool Rooms are proposed to be set up during the 11th Plan period. Entrepreneurs and Associations will be selected through competitive bidding to set up Tool Rooms. The government support will be capped at Rs.9 crore. They will be more competitive and user friendly. The approved Plan expenditure for this component is Rs.135 crore.

4.12.4 Scheme for “Building Awareness on Intellectual Property Rights” (IPR) for the Micro, Small & Medium Enterprises (MSME)

The objective of the scheme is to enhance awareness of MSMEs about Intellectual Property Rights (IPRs) for taking measures for protecting their ideas and business strategies. Accordingly, to enable the MSME sector to face the challenges of liberalisation, various activities on IPR are being implemented under this scheme. These initiatives will provide MSME sector more information, orientation and facilities for protecting their intellectual property.

This scheme is under implementation during 11th Five-year Plan. Under this programme, financial assistance is provided for taking up the identified activities viz. (1) Awareness/ Sensitisation Programmes, (2) Pilot Studies

for Selected Clusters/ Groups of Industries, (3) Interactive Seminars / Workshops, (4) Specialized Training, (5) Assistance for Grant on Patent/ GI Registration, (6) Setting up of ‘IP Facilitation Centre and (7) Interaction with International Agencies. These initiatives are being developed through Public-Private Partnership (PPP) mode to encourage economically sustainable models for overall development of MSMEs.

With the approval of the Project Implementation Committee (PIC), which is responsible for day-to-day implementation of the programme, various activities have been undertaken during the year 2011-12. Progress upto 31st December 2011, in this context, includes (i) setting up of 23 Intellectual Property Facilitation Centres (IPFCs), (ii) Organized 115 Awareness/ Sensitisation Programmes, (iii) 40 Workshops / Seminars, (iv) 6 Short Term Training Programmes and (v) 2 Two-days Workshops with association of International Agency i.e WIPO, Geneva, (vi) One Pilot Study was conducted on Cane and Bamboo and (vii) Financial assistance was released to one unit for Grant of Patent.

4.12.5 Lean Manufacturing Competitiveness Scheme for MSMEs:

Under the Lean Manufacturing Competitiveness Programme (LMP), MSMEs are being assisted

in reducing their manufacturing costs, through proper personnel management, better space utilization, scientific inventory management, improved process flows, reduced engineering time and so on. LMP also brings improvement in the quality of products and lowers costs, which are essential for competing in national and international markets. The broad activities planned under the scheme include Total Productive Maintenance (TPM), 5S, Visual Control, Standard Operation Procedures, Just in Time, Kanban System, Cellular Layout, Poka Yoke, TPM, etc. The scheme is initially approved for 100 mini clusters on pilot basis.

Present Status: The scheme is being implemented through National Productivity Council (NPC), New Delhi which is working as a nodal agency. 104 Special Purpose Vehicles (SPVs) were formed in clusters and 98 Lean Consultants deployed for the implementation of Lean Techniques. 82 Tripartite agreements also signed.

4.12.6 Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT):

The scheme, "Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT)" is aimed to improve the quality of the products in the MSME sector and inculcate quality consciousness in enterprises in this sector. The major activities are:

- (i) Introduction of Appropriate Modules for Technical Institutions;
- (ii) Organizing Awareness Campaigns for MSEs;
- (iii) Organizing Competition-Watch (C-Watch);
- (iv) Implementation of Quality Management Standards and Quality Technology Tools in selected MSMEs;
- (v) Monitoring International Study Missions;
- (vi) Impact Studies of application of QMS/QTT.

Present Status: National level workshop is being organized. Till 31st December, 2011 (i) 250 Nos. of awareness programmes have been conducted and (ii) 1745 Nos. ITI teachers have been trained on QMS/QTT by Quality Council of India (QCI).

4.12.7 Technology and Quality Upgradation Support to MSMEs:

The objective of this component of NMCP is to sensitize the MSMEs about the benefits that could accrue from usage of energy efficient technologies, reduction in emissions of Green House Gases, improve the acceptance of

their products by product quality certification, thereby making them globally competitive. The major activities planned under this component include Capacity Building of MSME Clusters for Energy Efficiency/Clean Development Interventions, Implementation of Energy Efficient Technologies in MSME sector, Setting up of Carbon credit aggregation centres and encouraging MSMEs to acquire product certification licenses from National / International bodies.

Present Status: 20 Nos. of awareness programmes have been organised on Product Certification and 286 Nos. of Product Certification reimbursement have been made.

4.12.8 Marketing Assistance and Technology Upgradation Scheme for MSMEs:

The objective of this scheme is to enhance MSME's competitiveness in the National as well as International market through various activities such as Technology upgradation in packaging, skills upgradation/Development for Modern Marketing Techniques, Competition Studies of threatenene products, special components for North Eastern Region (NER), Identification of new markets through state/district level, local exhibitions/trade fairs, Corporate Governance Practices, Marketing Hubs and Reimbursement to ISO

18000/22000/27000 Certification.

Present Status: Targets have been allotted to MSME-DIs for participation of MSME units in the domestic exhibitions/fairs, reimbursement for ISO 18000/22000/27000 certification and for Corporate Governance Practices. 615 MSME units benefitted under the scheme so far.

4.12.9 Design Clinics scheme for MSMEs:

The main objective of this component is to bring the MSME sector and design expertise on a common platform and to provide expert advice and solutions on real time design problems, resulting in new product development, continuous improvement and value-addition for existing products. It also aims at value-added cost effective solutions. The activities under the scheme are; organizing seminars, workshops in MSME clusters include design projects of MSME units.

Present Status: National Institute of Design (NID) Ahmedabad is working as nodal agency. Till date to sensitize about the scheme, 169 seminars have been organized in the clusters and 33 Design Projects that were received from MSME units for design intervention were approved by the Government for financial assistance. For Design interventions, 181 clusters have been approved under the

scheme. 180 Nos. of Design Workshops were also conducted.

4.12.10 Promotion of Information & Communication Tools (ICT) in MSME Sector:

The main objective of the scheme is to encourage and assist the potential MSME clusters to adopt ICT tools and applications in their production & business processes, with a view to improve their productivity and competitiveness in national and international markets. The broad activity under this component includes identifying the potential MSME manufacturing clusters for ICT intervention, setting up of e-readiness centre, developing web portals for cluster, skill development of MSME unit staff, preparation of local software solutions for MSME to enhance their competitiveness, etc. and networking MSME cluster portals on the National Level Portals in order to outreach MSMEs into global markets. The scheme is being implemented in 100 clusters.

Present Status: The scheme is under modification as “Modified ICT scheme” for inclusion of Cloud Computing approach in the scheme.

4.13 ISO-9000/ISO-14001/HACCP Certification Reimbursement Scheme

4.13.1 The scheme envisages one time reimbursement of charges for acquiring ISO 9000/14001/HACCP certification to the extent of 75% of the cost subject to a maximum of Rs.75000/-in total. Total 21500 units amounting to Rs.105.24 crore have been reimbursed since inception till 31st March, 2011. During 2011-12, about 970 units amounting to Rs.4.85 crore have been reimbursed up to 30th November, 2011.

4.14 TRAINING PROGRAMMES (IMCs, ESDPs, EDPS, BSDPs AND MDPs) CONDUCTED BY MSME-DIs

4.14.1 MSME-DIs are conducting various training programmes for first generation potential entrepreneurs, existing industrial workers and managers. The ultimate aim is to promote the MSME sector of the country by inculcating entrepreneurial culture in the respective area as well as to enhance productivity of the existing industries of that State/Area. It also provides various common facilities to existing industries of the area and helps them in improving the techno-managerial skills. Different types of training programmes conducted for entrepreneurship development and promotion are:

i. Industrial Motivation Campaigns (IMCs): Industrial Motivation Campaign (one day duration) is organized to identify and motivate traditional /non-traditional entrepreneurs having potential for setting up MSEs so as to lead them towards self employment. Emphasis is being given to organize the maximum number of programmes in rural /remote areas particularly for weaker sections of the society. 1031 programmes were conducted to motivate 82617 persons including 19419 persons of scheduled caste category, 8647 persons of schedule tribe category, 18513 under other backward class category and 583 persons of physically handicapped category up to November, 2011. A total of 2742 programmes will be conducted in this year benefiting 274200 persons.

ii. Entrepreneurship Development Programmes (EDPs): Entrepreneurship Development Programmes are being organized as a regular training activity to cultivate the latent qualities of youth by enlightening them on various aspects that are necessary to be considered while setting up Micro, Small & Medium Enterprises. These programmes are conducted generally for technicians /artisans for motivating them towards self-employment. The course contents of such Entrepreneurship Development Programmes are so designed as to provide useful information on product/process

design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profile preparation, marketing avenues/ techniques, product / service pricing, export opportunities, infrastructure facilities available, finance and financial institutions, cash flow, etc. No fee is charged from SC, ST participants and 50% fee is charged from women and physically handicapped participants. In the stipendiary programmes, conducted for weaker sections (SC/ST/Women and physically Handicapped participants) no fee is charged, rather a stipend of Rs.125/- per week per candidate is provided to these participants. Emphasis is being placed to organize special programmes in rural areas particularly for weaker sections of the society. 163 programmes have been conducted up to November, 2011 for providing training to 3893 persons including 1386 SC, 585 ST, 543 OBC and 24 Physically Handicapped persons. A total of 487 programmes will be conducted in this year to train 12175 persons.

iii. Entrepreneurship Skill Development Programme (ESDPs): Comprehensive training programmes are organized to upgrade existing skills and to create new skills in workers and technicians of existing units and educated unemployed youth by organizing various technical training courses for them. The basic objective has been to provide

training to unskilled/semi-skilled workers engaged in MSE sector and to equip them with better and improved techno-managerial skills of production. Emphasis is being placed to organize maximum programmes in rural areas particularly for weaker sections of the society. Specific tailor-made programmes are organized for the skill development of the socially disadvantaged groups (OBC, SC, ST, Minorities and Women) in remote regions / pockets of the states. These programmes are also called 'Out-Reach Programmes' as these are conducted in rural/less developed areas.

Programmes organized included Herbal Cosmetics, High Fashion Garments, Hosiery, Food & Fruit Processing Industries, Information Technology, Hardware Maintenance, Soap and Detergents, Leather Products/Novelties, Servicing of House Hold Electrical Appliances and Electronic Gadgets, Gem Cutting and Polishing, Engineering Plastics, Tour Operators, Mobile Repairing, Beautician, CAD/CAM etc. No fees is charged from SC, ST participants in the programme. 20% of the target ESDPs are conducted as stipendiary programme for weaker sections (SC/ST/Women and Physically Handicapped participants) in which no fee is charged, rather a stipend of Rs.125/- per week per candidate is provided. 918 programmes have been conducted up to November, 2011 for providing training to

20544 persons including 10073 SC, 4866 ST, 1986 OBC and 146 Physically Handicapped persons. A total of 2742 programmes will be conducted in this year to train 68550 persons.

iv. Management Development

Programmes (MDPs): The basic objective of imparting training in management subjects is to improve the MSMEs in the decision-making and in enhancing productivity/profitability. 190 programmes have been conducted up to November, 2011 to train 4350 persons including 1094 SC, 430 ST, 624 OBC and 16 Physically Handicapped persons. A total of 575 programmes will be conducted in this year to train 14375 persons.

v. Business Skill Development

Programme(TailorMadeCourse): Tailormade courses namely Business Skill Development Programme (BSDP) has been introduced for prospective entrepreneurs through select Business schools/Technical institutions etc. The programmes have been devised to encourage educated unemployed youth/students basically from Business Schools/Technical Institutes to start self-employment ventures of MSEs. 28 programmes have been conducted upto November, 2011 to train 766 persons including 137 SC, 177 ST, 97 OBC persons. A total of 145 programmes will be conducted in this year to train 3625 persons.

vi. Entrepreneurship Skill Development Programme (ESDP) on Biotechnology: Biotechnology is playing an important role in diverse sectors such as human and animal health care, plant and agriculture sciences, food and nutrition, environment etc. The areas of tissue culture, bio-fertilizers, bio-pesticides, mushroom cultivation, solid waste management etc. are given priority for ESDPs. 11 programmes have been conducted upto November, 2011 to train 318 persons including 32 SC, 2 ST, 33 OBC person and one physically handicapped person. A total of 33 programmes will be conducted in this year to train 825 persons.

4.14.2 WTO Sensitization Workshop

With a view to create awareness among the MSMEs, MSME Associations and other stakeholders, on WTO Agreement and its implications for them, Ministry of MSME is organizing Sensitization workshop/ seminars all over the country. Since the year 2000, 85 such workshop/seminars have been organized. As part of this endeavour, eight awareness programme on various aspects of WTO were organized benefiting 565 entrepreneurs during 2010-11. A budget of Rs. 5.00 lakh has been provided during 2011-12 to organize eight WTO sensitization programmes.

4.14.3 Capacity building, strengthening of database and advocacy by Industry/ Enterprise Association:

It has been felt that the Associations of Micro and Small Enterprises do not have adequate capacity to collect and interpret data relating to changes in the market scenario, owing to the limited availability of funds and the absence of expertise in the matter. As a result, their articulation of views on specific issues concerning to their product groups leaves much to be desired. In spite of the fact that the Associations of the MSEs have been made members of the MSME Board and the members of the steering committees of certain national programmes for development of some products, their existing weaknesses prevent them from playing the expected role effectively. Even in their role as facilitators for their members in government assisted schemes like setting up of sub-contracting exchanges, testing laboratories, etc., the capacity of these Associations has been found to be deficient.

4.14.4 To strengthen their role and increase their efficiency, financial assistance is provided for the secretarial and advisory/ extension services and for holding workshops/ seminars/symposiums of selected Associations depending on the size and the reach of the associations. The beneficiary associations are to provide the regular manpower at their own

cost and office space and also bear 50 per cent of the cost of modernization of their facilities, equipment and training of their personnel.

The Budget Estimate for the current year (2011-12) under the scheme is Rs. 70.00 lakh. An amount of Rs. 4.68 lakh has already been released up to December 2011 to benefit 7 industrial associations. Balance budget is likely to be utilized for assisting association under the scheme within financial year.

4.14.5 Officer's Training Programmes within the O/o DC (MSME):

MSME-DO plays a vital role in the development of Micro, Small & Medium sector in India. It is actually engaged in developing new and existing Micro, Small and Medium Entrepreneurs by providing training, extension service, common facility workshop and Hi-tech technological inputs and facilities for preparing of tools, moulds, jigs, fixtures etc. through modern tool rooms and development institutes spread across the country. It has excellent technical officers and staff for imparting Entrepreneurship skills, management training, and technical training in all trades pertaining to MSME sector.

It is against this background that there exists a continuous need for improving the performance of staff and officers of MSME-DO by giving appropriate training to them. Accordingly, DC

Office arranges In-Country training to MSME-DO officers for enriching their knowledge and about 400 officers are usually trained every year. During the year 2011-12 (till 30th November 2011) 170 officers were sent for various training courses including 11 officials from NE region and 3 women officers. The total amount of sanction issued till 30-11-2011 is Rs. 51.11 Lac.

4.14.6 Scheme to support 5 selected universities/ colleges to run 1200 Entrepreneurship Clubs

The scheme is to support 5 selected universities to run Entrepreneurship Clubs (one each from Northern, Western, Southern, Eastern and North-East Region). Each university will have to run 240 Clubs per year and each club may have a membership of 50 entrepreneurs with an objective to bring the entrepreneurs, experts of universities and MSME-DIs together to solve common problem in the field of technology, innovation, marketing etc. During the current financial year, 2011-12, there is a budget provision of Rs 70 Lakh for formation of approximately 295 Clubs benefiting 14776 MSEs.

4.14.7 Export Promotion (Training programme on packaging for Exports):

To educate MSEs entrepreneurs about the scientific packing techniques, latest design of

packing technology and improve their packaging standards and to highlight the importance of packaging in marketing, specialized training programmes on packaging for exports for MSE units through field offices i.e. MSME-DIs in collaboration with Indian Institute of packaging (IIP), Mumbai are being organized since 1979.

4.14.8 During the year 2010-11, 32 such programmes were organized benefiting 1251 MSEs entrepreneurs. A budget of Rs.15.00 lakh has been earmarked during 2011-12 to organize 33 training programmes on packaging for exports. Women, SC&ST and Physically Handicapped participants are exempted from payment of participation fee for these training programmes. All existing and potential entrepreneurs from Micro Small & Medium Enterprises are eligible for training under this scheme.

4.15 Vendor Development Programme (VDP) for Ancilliarisation

Vendor Development Programmes (VDPs) are being organized by MSME-DIs in every corner of the country to provide common platform for MSEs as well as large public sector institutions to inter-act with each other with a view to identifying emerging demands of the buyer organizations, while simultaneously providing an opportunity for displaying the capabilities of the MSEs and their industrial ventures. Such

programmes have proved to be of immense use in locating suitable entrepreneurs by a number of buying organizations including the Public Sector Enterprises, various wings of Defence, Railways and others in indigenising a number of products which hitherto have been imported at high cost. Two types of VDPs are being organized by MSME DIs – National Level VDPs –cum-Exhibitions and State Level VDPs.

4.16 SSI-MDA Scheme: Participation in Overseas International Trade Fairs/ Exhibitions

Office of DC(MSME) has been providing opportunity under Marketing Development Assistance Scheme to MSEs for getting an exposure in the International market and exploring the possible export opportunity of their products by exhibiting them through participation in International Trade Fairs under MSME India stall. Office of DC(MSME) during the financial year 2011-12 has planned to participate in 10 trade fairs with a target to enable 140 MSEs to participate in International Trade Fairs under MSME India stall. Till December, this office has participated in 6 international trade fairs and provided export and marketing opportunity to 82 MSEs and out of which 44 MSEs are owned by women entrepreneur and 8 SC/ST entrepreneurs respectively.

Against the allocation of BE Rs. 3.55 crore, sanctioned for reimbursement to MSEs. upto December, 2011, Rs. 2.58 crore has been



Shri Virbhadra Singh, Hon'ble Minister, MSME inaugurating the MSME Pavilion at 31st India International Trade Fair (IITF) - 2011 at Pragati Maidan, New Delhi. Shri R. K. Mathur, Secretary, MSME is also present

4.17 BAR CODE SCHEME

SSI-MDA Scheme has the provision for 75% reimbursement of one-time registration fees w.e.f. January, 2002 and annual recurring fees (for first three years) w.e.f. June, 2007 paid by Micro and Small Enterprise (MSEs) to GS1 India for use of Bar Code. However, the funding towards reimbursement of one time

registration fee only is provided under SSI-MDA Scheme .This scheme aims to enhance marketing competitiveness of MSEs. Financial assistance of Rs.21.42 lakhs have been provided to 105 MSEs for reimbursement of one-time registration fees upto 30th November, 2011.

4.18 SENET (SMALL ENTERPRISE NETWORK)

4.18.1 The objective of the project is to set up an electronic (computer) Information and Resource Center Network to meet the information resource requirements of the small enterprise sector including small industries & industry related service & business activities. This objective will be achieved by setting up an information Network on small enterprises to be called Small Enterprise Network-SENET. The following main activities will be broadly covered under the SENET during XI Plan: -

- i. Maintenance AMC of computers, Servers, printers, UPS, Networking equipments, Facility Management, lease line/broadband connection etc, up gradation/replacement of Computers of the Hardware available in the HQs and it's 30(thirty) field MSMEDIs.
- ii. The maintenance of the website of office of DC (MSME), the website of 30 MSME development institutes (formerly called SISIs) providing connectivity through leased lines/broadband in Nirman Bhawan, AGCR building and the MSME development institutes etc.
- iii. There, of course are certain add-ons for support of MSMEs. Further more, e-Governance guide lines issued by

Department of Adminstrative Reforms and Public Grievances (DAR&PG), guidelines of CVC for placement of tenders on the website, Guidelines of RTI Act 2005 etc. and basic transparency requirement are other services provided by SENET. The SENET Schemes also provides for maintaining a communication link between the Associations; state Govt. and other stakeholders.

4.19 NATIONAL AWARDS

The Ministry of Micro, Small and Medium Enterprises with a view to recognize the efforts and contribution of MSMEs gives National Award annually to selected entrepreneurs and enterprises under the scheme of National Award.

The awards are given for various categories in (i) Research and Development Efforts, (ii) Outstanding Efforts in Entrepreneurship and (iii) Quality Products. The First, Second and Third National Award carry a cash prize of Rs.1,00,000/-, Rs.75,000/- and Rs.50,000/- respectively, a certificate and a trophy. Selection for awards is made on the basis of a set criteria exclusively designed to evaluate performance of the MSMEs. Besides Awards to the Entrepreneurs, awards are also given to banks for excellence in lending to MSEs.

These awards were given by Her Excellency, President of India/ Hon'ble Minister, MSME on 2nd September, 2011 in a National Function organized by office of DC(MSME) at Vigyan Bhavan, New Delhi.

Under the scheme, an exhibition is also organized during the India International Trade Fair (IITF) at Pragati Maidan to exhibit products manufactured by MSME National Awardees.

4.19.1 NATIONAL AWARD FOR RESEARCH & DEVELOPMENT EFFORTS IN MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)

National Awards for Research & Development Efforts in Micro, Small and Medium Enterprises are given for encouraging in-house R&D efforts and promoting this spirit in the larger interest of qualitative development in MSME Sector. Under this Scheme, two awards each for Micro and Small Enterprises and for Medium Enterprises are conferred upon deserving registered MSMEs which may be in continuous production for the last 3 years. The first and second award carry a cash prize of Rs.1,00,000/- and Rs.75,000/- respectively, besides a Certificate and a Trophy.

A Special Recognition Award in the form of cash prize of Rs.20,000/- each, a certificate and a trophy are given to the deserving MSMEs.

For the year 2010, the First Award and Second Award to MSEs have been conferred upon to Entrepreneurs from Andhra Pradesh and Karnataka respectively and to Medium Enterprises from Andhra Pradesh and Maharashtra respectively. Special recognition awards have been given to 9 MSEs.

4.19.2 OUTSTANDING ENTREPRENEURSHIP EFFORTS IN MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES)

Under the Scheme, three National Awards are given to MSMEs engaged in manufacturing Sector and two awards for MSMEs rendering Services. Besides a Trophy and a Certificate, the First Award carries a cash prize of Rs.1,00,000/-, the Second and the Third Awards carry cash prizes of Rs.75,000/- and Rs.50,000/- respectively. Special Award to Outstanding Women Entrepreneurs, SC/ST entrepreneur and Entrepreneur from NER at par with 1st National Award in each category is also given. The First National Award for Micro and Small Enterprises for 2010 have been given jointly to entrepreneurs from Karnataka and Punjab, second National Award jointly to entrepreneurs from Uttar Pradesh and Punjab and Third National Award to entrepreneurs from Delhi. A women entrepreneur from Himachal Pradesh has won the Special Award under the category of women entrepreneurs and special award for SC/ST entrepreneur

has gone to Gujarat. An entrepreneur from Assam has won the Special Award for NER. The First and Second National Awards for Medium Enterprises have been awarded to entrepreneurs from Rajasthan and Andhra Pradesh respectively. The First National Award for Micro & Small enterprises rendering services have been awarded to entrepreneurs from Rajasthan and second National Award jointly to entrepreneurs from Haryana and Odisha.

Special Recognition Awards have been given to 82 Entrepreneurs/ enterprises.

4.19.3 NATIONAL AWARD FOR QUALITY PRODUCTS IN MICRO & SMALL ENTERPRISES (MSES)

Under the “National Awards for Quality Products in Micro and Small Enterprises” certain products are selected for conferring the Awards every year. One National Award is given for each category of the selected products. The award carries a trophy, a certificate and a cash prize of Rs.1,00,000/- A Special Recognition Award in the form of cash prize of Rs.20, 000/- each, a certificate and a trophy are given to the deserving MSMEs.

The National Award for Quality Product 2010 were given to eligible entrepreneurs for 9 products. i.e.

- i. Bio- Fertilizers/ Bio- Pesticides
- ii. Circuit Breakers (All Types)

- iii. HT/LT Porcelain Insulators
- iv. Ladies Blouse, Skirt and Jeans
- v. LED/LED Lighting Products
- vi. LPG Operated Stoves/ Appliances
- vii. Pharmaceuticals Formulations
- viii. Ready to Eat/ Instant Mix Food Product
- ix. Submersible Pumps

Special Recognition awards have been given to 26 entrepreneurs/ enterprises.

4.19.4 NATIONAL AWARDS TO BANKS FOR EXCELLENCE IN MSE LENDING AND EXCELLENCE IN LENDING TO MICRO ENTERPRISES.

With a view to encourage the Banks for taking effective steps for enhancing flow of credit to the MSE sector, a National Award is being conferred upon the Banks in recognition of their outstanding performance in financing the Micro and Small enterprises. For the year 2010-11, awards have been given to following banks-

For the Excellence in MSEs Lending

- 1. First Award – Indian Overseas Bank
- 2. Second Award – State Bank of India
- 3. Third Award – State Bank of Mysore

For the Excellence in Lending to Micro Enterproses

- 1. First Award – Corporation Bank
- 2. Second Award – Bank of India
- 3. Third Award – State Bank of Hyderbad



Smt. Pratibha Devi Singh Patil, Hon'ble President of India inaugurating MSME National Awards - 2011 function on 2nd September 2011 at Vigyan Bhavan, New Delhi.

4.20 ADVERTISING & PUBLICITY

4.20.1 The Advertising and Publicity Division of the DC, MSME is creating awareness amongst the people through Print and Electronic Media about the policies, programmes and activities of the Ministry of MSME for the Development of MSMEs.

Advertising: During the year (till November, 2010), more than 1400 advertisements were released on EDPs/SDPs/MDPs and other

training programmes etc. conducted by MSME-DIs , designed and released in the national and local newspapers in vernacular language in different parts of the country through DAVP. Apart from these regular advertisements, display advertisements were also released on the occasion of MSME Expo and National Awards Function.

Documentary Film: During the year one Documentary film titled “The March of MSME”

has also been produced through Film Division and shown during the National Awards Function.

Newspaper / Magazine Clippings: The Division is also scanning news/ coverage pertaining to MSME Sector in more than 25 newspapers on daily basis.

During the year, speeches of Her Excellency the President of India and Hon'ble Minister have been translated from English to Hindi and a number of messages have been prepared on various occasions, and coordinated with PIB for speedy information and media coverage.

4.21 LAGHU UDYOG SAMACHAR AND OTHER PUBLICATIONS

Laghu Udyog Samachar, a monthly journal in Hindi and English (bilingual) of MSME is published to disseminate the updated information for the benefit of the prospective and existing entrepreneurs. Laghu Udyog Samachar is an important window in print for the MSMEs, providing access to the latest information on a variety of topics affecting the operations of MSMEs. It creates awareness and disseminates information on policies and programmes of the Central and the State Governments. It also provides useful information about field activities and carries statistical and economic information as well as articles on various issues pertaining to the MSMEs.

The following books/ brochures were published during the year:

- i) A Guide to Self Employment
- ii) Achievements of the Ministry
- iii) Laghu Udyog Samachar (April-Sept, 2011 issues)

4.22 INFORMATION & FACILITATION COUNTER (IFC)

The Information and Facilitation Counter (IFC) located in Nirman Bhawan is the nodal office for the M/o MSME and its organizations to provide speedy and easy access of information to the public on the services and activities of the Ministry of MSME and its organizations. Copies of important brochures, pamphlets, books, etc. are also made available to the entrepreneurs by the IFC. The other important activities of IFC include:

- (i) Providing counseling, guidance and information related to enterprise;
- (ii) Disseminating information on technical schemes, project report and details of various programmes implemented by the M/o MSME and Office of the DC(MSME) etc.;
- (iii) Making available information relating to policies concerning MSMEs and schemes of various State Governments for promotion of MSMEs;
- (iv) Providing information about filing of

Memorandum and other different provisions of the Micro, Small and Medium Enterprises Development Act, 2006 and supplying information about credit policies of the government, statistics related to micro, small and medium enterprises, technical and marketing aspects concerning MSMEs and Reservation/De-reservation in MSMEs, etc.

IFC is also the nodal office for accepting the applications under RTI Act and forwarding the same to the concerned Division/Section of the Ministry for further necessary action.

4.23 MODERNISATION OF MSME LIBRARIES

The Office of the DC (MSME) is maintaining Libraries at its Headquarters at Nirman Bhawan and its field Institutes. These Libraries are the source of information and are maintained with the objective of making available the technical information required for the development of MSMEs.

The libraries are maintaining technical books, journals, reports, project profiles and statistical surveys and copies of other related government publications etc. and are being equipped with computers, photostat machines, internet connectivity etc.

4.24 COLLECTION OF STATISTICS OF MSMEs

4.24.1 The Statistics and Data Bank Division of the O/o DC(MSME) collects, compiles and disseminates statistical information on various economic parameters like number of MSMEs, employment, fixed investment and production in the micro, small and medium enterprise sector under the centrally sponsored scheme of "Collection of Statistics". Based on the primary data collected through census and sample surveys, the time-series estimates on above economic parameters are maintained for use in the policy formulation and planning.

4.24.2 The scheme was initiated during Fifth Five Year Plan period in 1975 with the prime objective of providing for infrastructure in terms of man-power and computers & peripherals to the Directorate of Industries and District Industries Centres (DICs) of the States/UTs for facilitating activities like collection, compilation and dissemination of statistical data/information on micro, small and medium enterprises. Conduct of census, sample survey, collection of Index of Industrial Production (IIP) data and updation of frame (details of enterprises registered and/or entrepreneurs memorandum filed) are covered under the scheme.

5

KHADI AND VILLAGE INDUSTRIES COMMISSION (KVIC)



*Shri R. K. Mathur, Secretary, MSME addressing KVIC Officers at KVIC, Mumbai
Shri Devendrakumar R. Desai, Chairman, KVIC and Shri J.S. Mishra,
CEO, KVIC are also seen.*

CHAPTER - V

KHADI AND VILLAGE INDUSTRIES COMMISSION (KVIC)

5.1 BACKGROUND

Khadi & Village Industries Commission (KVIC) established under the Khadi and Village Industries Commission Act, 1956 (61 of 1956), is a statutory organization under the aegis of the Ministry of MSME, engaged in promoting and developing khadi and village industries for providing employment opportunities in the rural areas, thereby strengthening the rural economy. KVIC has been identified as one of the major organisations in the decentralised sector for generating sustainable non-farm employment opportunities in rural areas. It undertakes activities like skill improvement; transfer of technology; research & development; marketing etc. and helps in generating employment/self-employment opportunities in rural areas.

5.2 MAIN OBJECTIVES

The main objectives of KVIC include:-

- (i) The social objective of providing employment in rural areas;
- (ii) The economic objective of producing saleable articles; and

- (iii) The wider objective of creating self-reliance amongst people and building up a strong rural community spirit.

5.3 FUNCTIONS

The functions of KVIC as prescribed under the KVIC Act, 1956 (61 of 1956) and Rules made thereunder, include:

- (i) to plan and organise training of persons employed or desirous of seeking employment in khadi and village industries;
- (ii) to build up directly or through specified agencies reserves of raw materials and implements and supply them or arrange supply of raw materials and implements to persons engaged or likely to be engaged in production of handspun yarn or khadi or village industries at such rates as the Commission may decide;
- (iii) to encourage and assist in the creation of common service facilities for the processing of raw materials or semi-finished goods and otherwise facilitate production and marketing of khadi or products of village industries;

- (iv) to promote the sale and marketing of khadi or products of village industries or handicrafts and for this purpose forge links with established marketing agencies wherever necessary and feasible;
- (v) to encourage and promote research in the technology used in khadi and village industries, including the use of non-conventional energy and electric power with a view to increasing productivity, eliminating drudgery and otherwise enhancing their competitive capacity and to arrange for dissemination of salient results obtained from such research;
- (vi) to undertake directly or through other agencies, studies of the problems of khadi or village industries;
- (vii) to provide financial assistance directly or through specified agencies to institutions or persons engaged in the development and operation of khadi or village industries and guide them through supply of designs, prototypes and other technical information, for the purpose of producing goods and services for which there is effective demand in the opinion of the Commission;
- (viii) to undertake directly or through specified agencies, experiments or pilot projects which in the opinion of the Commission, are necessary for the development of khadi and village industries;
- (ix) to establish and maintain separate organizations for the purpose of carrying out any or all of the above matters;
- (x) to promote and encourage cooperative efforts among the manufacturers of khadi or persons engaged in village industries;
- (xi) to ensure genuineness and to set up standards of quality and ensure that products of khadi and village industries do conform to the said standards, including issue of certificates or letters of recognition to the concerned persons; and
- (xii) to carry out any other activity incidental to the above.

5.4 ORGANISATIONAL SET-UP

5.4.1 KVIC is functioning under the administrative control of the Ministry of Micro, Small and Medium Enterprises, Government of India. The Commission functions with its Head Office at Mumbai and six Zonal Offices located at New Delhi; Bhopal; Bangalore; Kolkata; Mumbai and Guwahati and 36 State/Divisional Offices spread all over the country to facilitate speedy implementation of KVI programme. At the Central Office level, different Directorates have been constituted for coordinating the functions like training, marketing, funding, economic research and the Prime Minister's Employment Generation

Programme (PMEGP), etc.

5.4.2 KVIC undertakes training activities through its 39 departmental and non-departmental training centres. Marketing is taken up through its 09 departmentally-run Khadi Gramodyog Bhavans located in urban areas and 7,050 institutional/retail sales outlets located at different parts of the country. KVIC also makes available quality raw material to khadi institutions through its six Central Sliver Plants (CSPs).

5.5 IMPLEMENTING AGENCIES

Khadi and Village Industries (KVI) programmes are implemented through 33 State/Union Territories (UTs) Khadi and Village Industries Boards (KVBs); 5,000 registered institutions; 30,129 cooperative societies and banks / financial institutions. The Khadi programme is implemented through institutions registered either with KVIC or State/UT KVBs. In the case of village industries, KVIC is implementing with effect from 2008-09 the Prime Minister's Employment Generation Programme (PMEGP) which is a more attractive scheme for prospective entrepreneurs with higher subsidy levels than the erstwhile Rural Employment Generation Programme (REGP) and Prime Minister's Rozgar Yojana(PMRY). KVIC also implements cluster development activities in traditional industries of khadi

and village industries under Scheme of Fund for Regeneration of Traditional Industries (SFURTI) as a Nodal Agency.

5.6 GROUPING OF INDUSTRIES

5.6.1 While the Khadi Programmes comprise hand spun and hand woven cotton, woollen, muslin and silk varieties, the Village Industries (VI) Programmes have been classified into seven broad groups. These are:

- (i) Mineral Based Industry;
- (ii) Forest Based Industry;
- (iii) Agro Based & Food Processing Industry;
- (iv) Polymer & Chemical Based Industry;
- (v) Rural Engineering & Bio-Technology Industry;
- (vi) Hand Made Paper & Fibre Industry; and
- (vii) Service Industry.

5.6.2 Industries connected with meat (slaughter) i.e. processing, canning and/ or serving items made therefrom; production/ manufacturing or sale of intoxicant items like beedi/pan/cigar/cigarette, etc., any hotel or dhaba or sales outlet serving liquor; preparation/ producing tobacco as raw materials; tapping of toddy for sale; manufacturing of polythene carry bags of thickness less than 20 microns and manufacturing of carry bags or containers

made of recycled plastics for storing, carrying, dispensing or packaging of food-stuff, etc., are not assisted under KVIC programme as these are either not eco-friendly or against the ideology and ethos of Mahatma Gandhi.

5.7 BUDGETARY SUPPORT TO KVIC

5.7.1 The Union Government through the Ministry of Micro, Small and Medium Enterprises (MSME) provides funds to KVIC for undertaking its various activities under Plan and Non-Plan heads. These funds are provided primarily by way of grants and loans and KVIC in turn re-allocates them to its implementing agencies, namely the State KVICBs; institutions

registered under the Societies Registration Act, 1860 and cooperative societies registered under the Cooperative Acts of the State Governments; implementing banks, District Industries Centres, etc. The Commission's administrative expenditure including pension payments is met out of Non-plan Government budgetary support.

5.7.2 The details of funds provided from budgetary sources (both under Plan and Non-Plan head) during the last three years and those earmarked in the Budget are given in the following Table:

TABLE 5.1: Budgetary Support to KVIC

(Rs. crore)

Year	Allocation (RE)		Funds Released	
	Plan	Non- Plan	Plan*	Non- Plan
2008-09	1104.95	107.63	1104.94	107.62
2009-10	919.20	192.41	836.00	192.38
2010-11	1543.96	172.64	1452.46	171.64
2011-12(BE)	1494.22	199.46	1219.61@	154.91@

* including SFURTI

@as on 29 February, 2012

5.8 PHYSICAL PERFORMANCE

5.8.1 KVI sector has registered a growth of around 9.6 % in 2010-11 over the performance of previous year. The total KVI production during 2011-12(up to 15 Februry 2012) is estimated at Rs. 23,551.64 crore (Khadi Rs. 637.95 crore and V.I. Rs. 22,913.69 crore) as against Rs. 19871.86 crore (Khadi Rs. 673.01 crore and V.I. Rs. 19198.85 crore) in 2010-11. Similarly, estimated sales of KVI products up to 15 Februry 2012 is Rs. 25155.30 crore (Khadi Rs. 821.10 crore and V.I. Rs.24334.20 crore) in 2011-12 as against Rs. 25792.99 crore (Khadi Rs. 917.26 crore and V.I. Rs. 24875.73 crore)

of the previous year.

5.8.2 The total cumulative employment in the KVI sector is estimated to have also increased to 130.12 lakh persons (10.35 lakh in Khadi and 119.77 lakh in V.I.) by 15 Februry, 2012 as against 113.80 lakh persons (10.15 lakh in Khadi and 103.65 lakh in V.I.) of corresponding period of previous year.

5.8.3 The performance of KVI sector in respect of production, sales and employment during the last three years and in 2011-12 is shown in the following Table:

TABLE 5.2: Performance of KVI Sector

YEAR	PRODUCTION (Value in Rs. crore)		SALES (Value in Rs.crore)		CUMULATIVE EMPLOYMENT (in lakh persons)	
	KHADI	V. I.	KHADI	V. I.	KHADI	V. I.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2008-09	585.25	16753.62	799.60	21948.59	9.50	94.41
2009-10	628.98	17508.00	867.01	23254.53	9.81	98.72
2010-11	673.01	19198.85	917.26	24875.73	10.15	103.65
2011-12*	637.95	22913.69	821.10	24334.20	10.35	119.77

*up to 15 Februry 2012

5.9 MAJOR SCHEMES BEING IMPLEMENTED BY KVIC

5.9.1 Prime Minister's Employment Generation Programme (PMEGP):

The Ministry was implementing two credit linked employment generation schemes namely, Prime Minister's Rozgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) since October, 1993 and April, 1995 respectively. By the end of March 2008, the Ministry was able to generate an estimated 46.62 lakh and 49.45 lakh additional employment opportunities under PMRY and REGP respectively.

Keeping in view the varying parameters and entitlements, targeting almost the same set of beneficiaries in rural areas, better recovery rates under REGP as compared to PMRY and the existence of employment generation schemes being implemented by a number of States with more attractive benefits/ assistance/ interventions like Bangla Swanirbhar Karma Sansthan Prakalpa (West Bengal); Shri Vajpayee Bankable Yojana (Gujarat); Chief Minister's Rozgar Yojana (Uttar Pradesh), etc., it was decided to discontinue

PMRY and REGP from 2008-09 and introduce a new credit linked subsidy scheme titled **Prime Minister's Employment Generation Programme (PMEGP)** through merger of the erstwhile schemes of PMRY and REGP. PMEGP has been a significant initiative with a higher level of subsidy than that available under PMRY and REGP. This Scheme is being implemented through KVIC as the national level nodal agency. The details of PMEGP are given in Chapter X.

5.9.2 Workshed Scheme for Khadi Artisans:

In order to facilitate and empower khadi spinners and weavers to chart out a sustainable path for growth, income generation and better work environment and to enable them to carry out their spinning and weaving work effectively 'Workshed Scheme for Khadi Artisans' was introduced in 2008-09. Under this Scheme, financial assistance for construction of worksheds is provided to khadi artisans belonging to BPL category through the khadi institutions with which the khadi artisans are associated. The revised quantum of assistance is as under:

Component	Area per unit	Amount of Assistance
Individual Workshed	20 Square meters (approximately)	Rs. 45,000/- or 75% of the cost of the workshed, whichever is less.
Group Workshops (for a group of minimum 5 and maximum 15 khadi artisans)	15 Square meters per beneficiary (approximately)	Rs. 30,000/- per beneficiary of the group or 75% of the total cost of the project, whichever is less.

Under this Scheme, more than 38,000 Workshops are targeted to be constructed at a total cost of Rs. 127 crore (approx.), involving financial assistance of Rs. 95 crore as grant to KVIC from the Government's budgetary sources. Assistance to 7082 artisans have been provided during 2010-11. Against the target of providing assistance to 4444 workshops during 2011-12, assistance to 4444 artisans have been provided up to 15 February 2012.

5.9.3 Scheme for Enhancing Productivity & Competitiveness of Khadi Industries and Artisans:

The Scheme aims at making khadi industry more competitive with more market-driven, profitable production and sustained employment for khadi artisans and related service providers through replacement of obsolete and old machinery and equipment and repairs /renovation of existing/operational machinery/ equipment. The Ministry has introduced the 'Scheme for Enhancing Productivity and Competitiveness of Khadi Industries and Artisans' through KVIC with effect from July 2008. The Scheme would provide financial assistance to 200 of the 'A+' and 'A' category khadi institutions of which 50 institutions would be those which are managed by beneficiaries belonging to Scheduled Castes (SCs)/ Scheduled Tribes (STs), at a total cost of Rs. 84.00 crore involving financial assistance of Rs. 71.14 crore as grant to KVIC

from the Government's budgetary sources between 2008-09 to 2011-12. A total of 16 khadi institutions were selected for assistance during 2010-11. The target for assisting 59 khadi institutions in 2011-12 has been fixed.

5.9.4 Strengthening Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure

In order to facilitate the need-based support towards the Khadi sector for nursing the sick/problematic institutions elevated from "D" to "C" category as well as those whose production, sales and employment have been declining while they have potential to attain normalcy and to support creation of marketing infrastructure in other identified outlets, the scheme of **Strengthening of Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure** has been formulated. Under this scheme, financial assistance has been provided to 58 existing weak Khadi institutions for strengthening of their infrastructure and for renovation of selected 30 khadi sales outlets which includes(KVIC outlets -4, KVIB outlets – 6 and KIs outlets – 20). The maximum amount of assistance for strengthening of weak khadi institutions under this scheme is Rs. 9.90 lakh (capital expenditure – Rs. 3.50 lakh, working capital – Rs. 6.15 lakh

and Rs. 0.25 lakh towards conducting detailed study report). For renovation of sales outlets, the ceiling of financial assistance is Rs. 25 lakh for Departmental Sales outlets of KVIC, Rs. 21.25 lakh for Departmental Sales outlets of State KVIBs, Rs. 18.75 lakh for institutional outlets located in metro cities and Rs. 15 lakh for institutional outlets located in non-metro cities. It is expected that after implementation of this scheme, there will be a higher level of production, sales and employment along with the increased level of earnings in khadi sector.

5.9.5 Khadi Reform and Development Programme(KRDP)

Department of Economic Affairs, Ministry of Finance has tied up financial aid from Asian Development Bank amounting to US\$150 million over a period of three years for implementing a comprehensive Khadi Reform Programme worked out in consultation with ADB and KVIC. Under this Reform Package, it is proposed to revitalize the Khadi sector with enhanced sustainability of Khadi, increased incomes and employment to artisans, increased artisans welfare and to enable KVIC to stand on its own with gradually decreasing dependence on Government Grants. Initially, the programme will be implemented in 300 khadi institutions keeping in mind the needs of regional balance, geographical spread and inclusion of backward areas. The first tranche

fund of Rs. 96 crore has already been released to KVIC for its implementation.

5.9.6 Interest Subsidy Eligibility Certificate (ISEC) Scheme:

The Interest Subsidy Eligibility Certificate (ISEC) Scheme is an important mechanism of funding khadi programme undertaken by khadi institutions. It was introduced in May 1977 to mobilise funds from banking institutions for filling the gap between the actual fund requirements and availability of funds from budgetary sources. Under the ISEC Scheme, credit at a concessional rate of interest of 4 % per annum for capital expenditure as well as working capital, is made available as per the requirement of the institutions. The difference between the actual lending rate and 4 % is paid by the Central Government through KVIC to the lending banks and funds for this purpose are provided under the khadi grant head to KVIC. The Institutions registered with the KVIC/ State Khadi and Village Industries Boards (KVIBs) can avail of financing under the ISEC Scheme. Initially, the entire KVI sector was covered under the Scheme. However, with the introduction of REGP for village industries (VI) in 1995 and PMEGP in 2008, the Scheme now supports only the khadi and the polyvastra sector. However, all V.I. units existing as on March 31, 1995, have been allowed to avail of this facility for the amount of bank finance

availed as on that date or actual, whichever is less provided they are fully functional and funds for this purpose are provided under the V.I. grant head.

The extent of credit flow to the institutions under the Scheme during the past three years and in 2011-12 is depicted in the following Table:

TABLE 5.3: Credit Flow under ISEC Scheme

Year	Credit Flow to Khadi and Polyvastra Institutions	Subsidy Provided by KVIC	(Rs. crore)
2008-09	244.85	27.54	
2009-10	279.02	25.00	
2010-11	275.52	29.09	
2011-12*	304.79	24.41	

*up to 15 Febrary 2012

5.9.7 Market Development Assistance (MDA)

For promoting sale of khadi and polyvastra, Government of India through the Khadi and Village Industries Commission (KVIC) used to provide subsidy in the form of rebate on sale which used to be passed to the consumers. But it was observed that artisans, who are the backbone of Khadi activities, were not extended any benefit from this and khadi outlets also were not able to attract buyers due to inadequate quality design and unattractive look of the outlets and inadequate marketing

support, etc. To rectify these deficiencies, the Government after extensive consultation with khadi institutions and other stake holders has introduced a flexible, growth stimulating and artisan-centric 'Market Development Assistance (MDA) Scheme for Khadi and Polyvastra' in place of the Rebate Scheme with effect from 01.04.2010 for implementation during two terminal years of XI Plan, i.e., 2010-11 and 2011-12 with estimated cost of Rs. 345.05 crore (Rs. 159.65 crore for 2010-11 & Rs. 185.40 crore for 2011-12). The main feature of this Scheme is that financial assistance (i.e., MDA) will be provided @ 20% of value

of production of Khadi and polyvastra (cotton khadi, silk khadi, wollen khadi and Polyvastra) achieved by the producing institution. It is mandatory on the part of the Khadi Institution to pass on 25% of MDA to artisans/weavers as bonus/incentive, in addition to wages in their Post Office/Bank Account. The remaining 75% can be utilized by the producing and selling institutions for various marketing and production related activities as per norms. The MDA would be claimed by the institutions quarterly on the basis of their production in the preceding quarter.

5.9.8 Product Development, Design Intervention and Packaging (PRODIP)

The Product Development, Design Intervention and Packaging (PRODIP) Scheme was launched in November 2002 as a small intervention with a view to selectively improving the quality of khadi products and also to

diversify into new products. It also seeks to improve the marketability of khadi by enlisting the support of professional designers approved by the National Institute of Design (NID).

Under this Scheme, financial assistance is provided to the institutions or entrepreneurs affiliated to the KVIC or State KVIBs up to Rs. 2 lakh per project per year or 75 per cent of the project cost whichever is less. In the case of individual entrepreneurs, the quantum of assistance is up to Rs. 1 lakh or 75 per cent of the project cost, whichever is less. The internal studies conducted by KVIC have indicated that production and sales have increased approximately by 13 per cent and 21 per cent, respectively, in the case of the projects taken up under PRODIP. The progress made under this scheme during the last three years and in 2011-12 is given in the following Table:

TABLE 5.5: Progress under PRODIP

Year	Total No. of KVI Projects Assisted
2008-09	256
2009-10	169
2010-11	175
2011-12*	81

*up to 15 February 2012

5.9.9 Rural Industries Service Centres (RISC):

KVIC has also taken up another intervention called “Rural Industries Service Centers (RISC)” Scheme from 2004-05 onwards for providing infrastructural support and services to selected units with a view to upgrading their production capacity; skill upgradation and market promotion. RISC, inter alia, provides testing facilities by establishing laboratories for ensuring quality of products; improved machinery/equipment to be utilised as common facilities by nearby units / artisans for enhancing production capacity or value addition of the product; attractive and appropriate packaging facilities and machinery to the local units/artisans for better marketing of their products; training facilities for upgrading artisans’ skills in order to increase

their earnings and new designs and diversified products in consultation with experts /agencies for value addition of rural manufacturing units.

This Scheme is being implemented through KVIC/KVIBs; National level/ State level Khadi and VI Federations; Khadi and VI Institutions affiliated to KVIC and KVIBs and NGOs which have already worked for the implementation of the programmes relating to rural industries. Under this scheme, financial assistance for establishing smaller projects costing up to Rs. 5 lakh each is provided to KVI units while in bigger projects, such assistance is up to Rs. 25 lakh. Each project costing up to Rs. 5 lakh is expected to provide benefit to at least 25 individuals.

The number of projects assisted under this programme during the last three years is given in the Table below:

TABLE 5.6: Number of Projects Assisted – RISC

Year	Total No. of KVI Projects Assisted
2008-09	54
2009-10	18
2010-11	18

5.9.10 Khadi Karigar Janashree Bima Yojana: 100/- each per month.

Yojana:

In order to provide insurance cover to khadi artisans, a group insurance scheme namely Khadi Karigar Janashree Bima Yojana (JBY) was launched on August 15, 2003. The Scheme was formulated by KVIC in association with the Life Insurance Corporation of India (LIC) with annual premium of Rs. 200/- per beneficiary. The Commission has prevailed upon LIC to reduce the premium to Rs. 100/- from 2005-06 which is shared as “ Rs. 50/- by the Central Government from Social Security Fund, Rs. 25/- by Khadi Institution and Rs. 12.50/- each by Khadi Artisan and KVIC.”

The compensation under the Scheme has also been increased by 50 per cent which stands as follows:

In case of natural death :	Rs. 30,000/-
In case of accidental death:	Rs. 75,000/-
In case of full permanent disability due to accident :	Rs. 75,000/-
In case of part permanent disability due to accident :	Rs. 37,500/-

As an ‘add-on’ benefit without any additional premium, up to two school-going children of insured artisans studying in Class Nine to Twelve are eligible for a scholarship of Rs.

More than 2.77 lakh khadi artisans have already been covered under this Scheme so far.

5.9.11 Exhibitions:

Besides promoting sale of products of khadi and village industries’ through its network of Khadi Gramodyog Bhavans (KGB) and Retail Sales Outlets, efforts are made by KVIC to organise a number of exhibitions, in different parts of the country, as a cost effective publicity and market promotion instrument. Special efforts were made in this regard and a total of 45 exhibitions/events were organised in various parts of the country in 2010-11. During 2011-12, 17 exhibitions/events have already been organized till 15 February 2012. The pace is expected to pick up in the months of February to March, 2012.

KVIC has been granted the status of ‘deemed’ Export Promotion Council (EPC) by the Department of Commerce for availing assistance on the pattern of an umbrella EPC like Federation of Indian Export Organisations (FIEO), participation in international exhibitions/fairs, organization of buyer-seller meets, etc. The assistance will be as per admissibility under Market Development Assistance (MDA)/ Market Access Initiative (MAI) guidelines of the Department of Commerce. 880 units have since been registered with KVIC.



Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh viewing the product after inaugurating the "EKMATRA STORE" of Sarvoday Ashram, in New Delhi.

5.9.12 Quality Control and Brand Promotion:

KVIC has made arrangements with the National Institute of Design (NID), Ahmedabad; 'Dastakar', Andhra Pradesh; IIT, Delhi and Textiles Committee, Mumbai. The Memorandum of Understanding (MoU) signed between KVIC and the Textiles Committee, a statutory body under the Ministry of Textiles continued during 2010-11. Under the MoU, facilities of 13 laboratories situated across the country are being used by KVIC for testing the quality of khadi and polyvastra so as to provide a fillip and thus further increase the marketability of their products. A number of khadi institutions

took benefit of this arrangement and cloth samples were tested on cost sharing basis (75 per cent of the testing charges being borne by the KVIC and 25 per cent by the khadi institutions) during the year.

5.9.13 Research and Development:

KVIC undertakes research and development activities through in-house research and also by sponsoring projects to other R&D organisations. The main objectives of the R&D programme are: increase in productivity and wages of the workers; improvement in quality; efficient use of local skills and local raw materials and reduction of human drudgery. In addition to the Mahatma Gandhi Institute

for Rural Industrialization (MGIRI), Wardha, KVIC also undertakes R&D activities through Central Bee Research and Training Institute (CBRTI), Pune; Dr. Ambedkar Institute of Rural Technology and Management (AIRT), Nashik; Kumarappa National Handmade Paper Institute (KNHPI), Sanganer, Jaipur; Central Village Pottery Institute (CVPI), Khanapur, Karnataka and Khadi Gramodyog Prayog Samiti (KGPS), Ahmedabad.

5.10 OTHER INITIATIVES TO DEVELOP KHADI AND VILLAGE INDUSTRIES

SECTORS

5.10.1 Categorization of Institutions:

In order to streamline the payment of market development assistance, release of interest subsidy, supply of raw materials, etc., khadi institutions are categorized as A+, A, B, C and D on the basis of their performance in production, sales, marketing, etc. As on March 31, 2011, the details of 2220 categorised khadi institutions are given in the Table below:

TABLE 5.4: Categorization of Khadi Institutions

S. No.	Type	A+	A	B	C	D	Total
1.	Affiliated to KVIC	107	287	322	405	246	1367
2.	Affiliated to State Boards	31	176	217	351	78	853
Grand Total		138	463	539	756	324	2220

5.10.2 Government Supplies:

KVIC has been supplying its products under the 'Rate Contract' of Director General of Supplies and Disposal (DGS&D) to various Government Departments/Agencies. Based upon DGS&D Rate Contract, the items like dasuti khadi, dungari cloth, dusters, long cloth, bunting cloth

and sheeting cloth, etc., are being supplied to Government Agencies and bed rolls, curtains, pillow covers, "kulhars" (earthern cup), etc., are being made available to the Indian Railways. The position of the supplies made by KVIC to Government Offices during the last three years and in 2011-12 is given in the Table below:

TABLE 5.9: KVIC Supplies to Governmental Agencies

(Rs. crore)

Year	Amount of Government Supplies
2008-09	31.82
2009-10	21.36
2010-11	30.28
2011-12*	19.56

*up to 15 February 2012

5.10.3 Registration of New Khadi Institutions

There was an internal ban on registration and establishment of new khadi institutions imposed by KVIC. This ban has been relaxed and KVIC has started direct enlistment/ registration of institutions with a view to enhancing production. 182 such new khadi institutions were registered with KVIC and KVIBs in 2011-12 (up to February 2012).

5.10.4 Khadi Artisans Welfare Trust Fund (KAWTF):

KAWTF is conceptually meant to be run on the lines of a Provident Fund. Membership of KAWTF is mandatory for all khadi and polyvastra producing institutions affiliated to KVIC and State KVIBs. All the Institutions categorized as A+, A, B and C are eligible to join the Trust Fund. This Fund has been functioning in 21 States and the concerned State Government

manages it. A total of 1726 khadi institutions have become its members as on March 31, 2011, accounting for remittance to the tune of Rs. 23.20 crore and refund of Rs. 10.52 crore.

5.10.5 National Flag Production Centre

Khadi is the pride and joy of our nation and this can be easily understood from the fact that the Bureau of Indian Standards (BIS) gave it the first place by way of national flag specifications. As per BIS, khadi is the only fabric that is to be used for production of India's National Flag. Accordingly, one National Flag Production Unit has been started in consultation with the South Indian Textile Research Association (SITRA) at Karnataka Khadi Gramodyog Samyukta Sangh, an NGO of KVIC at Bengeri, Hubli (Karnataka) at an estimated cost of Rs. 51.10 lakh. The National Flag Production Unit was awarded BIS certification on February 17,

2006. The Unit has also installed the dyeing, processing and finishing equipment envisaged in the second phase of the programme of National Flag Production Centre. The Unit has the capacity to produce around 5000 National Flags of different sizes per day.

5.10.6 Khadi ‘Ready-to-Use Mission’:

KVIC has initiated a “Ready-to-Use” Mission during 2005-06 for khadi products. Under this project, a major khadi institution works as a lead institution where facilities for production of garments including covering, designing, finishing, packaging, etc., are installed. Other institutions working in nearby areas are associated in a concentric manner with the activities of the lead institution. As a result, all of them are able to upgrade their product quality by sharing their experiences and common facilities installed by the lead institution. The National Institute of Fashion Technology (NIFT), Kolkata and Chennai have been engaged as Service Providers for conceptualization and development of project, identification of

location, installation of machinery, training, commissioning of project and post installation support. Two projects one each at Murshidabad (West Bengal) and Padiyur (Tamil Nadu) have been established under this Mission. The NIFT, Kolkata and Chennai have been enlisted by KVIC to also provide hand-holding support in the areas of design inputs and training.

5.10.7 Central Sliver Plants:

Khadi institutions and State KVI Boards are implementing khadi programmes of KVIC. 25 per cent of the working capital given to them is meant for raw material. In order to ensure that khadi institutions maintain regular spinning work for artisans and to improve the quality of raw material in khadi sector, KVIC continued to operate its six Central Sliver Plants (CSPs) at Kuttur, Chitradurga, Sehore, Raibareilly, Etah and Hajipur during the year. The performance of these sliver plants in terms of production and supply to the khadi institutions during the last three years and in 2011-12 are given in the Table below:

TABLE 5.10: Performance of the CSPs

(Quantity: lakh kg, Value: Rs. crore)

Year	Production		Supply	
	Quantity	Value	Quantity	Value
2008-09	33.96	33.26	30.13	29.53

2009-10	35.27	35.70	35.46	35.82
2010-11	32.98	42.88	34.17	41.14
2011-12*	24.54	41.34	21.42	38.03

* up to 15 Febrary 2012

5.10.8 Setting up of Raw Material Godowns

In order to facilitate continuous offtake of slivers/rovings by the khadi institutions facing resource crunch, KVIC continued operation of local godowns during 2011-12. The following 9 local raw material godowns provided the above services during the year:

- (i) Dausa – Rajasthan
- (ii) Surendranagar – Gujarat
- (iii) Bijnour - Uttar Pradesh
- (iv) Kurukshetra-Haryana
- (v) Wavilal - Andhra Pradesh
- (vi) Metapalli, Karimnagar Dt. - Andhra Pradesh
- (vii) Kanhewali-Uttarakhand
- (viii) Murshidabad - West Bengal
- (ix) Thiruvananthapuram - Kerala

5.10.9 People Education Programme (PEP)

As a part of its publicity programme aimed at informing people through direct interaction between KVIC on the one hand and people on the other, KVIC organised 31 PEP events in 2010-11 at the field level and 13 PEP events during 2011-12 (up to Febrary 2012). Besides dissemination of the policies and schemes of KVIC on rural industrialization, essay competition; debates and seminars drew a good deal of participation from academic institutions, students, Panchayati Raj Institutions, NGOs, etc. on issues of topical interest concerning Khadi and Village Industries. KVIC provides financial assistance for the purpose through its budgetary allocation.

5.10.10 Assistance under Credit Guarantee Trust Fund for MSME to KVI units

The Credit Guarantee Trust Fund for Micro,

Small and Medium Enterprises (CGT-MSME) approved extension of the credit guarantee to loans advanced by the banks under the KVIC/ PMEGP Schemes under its Credit Guarantee Fund Scheme. KVIC has taken steps to publicise this Scheme in association with the Trust and the participating Banks.

5.10.11 New Initiatives:

(i) KVIC developed e-Tracking software for PMEGP to bring in transparency in implementation of PMEGP scheme as

well as to create data base of PMEGP beneficiaries.

- (ii) An exclusive web portal launched by KVIC to show case the product range of PMEGP units which will enable e-commerce and provide domestic and international market to PMEGP units.
- (iii) To support the products produced by PMEGP units in the country and provide a marketing platform, a National Expo of PMEGP units was organised during IITF, New Delhi during 14-27 November, 2011.



Shri Virbhadr Singh, Hon'ble Minister of MSME inaugurating the All India State / Divisional Directors Conference of KVIC on 3rd June, 2011 at New Delhi in the presence of Sushri Kumud Joshi, former Chairperson, KVIC and Shri Uday Kumar Varma, former Secretary, MSME.

6

MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)



Her Excellency Smt. Pratibha Devi Singh Patil, President of India being explained on Solar Charkha which was developed by MGIRI during the Exhibition on Universalization of Roshini Project at Rashtrapati Bhavan, New Delhi

CHAPTER - VI

MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)

6.1 INTRODUCTION

6.1.1 There has been a long felt need to create a mechanism that would provide high quality science, technology and management inputs and support in a comprehensive manner the khadi and village industry (KVI) sector. Such a facility would strengthen rural industrialization, enhance employment in rural areas and also help identify new areas with opportunities for the sector.

6.1.2 The establishment of the Jamnalal Bajaj Central Research Institute (JBCRI) in 1955 in Wardha, Maharashtra, managed as a departmental unit by the Khadi and Village Industries Commission (KVIC) since 1956, was the first step towards achieving the above-mentioned objective. JBCRI had its roots in the All India Village Industries Association set up by Mahatma Gandhi in 1934 in the same campus. The activities of JBCRI centred around research, extension and training programmes for village industries like oil, pottery and handmade paper. However, for

various reasons, no major R&D project was undertaken at JBCRI after 1976. KVIC then decided to stop the principal activities of JBCRI. The manpower was redeployed and the remaining activities of JBCRI were taken up by the relevant Industry Directorates of KVIC under its Science and Technology (S&T) schemes.

6.1.3 Several committees were also constituted from time to time to look into the working of JBCRI. Based on their cumulative recommendations, KVIC decided in 1999 to revamp JBCRI, convert it into a society (autonomous body) registered under the Societies Registration Act, 1860. It has since been registered under the Societies Registration Act, 1860 as an autonomous body and rechristened as the Mahatma Gandhi Institute for Rural Industrialization (MGIRI) in 2003. This followed an announcement in the budget speech of the Finance Minister for 2002-03 that 'the promotion of rural industrialization would be helped greatly through capacity building and technology upgradation in khadi

and village industries. To help in this effort, it was proposed to upgrade the Wardha Institute started by Mahatma Gandhi in 1935 as a national institute to be called 'Mahatma Gandhi Institute for Rural Industrialization'.

6.1.4 MGIRI was revamped with the help of IIT, Delhi as a national level institute with a view to creating a mechanism to provide the best possible science, technology and management inputs in a comprehensive manner to the khadi and village industries sector, thus strengthening rural industrialization. This would lead to enhancing the opportunities of meaningful and productive employment in rural areas, empowering and retraining traditional craftsmen and artisans and encouraging innovation and fostering creativity in this sector.

6.2 OBJECTIVES

6.2.1 The main objectives of the institute as enunciated in its Memorandum of Association include:

- To accelerate rural industrialization for sustainable village economy so that KVI sector co-exists with the main stream
- Attract professionals and experts to Gram Swaraj
- Empower traditional artisans
- Innovation through pilot study/field trials
- R&D for alternative technology using local resources

6.2.2 The strategy adopted by MGIRI to realize the above objectives includes setting up linkages with other reputed institutes of excellence, sponsor projects in mission mode, providing services to rural entrepreneur's pilot projects and transfer of technology, specialized HRD programmes, resource survey, etc.

6.3 BUDGETARY SUPPORT

6.3.1 The Union Government through Ministry of MSME provides funds to MGIRI for undertaking its various activities. The details of funds provided during the last three years and in 2011-12 to MGIRI are as under:

Table: 6.1 Funds released to MGIRI

(Rs. in crore)

Year	Budget allocation (RE)	Funds released
2008-09	3.00	3.00
2009-10	3.00	3.00
2010-11	6.00	5.86
2011-12	7.00	3.37*

*up to 29 February 2012

6.4 FUNCTIONS

6.4.1 The activities of MGIRI are being carried out by its five Divisions each headed by a Senior Scientist/ Technologist.

(i) Chemical-based Industries Division:

The main focus of this division is to promote quality consciousness and consistency in the area of food processing, organic foods and other products of rural chemical industries. It also provides a comprehensive quality testing support and is working towards developing field worthy kits, techniques and technologies to facilitate the cottage and small scale units in this area.

(ii) Khadi and Textiles Division: The

activities mainly carried out by this division are to improve the productivity, value addition and quality of products manufactured in khadi institutions by introducing new technologies and by providing quality assurance support. It also works towards facilitating eco-friendly products and methods.

(iii) Bio-processing Industries Division:

This division of MGIRI prepares technology package and simple quality assurance methods to facilitate production and utilization of organic manures, bio-fertilizers and bio-pesticides to promote rural entrepreneurs. This section is also making efforts to develop new formulations using 'Panchagavya' and their quality assurance procedures and facilities.



Entrepreneurial hands on training on Bio fertilizers being provided to a batch by Bio-processing & Herbal Section at MGIRI.

(iv) Rural Energy and Infrastructure

Division: This division has been mandated to develop user-friendly and cost-effective technologies utilizing commonly available

renewable resources of energy to facilitate rural industries and also to carry out audit of traditional rural industries so as to make them energy efficient.



A demo of solar LED lamp created by MGIRI Energy & Infrastructure section being demonstrated to Hon'ble Minister Shri Farooq Abdullah, Union Minister for New and Renewable Energy during the 5th Renewable energy expo at Pragati Maidan.

(v) Rural Crafts and Engineering

Division: This Division is to help upgrade the skills, creativity and productivity of rural artisans and encourage value-addition and improve the quality of their products.

(vi) Management & Systems Division:

This division provides information and communication technology based solutions for rural industries with a view to enhance their global competitiveness.

6.5 Key Achievements of MGIRI during the course of the year 2011-12:

MGIRI has delivered 23 major Science & Technology interventions for Rural Industries. Some of the significant ones are as follows:

1. New modified 8-spindle charkha to enhance yarn quality and reduce drudgery, demonstration
 2. Solar power tool for craftsman
 3. A web portal www.udyamisahayak.com with a repository for technology applications, equipment & machineries, process training institutions, source of raw materials and spares, institutional services and consultancy and problem capturing database.
 4. Single twist machine for making low count yarn sliver that will be used on low count yarn Charkha
 5. Trendy state of art designs 150 Nos have been created and uploaded in www.greenkhadidesigns.com a web portal for Khadi institutions to benefit from the use of trendy designs and increase their market share.
 6. Use of Calcium Lactate preservative for calcium enrichment in soya milk
 7. Around 17 other innovations are either ready for field trial or are on field trial.
- On entrepreneurship development, MGIRI has done significant contribution by helping 65 self financed entrepreneurs.
- Around 252 KVIC personnel's have been trained on various aspects including 132 Khadi Institutions persons in "Quality Testing of Raw Materials" and other trainings include "Latest Dyeing & Printing Technology", "Fibre and Yarn Manufacturing", "Advanced Garment Manufacturing", "Computer Aided Textile Designs", "Auto Textures and Designs", "Revival of Muslin khadi traditional technology".
- MGIRI has also participated in 9 international & national level expos by putting up stalls for display of latest developments in decentralized solar based applications for rural employment generation including Roshini Exhibition at Rashtrapati Bhavan, New Delhi on 19 May 2011, Govt. achievement scheme expo 2011 at Delhi between 29th to 31st July 2011, International Conclave on Climate Change at Hyderabad during the period 12 to 14 Oct 2011, 5th Renewable Energy Expo at Delhi between 10 to 12 Aug 2011, International Animal Industry Expo at Karnal, Haryana in the period 1 to 3 Dec 2011, IITF 2011 at New Delhi in the period 14 to 27 Nov 2011, etc.



7

COIR BOARD



Shri Dinesh Singh, Joint Secretary, MSME, (Right) interacting with delegates and visitors at 'Horti Fair' Exhibition at Amsterdam, The Netherlands.

CHAPTER - VII

COIR BOARD

7.1 COIR INDUSTRY

7.1.1 India is the largest coir producer in the world accounting for more than 80 per cent of the total world production of coir fibre. The coir sector in India is very diverse and involves households, co-operatives, NGOs, manufacturers and exporters. This Industry is the best example of producing beautiful artifacts, handicrafts and utility products from coconut husks which is otherwise a waste.

7.1.2 The coir industry employs more than 7.00 lakh persons of whom a majority is from rural areas belonging to the economically weaker sections of society. Nearly 80% of the coir workers in the fibre extraction and spinning sectors are women.

1.1.3 Historically, the coir industry started and flourished in Kerala which has a long coast line, lakes, lagoons and backwaters providing natural conditions required for retting. (Coconut husk is left to soak in salty backwater for months together and thereafter yarn is possible to be made from husk). However, with the expansion of coconut cultivation, coir industry has also picked up in Tamil Nadu, Karnataka, Andhra Pradesh, Orissa, West Bengal, Assam,

Tripura, Pondicherry and the Union Territories of Lakshadweep and Andaman & Nicobar Islands through the efforts of Coir Board. The production and processing methods in coir industry still continue to be mainly traditional. For instance, spinning is mainly carried out on traditional ratts which require repeated walking, forward and backward. The total production of coir fibre in the country during the year 2010-11 was 5,25,500 M.T. The fibre production anticipated during 2011-12 is 6,00,000 M.T.

7.2 COIR BOARD

7.2.1 The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting the overall development of the coir industry and improvement of the living conditions of the workers engaged in this traditional industry.

7.2.2 The Coir Board consists of a full-time Chairman and 39 Members, as provided in Section 4 of the Act, who represent all sections interested in the welfare of coir industry.

7.2.3 The functions of the Coir Board for the development of coir industry, *inter-alia*, include undertaking scientific, technological and economic research and development

activities; collection of statistics relating to exports and internal consumption of coir and coir products; development of new products and designs; publicity for promotion of exports and internal sales; marketing of coir and coir products in India and abroad; preventing unfair competition among producers and exporters; assisting in the establishment of units for the manufacture of products; promoting co-operative organisations among producers of husk, coir fibre, coir yarn and manufacturers of coir products; ensuring remunerative returns to producers and manufacturers, etc.

7.3 THRUST AREAS FOR DEVELOPMENT OF COIR INDUSTRY

7.3.1 The thrust areas for development of Coir Sector in the country are as follows:

- (i) Modernisation of production infrastructure by means of appropriate technology without displacement of labour.
- (ii) Expansion of domestic market through publicity and propaganda.

- (iii) Promotion of export of coir and new products through undertaking market promotion measures abroad.
- (iv) Promotion of research and development activities like process improvement, product development and diversification and elimination of drudgery and pollution abatement.
- (v) Development of skilled manpower through training.
- (vi) Extension of Research and Development findings through field demonstrations.
- (vii) Development of coir industry in all coir producing States in association with the State Governments.

7.4 BUDGETARY SUPPORT TO THE COIR BOARD

7.4.1 The Government of India provides funds to Coir Board for undertaking its various activities under Plan and Non-plan heads. The details of budgetary support provided to Coir Board during the last three years and in 2011-12 are given in the Table below:-

TABLE 7.1: Details of budgetary support to the Coir Board

(Rs.Crore)

YEAR	ALLOCATION (RE)		FUNDS RELEASED
	Plan**	Plan**	Plan**
2008-09	47.60		47.60

2009-10	42.00	38.73
2010-11	49.10	46.33
2011-12	36.46	20.07*

*up to 29 Febray 2012

** including SFURTI

7.5 ACTIVITIES OF THE COIR BOARD

7.5.1 Research and Development in Coir Technology: Central Coir Research Institute (CCRI), Kalavoor, Alleppey and Central Institute of Coir Technology (CICT), Bangalore, undertake research activities for the different aspects of coir industry beginning with the method of extraction of fibre to the processing and manufacture of end products. The CCRI was established in 1959 and the CICT in 1980. Whereas CCRI concentrates on research concerning both the white and brown fibre sectors, CICT confines to the brown fibre sector. Identification of new user areas for utilization of coir and coir waste (coir pith), modernization of production infrastructure for elimination of drudgery in manual operation thereby attaining higher productivity and improvement in quality are integral parts of the research efforts. Research investigations in CCRI have led to development of several new technologies for the coir industry and it has been awarded the prestigious National Research and Development Corporation (NRDC) Technology Awards thrice for innovations in 1999, 2002

and 2004. The recent achievements of the Board include development of a versatile loom, named as "Anupam", and a mobile fibre extraction machine "Swarna" for extraction and manufacturing various coir products with ease and higher productivity and development of a technology for pollution free retting.

The R&D activities of the Board concentrate in the following five areas:

- (i) Modernization of production process;
- (ii) Development of machinery and equipments;
- (iii) (a) Product development & diversification;
 - (b) Product development on brown coir;
- (iv) Development of environment friendly technologies; and
- (v) Technology transfer, incubation, testing& service facilities

7.6 DOMESTIC MARKET PROMOTION

7.6.1 Promotion of the sale of coir products

in India and elsewhere is one of the important functions of the Coir Board. The Domestic Market Promotion includes efforts for enhanced sale of coir products through Board's showrooms and sales outlets and also popularizing coir and coir products by way of publicity, organizing exhibitions in different parts of the country, through audio and visual media, sales campaign, press advertisement and through pamphlets, hoardings etc. The Coir Board has participated

in /organized 98 exhibitions during 2011-12 (up to 15 February 2012) for popularization of coir and coir products in the domestic markets.

7.6.2 The Coir Board has 30 showrooms and sales depots which also serve as marketing outlets. The total sales of coir and coir products through Coir Board's showrooms and sales depots during the last three years and in 2011-12 (up to January 2012) are as under:

(Rs. Lakh)

2008-09	2009-10	2010-11	2011-12*
1119.30	1406.75	1311.30	1043.76

* up to January 2012

7.7 EXPORT MARKET PROMOTION

7.7.1 Export promotion is one of the important programmes being implemented by the Coir Board for sustainable development of the industry. Under this Programme, the Board in association with trade and industry is participating in major international fairs/exhibitions on a country/product specific basis, product promotion programmes, catalogue

shows, extending external market development assistance to exporters etc.

7.7.2 With the efforts of the Coir Board, the export of coir and coir products reached a level of Rs. 807.07 crore during 2010-11 recording a growth around 25.6 per cent in value terms in the previous year. The details of exports of coir and coir products made during the last three years and in 2011-12 are given in the Table below:-

TABLE 7.2: Exports of Coir & Coir Products

Year	Quantity (Metric Tonnes)	Value (Rs. crore)
2008-09	199925	639.97
2009-10	294508	804.05
2010-11	321016	807.07
2011-12*	293957	700.43

*up to 15 February 2012 (provisional),

7.7.3 The details of participation by the Coir Board in international fairs and exhibitions for promotion of exports of coir and coir products during 2011-12 (up to February, 2012) are given in Table below:

TABLE 7.3: Details of exhibition/fair participated by Coir Board

Sl. No.	Name of the Fair	Country	Period
1	House & Gift Fair, 2011, Sao Paulo	Brazil	27-30 August, 2011
2.	Intergift, Madrid, Spain	Spain	14-18 September, 2011
3.	INDEXPO, Muscat	Oman	20-22 September, 2011
4.	India Sourcing Fair, Asia World Expo	Hong Kong	20-23 October, 2011
5.	International Horti Fair, Amsterdam	Netherlands	01-04 November, 2011
6.	Australian International Sourcing Fair Sydney	Australia	22-24 November, 2011
7.	Indo Sourcing Fair, Johannesburg	South Africa	30 Nov.- 02 Dec. 2011
8.	Domotex 2012, Hannover	Germany	14 -17 February 2012

7.7.4 In these exhibitions, visitors and buyers evinced keen interest in the range of products exhibited. The exporters who participated in these events were able to get confirmed orders. Besides, for popularization of coir and coir products and promoting their exports in international markets, the Coir Board has taken steps like catalogue shows during the year.

7.8 DEVELOPMENT OF PRODUCTION INFRASTRUCTURE

Under this scheme, financial assistance is provided for setting up new coir units and modernization of existing units for the sustainable growth of coir sector. The norms

of financial assistance under this scheme have been revised with effect from 2009-10 and the scheme now envisages provision of 25% of the project cost subject to a maximum of Rs.6 lakh for setting up of defibering unit, Rs.4 lakh for automatic spinning unit and Rs.5 lakh for others, including coir pith unit. Financial assistance limited to Rs.2 lakh is also provided for modernization of existing units. The Scheme is project based. Initial investment is made by the entrepreneur and subsidy is released as reimbursement after coming into operation of the units. The details of financial assistance given to the units under this Scheme during the last three years and 2011-12 are given in the Table below:-

TABLE 7.4: Details of assistance towards Development of Production Infrastructure

Year	Amount (Rs. Lakh)	Number of Units
2008-09	66.31	82
2009-10	20.74	26
2010-11	30.46	22
2011-12*	11.43	5

* up to 15 Februry 2012

7.9 SKILL UPGRADATION; QUALITY IMPROVEMENT; MAHILA COIR YOJANA AND WELFARE MEASURES

7.9.1 Skill Upgradation: The Coir Board continued to impart training in processing of coir to artisans and workers engaged in the coir industry through its training centres, i.e.,

National Coir Training and Design Centre (NCT&DC), Kalavoor, Alleppey and Research-Cum-Extension Centre, Tenkasi, Tamil Nadu. The regular training courses being conducted at these Institutes are as follows:

- (i) Advanced training course(one year);
- (ii) Artisans' training course (six months);
- (iii) Training in motorized ratt spinning under Mahila Coir Yojana(two months); and
- (iv) Training in coir handicraft and coir ornaments.

7.9.2 The Board is also conducting training activities in different field training centres to suit the convenience of the coir workers at far off places who cannot attend the above

regular training centres. The Field Training Centres are run with the help of NGOs/Co-operative Societies engaged in coir activities. Through these training activities, training is imparted in spinning motorised ratt and motorised traditional ratt. Stipend being paid to the trainees has been raised from Rs.500/- per month to Rs.750/- per month and amount of honorarium to trainers has also been enhanced from Rs.3,000/- per month to Rs.5000/- per month. An amount of Rs.250/- per head per month is provided as financial assistance to the training sponsoring agency to meet the operational cost of the training including raw material etc. The number of persons trained during the last three years and in 2011-12 is given in the Table below:

TABLE 7.5: Number of persons trained

Year	Number of Persons Trained
2008-09	9916
2009-10	9007
2010-11	7982
2011-12*	14820

*up to 15 Febrary 2012

7.9.3 Mahila Coir Yojana: The Mahila Coir Yojana is the first women oriented self-employment Scheme in the coir industry which

provides self-employment opportunities to the rural women artisans in regions producing coir fibre. The conversion of coir fibre into

yarn on motorised ratt in rural households provides scope for large scale employment; improvement in productivity and quality; better working conditions and higher income to the workers. The Scheme envisages distribution of motorised ratts to women artisans after giving training for spinning coir yarn. One artisan per household is eligible to receive assistance under the Scheme. The women spinners are trained for two months in spinning coir yarn on motorised ratt at the Board's Training Centres. A stipend of Rs.500/- is paid to the trainee which has been raised to Rs. 750/- per month.

A trainee, who passes the test conducted at the end of the training, is also eligible for subsidy for purchasing a motorised ratt. The beneficiary under the scheme gets a subsidy of 75 per cent of the cost of the motorized ratt subject to a maximum of Rs.7,500/- and 75 per cent of the cost or Rs.3,200/- whichever is less, for motorised traditional ratts.

The details of distribution of ratts and the assistance sanctioned during the last three years and in 2011-12 are given in the Table below:

TABLE 7.6: Details of assistance under Mahila Coir Yojana

Year	No. of ratts distributed	Assistance sanctioned (Rs. lakh)
2008-09	3009	85.81
2009-10	264	9.62
2010-11	380	25.58
2011-12*	167	5.24

*up to 15 February, 2012

7.9.4 Quality Improvement Programme (QIP): The Coir Board organizes Quality Improvement Programmes (QIPs) every year to motivate entrepreneurs to take up coir

production and to create quality consciousness among the coir workers in various processing activities viz.; spinning, dyeing and on improving the quality of yarn and coir products.

7.9.5 Entrepreneurship Development

Programme (EDP): According to the estimates of the Coir Board, only about 40 per cent of the total production of coconut husk is being utilized in the coir industry. For generating employment avenues in the coir sector, the utilisation of husk has to be increased considerably for which more new units are required to be set up. In order to motivate and identify prospective entrepreneurs for setting up and managing new coir units, the Coir Board

organises EDPs engaging professionally competent and reputed organisations.

7.9.6 Coir Workers' Group Personal Accident Insurance Scheme:

The Insurance Scheme for coir workers was introduced by the Coir Board w.e.f. 01.12.1998 and is being renewed every year. The Insurance Scheme was renewed with the United Insurance Company, Ernakulam w.e.f. 01.12.2010. The compensation payable under this Scheme is given in the Table below:

TABLE 7.7: Compensation payable under 'Coir Worker's Group Personal Accident Insurance Scheme'

S I . No.	Incident	Amount payable
1	Accidental death	Rs.50,000
2	Permanent total disability	
	(a) Loss of two limbs/two eyes	Rs.50,000
	(b) Loss of one limb and one eye	Rs.50,000
3	Permanent partial disability	
	(a) Loss of one limb/one eye	Rs.25,000
	(b) Provision for finger cut	Depending upon the finger and limited to applicable percentages of capital sum insured of Rs.50,000/- as per the personal accident policy conditions.

During the period December 2010 to November 2011 an amount of Rs. 6,17,680/- paid towards premium to the insurance company and 5 insurance claims were settled in the above period. The insurance scheme was further extended with M/s United India Insurance Company Ltd., Cochin for a period of 4 months with effect from 1.12.2011 to 31.3.2012 and an amount of Rs. 2,04,765/- was paid as premium for the extended period.

7.10 HINDUSTAN COIR

7.10.1 As per the Government's decision to mechanise one third of coir matting sector, the Hindustan Coir, a power loom coir matting manufacturing factory under the Coir Board was established in 1968 as a pilot project. Presently, 5 looms are installed in this factory. The total production of Hindustan Coir matting during the last three years and in current year is given in the Table below:

TABLE 7.8: Details of Production of Hindustan Coir Matting

(Quantity = Sq. Mtrs.: Value = Rupees in lakh)

	2008-09	2009-10	2010-11	2011-12
Quantity	1,82,515	1,47,557	1,13,000	1,22,338
Value	306.62	247.90	266.17	325.00

*up to 15 February, 2012

7.11 Rejuvenation, Modernisation and Technology Upgradation (REMET):

7.11.1 A new Central Sector Scheme named “**Rejuvenation, Modernisation and Technology Upgradation of the Coir industry**” was launched during March, 2008 with a total outlay of Rs. 243 crore consisting of Government grant of Rs. 99 crore; beneficiary

contribution of Rs. 12 crore and the remaining Rs. 132 crore as a term loan from Banks. The two categories of beneficiaries, viz; Spinner and the Tiny Household Producers which are the most vulnerable lot in the Coir sector are covered under the Scheme as per details given below:

**TABLE 7.9: Details of Rejuvenation, Modernisation and
Technology Upgradation Scheme**

(Amount: Rs crore)

S I . No	Category	Coverage (units)	No. of Persons to be employed	Invest- ment	Term Loan	Grant	Total
1.	Spinning	4000	32000	4	44	32	80
2.	T i n y / Household	3200	28800	8	88	64	160
3.	S u r v e y , Evaluation & Monitoring, MIS	--	--	--	--	3	3
4.	Total	7200	60800	12	132	99	243

Under this Scheme, a provision of Rs.21 crore of Rs.10 crore was released to Coir Board up has been made in BE 2011-12 and an amount to November, 2011.



H.E. Smt. Pratibha Devi Singh, Hon'ble President of India, presenting the Coir Industry Award in the presence of Shri Virbhadr Singh, Union Minister of MSME

8

NATIONAL SMALL INDUSTRIES CORPORATION LIMITED (NSIC)



Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadra Singh being presented a memento by the CMD, National Small Industries Corporation, Dr. H.P. Kumar, at the foundation laying ceremony of NSIC Business Park, in New Delhi.

CHAPTER - VIII

NATIONAL SMALL INDUSTRIES CORPORATION LIMITED (NSIC)

8.1 INTRODUCTION

National Small Industries Corporation (NSIC) Ltd., an ISO 9001-2008 certified Company, was established by the Government of India in 1955. The strategic objectives, for which the Corporation was established, included “*to aid, counsel, assist, finance, protect and promote the interest of small industries in India.*” With the enactment of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, medium enterprises also came into its ambit.

8.2 ORGANISATIONAL SET-UP

The policy guidelines to the Corporation are provided by the Board of Directors consisting of a full time Chairman-cum-Managing Director; two Functional Directors; two Government Nominee Directors, and seven Non-official Part-time Directors. The Corporation has a dedicated team of professionals at all levels and operates through 142 offices located all over India and one office located at Johannesburg (South Africa).

8.3 PERFORMANCE HIGHLIGHTS

8.3.1 During the year 2010-11, the Corporation continued with its endeavor to

reach out to larger number of units, facilitating and providing various inputs to the Micro, Small & Medium Enterprises (MSMEs) in the country, adding new members under Single Point Registration Scheme & B2B Portal and enabling technical centre(s) to operate without any grants for administrative support. All these could be achieved by opening new offices to reach out to larger number of MSMEs and by inculcating a spirit of self belief and self reliance amongst all in the Corporation. The added edge and enhanced competitiveness in its services has enabled the Corporation to serve and satisfy its stakeholders. In addition, more emphasis was given to the delivery of quality service and providing comprehensive training to the staff for better customer service. As a result of its consistent good performance, the Government of India has accorded “**Mini Ratna**” Status (Category – II) to NSIC. It is first of its kind in the history of MSME Sector. The “Mini Ratna” Status will give NSIC higher degree of autonomy to provide greater service through its innovative schemes for the growth and development of MSME sector in the country.

8.3.2 The major highlights of achievements made by the Corporation during the financial year 2010-11 are as under:

- (i) The turnover of the Company for the year 2010-11 went up to Rs. 7979 crore as compared to Rs. 4488 crore in the previous year registering a growth of 78%.
- (ii) The business turnover of the Corporation for the current financial year (upto 31st December, 2011) was Rs. 7374 crore.
- (iii) The operating profit and net profit after tax earned by the Company during 2010-11 vis-à-vis 2009-10 is depicted in the table below:

Particulars	2009-10	2010-11
Gross Margin	5228	8165
Net Profit before Tax	2594.24	3516.92
Less : Provision for Tax	166.90	538.50
Net Profit after tax	2427.34	2978.42
Earning Per Share (Rs.)	10.42	12.78

- (iv) Amongst the diverse requirements of MSME timely availability of raw material is of great significance. To fulfill this requirement, NSIC continued with its efforts to provide various raw materials like iron & steel, coal, aluminum, zinc, copper, paraffin wax etc. through its distribution network to MSMEs through arrangements made with bulk manufacturers of these materials. Total Raw Material facilitation to MSMEs, in quantitative terms, grew upto by 47% from 3,55,719 MTs in 2009-10 to 5,24,534 MTs in 2010-11. Five new godowns for supply of raw-material were opened during 2010-11 and supply of coal commenced in the State of Orissa.
- (v) Credit facilitation by NSIC during the year 2010-11 to Micro, Small & Medium Enterprises increased to Rs. 2349 crore from Rs. 1056 crore in the previous year, registering a growth of 122%. During the current year 2011-12, new bank Tie-up arrangements were made with four banks i.e. IndusInd Bank, Bank of Baroda, Vijaya Bank and Federal Bank.
- (vi) The Revenue from Government Purchase

and B2B Portal increased to Rs. 5.94 crore thereby posting a growth of 7% over the previous year.

- (vi) In Financial year 2010-11, all seven technical centres operated without getting any grants to meet their administrative cost. This could be possible because the Technical Centres started to undertake "Techno-Commercial Activity".
- (vii) For the financial year 2010-11, NSIC continued to implement two schemes on behalf of the Government of India namely Performance & Credit Rating Scheme and Marketing Assistance Scheme. Under the Performance & Credit Rating Scheme 10,327 units were rated during 2010-11 as against 7531 in 2009-10 posting an increase of 37% over previous year. Under the Marketing Assistance Scheme, the Corporation could conduct various events like Exhibitions, Buyer Seller Meets, Intensive Campaigns etc. The total number of events held was 862, which included 6 international level exhibitions organized during the year to support marketing efforts of MSMEs.

8.4 DIVIDEND

In view of the improved performance, NSIC for the fifth year in a row paid dividend. For the year 2010-11 dividend of Rs. 5.96 crore (i.e. @ 20%

of the Net Profit) was paid to the Government.

8.5 SCHEMES OF THE CORPORATION

To enhance the competitiveness of micro, small & medium enterprises, NSIC provides integrated support services in the areas of Marketing, Technology, Finance, etc. NSIC is implementing the schemes of Marketing Assistance and Performance & Credit Rating on behalf of the M/o MSME.

8.5.1 Marketing Support to MSMEs

Marketing has been identified as one of the most important tools for business development. It is critical for the growth and survival of MSMEs in today's intensely competitive market. NSIC acts as a facilitator and has devised a number of schemes to support enterprises in their marketing efforts, both in domestic and foreign markets. These schemes are briefly described as under:-

- a) **Raw Material Distribution:** The Corporation has signed agreements / MoUs with the major bulk producers i.e. NALCO, BALCO - for Aluminium, SAIL, RINL - for Iron Steel, CPCL - for Paraffin Wax, CIL - for Coal and IOCL - for Polymer products etc. These arrangements facilitate MSMEs in getting material at the manufacturer's price with the priority of

dispatch. This results into reduction in the cost of production and making the products of MSMEs competitive in the domestic as well as international markets. These efforts of the Corporation supplement the programmes of the Government aimed in making Indian MSMEs globally competitive. The financial assistance is also extended to MSMEs for procurement of raw material. During 2010-11, raw material to the tune of Rs.7710 crore was provided to MSMEs. During the current financial year (upto 31st December, 2011) facilitation to the tune of Rs. 7222 crore has been extended to MSMEs.

b) Consortia and Tender Marketing: Micro & Small Enterprises (MSEs) in their individual capacity face problems to procure and execute large orders, which deny them a level-playing field *vis-à-vis* large enterprises. NSIC, accordingly forms consortia of small units manufacturing the same products, thereby pooling in their capacity which provides comfort level to MSEs as suppliers and also to buyers. The Corporation applies for Tenders on behalf of consortia of MSEs and secures orders for bulk quantities. These orders are then distributed amongst MSEs in tune with their production capacity. During the financial year 2011-12 upto 31st December, 2011 Corporation participated in the Tenders valuing Rs. 466 crore and executed tender to the tune of Rs. 45.73 crore.

c) Single Point Registration for Government Purchase:

Purchase: NSIC operates a Single Point Registration Scheme under the Government Purchase Programme. The micro and small enterprises registered under this Scheme get the following facilities:-

- i) Issue of Tenders free of cost.
- ii) Advance intimation of Tenders issued by DGS&D.
- iii) Exemption from payment of earnest money deposit.
- iv) Waiver of security deposit up to the monetary limit for which the enterprise is registered; and
- v) Issue of competency certificate after due verification, in case the value of an order exceeds the monetary limit.

During the financial year 2010-11, 3,544 units were registered under the scheme. The units registered under this scheme during the current financial year (upto 31st December, 2011) are 2286 units.

d) Exhibitions: To showcase the competencies of Indian MSMEs, NSIC facilitates MSMEs participation in International Exhibitions, Fairs, etc. on concessional terms under the Marketing Assistance Scheme of the M/o MSME by partially meeting the cost towards rent of stall as well as air fare. Participation in these events

exposes MSMEs to international practices and enhances their business prowess. Through participation in these events, MSMEs are also facilitated to capture new markets making them globally competitive. During the year

2010-11, Corporation participated / organized 103 domestic / international exhibitions. During the financial year 2011-12 (upto 31st December, 2011), Corporation has participated / organized 94 domestic / international exhibitions.



Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh visits stalls after inaugurating the NSIC Techmart India, at the 31st India International Trade Fair (IITF), in New Delhi.

e) Buyer – Seller Meets: Large and institutional buyers such as Railways, Defence, Communication Departments and large companies are invited to participate in buyer-seller meets to enrich micro & small enterprises' knowledge regarding terms and conditions, quality standards etc. required by the buyers. These meets are aimed at vendor development

from MSEs for the bulk manufacturers.

f) Marketing Assistance Scheme: This is an ongoing scheme for providing marketing support to MSMEs. The scheme is being implemented through National Small Industries Corporation (NSIC) Limited. Marketing, a strategic tool for business development, is

critical for the growth and survival of MSMEs in today's intensely competitive market. One of the major challenges before the MSME sector is to market their products/ services. The main objectives of the scheme is to enhance the marketing competitiveness of MSMEs; to provide them a platform for interaction with the individual/institutional buyers; to update them with prevalent market scenario and to provide them a forum for redressing their problems.

MSMEs are supported under the Scheme for capturing the new market opportunities through organizing/ participating in various domestic & international exhibitions/trade fairs, Buyer-Seller meets, intensive-campaigns and other marketing events.

Bulk and departmental buyers such as the Railways, Defence, Communication Departments and large companies are invited to participate in Buyer-Seller Meets to bring them closer to the small enterprises for enhancing their marketing competitiveness.

These programmes are aimed at vendor development from small enterprises for the bulk manufacturers. Intensive campaigns and other marketing events are organized all over the country to disseminate/ propagate about the various schemes for the benefit of the MSMEs and to enrich their knowledge with respect to the latest developments, quality standards etc.

8.5.2 Technology Support

- a) Technology is the key to enhance a company's competitive advantage in today's dynamic information age. MSMEs need to develop and implement a technology strategy in addition to financial, marketing and operational strategies and adopt the one that helps in integrating their operations with their environment, customers and suppliers.
- b) NSIC offers MSMEs the following support services through its Technical Services Centres and Extension Centres:
 - (i) Material testing facilities through accredited laboratories;
 - (ii) Product design including CAD;
 - (iii) Common facility support in machining, EDM, CNC, etc.;
 - (iv) Energy and environment services at selected Centres; and
 - (v) Practical training for skill upgradation

- c) During 2010-11, a total of 8113 units were served under common services facilities. During the financial year 2011-12 (upto 31st December, 2011), 6351 units were served.

8.5.3 Credit Support to MSMEs

The Corporation is providing Credit Facilitation to MSMEs through its various schemes.

During 2010-11, total credit facilitation of Rs.2349 crore was provided to MSMEs. The Corporation has provided credit facilitation of Rs.2191 crore during current financial year (upto 31st December, 2011). The various schemes providing Credit Support to MSMEs are as under:

a) Meeting credit needs of MSMEs through tie-up arrangements with Banks

One of the major challenges faced by MSMEs is inadequate access to finance due to lack of financial information and non-formal business practices. To overcome these problems, NSIC has entered into tie-up arrangements with twelve banks (i.e. United Bank of India, UCO Bank, Oriental Bank of Commerce, Central Bank of India, Bank of Maharashtra, YES Bank, AXIS Bank, Karur Vyasa Bank, HSBC, Chinatrust Commercial Bank, Union Bank of India and State Bank of Hyderabad for helping MSMEs in accessing term and working capital loans.

b) Financing Procurement of Raw Materials & Marketing Activities (Short term)

NSIC facilitates raw material requirement of the MSMEs by making arrangements

with bulk manufacturers for procuring the materials and supplying the same to MSMEs. In case they need any credit support, NSIC provides financial assistance for raw material procurement by making the payment to suppliers. NSIC facilitates financing for marketing activities such as Internal Marketing, Exports and Bill Discounting to micro, small & medium enterprises.

c) Performance & Credit Rating Scheme for Small Enterprises

On behalf of the M/o MSME, NSIC is implementing "Performance & Credit Rating Scheme" for Micro and Small Enterprises (MSEs). The scheme is being operated through 07 accredited rating agencies i.e. CARE, CRISIL, FITCH, ICRA, ONICRA, SMERA – D&B and Brickwork Rating. The fee to be paid by the MSEs for the rating, is subsidized by the Government to the extent of 75% of the rating fee up to a maximum of Rs.40,000/- . The scheme has become quite popular and getting good response. The rating serves as a trusted third party opinion on the unit's capabilities and credit worthiness. A good rating enhances the acceptability of the rated unit in the market and also makes it access to quicker and cheaper credit and thus helps in economizing the cost of credit. During 2010-11, 10327 units were rated under the scheme. During the financial

year 2011-12 (upto 31st December, 2011), 8495 units have been rated.

8.5.4 Support Services to MSMEs

NSIC has been doing a yeoman service in the development of MSMEs for more than five decades. One of the problems faced by the entrepreneurs is the scarcity in availability of suitable space where they can set up their offices or can exhibit their products for their wider publicity and easy marketability under one roof. In order to give a boost to MSMEs, NSIC has taken step forward by taking judicious decision to set up the following projects:

a) Construction of ‘Marketing Development-cum-Business Park’ (MDBP) at NSIC Complex, Okhla Industrial Estate, New Delhi.

NSIC is establishing “Marketing Development-cum-Business Park” (MDBP) at Okhla, New Delhi. MDBP will be a state-of-the-art building having a total covered area of approx. 37,000 sqm.

b) Infomediary Services under B2B portal for MSMEs

Information plays a vital role in the success of any business. However, MSMEs have limitations in accessing such information. NSIC provides Infomediary Services to MSMEs.

Besides hosting a website (www.nsicindia.com), NSIC hosts sector-specific portals for focused information dissemination. NSIC launched a B2B Web Portal to provide marketing facilities to MSMEs for business to business relationship. The new Web Portal is available at www.nsicindia.com, which is undoubtedly one of the most advanced technology based B2B portal to help the MSMEs to showcase their products and services along with portfolios globally.

NSIC’s B2B web portal is used for dissemination of sector specific business Information to MSMEs. This aims to promote International Trade through a dedicated B2B Web Portal. Potential beneficiaries would be MSMEs seeking business collaborations and co-production opportunities, joint ventures, exporters and importers and those looking for technology transfers.

Some of the salient features of this portal are: Product specific database searches; Sector specific domestic tender notices with alert factors; Country specific global tender notices from World Bank, United Nations Organization, ILO etc.; Business Trade Leads from more than 200 countries; Automatic Match Making for Product, Services & Technology; Virtual Exhibition; Self-web development tool; Expert chat, Buyer/Seller chat & Video Conferencing; Global Trade Shows Information; WAP

services for GPRS activated Mobiles; SMS Alerts; Trusted Seal for NSIC Members (Gold, Trust Members); Centralized Mail System for each member; Customer Support through Call Centre; Mirroring facility and Payment Gateway for membership subscription. During the year 2011-12 (upto 31st December, 2011), 3056 members were enrolled under the B2B portal and revenue of Rs. 1.73 crore was generated.

8.6. INTERNATIONAL CO-OPERATION ACTIVITIES

The objective of International Co-operation activities is to initiate long term and sustainable enterprise to enterprise cooperation between Indian enterprises and enterprises in the target countries. This is achieved by exchanging business delegations and organizing one-on-one business meetings with the enterprises of both the countries. The details of the activities undertaken by NSIC under International Cooperation are given in Chapter XI.

included setting up of a “Marketing Intelligence Cell”. Accordingly, NSIC established a Marketing Intelligence Cell for collecting and disseminating both domestic and international marketing intelligence in coordination with other relevant departments / agencies.

Marketing Intelligence Cell has created an in-house data base of SME buyer departments and products for use by MSMEs. The data base of industry associations, exporters and sector-wise industry profile has been created.

Hyperlink has been developed with Government / PSUs for scanning tender and other related information. The linkages have also been established with Indian Embassies abroad for providing market information about changing pattern in the international market to help SMEs in planning their marketing strategies. To speed up the dissemination of information to SMEs a web portal is under implementation for market intelligence.

8.7 NSIC's NEW INITIATIVES

8.7.1 Marketing Intelligence Cell

Prime Minister's Task Force set up to consider the various issues relating to Micro, Small & Medium Enterprises Sector in its report had suggested various measures which inter-alia

8.7.2 MSME Intelligence Portal

NSIC launched a web portal for disseminating marketing intelligence to the MSME sector in the country. The web portal will facilitate connectivity to Indian MSMEs and also to global enterprises in accessing information about the products and technologies available

from MSME sector in India. The portal has advanced features with access to valuable database of information such as Marketing Intelligence reports, Interactive information on Government bulk buyers, Government rate contracts, Information on Indian exporters, Online details of international buyers, National & international trade leads, Sector watch alerts, Events & exhibitions, bullion market, MSME news, National & global tenders notices relevant to MSMEs etc. It stands out as one-stop-shop for MSMEs in the context of accessing Marketing Information.

8.7.3 NSIC “Exhibition-cum-Marketing Development Business Park” (EMDPB) at Hyderabad

The construction of an “Exhibition cum Marketing Development Business Park (EMDPB)” at Hyderabad having total floor area of around 15,000 Sqm over a sprawling 8 acre campus has been completed and the building has become operational. The state - of - the - art five storied building is equipped with all modern amenities having Exhibition hall, Conference room, Office space & Food court.



The Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadra Singh addressing at the foundation laying ceremony of NSIC Business Park, in New Delhi. The then Secretary Shri Uday Kumar Varma, Shri Amarendra Sinha, AS&DC and Dr. H.P. Kumar, CMD, NSIC are also seen.

8.7.4 e-Learning Centre at Okhla, New Delhi

In order to have uniform code of lectures and training in all Training-cum-Incubation Centres, NSIC established an e-Learning Centre at Okhla, New Delhi, which can be connected to all NSIC-TICs to receive high quality and standardized training electronically. Lectures on various training modules are broadcasted through internet to all the TICs from NSIC Studio. The studio can also be utilized for video conferencing among offices of the Corporation.

8.7.5 Promoting International Trade through NSIC's B2B Web Portal

NSIC launched a revamped B2B Web Portal to provide marketing support to MSMEs for business to business relationship. This Web Portal is available at www.nsicindia.com, which is one of the most advanced technology based B2B portals to help the MSMEs to showcase their products and services along with portfolios globally.

NSIC's B2B web portal is used for dissemination of sector specific business Information to MSMEs. This aims to promote International Trade through a dedicated B2B Web Portal. Potential beneficiaries are MSMEs seeking business collaborations and co-production opportunities, joint ventures, exporters and importers and those looking for technology

transfers.

NSIC is implementing a proposal to upgrade the portal at par with the best of worldwide portals.

8.7.6 NSIC-Training-cum-Incubation Centres (NSIC-TICs) for Small Enterprise Establishment under Public Private Partnership (PPP) Mode

NSIC continued its initiative to set up new Training-cum-Incubation Centres (NSIC-TICs) under PPP mode for the purpose of inculcating entrepreneurial skills among unemployed persons by imparting training through which they become employable or can set up their own small enterprises. Currently 35 NSIC-TICs are functioning.

8.8 NSIC IN NORTH EASTERN REGION

8.8.1 NSIC is having a dedicated Zonal Office at Guwahati and 5 sub-offices all over NER to look after the requirement of MSMEs in the NER. NSIC also has a Training-cum-Incubation Centre at Guwahati, which provides technical training and organizes skill upgradation & entrepreneurship development programmes. NSIC Guwahati has a technical incubation centre with 22 projects. During the year 2010-11, training and incubation under

various trades was provided to 7375 trainees. During the current financial year (upto 31st December, 2011), training to 752 participants was provided.

8.9 CORE BUSINESS FOR THE FUTURE

During the year, the future growth strategy for the Corporation was deliberated upon, keeping in view, the transformation that has taken place in the economic environment. It was decided that the focus areas of the Corporation for the

future would be:

- (i) Building synergies and Partnerships – establishing itself central to the network of the service providers in India,
- (ii) Increasing the geographic footprints of NSIC,
- (iii) Taking up the cause of marketing of products of MSMEs,
- (iv) Aggressively entrench its market position and market its services,
- (v) Optimal utilization of its infrastructure.



Former Secretary, M/o Micro Small and Medium Enterprises, Shri Uday Kumar Varma inaugurating the MSME- Marketing Intelligence Portal, in New Delhi on July 07, 2011. CMD, National Small Industries Corporation, Dr. H.P. Kumar is also seen.

9

TRAINING, ENTREPRENEURSHIP DEVELOPMENT AND OTHER SCHEMES



Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh witnessing the exchanging of signed documents of a Memorandum of Understanding between the National Institute for Entrepreneurship & Small Business Development (NIESBUD) & International Finance Corporation (IFC), in New Delhi.

Shri R.K. Mathur, Secretary, MSME and Shri Arun Kumar Jha, Director General, NIESBUD (Right) are also seen.

CHAPTER - IX

TRAINING, ENTREPRENEURSHIP DEVELOPMENT AND OTHER SCHEMES

9.1 BACKGROUND

9.1.1 Entrepreneurship has been considered the backbone of economic development. It has been well established that the level of economic growth of a region to a large extent, depends on the level of entrepreneurial activities in the region. The myth that entrepreneurs are born, no more holds good, rather it is well recognized now that the entrepreneurs can be created and nurtured through appropriate interventions in the form of entrepreneurship development programmes.

9.1.2 In the era of liberalization, privatization and globalization along with ongoing IT revolution, capable entrepreneurs are making use of the opportunities emerging from the evolving scenario. However, a large segment of the population, particularly in the industrially backward regions/rural areas generally lags behind in taking advantage of these opportunities. Therefore, there is a need to provide skill development and entrepreneurship development training to such people in order to bring them to mainstream of economic growth.

9.1.3 Entrepreneurship development and training is, thus, one of the key elements for development of micro and small enterprises (MSEs), particularly, the first generation entrepreneurs. To undertake this task on regular basis, the Ministry has set up three national-level Entrepreneurship Development Institutes (EDIs). These are the National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida, the National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad and the Indian Institute of Entrepreneurship (IIE), Guwahati. Further, the Ministry has been implementing {in addition to the schemes operated by the Office of the Development Commissioner (MSME)}, an important scheme, namely, Scheme for Assistance to Training Institutions. The main objectives of the scheme are development of indigenous entrepreneurship from all walks of life for developing new micro and small enterprises, enlarging the entrepreneurial base and encouraging self-employment in rural as well as urban areas, by providing training to first generation entrepreneurs and assisting them in setting up of enterprises.

9.1.4 Further, in order to improve the success rate of the EDP trainees in the establishment of new enterprises, the Ministry had launched a scheme, namely, "Rajiv Gandhi Udyami Mitra Yojana" (a scheme for Promotion and Handholding of Micro and Small Enterprises). The main objective of this scheme is to provide handholding support to first generation entrepreneurs, through designated lead agencies i.e. 'Udyami Mitras'. Under this scheme, the 'Udyami Mitras' are providing guidance and assistance to the potential entrepreneurs registered with them, in preparation of project report, arranging finance, selection of technology, marketing tie-ups with buyers, installation of plant and machinery as well as obtaining various approvals, clearances and NOCs etc. For providing this handholding assistance to the new entrepreneurs, the 'Udyami Mitras' are paid handholding charges under the scheme.

9.2 SCHEME FOR ASSISTANCE FOR STRENGTHENING OF TRAINING INFRASTRUCTURE OF EXISTING AND NEW ENTREPRENEURSHIP DEVELOPMENT INSTITUTES (EDIs)

9.2.1 Under the scheme, assistance is provided to existing and new training Institutions for establishment of Entrepreneurship Development Institute (EDI) and strengthening

of their training infrastructure on a matching basis. Ministry provides assistance on a matching basis, not exceeding 50% of the project cost or Rs. 150 lakh whichever is less (90% or Rs. 270 lakh of the project cost whichever is less, for North Eastern States and Union Territories of Andaman & Nicobar and Lakshadweep Islands) excluding cost of land and working capital. The balance 50% of the matching contribution (10% for State level EDIs in North Eastern States including Sikkim or Union Territories of Andaman & Nicobar and Lakshadweep Islands) should come from the concerned Institute, State/UT Government, public funded institution(s), NGOs/Trusts/ Banks/Companies/ Societies/ Voluntary organizations etc.

9.2.2 The assistance is for creation of infrastructure. The land is to be provided by the State Government or any other institution or by the applicant. Financial assistance is for construction of building, purchase of training aids/equipments, office equipments, computers and for providing other support services e.g. libraries/data bases etc. The costs of land, construction of staff quarters etc. do not qualify for calculation of matching grant from the Central Government. All the proposals under this scheme are required to be recommended by and routed through the concerned State/UT Government.

9.2.3 Assistance is also provided under the scheme to following Training Institutions, for conducting Entrepreneurship Development Programmes (EDPs) and Entrepreneurship cum Skill Development Programmes (ESDPs) and Training of Trainers (ToTs) programmes in the areas of Entrepreneurship and/or Skill Development.

- (a) National level EDIs (including branches),
- (b) Training Institutions established by Partner Institutions (PIs) of national level EDIs,
- (c) Training/Incubation Centers of NSIC,
- (d) Training cum Incubation Centers (TICs)

set up by NSIC
(e) Other training institutions with proven professional competency, capacity and experience, approved under the scheme.

9.2.4 Entrepreneurship and Skill Development (ESDP) training would normally be of 100 to 300 hours (1 to 3 months). Entrepreneurship Development (EDP) training would be of 72 hours (2 weeks) and Trainer's Training (TOT) for 300 hours.

Maximum training assistance (per trainee per hour) would be limited to following rates:-

Particulars	Maximum assistance per trainee per hour (Rs)
SC/ST/Physically Handicapped (PH) /North Eastern Region (including Sikkim), Union Territories of Andaman & Nicobar and Lakshadweep Islands (NER+)	
District Head Quarter (HQ)	60/-
Urban areas other than District HQ	50/-
Rural areas	40/-
Others	
District HQ	50/-
Urban areas other than District HQ	40/-
Rural areas	30/-

Assistance for Training of Trainers (ToTs) programmes would be provided @ Rs 60 per trainee per hour.

9.2.5 It would be possible to dovetail benefits available under schemes of other Ministries/ Departments/ State/UT Governments for stipend, TA/DA etc. with assistance under schemes of other Ministries /Departments/ State/ UT Governments (without duplication).

9.3 NATIONAL INSTITUTE FOR ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT (NIESBUD), NOIDA, UP.

9.3.1 National Institute for Entrepreneurship & Small Business Development (NIESBUD) is a premier Institute established in 1983, for coordinating and overviewing the activities of various institutions, agencies engaged in developing entrepreneurship, primarily in small industry, small business and human resources development. The Institute has been actively engaged in organizing national/international training programs, which have benefited MSMEs throughout India and abroad.

9.3.2 The major activities of the Institute include identifying requirements and conducting training programmes aimed at entrepreneurship development for different target groups including members of various Government and NGOs engaged in supporting

and promoting entrepreneurship; evolving and standardizing field tested strategies and methodologies of developing entrepreneurship to suit the respective locations and target groups and clusters; gathering, analyzing and processing information needed for formulation of policies and implementing programmes related to self-employment, entrepreneurship and industrial development; offering consultancy services needed for improving management efficiency, productivity and technology adopted by existing entrepreneurs; undertaking documentation and disseminating information related to entrepreneurship/ enterprise development; preparing and publishing literature and information materials related to entrepreneurship/ enterprise development; providing forum for interaction and exchange of views/experiences for different groups mainly through seminars, workshops, conferences etc; studying problems and conducting researches/ review studies etc. for generating knowledge for accelerating the process of entrepreneurship development culminating into establishment of new economic ventures; evolving, designing and helping use of various media for promoting the culture of entrepreneurship among different strata of society.



Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadra Singh at the meeting of the Governing Council of NIESBUD. Shri R.K. Mathur, Secretary (MSME), Shri Amarendra Sinha, AS&DC, Shri Arun Kumar Jha, DG NIESBUD, Shri A.P. Singh, PS to the Hon'ble Minister (MSME) and Shri U. Viswanadham, Deputy Secretary, MSME are also seen.

9.3.3 During the year 2011-12, the Institute has organized 961 training activities for different target groups with 23,746 participants as on December 31, 2011. The category-wise details of the training programmes thus organized during the year, are given in Table 9.1: -

Table 9.1: Performance of NIESBUD during 2010-11 and during 2011-12

Sl. No.	Category of the Programme	2010-11 (up to Dec. 31, 10)		2011-12 (up to Dec. 31, 11)	
		No. of Progs.	No. of Participants	No. of Progs.	No. of Participants
1.	Trainers/ Promoters Training; Small Business Opportunities & Development and Entrepreneurship Continuing Education Programme	13	214	41	667

2.	Entrepreneurship-cum-Skill Development Programmes, EDPs and SDPs	225	5693	912	22910
3.	International Training Programmes	05	88	05	89
	Total	243	5995	958	23666
4.	Seminars, Workshops & Conferences/Awareness-cum-Motivational Campaigns	88	4969	03	80
	Grand Total	331	10964	961	23746

The training programmes conducted are in comparison to 331 programmes with 10964 participants organized by the Institute during the corresponding period of the year 2010-11. This represents growth of 191% in terms of training programmes and 117% in terms of the participants, during the year 2011-12 over 2010-11.

9.3.4 The broad features of the training activities during the period, are enumerated below:-

i) The majority of the training activities, during the period, were organized under the Scheme of "Assistance to Training Institutions" of the Ministry of MSME. The areas/trades comprised of Computerized Design Development in Embroidery; Desk Top Publishing (DTP); Mobile Repairing; Computerized Accounting with TALLY; CAD with Pro-Engineers; Electroplating; TIG/MIG Welding; Engineering Drawing with CAD; Computer Hardware &

Networking; Leather Products; Footwear Designing; Fashion Designing; House-keeping & Hospitality; Cosmetology & Beautician; Electrical Gadget Repairing; Sports Goods; Repair & Maintenance of Power Supply, Inverter and UPS; Plumbing & Sanitary Fittings; Mouldings and Pattern Making; Food Processing and Web Designing.

ii) The four 8-weeks' International Training Programmes organized during the period, were in the areas of Business Advisors' Training (BAT); Human Resource Development & Entrepreneurship Education/Training (HRD-EE); Small Business Planning and Promotion (SBPP) and Trainers' Training on Self Help Group Formation, Growth and Sustenance (TT-SHGFGS). The programmes were enthusiastically attended by a total of 79 participants hailing from 30 different countries.

- iii) The Institute organized a specially designed one-month International Training Programme on Small Business Planning and Promotion under the auspices of the Colombo Plan Secretariat for the 10 participants hailing from Nepal, Sri Lanka, Maldives, Malaysia, Bangladesh, Indonesia and Fiji.
- iv) The Institute organized a series of 5 Capacity Building Programmes for 93 Principals & Senior Faculty of ITIs under the auspices of the O/o the Directorate General of Employment and Training, Ministry of Labour, Government of India.
- v) The Institute has commenced 07 Professional Certified long-duration Programmes under PPP Mode in different facets of Media and Animation.
- 9.3.5 The Institute hosted MSME-DI Senior Officers' Conference "Policy Changes for Effective MSME Scheme: Analysis & Road Map" on behalf of the Office of the Development Commissioner (MSME) at its Campus on June 1 - 2, 2011. While the inaugural session of the two days' Conference was chaired by the Secretary (MSME), the valedictory session was presided over by the Hon'ble Minister, Shri Virbhadra Singh. The Conference was attended by close to 50 Officers drawn from the Head-quarters and Field Offices of the O/o the DC (MSME). The event received wide coverage in the Newspapers.
- 9.3.6 As per the mandate of the Government for inclusive growth, the Institute continued to encourage participants belonging to SCs/ STs/OBCs etc. The Entrepreneurship-cum-Skill Development Programmes and those organized by the Training-cum-Incubation Centre: Garment Manufacturing, were largely attended by the participants from these sections of the Society. Besides, the participation in other training programmes, by the persons belonging to these target groups, was also encouraged through publicity etc.
- 9.3.7 The Institute also assists the participants of its ESDPs/SDPs in getting gainful wage-employment after the training. While the objective is to ensure that atleast 25-30% of the participants are absorbed in different units, the actual achievement has been below the desired threshold limit. During the year 2011-12, the Institute was in position to secure wage-employment for 1,032 participants representing a success rate of about 10.50%. Besides, 480 beneficiaries of the training activities were assisted in setting-up their own economic ventures.
- 9.3.8 The Institute is looking after different

works in various Clusters. The broad outline of the work executed by the Institute during the current year in these Clusters are given below: -

- i) Completion of Soft Intervention in Auto Parts Cluster, Gurgaon and Plastic Packaging Material Cluster, Ghaziabad.

The broad components of the Soft Intervention include: -

- Facilitating establishment of SPVs;
 - Networking & Capacity Building;
 - Addressing Technological Issues and
 - Marketing Promotion Assistance
- ii) Preparation & Submission of Detailed Project Report (DPR) in respect of the Brass Cluster, Moradabad to the O/o the DC (MSME), SIDBI and the State Government of U.P.
 - iii) Provision of continuous support to KVIC Clusters under SFURTI Scheme through regular visits and technical inputs to the Artisans, Cluster Development Executives and Implementing Agencies.

- iv) Continuation of Hard Intervention in Scissors Cluster; Meerut through publishing advertisement for inviting Tenders for acquisition of Machinery/ Equipment towards establishment of

Common Facility Centre (CFC) on two different occasions.

- v) Organization of an Exposure Visit of the Members of the Plastic Packaging Cluster, Ghaziabad, to different units. The Soft Intervention in the Cluster has also been completed by the Institute.
- vi) Following up of the matter of examination of the DPR in respect of the Textile Printing Cluster, Pilkhuwa, with the State Government of Uttar Pradesh.

9.3.9 The Institute in accordance with the Scheme of Entrepreneurship Development Centre (EDC) through Partner Institutions, for extending the outreach of the training activities, has empanelled a total of 34 eligible and competent organizations/agencies as its Partner Institutions covering a total of 10 States during the period. A total of 215 training programmes for 5375 participants is to be conducted during the year 2011-12 through these agencies under the Ministry's Scheme of Assistance to Training Institutions.

9.3.10 In accordance with the policy directions/guidelines of the Government of India for accelerating the spread of entrepreneurial culture among Women, the Institute continued with its activities having focus on this target group and encouraged women candidates for

participation in its different activities especially the Entrepreneurship-cum-Skill Development Programmes (ESDPs) and Entrepreneurship Development Programmes (EDPs). In this manner, the Institute provided training to 3,379 women participants through its different training activities during the period.

9.3.11 The Institute played host to the following delegations/ visits to its Campus during the period: -

- A delegation of the Ministry of Education, Government of the Republic of Mozambique visited the Institute for exploring the venues of collaboration with NIESBUD for promotion of entrepreneurship and development of MSMEs in both the countries.
 - A high level delegation from Rwanda visited the Institute and sought its assistance for consultancy services towards establishing an Entrepreneurship Development Institute and undertaking Diagnostic Studies for different Clusters in Rwanda.
 - A delegation headed by the Hon'ble Minister of Education, Government of Nigeria visited the Institute for exploring the possibilities of NIESBUD assisting the Nigerian Government in imparting skill/vocation based training to the large battery of unemployed youth of Nigeria.
 - A delegation consisting of the existing entrepreneurs and officials of Kenya Institute of Business Training visited NIESBUD under the auspices of Japan Development Institute and sought its assistance in identification of more industrial clusters; development of existing clusters; selection of beneficiaries for providing different kind of training; imparting of actual training and provision of hand-holding assistance to the beneficiaries.
 - A three - member delegation from the Department of Trade and Industry, Republic of South Africa visited the Institute Campus for exploring the possibility of undertaking collaborative activities in the area of promotion of entrepreneurship and development of small businesses.
- 9.4 NATIONAL INSTITUTE FOR MICRO, SMALL AND MEDIUM ENTERPRISES (NI-MSME), HYDERABAD**
- 9.4.1 National Institute for Micro, Small and Medium Enterprises (NI-MSME) was established in 1960 and was known as National Institute of Small Industry Extension Training (NISIET). The academic activities are organized through Schools of Excellence, each

School consisting of theme focused centers and cells. The Academic Council is the nucleus coordinating body, which formulates academic activities and programmes with quantitative and qualitative benchmarks by providing a framework for assessment and evaluation addressing contextual variations.

9.4.2 The Ministry of MSME have earmarked 280 programmes (including carried over

programmes from 2010-11) for 8400 participants to NI-MSME and 270 programmes (including carried over 2010-11) for 7080 participants through Partner Institutions of ni-msme for the year 2011-12. As on 31st December, 2011, 21 programmes by NI-MSME and 20 programmes through Partner Institutions covering 632 and 559 participants respectively have been conducted. The remaining programmes are expected to be completed before 31st March, 2012.



Shri Uday Kumar Varma, the then Secretary (MSME) and Chairman of ni-msme Executive Committee with the members in the 8th meeting held at Hyderabad.

9.4.3 During the period from April 2011 to December 2011, the Institute has conducted 55 National level announced & Sponsored Programmes, which were attended by 1,866 participants. During the remaining period of the

year, 94 programmes, in which 3,391 participants are anticipated, are to be conducted. As regards, International Announced & Sponsored Programmes, 15 programmes for 259 senior executives from different developing countries

were conducted up to end of December, 2011 and 08 more programmes to cover as many as 175 executives are anticipated during the remaining period of the financial year.

9.4.4 During the period from April 2011 to December 2011, the Institute had conducted 30 Seminars and Workshops attended by 2,070 delegates. Twenty eight more are anticipated to be conducted and the delegates expected are 1,650. As regards, Research &

Consultancy, 70 research and consultancy projects were taken up during the period from April 2011 – December 2011 and they were in progress. 07 more projects are anticipated during the remaining period.

9.4.5 The performance of the Institute during 2010-11 (actual) and during 2011-12 (up to 31st December 2011) and projections for the remaining period of 2011-12 are given in the **Table – 9.2.**

Table 9.2: Performance of NI-MSME during 2010-11 & 2011-12

Type of Programmes	2010-11		2011-12					
	Programmes	Participants	From 1.4.2011 to 31.12.2011 (Actuals)		From 1.01.2012 to 31.3.2012 (Projected)		Total	
			Programmes	Participants	Programmes	Participants	Programmes	Participants
<i>Entrepreneurship Development Programmes</i>								
(a) Programmes under Assistance to Training Institutions sponsored by M/o MSME:								
(i) NI-MSME as Apex Institution	108	3205	21	632	259	7,768	280	8,400
(ii) Programmes by Partner Institutions	303	7,961	20	559	250	6,646	270	7,205
(b) Other EDPs	52	1,518	12	365	17	500	29	865
<i>(c) Other Programmes:</i>								
(i) National:								
(a) Announced	14	864	17	396	22	449	39	845

(b) Sponsored	96	3,098	26	1,105	55	2,442	81	3,547
(ii) International:								
(a) Announced	18	303	14	249	06	125	20	374
(b) Sponsored	03	42	01	10	02	50	03	60
(iii) Seminars and Workshops	71	4,921	30	2,070	28	1,650	58	3,720
(d) Consultancy & Research	91		70		07		77	
<i>Total</i>	756	21,912	211	5,386	646	19,630	857	25,016

9.5 INDIAN INSTITUTE OF ENTREPRENEURSHIP (IIE), GUWAHATI

9.5.1 Indian Institute of Entrepreneurship (IIE), is completing 18th year of its operation on 31st March 2012. During this period, the Institute has expanded its activities to a great extent covering all facets of SME activities. Since its establishment and up to March 2011, the Institute has organized 2844 training programmes/ workshops/seminars/meets where 98,604 participants participated.

9.5.2 During the year 2011-12 (up to 31st December 2011) the Institute conducted 370 programmes (Trainings, Seminars & Workshop - 359, others activities-11) with a participation of 10,890 participants in various states of the country.

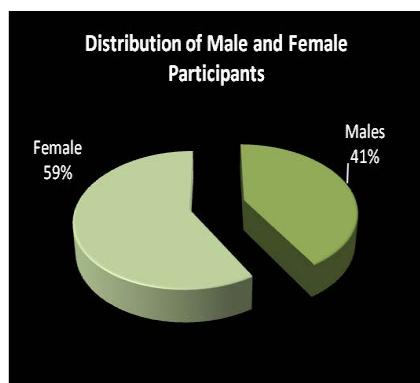
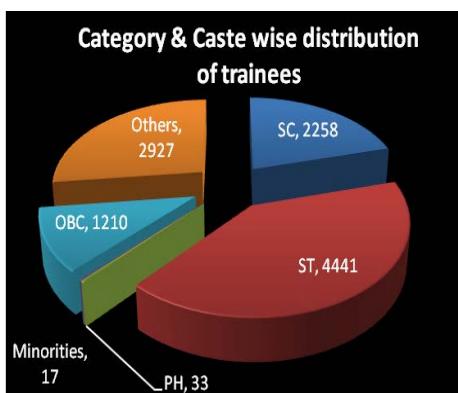
9.5.3 The performance of the Institute during 2010-11 (actual), during 2011-12 (up to 31st December 2011) and projection for the remaining period of 2011-12 is given in **Table 9.3**.

Table 9.3: Performance of IIE during 2009-10 and during 2010-11

Programmes	2010 - 11		2011 - 12					
	Number of Programmes	Number of Participants	From 01.04.2011 to 31.12.2011 (Actual)		From 01.01.2012 to 31.03.2012 (Projections)		Total	
			Number of Programmes	Number of Participants	Number of Programmes	Number of Participants	Number of Programmes	Number of Participants
Entrepreneurship Development Programmes (EDP)	121	3246	70	2039	15	245	85	2284

Entrepreneurship and Skill Development Programmes (ESDP) & Skill Development Programmes (SDPs)	350	9393	279	8145	165	2700	444	10845
Management Development Programmes (MDPs)	20	568	10	234	5	81	15	315
Others	65	3630	11	472	5	84	16	556
Total	556	16837	370	10890	190	3110	560	14000

9.5.4 The Institute has been giving special thrust to the upliftment of the downtrodden and weaker sections of the society. Apart from concentrating on women beneficiaries, the institute takes particular care to organize programmes for SC, ST and Minorities. The distribution of category wise beneficiaries is given below.



9.5.5 Continuous handholding support and search for opportunities for employment and self employment are being carried on by the institute for placement of the trainees. Among a total of 16,313 participants trained under various skill development programmes 4,853 trainees equaling 29.7% of the total participants are now gainfully employed. IIE along with other associate Udyami Mitras has identified more than 300 prospective Udyamis and 202 of these have been registered as Udyamis and handholding support provided.

9.5.6 As an integral part of IIEs activities the institute completed two diagnostic studies and one detailed project report during the period:-

- Diagnostic Study Report on Japi Cluster, Assam.
- Diagnostic Study Report on incense stick cluster, Assam.
- Techno-economic feasibility report on food processing cluster (TEFR), Manipur.

Three more studies are in different stages of completion. These are:-

- a. Physical Verification of PMEGP beneficiaries of Assam
- b. Physical Verification of PMEGP beneficiaries of Nagaland
- c. Impact Assessment of SJSRY Scheme in North East India

9.5.7 IIE has been developing enterprise and entrepreneurship in project mode through Area Approach Projects where geographical vicinity becomes the basis of development. The projects are mainly of the following kinds:-

- Science and Technology Enterprise Development (STED) Project under Department of Science and Technology
- Rural Industries Programme under Small Industries Development Bank of India
- Regional Resource Centre (RRC) for Cluster Development for developing micro and medium enterprise clusters under various ministries and agencies.
- Rural Business Hubs (RBH).

9.5.8 The Indian Institute of Entrepreneurship, Guwahati is implementing the Scheme of Entrepreneurship Development Centres (EDCs) through Partner Institutions (PIs), as per the guidelines of the Ministry of

MSME. Under this initiative IIE, Guwahati has signed MoU with 34 (thirty-four) Institutes / Organizations as PIs from across the country.

9.5.9 Keeping in consonance the recommendations of the Prime Ministers' Task Force on MSME, the Institute initiated opening of branch offices of IIE in all NE States. Out of 8 NE States, Branch offices have started functioning in 7 States. The Branch office in Tripura is yet to become functional.

9.6 RAJIV GANDHI UDYAMI MITRA YOJANA (RGUMY)

9.6.1 The objective of Rajiv Gandhi Udyami Mitra Yojana (RGUMY) is to provide handholding support and assistance to the potential first generation entrepreneurs, who have already successfully completed Entrepreneurship Development Programmes (EDP)/ Skill Development Training Programme (SDP)/ Entrepreneurship-cum-Skill Development Training Programme (ESDP)/ Vocational Training Programmes (VT), through the selected lead agencies i.e. 'Udyami Mitras', in the establishment and management of the new enterprise, in dealing with various procedural and legal hurdles and in completion of various formalities required for setting up and running of the enterprise.

9.6.2 An 'Udyami Helpline' (a Call Centre for MSMEs) with a toll free No. 1800-180-6763 has been functioning, set up under the Scheme, to provide information, support, guidance and assistance to first generation entrepreneurs as well as other existing entrepreneurs. The Udyami Helpline provides information about various promotional schemes of the Government, procedural formalities required for setting up & running the enterprise and in accessing Bank Credit etc.

9.7 SURVEY, STUDIES AND POLICY RESEARCH

This is an on-going scheme. The main objectives of the Scheme are (i) to regularly/periodically collect relevant and reliable data on various aspects and features of MSMEs, (ii) to study and analyze, on the basis of empirical data or otherwise, the constraints and challenges faced by MSMEs as well as the opportunities available to them in the context of liberalization and globalization of the economy, and (iii) to use the results of these surveys and analytical studies for policy research and designing appropriate strategies and measures of intervention by the Government. Several studies on the MSME sector have been completed under this scheme.



Inauguration of programme for the officials of DC (MSME)

10

**PRIME MINISTER'S EMPLOYMENT GENERATION
PROGRAMME (PMEGP) AND SCHEME OF FUND FOR
REGENERATION OF TRADITIONAL INDUSTRIES (SFURTI)**



*Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh lighting the lamp to inaugurate the National PMEGP Expo, in New Delhi.
Shri R.K. Mathur, Secretary (MSME) is also seen.*

CHAPTER - X

PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME (PMEGP) AND SCHEME OF FUND FOR REGENERATION OF TRADITIONAL INDUSTRIES (SFURTI)

10.1 A new scheme titled 'Prime Minister's Employment Generation Programme (PMEGP)' has been launched in 2008-09 with the merging of the erstwhile Prime Minister Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) schemes of this Ministry with a total plan outlay of Rs. 4735 crore including Rs. 250 crore for backward and forward linkages. The Scheme is envisaged to generate 37.37 lakh additional employment opportunities during the terminal four years of XI Plan. The Guidelines of the Scheme are available on the website of the Ministry of MSME (www.pmegp.in; www.kvic.org.in)

10.2 MAIN OBJECTIVES

The main objectives of the PMEGP are:

- To generate employment opportunities in rural as well as urban areas;
- To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their place;

- To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and rural & urban unemployed youth; and
- To increase the wage earning capacity of artisans.

10.3 SALIENT FEATURES

The salient features of the scheme are as follows:

- Any individual, above 18 years of age, is eligible.
- No income ceiling has been prescribed for assistance.
- For setting up of project costing above Rs. 10 lakh in the manufacturing sector and above Rs. 5 lakh in the business /service sector, the beneficiaries should possess educational qualification of having passed at least VIII standard.
- Assistance under the Scheme is available only for new projects sanctioned.

- Self Help Groups (SHG) including those belonging to BPL are also eligible for assistance provided that they have not availed benefits under any other Scheme.
- The borrower is required to bring in own contribution of 10 per cent of the project cost. In the case of beneficiaries belonging to SC/ST and borrowers from other weaker sections, etc., the beneficiary's contribution is 5 per cent of the project cost.
- Banks will sanction loan for the balance of the project cost (90% or 95% as the case

may be). After the sanction of the credit by the Bank and after the beneficiary has undergone EDP training, eligible amount of margin money will be kept in term deposit for three years in the account of the borrower at the financing bank branch, which will be credited to the borrower's loan account after a period of two years from the date of first disbursement of loan.

- The permissible margin money assistance is kept at a higher level as compared to PMRY and REGP and is as detailed in the Table below:

TABLE 10.1: Assistance under PMEGP

Categories of beneficiaries under PMEGP	Beneficiary's Contribution (of project cost)	Rate of Margin Money Subsidy (of project cost)	
Area (location of project/unit)		Urban	Rural
General Category	10%	15%	25%
Special Category (including SC / ST / OBC / Minorities/Women, Ex-servicemen, Physically handicapped, NER, Hill and Border areas etc.)	05%	25%	35%

Note: (1) The maximum cost of the project/unit admissible under manufacturing sector is Rs. 25 lakh.

(2) The maximum cost of the project/unit admissible under business/service sector is Rs. 10 lakh.

(3) The balance amount of the total project cost will be provided by Banks as term loan

(ix) Definition of “RURAL AREA” AND “VILLAGE INDUSTRIES”

(a) “Rural Area means the area comprised in any village, and includes the area comprised

in any town, the population of which does not exceed twenty thousand or such other figure as the Central Government may specify from time to time.”

(b) Similarly, the term “*village industries*” has been redefined in amended KVIC, Act, 1956 as “any industry located in a rural area which produces any goods or renders any service with or without the use of power and in which the fixed capital investment per head of artisan or worker does not exceed Rs. one lakh (Rs. one lakh and fifty thousand in case of village industry located in a hilly area) or such other sum as may, by notification in the Official Gazette, be specified from time to time by the Central Government”.

10.4 IMPLEMENTING AGENCY

The following agencies are involved in implementation of PMEGP:

- At national level, KVIC is the single Nodal Agency for implementation of PMEGP.
- At the State level, the Scheme is implemented through State Directorates of KVIC; State Khadi and Village Industries Boards (KVIBs) and District Industries Centres of State Governments.

Besides the above, finance is arranged through the following institutions:

- 27 Public Sector Banks.
- All Regional Rural Banks.
- Co-operative Banks approved by State Level Task Force Committee headed

- by the Principal Secretary (Industries)/ Commissioner (Industries).
- Private Sector Scheduled Commercial Banks approved by State Level Task Force Committee headed by the Principal Secretary (Industries)/ Commissioner (Industries).
- Small Industries Development Bank of India (SIDBI).

10.5 BACKWARD & FORWARD LINKAGES

Besides margin money assistance, the Government also provides financial assistance for backward and forward linkages through KVIC which includes revamped EDP training; awareness camps; publicity; workshops; banker's review meetings; district, state and national level exhibitions; physical verification of the units set up; concurrent evaluations; and electronic tracking of applications. As reported by KVIC, 7 workshops, 164 awareness camps and 180 exhibitions have been organized during 2011-12 (up to 15th February 2012) and 22,132 persons have undergone EDP training during 2011-12 (up to 15th February 2012). As per PMEGP guidelines, once project is sanctioned by Bank, before releasing the second installment of loan, beneficiary is required to undergo a two weeks EDP training to be arranged by KVIC through its accredited institutions. State-wise details of units

assisted, margin money utilised and estimated employment generated during 2011-12 is given at Annexure III.

10.6 For improved implementation of the scheme, the progress made under PMEGP is reviewed in the Ministry at regular intervals. Besides, all Chief Ministers have been requested to instruct the State implementing agencies, namely, DICs and KVIBs as well as Banks to put in more concerted efforts in improving the performance of PMEGP. Regular review meetings by National Level Monitoring Committee, KVIC and others are also held. More than 307 model projects have been made available in the websites namely www.kvic.org.in and www.pmegp.in for the benefit of prospective entrepreneurs and around 552 training centres have been accredited by KVIC for conducting EDP training before disbursal of loan as provided in the guidelines.

10.7 During 2011-12, 1,54,643 applications have been received under the Scheme till 15th February 2012 of which 65,837 projects were recommended to banks. Banks have, however, sanctioned 57,733 cases and made disbursement only in 35,607 cases involving margin money assistance of Rs. 698.80 crore during the year. It is expected that achievements would pick up towards the end of current financial year.

10.8 SCHEME OF FUND FOR REGENERATION OF TRADITIONAL INDUSTRIES (SFURTI)

10.8.1 The Ministry of MSME is implementing a cluster-based scheme titled "Scheme of Fund for Regeneration of Traditional Industries (SFURTI)" for development of around 100 clusters in khadi, village and coir sectors with a total cost of Rs. 97.25 crore over a period of 5 years (beginning with 2005-06) to make industries in KVI and coir sectors more productive and competitive and to increase the employment opportunities in rural areas of the country. The Scheme is targeted to cover an estimated 50,000 beneficiary families.

10.8.2 The objective of SFURTI is to establish a regenerated, holistic, sustainable and replicable model of integrated cluster-based development of traditional industries in KVI and coir sectors. This primarily means:

- (i) more competitive traditional industries with more market-driven, productive and sustained employment for the participants;
- (ii) strengthened local socio-economic governance system of the industry clusters, with the active participation by the local stakeholders that can help to continue undertaking development initiatives by themselves; and

(iii) building up innovative and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster-based regenerated traditional industries.

10.8.3 The following support measures are taken up in the selected clusters:

- (i) Replacement of charkhas and looms in khadi sector.
- (ii) Setting up of Common Facility Centres (CFCs).
- (iii) Development of new products, designs for various khadi and village industry (VI) products, new/improved packaging, etc.
- (iv) Market promotion activities.
- (v) Capacity building activities, such as exposure visits to other clusters and institutions, need-based training, support for establishment of cluster level networks (industry associations) and other need based supports.
- (vi) Other activities identified by the Implementing Agency (IA) as necessary for the development of the cluster as part of the diagnostic study and included in the Annual Action Plan for the cluster.

10.8.4 KVIC and Coir Board are the Nodal Agencies (NAs) for implementation of the scheme and are also responsible for holding

and disbursement of funds to the identified Implementing Agencies (IAs) and monitoring of the Scheme under the overall supervision of the Scheme Steering Committee (SSC). The Secretary (MSME) is the Chairman of SSC and representatives of the Planning Commission; State Bank of India; Indian Banks Association; National Bank for Agriculture and Rural Development (NABARD) are, *inter-alia*, members of SSC.

10.8.5 Implementing Agencies (IAs) under SFURTI are non-Government organizations (NGOs), institutions of the Central and State Governments and semi-Government institutions with suitable expertise to undertake cluster development. Each IA is assigned only one cluster. The selection of IAs, based on their regional reputation and experience of working at the grass-roots level, is done by the Nodal Agencies, with the approval of SSC.

10.8.6 Technical Agencies (TAs):

Under this Scheme, 17 reputed national level institutions with expertise in cluster development methodology are appointed as **Technical Agencies (TAs)** to provide technical support to the NAs and the IAs. The responsibilities of the TAs also include assisting the NAs in identification of clusters, conducting training of the Cluster Development Executives (CDEs) and other officials of the IAs and NAs, validation of cluster action plans, monitoring and evaluation, etc.

10.8.7 Cluster Development Executives (CDEs) are appointed exclusively for each cluster and are located in the cluster on full time basis and are responsible for implementation of the Scheme in the assigned cluster. CDEs undergo prescribed training in cluster development methodology organized by the NA through the TA. The responsibilities of CDE include conducting the diagnostic study; preparation and implementation of the annual action plans of the cluster; promoting linkages with institutions; building the local governance framework, etc.

10.8.8 Progress of SFURTI: Up to 15th February 2012, 105 clusters (29 – khadi, 50 – village industries and 26 – coir) well distributed throughout the country have been selected

for their development under SFURTI. The other activities for development of clusters like consent of State Government; training to NAs, IAs, CDEs, etc.; preparation of diagnostic study report and annual action plan, etc. in most of the cases, have been completed.

10.8.9 The release of funds under this scheme is cluster specific. The funds are released directly to the Nodal Agencies, who are also responsible for holding and disbursing the funds, on receipt of utilization certificate and depending upon actual physical progress. Funds for development of clusters are kept in a separate account by the Nodal Agencies which are subject to audit. The details of the funds released to Nodal Agencies since inception under this Scheme are given in the Table below:

TABLE 10.2: Release of Funds to Nodal Agencies under SFURTI

(Rs. Crore)

Year	KVIC	Coir Board	Total
2005-06	1.12	0.38	1.50
2006-07	19.03	6.50	25.53
2007-08	9.04	6.27	15.31
2008-09	13.45	3.50	16.95
2009-10	12.00	-	12.00
2010-11	8.30	2.50	10.80



Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh visits stalls after inaugurating the National PMEGP Expo, at the 31st India International Trade Fair (IITF), in New Delhi. Shri R.K. Mathur, Secretary (MSME) is also seen.

10.8.10 Under this scheme, 105 clusters (29 Khadi, 50 village industries and 26 coir) have been taken up with the approval of SSC for their development under this programme. 17 national level institutes have been designated as Technical Agencies to provide technical support in these clusters. Upto 2010-11, Rs. 82.09 crore (Rs. 62.94 crore to KVIC and Rs. 19.15 crore to Coir Board) has been released for implementing this scheme.

MoU among Nodal Agencies, Implementing Agencies, Technical Agencies, appointment of Cluster Development Executives formation of Cluster Development Coordination Group, Diagnostic Study Reports and Annual Plans, etc. in most of the cases have been completed. After implementation of the SFURTI, average increase of 40% to 60% in wages of the artisans has been observed in the functional KVI clusters.

11

INTERNATIONAL CO-OPERATION



The Ambassador of the Republic of Tunisia, Mr. Tarek Azouz meeting the Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadra Singh, in New Delhi.

CHAPTER - XI**INTERNATIONAL COOPERATION**

11.1 Worldwide, the micro, small and medium enterprises (MSMEs) have been accepted as the engine of economic growth for promoting equitable development. As per the available statistics (4th Census of MSME sector), this sector employs an estimated 59.7 million persons spread over 26.1 million enterprises in the country. It is estimated that in terms of value, MSME sector accounts for about 45% of the manufacturing output and around 40% of the total exports of the country. MSMEs play an important role in export promotion of the country. To maintain its niche in the international and global market, MSMEs are required to remain globally competitive. They have to continuously update themselves to meet the challenges emerging out of changes in technology, changes in demands, emergence of new markets, etc.

11.2 In recent years, the MSME sector has consistently registered higher growth rate compared to the overall industrial sector. With its agility and dynamism, the sector has shown admirable innovativeness and adaptability to survive the recent economic downturn and recession. However, MSMEs have been facing several challenges in the

era of globalization and liberalization. With its consistent growth performance and abundant high skilled manpower, India provides enormous opportunities for investment, both domestic and foreign. To exploit this potential, M/o MSME and its organisations, through its various Schemes and Programmes, are providing support to the Indian MSME sector, by giving them exposure of the international market; foreign technology; sharing of experiences and best management practices in the international arena etc. In continuation of this endeavour, M/o MSME has entered into long term agreements (Memorandum of Understanding/Joint Action Plan) with 15 countries viz., Tunisia, Romania, Rwanda, Mexico, Uzbekistan, Lesotho, Sri Lanka, Algeria, Sudan, Cote d'Ivoire, Egypt, Republic of South Korea, Mozambique, Botswana and Indonesia. In addition to this, the various organizations under this Ministry have also been maintaining close interaction with their counterparts in the foreign countries for the development of Indian MSMEs. The National Small Industries Corporation (NSIC) Ltd., a public sector enterprise under this Ministry has entered into long term agreement with partner institutions/ organizations in 24

different countries. In view of M/o MSME's long experience in the policy, programme and implementation of the schemes in the MSME sector, many of the developing economies of Asia and Africa seek guidance from it and /or its organisations. The organisations of the M/o MSME have provided consultancy services and also assisted in setting up of different projects, in the Afro-Asian countries.

11.3 INTERNATIONAL COOPERATION SCHEME

11.3.1 International Cooperation (IC) Scheme, being implemented by Ministry of Micro, Small and Medium Enterprises (MSME), is an ongoing Scheme of the Ninth Plan (under implementation since 1996), which is continuing in the Eleventh Plan (2007-2012) with an outlay of Rs. 1000.00 lakh. Technology infusion and/or upgradation of Indian micro, small and medium enterprises (MSMEs), their modernization and promotion of their exports are the important objectives of the Scheme. The IC scheme including the application form is available on the website of this Ministry viz. <http://msme.gov.in>.

11.3.2 The Scheme encompasses the following activities:

- (i) Deputation of MSME business delegations to other countries for exploring new areas

- of technology infusion/upgradation, facilitating joint ventures, improving the market of MSMEs products, foreign collaborations, etc.
- (ii) Participation of Indian MSMEs in international exhibitions, trade fairs and buyer-seller meets in foreign countries as well as in India, in which there is international participation.
- (iii) Holding international conferences and seminars on topics and themes of interest to the MSMEs.

11.3.3 Under the IC Scheme, during the year 2011-12, a number of MSMEs have been facilitated to participate in international exhibitions, conferences and seminars on topics and themes of interest to the MSME, trade fairs and buyer-seller meets abroad.

11.4 SIGNIFICANT MEETINGS WITH FOREIGN DIGNITARIES AND DELEGATIONS

11.4.1 M/o MSME and its organisations like O/o DC (MSME) and NSIC hold discussion with foreign delegations for enhancement of bilateral cooperation for the mutual benefits of MSMEs of both countries. The details of such meeting/discussion with respect to M/o MSME are given below:

S . No.	Date	Event
1.	April 11, 2011	Shri Virbhadra Singh, Hon'ble Minister of Micro, Small and Medium Enterprises (MSME) met H.E. Mr. Juraj MISKOV, Minister of Economy and H.E. Mr. L'ubomir GALKO Minister of Defence of the Slovak Republic on 11.4.2011.
2	April 27, 2011	Mr. Jung Seon Wook, Dy. Director, Mr. Nam Hyeon Zea, Sr. Manager and Mr. Backhoon, Sr. Researcher of Small and Medium Business Administration (SMBA) of Korea met Shri Arun Kumar Jha, Director, M/o MSME on 27.4.2011.
3	April 28, 2011	Mr. Abdellatif Maazouz, Hon'ble Moroccan Minister for Foreign Trade met Shri Virbhadra Singh, Hon'ble Minister of Micro, Small and Medium Enterprises (MSME) on 28.4.2011.
4	May 3, 2011	Ambassador of the Czech Republic H.E. Mr. Miloslav Stasek called on Shri Virbhadra Singh Hon'ble Minister of Micro, Small and Medium Enterprises (MSME) on 3.5.2011.
5	May 9, 2011	H.E. Mr. Giacomo Sanfelice di Monteforte, Ambassador, Embassy of Italy, New Delhi met Shri Uday Kumar Varma, then Secretary, M/o MSME to discuss various issues of the bilateral relations between India and Italy including discussion on business seminars and B2B meetings which was to be held in November, 2011 in New Delhi.
6	May 24, 2011	Ms. Brigitte Schars, Manager of International Partnership with Asian Countries at the General Directorate for Competitiveness, Industry and Services, French Ministry of Economy, Finance and Industry met Shri Amarendra Sinha, Joint Secretary, M/o MSME to exchange views and practices in assisting industrial sector for innovation and increased competition.
7	June 14, 2011	H.E. Ms. Darja Radic, Minister of Economy of the Republic of Slovenia called on Shri Virbhadra Singh, Hon'ble Minister of Micro, Small and Medium Enterprises (MSME) to discuss the issues of bilateral cooperation in the MSME sector of the two countries.
8	July 7, 2011	H.E. Mr. Giacomo Sanfelice di Monteforte Ambassador of Italy in India accompanied by Mr. Gianluca Brusco, Head of Economic & Commercial Section, Embassy of Italy, discussed the issues of bilateral cooperation in the MSME sector with Shri Uday Kumar Varma, the then Secretary, M/o MSME.

9	July 13-19, 2011	Secretary, Ministry of Micro, Small and Medium Enterprises (MSME) visited Malawi and South Africa to: (a) Concretize the issue of Business Incubator that the Indian Government will be donating to Malawi and to discuss further on other areas of cooperation between the Ministry of MSME, Government of India and Ministry of Industry and Trade, Malawi and (b) to review the activities of office of National Small Industries Corporation (NSIC) at Johannesburg, South Africa for promotion of MSME sector in both the countries and to have deliberations with Small Enterprise Development Agency (SEDA), NSIC's partner institution in South Africa, and other government officials for further cooperation in MSME sector in South Africa in coming years.
10	July 14, 2011	H.E. Mr. Zeferino Alexandre Martins, Hon'ble Minister of Education, Government of Mozambique called on Shri Virbhadr Singh, Hon'ble Minister of Micro, Small and Medium Enterprises (MSME) to discuss the issues of bilateral cooperation in the MSME sector.
11	July 28, 2011	Mr. V. Ashok, Ambassador designate to the Czech Republic met Shri Uday Kumar Varma, then Secretary, M/o MSME to discuss the issues of bilateral cooperation in the MSME sector.
12	August 2, 2011	Ms. Reta Jo Lewis, Special Representative for Global Inter-Governmental Affairs, Government of United States met Shri Uday Kumar Varma, then Secretary, M/o MSME to discuss the issues of bilateral cooperation in the MSME sector.
13	August 18, 2011	H.E. Mr. Williams Nkurunziza, High Commissioner of the Republic of Rwanda in New Delhi met Shri Uday Kumar Varma, then Secretary, M/o MSME.
14	August 25, 2011	The 1 st Joint Committee Meeting (JCM) under Article 3 of the MoU signed on 30.8.2006 between Ministry of Micro, Small and Medium Enterprises of the Republic of India and the Ministry of Commerce, Industry, Investment, Promotion, Tourism and Cooperatives, Republic of Rwanda was held at New Delhi under the Co-Chairmanship of Shri Uday Kumar Varma, then Secretary, M/o MSME.
15	September 12-16, 2011	Secretary, Ministry of Micro, Small and Medium Enterprises (MSME) visited Italy for (a) Holding discussions/meetings of the UNIDO programme funded by Italian Government, (b) Tying up of NMCP components such as design clinic; and (c) Induction of Italian experts through CONFINDUSTRIA.
16	September 19, 2011	A Kenyan Trade Delegation met Shri Amarendra Sinha, Joint Secretary, Ministry of Micro, Small and Medium Enterprises (MSME) to discuss the functions of the Ministry and possible areas of cooperation.

17	September 21, 2011	Secretary, M/o MSME led the delegation comprising Joint Coordination Committee (JCC) members from Indian side to Jakarta, Indonesia to attend the 1st Joint Committee Meeting (JCM) under Article 7 of the Memorandum of Understanding signed on 25.1.2011 between Ministry of Micro, Small and Medium Enterprises (MSME), Government of the Republic of India and the Ministry of Cooperative and Small & Medium Enterprises of the Republic of Indonesia.
18	October 3, 2011	Joint Secretary, M/o MSME visited Tashkent, Uzbekistan to attend the 3rd Joint Committee Meeting (JCM) under Article 3 of the Memorandum of Understanding signed on 5.4.2011 between Ministry of Micro, Small and Medium Enterprises (MSME), Government of the Republic of India and Government of the Republic of Uzbekistan.
19	October 14, 2011	H.E. Ambassador of Romania, Embassy of Romania, New Delhi met Shri Amarendra Sinha, Joint Secretary, M/o MSME to discuss bilateral cooperation between the two countries in the sphere of development of MSME sector.
20	October 19, 2011	Dr. Anwar Ul Haq Ahady, Hon'ble Minister of Trade & Industry, Afghanistan called on Shri Virbhadra Singh, Hon'ble Minister of Micro, Small and Medium Enterprises (MSME) to discuss bilateral cooperation between the two countries for the promotion and development of MSME sector.
21	November 18, 2011	A meeting was held between a delegation from South Africa and officials of the Ministry of Micro, Small and Medium Enterprises (MSME) to discuss bilateral cooperation between the two countries in the sphere of development of MSME sector.
22	December 11-12, 2011	Shri Dinesh Singh, Joint Secretary, M/o MSME visited Tehran, Iran as this Ministry's representative to attend the First Joint Committee Meeting under Article 11 of the Memorandum of Understanding signed between NSIC and Iranian Small Industries and Industrial Parks (ISIPO) of Iran.
23	December 15, 2011	H.E. Mr. Robet Tachie-Mension, High Commissioner of Ghana met Shri Amarendra Sinha, Additional Secretary, Ministry of Micro, Small and Medium Enterprises (MSME) to discuss cooperation with Ghana in the area of incubation centre, small scale industries, basic affordable labour intensive technologies and micro finance, within the context of rural development.



The Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadra Singh at the Round Table Conference of Indo-Canada Chamber of Commerce “India-Canada Partnership: The Way Forward”, in New Delhi .



Shri R.K. Mathur, Secretary (MSME) Co-chairing the first meeting of the Joint Committee set up under the MoU between India and Botswana for cooperation in the field of MSMEs, in New Delhi.

11.4.2 The various business delegation meets organized by NSIC during the year 2011-12 upto December, 2011 are:

S. No.	Date	Event
1.	26 th April, 2011	A delegation consisting of 26 Young Parliamentarians from different African countries visited NSIC to have first hand information about the activities of NSIC and its role for the development of SMEs in India and other developing countries.
2.	10 th May, 2011	A delegation led by H.E. Ms. Afaf Ahmed Abdelrahman, Minister for Social Development of the State of Khartoum visited NSIC to discuss the issues of mutual cooperation and NSIC model of Incubation.
3.	18 th May, 2011	NSIC signed an Agreement of Mutual Cooperation with Chamber of Commerce & Industry of Uzbekistan for enhancing cooperation for the development of MSMEs in Uzbekistan.
4.	25 th May, 2011	A MoU was signed between NSIC and Federal Micro and Small Enterprises Development Agency (FeMSEDA), Ethiopia in the presence of Hon'ble Prime Minister of India, Dr. Manmohan Singh and the Ethiopian Prime Minister, Meles Zenawi on at Addis Ababa, Ethiopia. MoU envisages cooperation for the development of micro & small enterprises in Ethiopia.
5.	27 th May, 2011	A Joint Action Plan was signed between NSIC and Small Industries Development Organisation of Tanzania in the presence of Hon'ble Prime Minister of India, Dr. Manmohan Singh and the Tanzanian President, Mr. Jakaya Mrisho Kikwete in Dar-es-Salaam, Tanzania for the development of micro & small enterprises in Tanzania.
6.	7 th July, 2011	A delegation led by the Permanent Secretary, Kenyan Ministry of Industrialization including Chairman of Kenya Industrial Estate (KIE), Managing Director, KIE visited NSIC to discuss the issues of mutual cooperation and NSIC model of Incubation. KIE is NSIC partner institution in Kenya.
7.	26 th Aug., 2011	A delegation led by the Permanent Secretary, Ministry of Trade and Industry of Rwanda visited NSIC on to discuss the issues of mutual cooperation and NSIC model of Incubation.
8.	12 th - 15 th October, 2011	NSIC organised a business delegation of 18 MSMEs to Loughborough, U.K. at the invitation of High Commission of India (HCl) in U.K. HCl, London had organised SME Conference-cum-Buyers-Sellers Meet for Indian delegates. Also visit to industries and University of Loughborough were organised to show emerging environment friendly technologies to Indian MSMEs.

9.	15 th -17 th Oct., 2011	<p>Participation in Fifth Tri-nations Conference at South Africa: A delegation led by Chairman-cum-Managing Director, NSIC participated in the 5th Tri-nations Conference coinciding with 5th IBSA Summit held at Pretoria, South Africa. Tri-nations Conference is the tri-national cooperative initiative of three organizations i.e. NSIC from India, SEBRAE from Brazil and SEDA from South Africa to discuss the issues related to MSMEs of the three countries and share their experiences for the development of MSMEs and also to enhance enterprise to enterprise cooperation among the enterprises of these three countries. The final report of the 5th Tri- nations Summit was presented in the IBSA Forum to the Heads of States of the three countries i.e. Ms. Dilma Rousseff, Hon'ble President of the Republic of Brazil, Mr. J.G. Zuma, Hon'ble President of the Republic of South Africa and Dr. Manmohan Singh, Hon'ble Prime Minister of Republic of India. The report highlighted the initiatives taken by three organizations in terms of access to technologies and innovations, commercial proximity among small, medium and micro enterprises of three countries and the exchange of knowledge and practices in promoting our enterprises, among other themes.</p>
10.	21 st Oct., 2011	A delegation led by the Permanent Secretary from Ministry of Trade and Industry of Tanzania and Director General, Small Industries Development Organisation (SIDO), Tanzania visited NSIC to discuss the issues of mutual cooperation, NSIC model of Incubation and other issues for operationalisation of Joint Action Plan (JAP) between NSIC and SIDO.
11.	14 th – 27 th Nov.,2011	<p>Following delegations visited NSIC's "Techmart India 2011" held at Pragati Maidan, New Delhi</p> <ul style="list-style-type: none"> • Ms. Elizabeth Thabathe, Deputy Minister of Trade & Industry, South Africa led 20 member delegation to Techmart India, 2011 and appreciated the display of technologies in the Fair. • Four enterprises led by Small Enterprise Development Agency (SEDA), South Africa participated in the exhibition. • 40 member delegation of enterprises from Mazar-e-Sharif, Afghanistan coordinated by High Commission of India at Afghanistan visited the exhibition and identified certain technologies & machineries that will be useful in Afghanistan. • Six member delegation led by Ms. H. Lupuwana, Chief Executive Officer of SEDA, South Africa visited Techmart India'2011. • 26 member business delegation led by Minister of Industries, Sports, Rural Development of Sri Lanka visited Techmart. • Besides the above, delegation from Kenya, Nigeria, Bangladesh, Senegal, Eritrea, Rwanda and South Korea also visited Techmart India,2011.

12	11 th – 12 th Dec., 2011	A two member team comprising of Joint Secretary (ARI), Ministry of MSME and Director (Plg. & Mktg.), NSIC visited Tehran, Iran to attend First Joint Committee Meeting between NSIC and Iran Small Industries and Industrial Parks Organisation for implementation of MoU between the two organizations and prepare a Joint Action Plan for the development of MSMEs in Iran.
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11.5 PARTICIPATION IN INTERNATIONAL EVENTS

11.5.1 Under International Cooperation Scheme of the M/o MSME (details are provided in para 11.3 above), the details of participation are as under:

1	April 1-3, 2011	North Calcutta Dishari Mahila Samity (NCDMS), Kolkata Participated in London Ananda Utsav at London.
2	April 4-8, 2011	Industries Association of Chandigarh (IAC), Chandigarh organised a business delegation of MSMEs to visit in Hannover Messe 2011 in Germany.
3	April 20-21, 2011	Council for Leather Exports (CLE), Chennai organised 2nd India Leather Summit 2011 (ILS) in New Delhi.
4	June 20-24, 2011	Confederation of Indian Industry (CII), New Delhi organised a SME Mission to USA & Mexico.
5	June 21-22, 2011	Federation of Indian Micro and Small & Medium Enterprises (FISME), New Delhi organised a business delegation of MSMEs to attend USA India Business (UIBS 2011), Atlanta, USA.
6	June 21-23, 2011	Engineering Manufacturer Entrepreneurs Resource Group (EMERG), Bangalore organised a business delegation of MSMEs to attend WBENC 2011, the National Conference & Business Fair, Women in Business 2011, at Las Vegas, USA.
7	June 21-23, 2011	Mahakaushal Association of Women Entrepreneurs (MAWE), Jabalpur organised a business delegation of MSMEs to attend WBENC 2011, the National Conference & Business Fair, Women in Business 2011, at Las Vegas, USA.
8	June 28 to 2 July, 2011	Indian Foundry Association (IFA), Kolkata organised a business delegation of MSMEs to visit GIFA Dusseldorf, Germany.

9	June 28 to 2 July, 2011	Institute of Indian Foundrymen (IIF), New Delhi organised a business delegation of MSMEs to visit Newcast 2011 - 3 rd International Trade fair for Precision Castings at Dusseldorf, Germany.
10	July 2-4, 2011	Toy Association of India (TAI), New Delhi organised Toy Biz International – two days Seminar on Safe and Green Toys at Pragati Maidan, New Delhi.
11	July 10-18, 2011	Federation of Andhra Pradesh Small Industries Association (FAPSIA), Hyderabad organised a business delegation of MSMEs to visit 17th International Propak China 2011 Trade Fair /Expo at Shanghai, China.
12	August 31 to 3 September, 2011	Delhi Printers Association (DPA), New Delhi organised a business delegation of MSMEs to visit Print Pack International Exhibition at Bangkok.
13	September 5-8, 2011	TANSTIA FNF Service Centre (TFSC), Chennai organised a business delegation of MSMEs to visit Fine Food Exhibition in Sydney, Australia.
14	September 7-9, 2011	Council for Leather Exports (CLE), Chennai participated in the Global Shoes Fair at Dusseldorf, Germany.
15	September 10-18, 2011	Assam Trade Promotion Organisation (ATPO), Guwahati participated in Thessaloniki, Greece International Fair in Greece.
16	September 14-18, 2011	Confederation of Indian Industry (CII), New Delhi organised a MSME Road-show in United Kingdom to promote India Global MSME Summit 2011 held in New Delhi during 19-20 October, 2011.
17	September 19-24, 2011	Marathwada Association of Small Scale Industries & Agriculture (MASSIA), Aurangabad organised a business delegation of MSMEs to visit EMO International Trade Fair at Hannover, Germany.
18	September 19-24, 2011	Ludhiana Machine Tool Manufacturers Association (LMTMA), Ludhiana organised a business delegation of MSMEs to visit EMO International Trade Fair at Hannover, Germany.

19	September 21-24, 2011	Centre for Development of Stones (CDOS), Jaipur participated in Marmomacc 2011 fair – International Exhibition of Stone Design and Technology at Verona, Italy.
20	September 21-23 and 26-30, 2011	Confederation of Women Entrepreneurs (COWE), Hyderabad organised a business delegation of MSMEs to (i) visit events in China and (ii) visit the Women Vendors Exhibition and Forum (platform for Action on Sourcing from Women Vendors) at Chongqing, China.
21	September 22-29, 2011	Knit Cloth Manufacturers Association (KCA), Tirupur organised a business delegation of MSMEs to visit 16 th ITMA2011 – International Exhibition on Textile & Garment Machinery at Barcelona, Spain.
22	September 22-29, 2011	The South Gujarat Textile Processors Association (SGTPA), Surat organised a business delegation of MSMEs to visit 16 th ITMA 2011 – International Exhibition on Textile & Garment Machinery at Barcelona, Spain.
23	September 22-29, 2011	The Textile Association (India), (TAI), Ahmedabad organised a business delegation of MSMEs to visit 16 th ITMA2011 – International Exhibition on Textile & Garment Machinery at Barcelona, Spain.
24	September 28 to October 1, 2011	Maharashtra Economic Development Council (MEDC), Mumbai participated in Indian Products Exhibition, Consumers Shoppee 2011 at Sharjah, UAE.
25	September 28 to October 1, 2011	Label Manufacturers Association of India (LMAI), Mumbai organised a business delegation of MSMEs to visit in the Import and Export Label Expo Europe 2011 at Brussels, Belgium.
26	October 10-13, 2011	Consortium of Electronics Industries of Karnataka (CLIK), Bangalore organised a business delegation of MSMEs to visit Taitronics 2011- an International Exhibition on Electronic Components and Systems at Taipei, Taiwan.
27	October 19-20, 2011	Confederation of Indian Industry (CII), New Delhi organised India Global MSME Summit 2011 in New Delhi.
28	November 16-19, 2011	Council of Leather Exports (CLE), Chennai participated in the AYMOD-46 th Istanbul International Footwear Fashion Fair, Turkey.



The Minister of Economy of Republic of Slovenia, Mrs. Darja Radic meeting the Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh in New Delhi.



The Ambassador of the Czech Republic, Mr. Miloslav Stasek calls on the Union Minister for Micro, Small and Medium Enterprises, Shri Virbhadr Singh in New Delhi.

11.5.2 The O/o DC (MSME) had provided opportunity under Marketing Development Assistance Scheme to MSMEs for getting an exposure in the international market and exploring the possible export opportunity of their products by exhibiting it through participation in International Trade Fairs under MSME India stall. Office of DC(MSME) during the financial year 2011-12 has planned to participate in 10

trade fairs with a target to provide 140 MSEs to participate in the International Trade Fair under MSME India stall. Till December, 2011 this office has participated in following 6 international trade fairs and provided export and marketing opportunity to 82 MSEs and out of which 44 MSEs are owned by women entrepreneur and 8 SC/ST entrepreneurs respectively.

S.No	Date	Event
1	18-21 June, 2011	76 th Expo Riva Schuh Fair, Italy
2	10-21 September, 2011	Thessaloniki International Fair, Thessaloniki, Greece
3	10-21 September, 2011	Accentra-Flanders International Fair, Ghent, Belgium
4	14-18 September, 2011	Inter Gift Madrid, Spain
5	17-20 October, 2011	The India Show 2011, Toronto, Canada
6	3-11 December, 2011	AFL Artigiano Milan, Italy

11.5.3 Coir Board

Similarly, Coir Board also provides financial assistance to Coir exporters in MSME sector to

showcase their products for capturing foreign markets and the details of such participation are as under:

S.No.	Date	Event
1.	May 27-30, 2011	Participated in House & Gift Fair, 2011, Sao Paulo, Brazil.
2	Septemebr 14-18, 2011	Participated in Intergift, Madriad, Spain.
3	Septemebr 20-22, 2011	Participated in the INDEXPO, Muscat, Oman.
4	October 20-23, 2011	Participated in the India Sourcing Fair, Asia World Expo, Hong Kong.
5	November 01-04, 2011	Participated in the International Horti Fair, Amsterdam, Netherlands.
6	November 22-24, 2011	Participated in the Australian International Sourcing Fair, Sydney
7	30 Nov.-02 Dec. 2011	Pariticipeted in the Sourcing Fair, Johannusburg, South Africa
8	14 - 17 February 2012	Pariticipeted in the Domotex 2012, Hannover, Germany

12

ACTIVITIES IN THE NORTH EASTERN REGION



*Union Minister for Micro, Small and Medium Enterprises,
Shri Virbhadr Singh addressing the “7th North-East
Business Summit”, in New Delhi.*

CHAPTER - XII

ACTIVITIES IN THE NORTH EASTERN REGION

12.1 ACTIVITIES OF THE MINISTRY IN NORTH EASTERN REGION (NER)

The NER, consisting of Assam, Arunachal Pradesh, Manipur, Mizoram, Meghalaya, Nagaland, Tripura and Sikkim has abundant natural resources. These resources can be

utilized for all round economic development and employment generation in the region. The M/o MSME is actively promoting the development of MSMEs in the NER through the programmes and schemes implemented by the Ministry and its organizations.



Shri R. K. Mathur, Secretary, MSME observing handicrafts of KVI institutions at PMEGP Expo Pavilion organized at 31st India International Trade Fair (IITF) - 2011 at Pragati Maidan, New Delhi.

12.2 PERFORMANCE OF THE MSME SECTOR IN NER

The estimated number of registered working

MSMEs in North-Eastern region, their employment, fixed investment and production for the year 2010-11 (*Projected*) have been incorporated in the Table 12.1 below: -

TABLE 2.2: North East and the Registered MSMEs (2010-11) (Projected).

Variables	State	Year	Sikkim	Arunachal Pradesh	Nagaland	Manipur	Mizoram	Tripura	Meghalaya	Assam	Total
Number of working enterprises	2006-07	122	417	1332	4492	3715	1343	3010	19864	34295	
	2007-08	136	480	2110	4530	3941	1499	3416	21618	37730	
	2008-09	207	587	4631	4670	4419	1711	3826	23249	43300	
	2009-10	225	698	5602	4759	4919	1931	4725	24927	47786	
	2010-11	279	829	9315	4881	5403	2180	5497	26887	55271	
	2006-07	1159	5411	16281	19960	26032	23166	12700	210507	315216	
Employment (Person)	2007-08	1292	6228	25790	20129	27616	25857	14413	229095	350420	
	2008-09	1967	7617	56605	20751	30965	29514	16143	246379	409940	
	2009-10	2138	9057	68473	21146	34469	33309	19936	264162	452689	
	2010-11	2651	10757	113857	21689	37860	37604	23193	284933	532543	
	2006-07	27.82	543.78	718.33	96.76	296.95	326.57	134.54	5867.40	8012.15	
	2007-08	31.01	625.93	1137.90	97.58	315.01	364.50	152.69	6385.49	9110.12	
Fixed Investment (₹ Crore)	2008-09	47.20	765.46	2497.44	100.59	353.22	416.05	171.01	6867.26	11218.25	
	2009-10	51.31	910.21	3021.08	102.51	393.19	469.55	211.20	7362.90	12521.95	
	2010-11	63.62	1081.04	5023.46	105.14	431.88	530.10	245.70	7941.84	15422.78	
	2006-07	51.37	237.21	1396.04	199.80	309.90	608.30	447.31	9389.20	12639.13	
	2007-08	57.26	273.05	2211.44	201.49	328.75	678.96	507.64	10218.27	14476.87	
	2008-09	87.16	333.91	4853.65	207.72	368.63	774.98	568.57	10989.20	18183.83	
Production (₹ Crore)	2009-10	94.74	397.06	5871.33	211.68	410.34	874.63	702.17	11782.35	20344.29	
	2010-11	117.48	471.58	9762.85	217.10	450.71	987.41	816.90	12708.79	25532.81	

12.3 BUDGETARY SUPPORT

Pursuant to the Government's Policy of earmarking 10% of the total funds for NER, under the Schemes/Programme of M/o MSME, an outlay of Rs. 270.00 crore in BE 2011-12 has been earmarked exclusively for the Region.

12.4 ACTIVITIES OF OFFICE OF THE DEVELOPMENT COMMISSIONER (MSME) IN THE NORTH EASTERN REGION

12.4.1 The O/o DC (MSME) has MSME-DIs at Gangtok (Sikkim); Guwahati (Assam); Imphal (Manipur); Agartala (Tripura) and also branch MSME-DIs at Aizwal (Mizoram); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Diphu (Assam); Silchar (Assam); Tezpur (Assam); Shillong (Meghalaya) and Tura (Meghalaya). A Tool Room and Training Centre has been setup at Guwahati to cater to the need of industries in the area of tooling and training. State Govt. of Nagaland has also been assisted to setup a Mini Tool Room & Training Centre at Dimapur, Nagaland. Tool Rooms are equipped with Hi-Tech machinery for providing common facility services to the industry; conducting various long-term and short-term training programmes such as 4 year diploma in Tool & Die Making, Computer Aided Design, Basic Workshop Technology, Turning and Milling, Engineering Drawing etc.

12.5 ACTIVITIES OF NSIC IN NORTH EASTERN REGION

12.5.1 NSIC is having a network of offices in NER. This includes Zonal Office at Guwahati (Assam), which looks after all the activities of the NER and 5 sub-offices at Shillong (Meghalaya); Agartala (Tripura); Imphal (Manipur); Naharlagun (Arunachal Pradesh) and Dimapur (Nagaland). NSIC also has a Training-cum-Incubation Centre at Guwahati, which provides technical training and organises skill upgradation programmes and entrepreneurship development programmes. NSIC, Guwahati has a technical incubation centre with 22 projects.

12.5.2 During the year 2010-11, training and incubation under various trades was provided to 7375 trainees. During the current financial year (upto 30th November, 2011), training to 611 participants was provided.

12.5.3 The Corporation provided assistance to units in NER under its various schemes and provided the Raw Material Assistance and support under Internal Marketing Scheme. Besides, the enterprises of the NER availed benefit under Infomediary Scheme and Government Purchase Programme.

12.6 TRAINING ACTIVITIES:

12.6.1**IIE, Guwahati:** The Indian Institute of

Entrepreneurship (IIE) at Guwahati was set up with the aim of inculcating entrepreneurship cluster in the NER. The promotion of new entrepreneurs has been the major focus of training activities organised by the Institute. In addition to entrepreneurship trainings, the Institute is organizing Seminars, Workshops, Meets and Conferences for providing forum for interaction and exchange of views by various agencies and entrepreneurs. In order to promote new entrepreneurs, the Institute organizes rural, general and women EDPs, crash course on self employment and sector-specific EDPs. The Institute has been providing technical advice to 14 clusters covered under Scheme of Fund for Regeneration of Traditional Industries (SFURTI) in NER. The Institute is also acting as Regional Resource Centre (RRC) in NER for MSE-Cluster Development Scheme of the Ministry.

12.7 ACTIVITIES OF ARI IN NORTH EASTERN REGION

Various schemes relating to ARI sector under implementation in the North Eastern Region (NER) include Prime Minister's Employment Generation Programme (PMEGP); Scheme of Fund for Regeneration of Traditional Industries (SFURTI); schemes relating to khadi and village industry activities and schemes relating to promotion of coir and coir products.

12.8 BUDGETARY SUPPORT

12.8.1 As per the policy of the Government, 10 per cent of total plan budget is earmarked for NER for implementation of various Plan schemes in khadi, village industries and coir sectors. The details of the funds released by the Ministry to KVIC, Coir Board and under erstwhile PMRY for the NER during the last three years and 2011-12 are given in the Table below:

TABLE 12.1 Release of Funds for NER

(Rs. crore)

Year	Funds released			
	KVIC	Coir Board	SFURTI	Total
2008-09	111.14	3.83	3.85	118.82
2009-10	34.84	1.70	2.00	38.54
2010-11	107.18	1.40	2.10	110.68
2011-12*	85.80	1.18	-	86.98

*up to 29th February 2012

12.9 KVI PROGRAMMES IN NER

12.9.1 In order to ensure effective implementation and monitoring of Khadi and Village Industries (KVI) programmes in the NER, Khadi and Village Industries Commission (KVIC) has a Zonal Office at Guwahati and other field offices in NE States. KVI programmes are being implemented in the region through State KVI Boards, registered institutions, cooperative societies and entrepreneurs.

12.9.2 Village industries which are being set up in these hilly and backward areas include forest based industries, pottery, beekeeping, processing of cereals and pulses, fibre, fruit & vegetable processing industries, soap, activities like carpentry and blacksmithy and

also khadi and polyvastra.

12.9.3 The programmes of KVIC for rural industrialisation are expected to increase the earnings of artisans, weavers, spinners and individual entrepreneurs along with output of high quality KVI goods from this region. This is also expected to reduce drudgery in the labour intensive activities, ensure sustainable utilisation of locally available raw material and upgradation of skills of artisans.

12.9.4 Over the years, there has been increase in production and employment in the KVI sector in the NER though performance in khadi sector has not picked up substantially. Achievements made in terms of estimated production, sales and employment in KVI sector during last three years and in 2011-12 are given in the following Table:

TABLE 12.2 KVI Productions in NER

(Value: Rs. *lakh*)

State	2008-09	2009-10	2010-11	2011-12*
Arunachal Pradesh	3050.76	3902.68	4283.26	3426.61
Assam	42393.97	48505.20	53146.74	42517.39
Manipur	8003.22	8401.77	9211.10	7368.88
Meghalaya	9457.77	9928.76	10887.69	8710.15
Mizoram	18057.98	18957.27	20787.89	16630.31
Nagaland	9933.46	10428.15	11428.85	9143.08

Sikkim	3251.17	3413.07	3742.69	2994.15
Tripura	8278.47	8961.42	9826.82	7861.46
Total	102426.80	112498.32	123315.04	98652.03

*up to 15th February 2012

TABLE 12.3: KVI Sales in NER

(Value: Rs. *lakh*)

State	2008-09	2009-10	2010-11	2011-12*
Arunachal Pradesh	5328.53	5927.51	6337.97	5070.38
Assam	70192.33	70422.53	75321.57	60257.26
Manipur	8550.33	12785.55	13673.13	10938.50
Meghalaya	13038.80	14013.29	14990.37	11992.30
Mizoram	29107.31	29965.62	32054.23	25643.38
Nagaland	13889.13	14446.41	15446.87	12357.50
Sikkim	6973.70	4856.62	5194.48	4155.58
Tripura	11908.62	12578.12	13450.87	10760.70
Total	158988.75	164995.65	176469.49	141175.59

*up to 15th February 2012

TABLE 12.4: KVI Employment in NER

(In *lakh* persons)

State	2008-09	2009-10	2010-11	2011-12*
Arunachal Pradesh	0.10	0.11	0.12	0.12
Assam	3.67	3.76	3.94	3.94

Manipur	0.65	0.70	0.73	0.73
Meghalaya	0.39	0.44	0.46	0.46
Mizoram	0.83	0.87	0.91	0.91
Nagaland	0.53	0.56	0.59	0.59
Sikkim	0.22	0.24	0.25	0.25
Tripura	0.59	0.65	0.68	0.68
Total	6.98	7.33	7.68	7.68

*up to 15th February 2012

12.9.5 To cater to the needs of skill development in NER, Multi-Disciplinary Training Centres at Kumarikata (Assam) and Doimukh, (Arunachal Pradesh) are being run by the institutions with the financial assistance of KVIC. In addition, training centers are being run by State KVIBs at Roha, Marigaon (Assam); Zamabank(Mizoram) and Dimapur (Nagaland). Besides, 4 agencies have been accredited for conducting training in NE States. The beneficiaries from NE Region are provided rail fare for attending training programmes and also daily allowance during the training period. A total of 10,865 persons were trained in 2010-11 while 3096 persons have been trained in 2011-12 up to 15th February, 2012 in this Region including Sikkim.

12.10 SCHEMES OF KVIC BEING IMPLEMENTED IN NER

12.10.1 Prime Minister's Employment

Generation Programme: Special attention to NER has been given while formulating this programme. Under this programme, financial assistance is provided in the form of subsidy up to 35 per cent of the project cost (rural areas) to the beneficiary belonging to North Eastern States while it is 25 per cent for urban areas. It is a significant initiative with attractive subsidy levels for promoting self employment through setting up micro enterprises with special focus on North Eastern Region. Further, for setting up project under PMEGP the own contribution of beneficiaries belonging to NER is only 5 per cent (as against 10 per cent for general category) of the project cost.

Special efforts have been made by KVIC to provide employment in NER under PMEGP. In 2010-11, a total number of 6847 projects were assisted by utilizing margin money subsidy of Rs. 81.84 crore. In the current year (up to 15th

February, 2012), 14470 number of applications have been recommended by the District Level Task Force (DLTF) for assistance under PMEGP of which 7162 projects have been sanctioned by banks involving Rs. 101.81 crore margin money subsidy.

KVIC is taking special efforts to popularize this scheme through wide publicity and organizing workshops in NER. Intensive monitoring is also done from the Ministry level to improve the performance in NER.

12.10.2 Product Development Design Intervention and Packaging (PRODIP)

Scheme: Under this scheme, grants up to Rs. 2 lakh for institution/up to Rs. 1 lakh for individual or 75 per cent of the project cost whichever is less is, provided by KVIC to improve the product quality, introducing new designs and better packaging of products. During 2011-12 (up to 15th February, 2012), 04 VI projects have been sanctioned for assistance under PRODIP in North Eastern Region.

12.10.3 Janashree Bima Yojana: A total of 3279 artisans have been covered under the Janashree Bima Yojana of KVIC so far to provide insurance to the khadi artisans/weavers.

12.10.4 State Level Artisan Welfare Fund

Trust: An artisan Welfare Fund Trust was registered at Assam in NER. As on 31.03.2011, 31 institutions have been registered as members and Rs. 23.01 lakh has been deposited in the trust for the year 2010-11.

12.10.5 Rural Industries Service Centre (RISC):

To provide infrastructure support for individual units to upgrade their production, quality, skills, marketing, etc, financial assistance up to 90 per cent of the project cost is provided to beneficiaries from NER for projects up to Rs. 5 lakh and 75 per cent for the projects costing up to Rs. 25 lakh. During 2011-12(upto 15th February, 2012), 2 projects upto Rs. 5 lakh have been sanctioned.

12.10.6 Exhibitions:

In order to promote the sale of khadi and village industries products, KVIC organized 02 State level exhibition during 2011-12 (up to 15th February, 2012). Transport subsidy is provided by KVIC to the participant institutions in these exhibitions. KVIC also continued reservations of 10 per cent of space in Khadi Gramodyog Bhawan, New Delhi for the products produced by the units located in NER.

12.10.7 New initiatives by KVIC in NER:

The following new initiatives have been taken

by KVIC for development of khadi and village industries sector in NER:

- To improve the technology used in the KVI sector as also the quality of products, KVIC has entered into a tie-up arrangement with IIT, Guwahati as part of its nation-wide programme for having S&T interfaces with reputed national level technical institutes.
- The Indian Institute of Entrepreneurship (IIE), Guwahati has been recognized as the Nodal Agency for North Eastern Region with the objective to implement and monitor PMEGP projects being set up in North East Zone and imparting training to beneficiaries.
- To and fro transportation charges are provided to beneficiaries sponsored by institutions of NER for participating in exhibitions, fairs, etc, conducted in places other than NER.
- 10 per cent space is reserved in all Departmental Khadi Gramodyog Bhawans for the products of the institutions in North Eastern Region for marketing the KVI products.

12.11 COIR BOARD IN NER

12.11.1 The Board is adopting a multifarious approach for the development of coir industry in North Eastern States for enhancing awareness

of coir and coir products. As a result, demand of coir and coir product is slowly growing. All infrastructural facilities are offered by the Board to new entrepreneurs to set up coir industrial units. Traditional as well as innovative products such as coir geo-textiles and coir-ply, which have special importance/relevance to the topography of the North-East, are also being introduced.

12.11.2 During the year 2011-12 (up to November, 2011) various activities have been undertaken by Coir Board for the promotion of coir industries in NER which include publicity of coir programmes through electronic and print media, training for spinning and for manufacturing of value added products and participation in fairs and exhibitions in NE States. An amount of Rs. 0.90 crore (including SFURTI) has been released to Coir Board against an allocation of Rs. 4.90 crore (including SFURTI) to carry out the various coir activities in NER.

12.12 SCHEME OF FUND FOR REGENERATION OF TRADITIONAL INDUSTRIES (SFURTI) IN NER

12.12.1 The Guidelines of SFURTI provide that the selection of clusters should be based on geographical concentration of viable number of artisans with at least 10 per cent of the clusters being located in the NER.



Shri Uday Kumar Varma, the then Secretary, (MSME) observing Khadi Dari at PMEGP Expo in the India International Trade Fair IITF – 2011 at Pragati Maidan, New Delhi.

12.12.2 Keeping in view the above, Scheme Steering Committee on SFURTI has approved 15 clusters (out of 105 clusters) from North Eastern States for their development under this programme. The details of clusters in these States are given in the Table below:-

TABLE 12.5: Clusters under SFURTI in NER

Sl. No.	State	Place	Name of the Cluster
KHADI CLUSTERS			
1	Assam	Nalbari	Mukalmua Silk Khadi Cluster
2	Nagaland	Dimapur	Dimapur Khadi Cluster

COIR CLUSTERS			
3	Assam	Guwahati	Manas Coir Cluster
4	Tripura	Agartala	Agartala Coir Cluster
VILLAGE INDUSTRIES CLUSTERS			
5	Assam	Barpeta	Barpeta Cane & Bamboo Crafts Cluster
6		Dhubri	Dhubri Cane & Bamboo Cluster
7	Tripura	Agartala	Gandhigram Crafts Processing Cluster
8		Agartala	Tripura Bee Keeping Cluster
9	Arunachal Pradesh	Lower Subansiri	Ziro Traditional Dress Making Cluster
10	Mizoram	Aizwal	Aizwal Cane & Bamboo Cluster
11	Meghalaya	Jaintia Hills	Bamboo & Handicrafts cluster
12	Manipur	Thoubal	Carpentry Cluster
13		Chandel	Pallel Cane and Bamboo Cluster
14	Nagaland	Mon town	Mon Beads making cluster
15	Sikkim	South Sikkim	Sikkim Bee Keeping Cluster

12.12.3 Cluster development activities like execution of MoU among Nodal Agencies, Implementing Agencies, and Technical Agencies; obtaining consent of the State Government; appointment of Cluster Development Executives (CDEs); various trainings and awareness programmes, exposure visits, preparation of Diagnostic Study Reports (DSR) and Annual Action Plans (AAPs), replacement of charkhas and looms in all the Khadi clusters, establishment of Common Facility Centres in all KVI clusters and functioning of CFCs have been completed. Implementations of planned activities in these clusters are going on in full swing.

13

ACTIVITIES AND PROGRAMMES FOR WOMEN



Shri R. K. Mathur, Secretary (MSME) conversing with an exhibitor of a KVI institution at PMEGP Expo Pavilion in New Delhi.

CHAPTER - XIII

ACTIVITIES AND PROGRAMMES FOR WOMEN

13.1 ROLE OF THE MINISTRY

13.1.1 The role of the M/o MSME is primarily to assist the States/Union Territories in their efforts to promote growth and development of MSMEs. The main focus of the schemes/programmes undertaken by the Organisations of the Ministry is thus to provide/facilitate a wide range of services and programmes required for accelerating the development of MSMEs. Nevertheless, there are a few schemes/programmes which are individual/beneficiary oriented. While, there are several schemes, wherein women are provided extra benefits/concessions/ assistance, M/o MSME is implementing two specific schemes for women i.e. the scheme of TREAD and Mahila Coir Yojana. The details of concessions for women may be seen in the respective scheme guidelines as available on the Ministry's website www.msme.gov.in.

13.2 TRAINING OF WOMEN ENTREPRENEURS

13.2.1 The policies of the Government announced from time to time have laid considerable emphasis on promotion of women entrepreneurship particularly among

first generation women through various training and support services. Special attention is given by organising exclusive Entrepreneurship Development Programmes (EDPs) for women.

13.2.2 NI-MSME, Hyderabad: During the year 2011-12 (up to December 2011), the Institute has provided training to 746 women under various training programmes.

13.2.3 NIESBUD, Noida: In accordance with the policy directions/guidelines of the Government of India for accelerating the spread of entrepreneurial culture among women, the Institute continued with its activities having focus on this target group and encouraged women candidates for participation in its different activities like Workshops, Entrepreneurship-cum-Skill Development Programmes, Management Development Programme etc. In this manner, the Institute provided training to 4,847 women participants through its different training activities during the period.

13.2.4 IIE, Guwahati: During the year 2011-12 (up to December, 2011), the Institute has provided training to 6,375 women. These included women from rural areas and the

training programmes covered all kinds of entrepreneurial development programmes.

13.2.5 NSIC: During the year 2011-12 (up to December, 2011), NSIC has provided training to 8,265 women under various training programmes.

13.3 TRADE RELATED ENTREPRENEURSHIP ASSISTANCE AND DEVELOPMENT (TREAD) SCHEME FOR WOMEN

The scheme envisages economic empowerment of women through the development of their entrepreneurial skills in non-farm activities. There are three major components of the scheme. The Government's grant up to 30% of the total project cost is provided to the Non-Government Organisations (NGOs) for promoting entrepreneurship among women. The remaining 70% of the project cost is financed by the lending agency as loan for undertaking activities as envisaged in the project. Further, the Government's grant up to Rs. 1 lakh per programme is provided to training institutions / NGOs for imparting training to the women entrepreneurs. Besides, need-based grants up to Rs. 5 lakh may also be provided to national level EDIs and other reputed institutions, for undertaking field surveys, research studies, evaluation studies, designing of training modules etc. Budget estimate for the year 2011-12 under the scheme is Rs.270.00

lakh and sanction of Rs.57.00 lakh has already been released up to December 2011 to benefit 1,725 women.

13.4 ACTIVITIES AND PROGRAMMES FOR WOMEN IN ARI SECTOR

13.4.1 While implementing various schemes of this Ministry efforts are made to ensure adequate participation of women in them. In addition, the Coir Board is implementing the Mahila Coir Yojana which is a women oriented self-employment programme. Under this programme women are provided training and rats for carrying out spinning activity and increasing their earnings. The details of the benefits available to women entrepreneurs under these programmes and also their participation in terms of numbers and subsidy provided are mentioned in the following paragraphs.

13.5 PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME AND WOMEN

13.5.1 Relaxation is provided to women beneficiaries under Prime Minister's Employment Generation Programme (PMEGP) launched in 2008-09, such as:

- (i) For urban women beneficiaries, margin money subsidy is provided at the rate of 25 per cent of the project cost while it is 35

per cent for women in rural areas.

- (ii) In case of women entrepreneurs, beneficiary's contribution is 5 per cent of the project cost while in the case of others; it is 10 per cent of the project cost.
- (iii) Bank finance in the form of loan is 95 per cent of the project cost in case of women and other weaker section borrowers and 90 per cent of the project cost in case of others.

13.6 MAHILA COIR YOJANA

13.6.1 It is the first women oriented self employment scheme launched in the coir industry in November 1994 which provides self employment opportunities to the rural women

artisans in regions producing coir fibre. The Scheme envisages distribution of motorized ratts for spinning coir yarn to women artisans after giving training. One artisan per household is eligible to receive assistance under the scheme. Women spinners are trained for two months in spinning coir yarn on motorized ratt at the Coir Board's Training Centres. A stipend of Rs. 500/- was earlier paid to the trainees which has been raised to Rs. 750/- per month from 2009-10. Coir Board provides motorized ratts/ motorized traditional ratts at 75% cost subsidy subject to a maximum ceiling of Rs.7,500/- for motorized ratts and Rs. 3200/- for motorized traditional ratts. The remaining 25% has to be raised by the beneficiary.



Training Programme for Women Entrepreneurs at NIESBUD, Noida

14

USE OF OFFICIAL LANGUAGE



Hindi Sahakar Samiti Meeting in New Delhi.

CHAPTER - XIV

USE OF OFFICIAL LANGUAGE

14.1 Hindi is the Official Language of the Union of India and the Government policy aims at progressively increasing the use of Hindi in official work. Effective steps were taken during the year in the Ministry of MSME to ensure implementation of the annual programme and compliance with the various orders of the Government of India on the recommendations of the Committee of Parliament on Official Language.

14.2 COMPLIANCE OF SECTION 3(3) OF THE OFFICIAL LANGUAGE ACT, 1963

All documents, such as resolutions, general orders, rules, licences, etc., under section 3(3) of the Official Language Act and all papers laid on the Table of both the Houses of Parliament were issued bilingually, i.e., in Hindi and English. General orders meant for departmental use were issued in Hindi only.

14.3 REPLIES TO LETTERS IN HINDI

All letters received in Hindi were replied in Hindi.

14.4 CORRESPONDENCE IN HINDI

Letters to State Governments, Union Territory

Administrations and Central Government offices located in regions 'A' and 'B' were issued in Hindi, to the extent possible. Similarly, letters were sent in Hindi to Central Government offices located in region 'C' as per the targets laid down in the Annual Programme. About 93% correspondence was made in Hindi in region 'A', 89% in region 'B' and 87% in region 'C' up to the quarter ending September, 2011.

14.5 SECTIONS SPECIFIED FOR WORKING IN HINDI

The sections of the Ministry, specified for doing 100% work in Hindi, are working satisfactorily.

14.6 MONITORING AND INSPECTIONS

In order to ensure compliance with the Official Language Policy, monitoring is done through reviewing the quarterly progress reports. During the year, Sections of the Ministry and attached organizations were inspected, to ensure use of Hindi and compliance with the Official Language policy.

14.7 TRAINING OF OFFICIALS

Many officials of the Ministry have already been trained in Hindi typing and Hindi stenography.

14.8 USE OF MECHANICAL AIDS

As per the provisions of the Official Language Act, bilingual mechanical facilities have been provided in the Ministry. Computers and terminals have also been installed with facility to work in Hindi.

14.9 COMMITTEES

14.9.1 To review the use of Hindi in the Ministry and to accelerate the use of Hindi, the Hindi Advisory Committee has been reconstituted in the Ministry. The second meeting of the Hindi Advisory Committee was held on 03.11.2011 and the action on the decisions of the Committee is being taken at appropriate levels.

14.9.2 The Departmental Official Language Implementation Committee under the Chairmanship of the Joint Secretary (In-Charge of Hindi) in the Ministry of MSME has been constituted.

14.9.3 Quarterly meetings of the Committee were organized and important decisions for use of Hindi in official work have been taken. Effective steps for ensuring compliance of the decisions have also been taken.

14.10 HINDI MONTH

Hindi month was celebrated from 14th September

2011 to 13th October 2011 in the Ministry. To encourage and motivate the employees for doing official work in Hindi, various competitions like Hindi-Typing, Hindi-Essay Writing, Noting and Drafting in Hindi, General-Hindi, Speech in Hindi, Hindi Antakshari, Hindi Quiz, Hindi Kavita and Hindi work in section etc. were organised. Hindi Workshops were also organized during this period. A large number of officers and employees participated in these events with enthusiasm. The messages of the Hon'ble Home Minister, Hon'ble Minister (MSME) and the Cabinet Secretary on the occasion of Hindi Diwas, 2011 were circulated in the Ministry of MSME as well as in its attached and subordinate offices for information and compliance.

14.11 USE OF HINDI IN ATTACHED AND SUBORDINATE OFFICES

14.11.1 Office of the Development Commissioner (MSME)

There is a full fledged Hindi Section in the Office of the DC (MSME) to ensure compliance with the Official Language Policy of the Government and to implement the directives of the Government of India in this regard. During the year, Hindi Month was celebrated from 14th September, 2011 to 12th October, 2011 in which various Hindi competitions were conducted. The Parliamentary Committee on

Official Language also inspected subordinate offices of the DC (MSME) during the year. The meetings of Official Language Implementation Committee are regularly held in the O/o DC (MSME). The requisite documents were issued bilingually under section 3(3) of Official Language Act. All the letters received in Hindi were replied to in Hindi.

14.11.2 National Small Industries Corporation (NSIC) Ltd.

NSIC continuously strives to promote the use of Hindi in official work. A full fledged Hindi Section with adequate staff is functioning at the corporate office of Delhi. The meetings of Official Language Implementation Committee and Hindi Workshops are regularly organized in NSIC. During the year, Hindi Month was celebrated from 14th September, 2011, in which various Hindi competitions were held. Literature and application forms of various schemes of NSIC have been prepared bilingually. NSIC has already started publishing Monthly Newsletter namely "NSIC Chronicle" in Hindi and English. To achieve the targets set by the Government, the use of Hindi is being progressively increased in NSIC.

14.11.3 Khadi & Village Industries Commission (KVIC)

Hindi Fortnight was celebrated from 14th to

29th September, 2011 in which various Hindi competitions were held. Hindi Workshops were organized by KVIC and officials were trained to work in Hindi and regular quarterly meetings of Official Language Implementation Committee were also organized during the year. The KVIC also regularly publishes in-house magazine 'Jagriti' bilingually to give wide publicity to Khadi and Khadi products.

14.11.4 Coir Board

The Coir Board continued its efforts to implement the Official Language Policy. During the year 2010-11, the office orders, circulars, etc. were issued bilingually. Letters received in Hindi were replied to in Hindi. A Hindi Workshop was organized in the Board in which many officers/officials participated. The Board organized Official Language inspection of its sub-offices. The maximum official work is done in Hindi on 14th of each month at the Board Office. Hindi Pakhwara was celebrated in the Board from 14-28 September, 2011 in which various competitions in Hindi were organized. The advertisements of the Board were issued in Hindi and Website of the Board has been prepared bilingually. The Official Language Implementation Committee (OLIC) meetings were held regularly.

14.11.5 National Institute for Entrepreneurship and Small Business Development (NIESBUD)

The Annual Report of the Institute and Agenda Papers and other details for the Meeting of Sanchalan Parishad had been prepared bilingually. All the reports related to Official Language had been sent regularly. A Hindi Week was organized during 14th September, 2011 to 20th September, 2011. During the Hindi Week celebration, a Hindi Workshop was organized wherein employees were appraised about writing of notes and drafts in Hindi as also about Hindi translation. Maximum official work is done in Hindi on 14th of each month at the Institute. Entrepreneurship-cum-Skill Development Programmes were organized in Hindi in the Institute.

14.11.6 National Institute for Micro Small & Medium Enterprises (NI-MSME)

As far as possible, efforts for implementation of Official Language Policy of the Government are being made by the Institute. Course material for the programmes conducted in the Hindi speaking areas was provided in Hindi. Replies to the letters received in Hindi were invariably given in Hindi. Employees of the Institute were encouraged to use Hindi to the maximum extent. Hindi Week was celebrated during 13th September to 16 September, 2011.

14.11.7 Indian Institute of Entrepreneurship (IIE)

All the forms used in the office were made bilingual. Newsletters pertaining to activities of the Institute have been translated in Hindi and published in local newspapers. Headings of the files have been made bilingual and noting on files is being done in Hindi. The Website of the Institute is being prepared bilingually. The Official Language Inspection of the Regional Offices had been done by the Institute. Most of the employees have been trained under the Hindi Sikshan Yojana. Hindi Week was celebrated during 14th to 23st September, 2011 and a Hindi Quiz was organised during the Hindi Week. Employees had also been imparted Computer training by NIC. The OLIC meetings were held regularly. Advertisement etc. were published in Hindi also.

14.11.8 Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)

Maximum efforts are being put in to implement Official Language policy in the Institute. All the reports related to official Language had been sent to Ministry regularly. During the year Hindi Fortnight was celebrated from 14th-28th September, 2011 in which Hindi Workshops were organized by the institute.

15

VIGILANCE ACTIVITIES

THINK ABOUT IT...



CHAPTER - XV**VIGILANCE ACTIVITIES**

15.1 The Vigilance Division of the Ministry is headed by a Chief Vigilance Officer (CVO) of the rank of Joint Secretary who functions as the nodal point for all vigilance matters, in consultation with the Central Vigilance Commission and Investigating Agencies.

15.2 The Ministry is implementing the guidelines/instructions issued by the Department of Personnel & Training and the Central Vigilance Commission on creating greater awareness of vigilance among the users of its services. In order to bring awareness about vigilance and transparency in functioning of offices that have public interface, the Vigilance Awareness Week was celebrated from October 31 to November 5, 2011 starting with a Pledge Taking on October 31, 2011.

15.3 The Vigilance Division also deals with the appeals preferred by employees of the organizations functioning under the Ministry on the penalties imposed on them as also complaints, etc. received against the functionaries of these organizations. The following functions are also performed by the Division:-

- (i) Maintenance of Confidential Reports of Officers and Staff.
- (ii) All cases falling under CCS (Conduct) Rules, 1964.
- (iii) Safe custody of mortgage bonds/deeds.
- (iv) Vigilance clearance for administrative purposes.

15.4 Vigilance set up of Organisations under Ministry of MSME

15.4.1 Office of the Development Commissioner (MSME)

15.4.1.a The Vigilance Unit of this office is headed by a Chief Vigilance Officer (CVO) of the rank of Joint Secretary appointed on the advice of the Central Vigilance Commission. The Vigilance Section deals with complaints received against officers/ employees of the Office of Development Commissioner (MSME), maintenance of disciplinary and eradication of corruption besides maintenance of confidential records of the officials.

15.4.1.b Complaints & Vigilance Cases

During the financial year 2011-12, complaints received against Government officials were dealt swiftly. In cases where an employee appeared to be indulged in corruption practices,

charge sheets were issued after consultation with the CVC. Disciplinary proceedings for minor penalty were initiated against one official.

15.4.2 National Small Industries Corporation (NSIC) Ltd.

The National Small Industries Corporation Ltd. (NSIC), is a public sector enterprise under the Ministry of MSME. The vigilance work in NSIC is looked after by a part-time Chief Vigilance Officer, appointed on the advice of CVC.

15.4.3 Khadi & Village Industries Commission (KVIC)

The Khadi & Village Industries Commission (KVIC) is a statutory organization under the Ministry of MSME. The vigilance work in Khadi & Village Industries Commission is looked after by a full-time Chief Vigilance Officer appointed on the advice of CVC.

During the Vigilance Awareness Week, 2011, Khadi & Village Industries Commission has brought out the first issue of its in-house Vigilance journal ‘AHVAN’ for creating awareness about the Vigilance.

15.4.4 Coir Board

The Coir Board, Kochi, is a statutory body under the Ministry of MSME. The Vigilance

work in Coir Board is looked after by a part-time Chief Vigilance Officer appointed on the advice of CVC.

15.5 National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida

The National Institute for Entrepreneurship and Small Business Development (NIESBUD) is an apex body under the Ministry of Micro, Small & Medium Enterprises. The Vigilance work in the Institute is looked after by a part-time Chief Vigilance Officer appointed on the advice of CVC.

15.6 Indian Institute of Entrepreneurship (IIE), Guwahati

The Indian Institute of Entrepreneurship (IIE) is an autonomous Institute under the Ministry of MSME. The Vigilance work in the Institute is looked after by a part-time Chief Vigilance Officer appointed on the advice of CVC.

15.7 National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad

National Institute for Micro, Small and Medium Enterprises (NI-MSME) is an autonomous Institute under the Ministry of MSME. The Vigilance work in the Institute is looked after by a part-time Chief Vigilance Officer appointed on the advice of CVC.

16

CITIZEN CHARTER, RIGHT TO INFORMATION (RTI) ACT, PERFORMANCE MONITORING AND EVALUATION SYSTEM (PMES) AND ACTIVITIES UNDERTAKEN FOR THE BENEFIT OF THE PERSONS WITH DISABILITIES



**RIGHT TO
INFORMATION**
**सूचना का
अधिकार**

CHAPTER - XVI

CITIZENS' CHARTER / RIGHT TO INFORMATION ACT (RTI) AND PERFORMANCE MONITORING, EVALUATION SYSTEM (PMES) AND ACTIVITIES UNDERTAKEN FOR THE BENEFIT OF THE PERSONS WITH DISABILITIES

16.1 Citizens' Charter of the Ministry

In the Result Framework Document (RFD), Sevottam Compliant Citizens' / clients' Charters, as well as Sevottam Compliant Grievance Redress Mechanism have been made mandatory. Accordingly, Citizen's / Client's Charter for Ministry of Micro, Small and Medium Enterprises-2011-12 have been adopted and the same can be viewed at Ministry's website. This Charter consists of Vision is a Declaration of the Ministry, incorporating its Mission and commitment to the Micro, Small and Medium Enterprises and for the people of India, in general.

16.1.1 Ministry of Micro, Small and Medium Enterprises

16.1.1 (a) The aim of this Ministry is to provide prompt service to citizens through its Attached Office, Public Sector Enterprise, statutory bodies and autonomous organisations, for accelerating the growth of MSMEs and also to enhance their competitiveness.

(b) The Ministry seeks to fulfill its mission by formulating appropriate policies and designing/implementing support measures in the fields of credit, technological upgradation, marketing, entrepreneurship development, etc., and undertaking effective advocacy for these purposes.

(c) All the organisations of the Ministry have their own Citizen's Charter.

16.1.2 VISION

To ensure an orderly and robust growth and development of Micro, Small and Medium Enterprises and through this, continue and strengthen the role of MSMEs as an engine of growth for the Indian Economy.

16.1.3 MISSION

Promote growth and development of Micro, Small and Medium Enterprises, including, Khadi, Village and Coir industries, in cooperation with concerned Ministries/Departments, State

Governments and other stakeholders by providing support to existing enterprises and encouraging creation of new enterprises. To endeavor to achieve a cumulative growth of 40% in the number of registered enterprises and enhance this sector's contribution to GDP from the present 8% to 10% by the end of 12th Plan.

16.1.4 COMMITMENT

The Ministry and its organisations are committed to providing efficient and prompt services with transparency and courtesy to the citizens as well as to MSMEs.

16.1.5 GUIDANCE AND HELP

The Information and Facilitation Counter of the Ministry, located on the ground floor (between Gate No. 4 and 5), Nirman Bhavan, New Delhi, provides information on the services and activities of the Ministry and its organizations. It also receives RTI applications as well as fees, if any, by RTI applicant.

The Ministry has set up a Call Centre namely, 'Udyami Helpline' to give free access of information and guidance to potential entrepreneurs throughout the country by making a provision of toll free Telephone Number **1800-180-6763**. Under this, any

potential entrepreneur desirous of getting any information regarding schemes of Ministry of MSME or anything related to small businesses may get information by dialing up this toll free number. Adequate trained manpower has been put in place to give information as well as guidance to potential entrepreneurs.

16.1.6 Annual Reports and Handbook on Self Employment have been published and are available for the information of potential entrepreneurs, policy makers and others. The website of the Ministry, i.e., www.msme.gov.in provides all the relevant information and link to its organisations.

16.1.7 The detailed Citizen's/ Client's Charter of the Ministry is available at Annexure-VII.

16.1.8 COMPLAINTS

Department of Administrative Reforms and Public Grievances (DAPRG) have created a portal for public grievances, viz. <http://pgportal.gov.in>. Any aggrieved person can lodge his grievance on this portal. All grievances received by Director of Public Grievances, DAPRG and President Secretariat would also be forwarded to the concerned Ministry through this portal/ software. Any grievances received through letter, email, phone, Call Centre need to be entered on this portal. Grievance pertaining

to other Ministries/Subordinate organizations can be transferred online. Ministry of MSME, Office of the DC(MSME), NSIC and all the 24 Responsibility Centres have been provided

link to <http://pgportal.gov.in>. Ministry and its organizations are promptly attending to the grievances. The address, phone and fax numbers of the Information and Facilitation Counter and the Grievance Cell are as follows:-

Particulars	Website Address	Organisation
1. Grievance Cell Economic Advisor, Office of the Development Commissioner (MSME), Room No.716, Nirman Bhawan, New Delhi – 110108. Tel: 23061277, Fax: 23061804	www.msme.gov.in	M/o MSME
	www.dcmsme.gov.in	O/o DC (MSME)
	www.nsic.co.in	NSIC, New Delhi
	www.niesbud.nic.in	NIESBUD, Noida
	www.nimsme.org	NI-MSME, Hyderabad
	www.iie.nic.in	IIE, Guwahati
2. Information and Facilitation Counter, Gate No. 4, Ground Floor, Nirman Bhavan, New Delhi – 110108. Tel. No. 23062219	www.kvic.org.in	KVIC, Mumbai
	www.coir-india.com	Coir Board, Kochi
	www.mgiri.org	MGIRI, Wardha

16.2 RIGHT TO INFORMATION (RTI) ACT

For information under the RTI Act, 2005, citizens may approach the Public Information Officer (RTI) located between Gate No. 4 & 5, Nirman Bhavan, (Office of the Development Commissioner, MSME), New Delhi on any working day. During the year 2010-11, 186 applications were received by the Ministry, out of which 104 applications were transferred, 82 requests were accepted/ replied to and also

received 4 appeals, out of which 3 appeals were accepted/ replied to and 1 was rejected. The complete information in respect of the Ministry and the other Public Authorities of the Organisations under this Ministry was duly uploaded on the website of the Central Information Commission. The details of the CPIO's/Appellate Authority are available at Ministry/ respective Office website. The list of Nodal CPIO of the Ministry and its organizations is at Annexure-VIII.

16.3 PERFORMANCE MONITORING AND EVALUATION SYSTEM (PMES)

Government has introduced a Performance Monitoring and Evaluation System (PMES) for Ministries/Departments. As per this, Ministries/ Departments are required to prepare a Results–Framework Document (RFD). This Ministry has also prepared a Results – Framework Document (RFD) after due deliberations with Ad-hoc Task Force constituted by the Cabinet Secretariat, summarizing the main objectives and corresponding actions for the year. The RFD for 2011-12 is available on the website of the Ministry (www.msme.gov.in).

16.4 ACTIVITIES UNDERTAKEN FOR THE BENEFIT OF THE PERSONS WITH DISABILITIES

On separation of the cadre controlling authority from Department of Industrial Policy & Promotion, this Ministry is maintaining

'reservation roster' as per the instructions on the subject. The vacancies arising out of 100 point roster for the disabled persons for the Ministry and its attached office of the Development Commissioner (MSME) are regularly intimated to the Department of Personnel and Training for filling up of such posts. Besides this, other facilities (like conveyance allowance), as per the Government of India's instructions, are provided to the disabled persons working in this Ministry.

The National Small Industries Corporation Limited, a PSU of this Ministry and 3 EDIs namely National Institute for Entrepreneurship and Small Business Development, Noida, National Institute for Micro, Small and Medium Enterprises, Hyderabad and Indian Institute of Entrepreneurship, Guwahati are providing necessary reservation/preference for the training in different fields of entrepreneurship development.



ANNEXURE - 1

ANNEXURE - 1

Statement showing the Budget Estimates, Revised Estimates, Expenditure as well as progress during the year 2010-11 & the Budget Estimates and Quantifiable / Deliverable/ Physical Output for the year 2011-12

(Rs. in Crore)

Sl. No.	Name of the Scheme	2010-11				2011-12		
		BE 2010- 11	RE 2010- 11	Exp. 2010-11	Physical Progress/ Achievement 2010-11	BE 2011-12	RE 2011-12	Quantifiable / Deliverable/ Physical Output 2011-12
1	Surveys , S t u d i e s and Policy Research	1.00	0.50	0.00	2 studies have been awarded.	1.00	1.00	6 surveys/ studies are to be conducted during 2011- 12.
2	Assistance to Training Institutions	54.25	51.80	51.53	64943 persons trained	70.82	70.82	• 4 5 0 0 0 persons to be trained.
3	Rajiv Gandhi U d y a m i Mitra Yojana	7.75	2.66	1.67	4614 New Udyamies are assisted.	13.18	4.20	5000 new udyamis are expected to be assisted
4	International Cooperation Scheme	2.00	4.00	4.00	Various Industry organizations/ associations have been assisted for participating in 41 international events.	10.00	10.00	Assistance to be provided to Inds. Org./ Associations f o r participating in 50 international events.
5	Performance & Credit R a t i n g Scheme	35.00	44.00	44.80	10,327 units have been rated	75.00	75.00	18,000 units will be rated.

6	Marketing Assistance Scheme	10.00	10.00	10.00	1. Organised / participated in 18 International Exhibitions including Techmart. 2. Organized 18 Buyer Seller Meets 3. Participated in 93 domestic exhibition. 4. Co-sponsored in 12 exhibitions. 5. Conducted 721 Intensive Campaigns.	10.00	10.00	To be organised / participated in 16 Intl. Exh. Including Techmart. To be co-sponsored in 10 Exhibitions To be organized 15 Buyer Seller Meets To be conducted 7 0 0 Intensive campaigns. To be conducted 60 domestic exhibitions.
7	Equity Investment in NSIC	-	-	-	-	155.00	155.00	To enhance borrowing from banks and for extending credit facilities to MSMEs
	Sub - Total for SSI Division	110.00	113.96	112.00		335.00	326.02	

ARI DIVISION
Khadi & Village Industries Commission (KVIC)

Sl. No	Head	BE 2010-11	RE 2010-11	Exp. 2010- 11	Physical Progress/ Achievement	BE 2011-12	RE 2011-12	Quantifiable/Deliverable/Physical Output
1	2	3.	4.	5	6	7.	8.	10.
1.	Khadi Grant (including MDA)	290.00	396.60	435.69	(i) <u>Khadi</u> Prod.: Rs. 673.01 crore Sales: Rs.917.26 crore Employment (cumulative): 10.15 lakh persons	227.48	183.52	(i) <u>Khadi</u> Prod.: Rs. 723.48 crore Sales: Rs. 1245.00 crore Employment (cumulative): 14.80 lakh persons
					(ii) <u>Rebate Scheme</u> Rs. 102.71 crore provided towards old rebate on sale of khadi. Rs. 131.63 crore provided towards MDA.			
					(iii) <u>ISEC</u> : Rs 29.09 crore provided towards subsidy			
					(iv) <u>PRODIP</u> : 109 khadi projects sanctioned			
2	S&T(Khadi)	2.00	2.00	1.35	26 units assisted for establishment of in-house test laboratories	2.00	2.00	40 units to be assisted for establishment of in-house test laboratories
3	Khadi loan	2.00	2.00	1.00	Loan is provided to the institutions located in NER for gainful employment to the spinners and weavers	2.00	2.00	Loan will be provided to the institutions located in NER for gainful employment to the spinners and weavers
4	Interest Subsidy (khadi)	5.00	5.00	5.00	This is book adjustment only towards subsidy on interest on loans provided in the past.	0.01	0.01	This is book adjustment only towards subsidy on interest on loans provided in the past.

5	V.I Grant	55.00	61.42	67.71	(i) <u>Village Industry</u> Prod.: Rs. 19198.85 crore Sales: Rs. 24875.73 crore Employment (cumulative): 103.65 lakh persons	55.00	58.61	(i) <u>Village Industry</u> Prod.: Rs. 26638 crore Sales: Rs. 34630 crore Employment (cumulative): 129.81 lakh persons
					(ii) <u>RISC</u> – 18 projects sanctioned			(ii) <u>RISC</u> - 16 projects to be assisted
					(iii) PRODIP: 66 V.I projects sanctioned			(iii) PRODIP: 90 VI projects to be assisted
					(iv) <u>Training</u> : 68,007 persons			(iv) <u>Training</u> : 68700 persons
					(v) <u>Exhibitions</u> : 45 exhibitions/ events organised			(v) <u>Exhibitions</u> – 33 exhibitions/ events to be organised
6	S&T (V.I)	2.00	2.00	1.35	55 projects assisted	2.00	2.00	90 projects to be assisted
7	V.I Loan	1.00	1.00	-		1.00	1.00	Loan will be provided to the institutions located in NER for gainful employment to the spinners and weavers
8	Interest Subsidy (V.I)	5.00	5.00	5.00	This is only book adjustment towards subsidy on interest on loans provided in the past.	0.01	0.01	This is only book adjustment towards subsidy on interest on loans provided in the past.
9	PMEGP	906.00	1023.09	896.31	No of projects assisted: 49819 Margin money utilised: Rs. 905.41 crore Estimated employment opportunities generated: 4.82 lakh.	1037.00	1215.95	No. of projects: - 57141 Margin money subsidy: Rs. 800 crore Creation of employment opportunities: 5.71 lakh persons
10	Workshed Scheme for Khadi Artisans:	20.00	20.00	15.00	Assistance has been provided to 7082 artisans during the year.	20.00	20.00	Assistance to be provided to 4444 artisans.
11	Scheme for enhancing productivity & competitiveness of Khadi Industry and artisans	21.00	15.75	15.75	16 Khadi Institutions have been selected for assistance under this scheme.	21.00	6.00	Financial assistance to 60 khadi institutions

12	Scheme for	5.00	1.00	-	A token provision has been made. The implementation guidelines are issued in July 2009.	7.50	3.10	40 khadi institutions to be assisted.
13.	K h a d i R e f o r m Programme	192.00	1.00	-		192.00	0.01	Preliminary activities such as selection of khadi institutions, action plan, etc. to be undertaken
	Sub-Total	1506.00	1535.86	1444.16		1567.00	1494.21	
II	Mahatma Gandhi Institute for Rural Industrialisation	6.00	6.00	5.85	The project has been operationalised with the filling up of the post of Director and scientific and technical posts have been filled and it is fully functional.	10.00	7.00	Technical Support to 23 model enterprises and in 15 cases improved machines and Process/ services in rural industries have been developed. Entrepreneurship development of 65 self financed Micro entrepreneurs. 252 Personnel's trained in Khadi Sector.Participated in 7 National & International Expos in India.

COIR BOARD

Sl. No.	Heads	BE 2010-11	R E 2010-11	Exp. 2010-11	Physical performance under main schemes	B E 2011-12	R E 2011-12	Quantifiable/Deliverable/ Physical Output
1	2	3.	4.	5	6	7.	8.	10.
1	Plan – S&T	7.00	7.00	7.00	Consultancy provided to -2701 entrepreneurs on new S&T developments <u>Technology transfer to Industry:</u> 50 Nos. <u>Demonstration of S&T Technologies:</u> 402 Nos.	7.00	7.00	Consultancy to be provided to 1200 entrepreneurs on new S&T developments <u>Technology transfer to Industry:</u> --25 Nos. <u>Demonstration of S&T Technologies:</u> 120 Nos.
2	Plan (General), Training Extension, quality Improvement, Mahila Coir Yojana & Welfare Measures	28.00	24.40	22.80	<p><u>Coir Prod.:</u> -5,25,500 M.T. <u>Export:</u> Rs. 807.07 crore <u>Empl.:</u> 67 lakh</p> <p><u>Skill Upgradation & Quality Improvement:</u> -7982 persons trained for manufacturing value added products.</p> <p><u>Mahila Coir Yojana:</u> 5871 beneficiaries trained and 380 ratts distributed.</p> <p><u>Development of Production Infrastructure:</u> 22 coir units assisted.</p> <p><u>Domestic Market Promotion:</u> participated in 134 domestic exhibitions</p> <p><u>Export Market Promotion (EMP)</u> : Participated in 09 international exhibitions.</p>	25.00	17.20	<p><u>Coir Prod.:</u> 600,000 M.T. <u>Export:</u> Rs. 850.00 crore <u>Empl.:</u> 7.15 lakh</p> <p><u>Skill Upgradation & Quality Improvement:</u> Training of 8000 persons for manufacturing value added products.</p> <p><u>Mahila Coir Yojana:</u> 5000 beneficiaries to be trained and 1000 ratts distributed.</p> <p><u>Development of Production Infrastructure:</u> 160 coir units to be assisted.</p> <p><u>Domestic Market Promotion:</u> Participation in domestic exhibition: 530</p> <p><u>Export Market Promotion (EMP):</u> Participation in 10 international exhibitions.</p>
3	Rejuvenation, Modernization and Technology Upgradation of the Coir Sector.	21.00	15.00	14.03	1200 units assisted. (spinning units 649 and tiny household - 551)	21.00	12.26	1200 units to be assisted. (spinning units -500 and tiny household - 700)
	Sub-Total	56.00	46.40	43.83		53.00	36.46	
IV	SFURTI	17.00	10.80	10.80	76 KVI clusters have become functional. There is an improvement in the earnings of artisans/ workers.	20.00	0.01	-
	Sub-Total for ARI Division	1585.00	1599.06	1504.64		1650.00	1537.68	

<u>Annexure-I</u>						
STATEMENT SHOWING BE RE and Physical Progress of 2010-11 and 2011-12 - O/O DC(MSME), M/O MSME (Rs. Crore)						
Sr. No	2010-11			2011-12		
	BE 2010-11	RE 2010-11	Actual Exp. 2010-11	Physical Progress 2010-11	BE 2011-12	RE 2011-12
DC(MSME)						
A	Central Sector Schemes					
I	Quality of Technology Support Institutions & Programmes					
	Tool Rooms & Tech. Institutions	57.00	58.37	54.85	• Trained persons NER Training of 1103 Persons	62707
1					i. Benefiting units NER Benefitted 318 Units	46058 persons NER Trained 568 Persons
c	Training Institutes				ii. Benefiting units NER Benefitted 318 Units	14441 units NER Benefitted 193 Units
2	NMCP					

a.	<p>Lean Manufacturing Competitiveness Scheme</p> <p>20.00</p> <p>11.10</p> <p>6.07</p> <p>a SPV formed -79 Nos. Lean Consultants finalized -56 Nos.</p>	<p>10.00</p> <p>0.00</p> <p>One Evaluation Study is under way SPV formed – 91 Nos. Lean consultant Appointed -84 Nos.</p>	<p>i) Approval of scheme EFC ii) Approval of schemes & schemes guidelines. iii)Approval of 8 Industry vertical and 46 cluster iv)List of empanelled Technology Providers finalised</p>	<p>16.00</p> <p>0.00</p>	<p>List of Technology providers finalized.</p> <p>i) In principle approval for Baddi & Jammu project obtained ii) Approval process for Bhiwadi project is ongoing.</p>
b	<p>Promotion of ICT Tools in MSME Sector</p> <p>12.00</p>	<p>5.10</p> <p>0.07</p>		<p>Project Report for 4 locations have been prepared. RFQ, RFP & Agreement Document prepared and submitted for approval of SFC. Bid to be invited after approval of SFC.</p>	<p>20.00</p> <p>0.20</p>
c	<p>Setting up of Mini Tool Rooms under PPP mode</p> <p>10.00</p>	<p>2.50</p>	<p>0.25</p>		

d	Technology Upgradation and Quality Certification Support to MSMEs	9.50	2.45	1.13	i) 28 Nos. of Product Certification awareness campaign involving expenditure of Rs.18 lacs.(approx.) ii) Product Certification reimbursement -30 nos. involving expenditure of Rs.106 lacs (approx.) Exp.5.76	24.00	0.00	Total 136 nos. of product certification cases has been reimbursed
e	Support for Entrepreneurial and Managerial Development of SMEs through Incubators				Ideas 110 Grant in aid of Rs. 1.81 crore released and 80 Incubatees/Micro and Small Enterprises benefited.	12.00	3.00	Exp.1.03 Ideas 55
f	Design Clinics Scheme for MSME Sector				i) 102 Nos. Awareness Programme organized. ii) 04 nos. Design workshop organised. iii) 21 Nos. of Design Projects approved costing Rs.1.52 Cr. iv) 04 Nos. of PMAC meeting organised :-	10.00	9.80	Nos. awareness seminar completed 07 nos. Design workshop organised 03 Nos. need analysis survey completed 08 nos. Orientation Programme organised for Design 12 Nos. design projects approved

	Enabling manufacturing Sector to be competitive through Quality Management Standards and Quality Technology Tools	5.00	4.50	2.00	105 awareness programmes and 1376 ITI teachers training conducted.	8.00	0.00	354 nos. ITI teachers trained National level workshop is being organised
	Marketing Assistance and Technology Upgradation Scheme for MSMEs				MSME units participated in 33 exhibitions/fairs. In total 317 MSME units benefitted.	11.50	2.00	MSME units participated in 23 exhibitions/ fairs. In total 298 MSME units benefitted.
4	Credit Linked Capital Subsidy Scheme	195.00	234.35	249.81	3984 units	348.00	345.50	Scheme is demand driven Expenditure incurred 4.85 Units assisted :970
5	ISO 9000/14001 Reimbursement	7.15	6.35	7.43	7.43 1435 units	9.15	7.75	
6	VSBK	0.35	0.35	0.13	i) Organising workshop – Nil ii) Exposure visit- Nil iii) Setting up Demo Plant – in progress. iv) Training – Nil v) Setting up of Laboratory- 2 Nos.	0.25	0.15	

		Sub Total	336.00	339.91	331.76		
II Promotional Services Institutions & Programmes							
1	DC (MSME) Officers' Training Programme	1.00	0.87	0.85	Training of 315 Officers (ONER) Training of 10 Officers (NER) Total 325 Officers Exp. 0.80 + 0.05= 0.85	1.00	1.00
2	Provision for Workshops/ Trg.	1.50	0.87	0.85	12 Workshops NER 1 Workshops	1.20	1.20
3	MSME TCs/MSME TSS	5.15	5.10	4.68	40,469 Nos. of jobs undertaken for testing	5.15	5.15
4	MDP/EDP/Skill Development	23.75	22.92	22.15	297000 persons to be motivated and 97550 to be trained	23.00	23.00
5	WTO	0.05	0.05	0.04	08 programmes	0.05	0.05
							NIL

6	BIO-TECHNOLOGY	0.20	0.19	0.15	To train and upgrade skill of 825 entrepreneurs in biotechnology	0.20	0.20	0
	National Award (Entrepreneur & Quality)				28 National Award and 50 Special recognition Awards. Participation of ITTF	2.00	2.00	34 National awards and 117 special recognition Awards, Participated in ITTF
7		2.75	1.74	1.55				
	Vendor Development Programme for Ancillarisation				32 VDPs	1.40	1.78	05 VDPs have been conducted
8		1.40	1.40	1.05				
9	SENET Project	1.60	1.56	1.48	Web site contents (HQ office and all MSME-DIs Providing Internet connectivity , Software development for web application etc.	1.60	1.60	Maintenance of websites & sharing of information with Associations, field offices and automation of office.
10	DC(MSME) Library	0.30	0.26	0.29	Utilized 97.23% BE	0.30	0.30	
11	Publicity & Exhibition	0.50	0.23	0.21	15 International Trade Fairs	0.50	0.12	
12	Scheme for Conduct of Tailor made courses for new entrepreneurs through select business Schools, Technical Institutes, etc.	1.45	1.45	1.23	3625 persons to be to be motivated &trained towards self employment	1.45	1.45	66 persons trained

13	Scheme to support 5 select universities/ colleges to run 1200 entrepreneurs clubs.	1.50	0.33	0.02	23 new club formed and 1184 entrepreneurs benefited	0.70	0.70	11,397 entrepreneurs benefited
14	Training-cum-product Development Centre,TPDCs.				Building at MSME-DIS Guwahati & Indore are under construction and construction of Building at MSME-DI Ludhiana will start.			Building at M S M E - D I s Ludhiana & Indore and procurement of plant and machinery, lab equipments, training aids etc. for TPDCs at Ludhiana, I n d o r e , Guwahati and Kanpur.
15		2.00	1.25	0.51		2.00	2.00	
16	Advertising & Publicity				10 Associations have been benefited	0.70	0.70	6 nos association has financially assisted
					a) 1100 advertisements published. b) 12 Laghu Udyog Samachar published.	2.75	2.75	Achievement cannot be quantified as the advertisement are released for the wider publicity of the schemes / activities to inform the public at large.

	MSME DI						
17		7.40	7.60	6.77	5 Plan Institutes	8.70	11 Plan Institutes
	Sub Total	54.30	49.27	45.02			
III	MSME Cluster Development Programmes and MSME Growth Poles						
	MSME Cluster Development Programme (including IID subsumed)						
1							

	TREAD					
3		2.70	2.70	1.52		
	Sub Total	222.70	221.45	221.52		
V	MDA Programme					
	Export Promotion & MDA Scheme					
1	MDA Scheme	1.40	1.40	1.40		
	Empowerment of women owned enterprises, participation in 25 exhibitions and marketing facilitation					
2		1.00	0.90	0.91	--	
	Marketing Support/ Assistance to MSMEs (Bar Coding)	0.30	0.20	0.19	Benefitted 143 SMEs	
3					0.05	0.04
	Export Promotion	0.15	0.14	0.14	32 programmes	
4					0.15	0.15
						08 programmes



ANNEXURE - 2

ANNEXURE - II**PLAN ALLOCATION AND EXPENDITURE DURING 2009-10, 2010-11
AND 2011-12**

(Rs. in crore)

Items	2009-10	2010-11	2011-12*
A. SSI DIVISION (NSIC, EDCs)			
BE	50.00	110.00	335.00
RE	60.00	113.96	326.02
EXPENDITURE	56.76	112.00	137.16*
B. ARI DIVISION (KVIC, COIR BOARD, MGIRI & SFURTI)			
BE	1204.00	1585.00	1650.00
RE	964.20	1599.06	1537.68
EXPENDITURE	877.79	1504.64	1066.80*
C. O/o. DC (MSME)			
BE	540.00	705.00	715.00
RE	493.56	677.00	593.30
EXPENDITURE	457.10	654.97	228.97*
TOTAL BE	1794.00	2400.00	2700.00
TOTAL RE	1517.76	2390.02	2457.00
TOTAL EXPENDITURE	1391.65	2271.61	1432.93*

*up to December, 2011



ANNEXURE - 3

Annexure-III

STATE-WISE DETAILS: UNITS ASSISTED, MARGIN MONEY UTILISED AND ESTIMATED EMPLOYMENT GENERATION DURING 2011-12(UPTO 15TH FEBRUARY, 2012) UNDER PMEGP

Sr. No.	State/UT	Number of units assisted in	Margin Money subsidy utilised (Rs. IN lakh)	Estimated Empl. opportunities (No. of persons)
1.	Chandigarh	13	10.42	41
2	Delhi	105	147.00	1190
3	Haryana	666	1258.72	6786
4	Himachal Pradesh	514	757.99	2617
5	J & K	1109	1478.71	9890
6	Punjab	640	1360.59	5938
7	Rajasthan	1497	2588.80	14590
8	A & N Islands	131	66.80	357
9	Bihar	2442	5061.71	15423
10	Jharkhand	942	1511.91	6448
11	Odisha	2101	3901.91	21010
12	West Bengal	5290	5249.36	43562
13	Andhra Pradesh.	1459	4895.52	33115
14	Karnataka	1347	2722.40	15442
15	Kerala	1243	2247.94	12430
16	Lakshadweep	0	0	0
17	Puducherry	43	44.60	234
18	Tamil Nadu	1827	4466.73	27138
19	Goa	72	149.32	1245
20	Gujarat	1494	5215.84	8058
21	Maharashtra	1533	2300.72	9276
22	Chattisgarh	1199	2583.12	6163
23	Madhya Pradesh	1707	4173.34	14032
24	Uttarakhand	692	850.50	3738
25	Uttar Pradesh	3205	10758.81	30880
26	Arunachal Pradesh	370	441.63	3500
27	Assam	2234	2349.17	17944
28	Manipur	275	481.28	1766
29	Meghalaya	460	828.93	1820
30	Mizoram	189	349.01	1890
31	Nagaland	390	823.92	4215
32	Tripura	397	769.97	4548
33	Sikkim	21	32.97	73
	Total	35607	69879.64	325359

Note: Figures of Dadra & Nagar Haveli and Daman & Diu have been included in the figures of Gujarat and Maharashtra, respectively.



ANNEXURE - 4

Annexure IV (a)

SUMMARY RESULTS AT A GLANCE (Registered Sector)				
1.	Total number of Enterprises (Lakh)		15.64	
2.	Number of Rural Enterprises (Lakh)		7.07	(45.23%)
3.	Number of Women Enterprises (Lakh)		2.15	(13.72%)
4.	Number of Enterprises by type of Sector: (Lakh)	Micro	14.85	(94.94%)
		Small	0.76	(4.89%)
		Medium	0.03	(0.17%)
5.	Number of Enterprises by type of Operation: (Lakh)	Perennial	15.14	(96.81%)
		Non Perennial	0.50	(3.19%)
6.	Number of Enterprises by type of Activity: (Lakh)	Manufacturing	10.49	(67.10%)
		Services	2.62	(16.78%)
		Repairing & Maintenance	2.52	(16.13%)
7.	Number of Enterprises by Main Source of Power: (Lakh)	No Power Needed	3.79	(24.25%)
		Coal	0.25	(1.59%)
		Oil	0.53	(3.40%)
		LPG/CNG	0.07	(0.42%)
		Electricity	10.49	(67.07%)
		Others	0.51	(3.28%)
8.	Number of Enterprises by type of Organization: (Lakh)	Proprietary	14.09	(90.08%)
		Partnership	0.63	(4.01%)
		Private Company	0.43	(2.78%)
		Public Limited Company	0.08	(0.54%)
		Co-operatives	0.05	(0.30%)

Annexure IV (a)

SUMMARY RESULTS AT A GLANCE (Registered Sector)				
		Others	0.36	(2.30%)
9.	Number of Enterprises by type of Social Category: (Lakh)	SC	1.19	(7.60%)
		ST	0.45	(2.87%)
		OBC	5.99	(38.28%)
		Others	8.01	(51.26%)
10.	Number of Enterprises by Religion of Owner: (Lakh)	Hindu	12.70	(81.22%)
		Muslim	1.43	(9.11%)
		Sikh	0.52	(3.31%)
		Christian	0.64	(4.12%)
		Jain	0.08	(0.52%)
		Buddhist	0.01	(0.07%)
		Others	0.26	(1.64%)
11.	Employment: (Lakh)		93.09	
		Micro Enterprises	65.34	(70.19%)
		Small Enterprises	23.43	(25.17%)
		Medium Enterprises	4.32	(4.64%)
12.	Employment by Sex: (Lakh)	Male	74.05	(79.55%)
		Female	19.04	(20.45%)
13.	Fixed Assets: (Rs. Crore)		4,49,138	
		Micro Enterprises	1,69,538	(37.75%)
		Small Enterprises	2,23,503	(49.76%)
		Medium Enterprises	56,097	(12.49%)

Annexure IV (a)

SUMMARY RESULTS AT A GLANCE (Registered Sector)			
14. Gross Output: (Rs. Crore)	7,07,510		
	3,12,973	(44.24%)	
	3,18,794	(45.06%)	
	75,743	(10.71%)	
15. Original Value of Plant and Machinery (Rs. Crore)	1,05,025		
16. Net Worth (Rs. Crore)	4,15,303		
17. Number of Exporting Units (Lakh)	0.47		
18. Total amount of Exports (Rs. Crore)	67,914		
19. Enterprises by Source of Finance: (Lakh)			
	No Finance/ Self Finance	13.64	(87.23%)
	Finance through Institutional Source	1.70	(10.87%)
	Finance through Non-Institutional Source	0.16	(1.05%)
	Finance through Both Institutional and Non-Institutional Sources	0.13	(0.84%)

**: Source - Final Report Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Registered Sector.*

Annexure IV (b)

SUMMARY RESULTS OF FOURTH ALL INDIA CENSUS OF MICRO, SMALL & MEDIUM ENTERPRISES :**2006-07****ALL INDIA**

	Parameters	in Lakh			Percentage distribution		
		Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
1	Total number of working enterprises						
		Manufacturing	10.49	64.18	74.68	67.10%	26.15% 28.60%
		Services + Repairing & Maintenance	5.15	181.30	186.45	32.90%	73.85% 71.40%
		Total	15.64	245.48	261.12	100.00%	100.00% 100.00%
2	Number of woman enterprises	2.15	17.05	19.20	13.75%	6.95%	7.35%
3	Number of perennial enterprises	15.14	235.22	250.36	96.80%	95.82%	95.88%
4	Employment (Person)						
		Manufacturing	80.83	224.22	305.05	86.83%	44.62% 51.21%
		Services + Repairing & Maintenance	12.26	278.35	290.61	13.17%	55.38% 48.79%
		Total	93.09	502.57	595.66	100.00%	100.00% 100.00%
5	Employment by male and female						
		Male	74.05	412.75	486.80	79.55%	82.13% 81.72%
		Female	19.04	89.82	108.86	20.45%	17.87% 18.28%
		Total	93.09	502.57	595.66	100.00%	100.00% 100.00%
6	Enterprises by type of social category						
		SC	1.19	19.38	20.57	7.61%	7.89% 7.88%
		ST	0.45	7.82	8.27	2.88%	3.18% 3.17%
		OBC	5.99	98.96	104.95	38.30%	40.31% 40.19%
		Others	8.01	106.73	114.74	51.21%	43.48% 43.94%
		Societies	-	9.39	9.39	-	3.82% 3.59%
		Not Responded	-	3.21	3.21	-	1.31% 1.23%
		Total	15.64	245.48	261.12	100.00%	100.00% 100.00%

Annexure IV (b)

SUMMARY RESULTS OF FOURTH ALL INDIA CENSUS OF MICRO, SMALL & MEDIUM ENTERPRISES :
2006-07

ALL INDIA

	Parameters	in Lakh			Percentage distribution		
		Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
7	Enterprises by type of organization						
		Proprietary	14.09	232.41	246.50	90.09%	94.67% 94.40%
		Partnership	0.63	1.15	1.78	4.03%	0.47% 0.68%
		Private Company	0.43	1.07	1.50	2.75%	0.43% 0.57%
		Public Ltd. Company	0.08	0.66	0.74	0.51%	0.27% 0.28%
		Co-operatives	0.05	1.29	1.34	0.32%	0.53% 0.51%
		Others	0.36	8.90	9.26	2.30%	3.63% 3.55%
		Total	15.64	245.48	261.12	100.00%	100.00% 100.00%
8	Enterprises by main source of power						
		No power needed	3.79	181.96	185.75	24.23%	74.12% 71.13%
		Coal	0.25	6.04	6.29	1.60%	2.46% 2.41%
		Oil	0.53	5.89	6.42	3.39%	2.40% 2.46%
		LPG/CNG	0.07	3.78	3.85	0.45%	1.54% 1.47%
		Electricity	10.49	28.14	38.63	67.07%	11.46% 14.79%
		Others	0.51	19.68	20.19	3.26%	8.02% 7.73%
		Total	15.64	245.48	261.12	100.00%	100.00% 100.00%
9	Enterprises by source of finance						
		No Finance/Self Finance	13.64	228.51	242.15	87.21%	93.08% 92.73%
		Finance through Institutional Sources	1.71	11.77	13.48	10.93%	4.80% 5.16%
		Finance through Non-Institutional Sources	0.16	5.20	5.36	1.02%	2.12% 2.05%
		Finance through both	0.13	-	0.13	0.83%	- 0.05%
		Total	15.64	245.48	261.12	100.00%	100.00% 100.00%

Source: - ¹ : Final Report of the Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Registered Sector.

² : Quick Results : Fourth All India Census of Micro, Small & Medium Enterprises 2006-2007.

3: Regd. : Registered Enterprises, Unregd. : Unregistered Enterprises

Annexure IV (c)

**Industry Wise Distribution of Enterprises and Employment of Micro, Small & Medium Enterprises as per Fourth All India Census
2006-07 (At 2-Digit Level of NIC-2004)**

All India (In Lakh)

Sl. No.	NIC Code	Characteristics / Industry	Number of Enterprises				Employment	
			Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
1	01	Agriculture, Hunting and Related Service Activities	0.04	0.35	0.39	0.25	0.00	0.25
2	02	Forestry, Logging and Related Service Activities	0.01	0.16	0.17	0.09	0.00	0.09
3	05	Fishing and Related Service Activities	0.00	0.04	0.04	0.00	0.00	0.00
4	10	Mining and Related Service Activities	0.00	0.00	0.00	0.00	0.00	0.00
5	11	Extraction of Oil and Gas and Related Service Activities	0.00	0.04	0.04	0.00	0.11	0.11
6	13	Mining of Metal Ores	0.00	0.03	0.03	0.07	0.09	0.16
7	14	Other Mining and Quarrying	0.13	0.09	0.22	1.29	0.63	1.92
8	15	Food Products & Beverages	2.23	13.17	15.40	14.68	25.89	40.57
9	16	Tobacco Products	0.05	9.24	9.29	2.08	18.52	20.60
10	17	Textiles	1.06	9.39	10.45	10.25	28.62	38.87
11	18	Wearing Apparel	2.14	10.93	13.06	9.01	18.30	27.31

Annexure IV (c)

**Industry Wise Distribution of Enterprises and Employment of Micro, Small & Medium Enterprises as per Fourth All India Census
2006-07 (At 2-Digit Level of NIC-2004)**

All India
(In Lakh)

Sl. No.	NIC Code	Characteristics / Industry	Number of Enterprises				Employment Total
			Regd. ¹	Unregd. ²	Total	Regd. ¹	
12	19	Leather & Leather Products	0.27	0.63	0.89	1.66	1.74
13	20	Wood & Wood Products	0.55	4.94	5.50	2.26	10.27
14	21	Paper & Paper Products	0.13	0.20	0.34	1.48	0.44
15	22	Publishing, Printing & Reproduction of Recorded Media	0.41	1.03	1.44	2.14	3.06
16	23	Coke & Refined Petroleum Products	0.02	0.03	0.05	0.32	0.26
17	24	Chemicals & Chemical Products	0.51	0.90	1.41	4.94	2.25
18	25	Rubber & Plastic Products	0.37	0.25	0.62	3.04	1.30
19	26	Other Non-Metallic Mineral Products	0.59	2.20	2.79	6.15	8.22
20	27	Basic Metals	0.20	0.56	0.75	3.05	1.79
21	28	Fabricated Metal Products	1.40	1.82	3.22	7.58	3.57
22	29	Machinery & Equipment n.e.c.	0.73	0.50	1.23	5.12	1.09
23	30	Office, Accounting & Computing Machinery	0.05	0.02	0.07	0.27	0.17
24	31	Electrical Machinery & Apparatus n.e.c.	0.35	0.43	0.78	1.79	1.45

Annexure IV (c)

**Industry Wise Distribution of Enterprises and Employment of Micro, Small & Medium Enterprises as per
Fourth All India Census 2006-07 (At 2-Digit Level of NIC-2004)**

All India (In Lakh)

Sl. No.	NIC Code	Characteristics / Industry	Number of Enterprises			Employment		
			Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
25	32	Radio, TV & Communication Equipment & Apparatus	0.16	0.26	0.42	0.70	0.61	1.31
26	33	Medical, Precision & Optical Instruments, Watches & Clocks	0.11	0.10	0.21	0.90	0.29	1.19
27	34	Motor Vehicles, Trailers & Semi-Trailers	0.06	0.09	0.15	0.61	1.14	1.75
28	35	Other Transport Equipment	0.16	0.06	0.22	1.79	0.20	1.99
29	36	Furniture	1.00	5.66	6.65	3.63	14.79	18.42
30	37	Recycling	0.00	0.16	0.16	0.02	0.42	0.44
31	40	Electricity, Gas, Steam & Hot Water Supply	0.01	0.15	0.16	0.05	0.92	0.97
32	41	Collection, Purification & Distribution of Water	0.00	0.11	0.11	0.00	0.32	0.32
33	45	Construction	0.00	0.54	0.54	0.01	1.21	1.22
34	50	Repair & Maintenance of Motor Vehicles; Retail Sale of Automotive Fuel	0.58	6.10	6.68	1.72	15.64	17.35
35	51	Wholesale Trade & Commission Trade	0.01	6.56	6.57	0.06	17.72	17.78

Annexure IV (c)

**Industry Wise Distribution of Enterprises and Employment of Micro, Small & Medium Enterprises as per Fourth All India Census
2006-07 (At 2-Digit Level of NIC-2004)**

(In Lakh)

All India

Sl. No.	NIC Code	Characteristics / Industry	Number of Enterprises			Employment		
			Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
36	52	Repair & Maintenance of Personal & Household Goods; Retail Trade	1.32	119.68	121.01	2.48	206.25	208.73
37	55	Hotels & Restaurant	0.01	13.23	13.24	0.07	33.78	33.85
38	60	Land Transport	0.00	0.00	0.00	0.02	0.00	0.02
39	63	Supporting & Auxiliary Transport & Travel Agents Activities	0.03	1.49	1.52	0.27	4.59	4.86
40	64	Post & Telecommunications	0.17	6.10	6.27	0.41	10.23	10.64
41	70	Real Estate Activities	0.00	0.54	0.54	0.01	1.20	1.20
42	71	Renting of Machinery & Equipment And Personal & Household Goods	0.00	2.66	2.66	0.01	5.27	5.28
43	72	Computer and Related Activities	0.21	0.42	0.63	0.77	2.69	3.46
44	73	Research and Development	0.00	0.01	0.01	0.00	0.09	0.09
45	74	Other Business Activities	0.26	4.21	4.48	0.87	11.38	12.26

Annexure IV (c)

**Industry Wise Distribution of Enterprises and Employment of Micro, Small & Medium Enterprises as per
Fourth All India Census 2006-07 (At 2-Digit Level of NIC-2004)**

All -India
(In Lakh)

Sl. No.	NIC Code	Characteristics / Industry	Number of Enterprises			Employment		
			Regd. ¹	Unregd. ²	Total	Regd. ¹	Unregd. ²	Total
46	80	Education	0.01	2.13	2.14	0.03	5.81	5.83
47	85	Health And Social Work	0.01	5.69	5.70	0.05	15.97	16.02
48	92	Recreational, Cultural and Sporting Activities	0.03	1.62	1.64	0.07	4.91	4.98
49	93	Other Service Activities	0.09	10.93	11.01	0.22	19.36	19.59
50	99	Not Recorded	0.15	0.05	0.21	0.79	0.00	0.79
All India			15.64	245.48	261.12	93.09	502.57	595.66

Source: - ¹: Final Report of the Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Registered Sector.

² : Quick Results : Fourth All India Census of Micro, Small & Medium Enterprises 2006-2007.
(Regd. = Registered Enterprises), (Unregd. = Unregistered Enterprises)



ANNEXURE - 5

ANNEXURE - V

S. No.	S.No. (As per Gazette Notification)	Product Code	Name of the Product
		20-21	FOOD AND ALLIED INDUSTRIES
	3	202501	Pickles & chutneys
	7	205101	Bread
	11	21100102	Mustard Oil (except solvent extracted)
	13	21100104	Ground nut oil (except solvent extracted)
		27	WOOD AND WOOD PRODUCTS
	47	276001	Wooden furniture and fixtures
		28	PAPER PRODUCTS
	79	285002	Exercise books and registers
		30-31	OTHER CHEMICALS AND CHEMICAL PRODUCTS
	253	305301	Wax candles
	308	314201	Laundry soap
	313	317001	Safety matches
	314	318401	Fire works
	319	319902	Agarbatties
		32	GLASS AND CERAMICS
	335	321701	Glass bangles
		34	MECHANICAL ENGG. EXCLUDING TRANSPORT EQUIPMENT
	364	340101	Steel almirah
	394	341004	Rolling shutters
	402	34200602	Steel chairs-All types
	404	34200702	Steel tables-All other types
	409	342099	Steel furniture-All other types
	428	343302	Padlocks
	447A	345207	Stainless steel utensils
	474	345202	Domestic utensils-Aluminium



ANNEXURE - 6

OUTSTANDING BANK CREDIT TO MICRO AND SMALL ENTERPRISES

(Rs. crore)				
As on last reporting Friday of March	Public Sector Banks	Private Sector Banks	Foreign Banks	All Scheduled Commercial Banks
1	2	3	4	5
2005	67,800	8,592	6,907	83,498
2006	82,434 (21.6)	10,421 (21.3)	8,430 (22.1)	1,01,285 (21.3)
2007	1,02,550 (24.4)	13,136 (26.1)	11,637 (38.0)	1,27,323 (25.7)
2008	1,51,137 (47.4)	46,912 (257.1)	15,489 (33.1)	2,13,538 (67.7)
2009	1,91,408 (26.6)	46,656 (0.0)	18,063 (16.6)	2,56,127 (19.9)
2010	2,78,398 (45.4)	64,534 (38.3)	21,069 (16.6)	3,64,011 (42.1)
2011 Provisional	3,76,625 (35.3)	87,857 (36.1)	21,461 (1.9)	4,85,943 (33.5)

Source: Reserve Bank of India.

Note:

Figure in parentheses indicates year-on-year growth.

The high growth witnessed during 2008 is on account of re-classification of MSEs as per MSMED Act, 2006. Firstly, the investment limit of small (manufacturing) was raised from Rs.1 crore to Rs.5 crore and small (services) was added to include enterprises with investment limit between Rs.10 lakh to Rs.2 crore. Secondly, the coverage of service enterprises were broadened to include small road and water transport operators, small business, professional and self-employed and all other service enterprises as per definition provided under MSMED Act, 2006.

Vide circular RPCD.CO.Plan. BC.24/04.09.01/2009-10 dated September 18, 2009, retail trade (Credit limit not exceeding Rs.20 lakh) has also been included under the ambit of MSE Sector.



ANNEXURE - 7

ANNEXURE - VII



Citizen's / Client's Charter

for

(Ministry of Micro, Small and Medium Enterprises)

(2011-2012)

Address Udyog Bhawan, New Delhi-110107

Website ID http://msme.gov.in/
Date Of Issue February 2011
Next Review December 2012

Citizen's Charter Document for Ministry of Micro, Small and Medium Enterprises

(2011-2012)

Vision Mission

Vision

To ensure an orderly and robust growth and development of Micro, Small and Medium Enterprises and through this, continue and strengthen the role of MSMEs as an engine of growth for the Indian Economy.

Mission

Promote growth and development of Micro, small and Medium Enterprises, including Khadi, Village and Coir industries, in cooperation with concerned Ministries / Departments, State Governments and other stakeholders by providing support to existing enterprises and encouraging creation of new enterprises. To endeavor to achieve a cumulative growth of 40% in the number of registered enterprises and enhance this sector's contribution to GDP from the present 8% to 10% by the end of 12th Plan..

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
1	Approval of proposal under MSE-CDP	5	Sh. P. Sarkar (JDC)	psarkar@dcmsme.gov.in	98668135798 (23062694)	Hard intervention viz. Common Facility Centres.	Nil	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Category	Fees
								Mode	Amount
2	Approval of new proposals from KVIC and Coir Board for development of traditional industries clusters under-SFURTI	5	Shri Angshuman Dey, (Director)	angshuman.dey@nic.in	(23062745)	Examination in the concerned section	Diagnostic Study	N/A	N/A
							Cluster Action Plan	N/A	N/A
							Consent letter from the state Government	N/A	N/A

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
3	Credit Linked Capital Subsidy for technology upgradation of micro and small enterprises in select sub-sectors /products approved under the Credit Linked Capital Subsidy Scheme(CLCSS)	5	Sh. D.Baidya (By Director)	9968012595 (23061198)		Examination of the request by the concerned Division, obtaining administrative and financial approval by the Competent Authority, Sanction and release of funds.	Application duly recommended by the bank sanctioning the linked loan from technology upgradation as per the Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A
4	Approval of proposals from KVIC and MGIRI for participation in international exhibitions.	2	Shri Angshuman Dey, (Director)	angshuman.dey@nic.in	(23062745)	1. Examination in the concerned section 2. Concurrence of the IF Wing	Prescribed format and documentation outlined in the scheme, Check-list	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
3	Approval by the Competent Authority					3. Approval by the Competent Authority	IF Wing's concurrence	N/A	N/A	N/A
4	Issue of order					4. Issue of order	Approval of the Competent Authority	N/A	N/A	N/A
5	Approval of proposals from Coir Board for participation in international exhibitions.	2	Shri V K Wadhwa, (Deputy Secretary)	dir.ari@nic.in	(23062736)	1. Examination in the concerned section	Prescribed format and documentation outlined in the scheme, Check-list	N/A	N/A	N/A
						2. Concurrence of the IF Wing	File with recommendation of Admn. Wing	N/A	N/A	N/A
						3. Approval by the Competent Authority	IF Wing's concurrence	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Category	Fees
								Mode	Amount
6	Approval of proposal under International cooperation scheme	1	Sh. Jithesh John (Joint Director)	jithesh@nic.in (23063198)		4. Issue of Order	Approval of the Competent Authority	N/A	N/A
7	Approval of Proposals received from State Governments / Others seeking financial assistance on matching basis for strengthening the training infrastructure of the existing /new EDIs under the scheme "Assistance to Training Institutions".	1	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in		1. Examination in the section II 2. Approval of proposal by the screening Committee 3. Approval by Secretary (MSME)	Prescribed application form	N/A	N/A
								N/A	N/A
								N/A	N/A
								N/A	N/A
								N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
								Project cost/ cost estimates duly vetted by Government Organisation/authorised agency	N/A	N/A
								Commitment of applicable contribution by the applicant organisation.	N/A	N/A
								Clear recommendation of the State /UT Government regarding the amount of central assistance after examining the purpose, financial estimates for the proposals.	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees Category	Mode	Amount
							Building plan duly approved by the Local Body/Authorised Agency	N/A	N/A	N/A
							2. Placing the proposal Before Screening Committee for its recommendation	N/A	N/A	N/A
							3. Approval by the Secretary (MSME) of the recommendation of Screening Committee	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees Category	Mode	Amount
8	Approval of proposal of Training Programmes under the scheme "Assistance to Training Institutions".	2	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in	(23063142)	1. Examination of proposals in the Section P-II	Proposals with complete details of the training programmes, including venue, duration, type of programme,content.	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
						2. Placing the proposal Before Screening Committee for its recommendation.	N/A	N/A	N/A	N/A
9	Approval of proposals to Host Institutions as Business Incubators(BIs) and incubatees under BIs for support of innovative business ideas which could be commercialize in a year.	1	Shri Anupam Mishra (Addl. Economic Advisor)	anupammishraoffice@gmail.com	8527859835 (23062230)	Examination of the proposal by the concerned Division. Obtaining administrative and financial approvals of the Competent Authority. Sanction and release of funds	Proposals in the prescribed format with summary of the business proposal from Incubatees as per Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
10	Approval of proposals under NMCP schemes (Design Clinic, Lean Manufacturing, TEQUP, QMSQTT, ICT)	10	Sh. Abhay Bakre (JDC)	abhaybakre@dcmsme.gov.in	9910500573 (23061091)	Examination of the proposal by the concerned Division. Obtaining administrative and financial approvals of the Competent Authority. Sanction and release of funds	Application in the prescribed format alongwith documentation as per Scheme Guidelines available at dcmsme.gov.in website:	N/A	N/A	N/A
11	Empanelment of Udyami Mitra	1	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in	(23063142)	1. Examination of proposals in RGUMY Cell	Recommendation of Director/ Commissioner Industries concerned State and Apex organisation	N/A	N/A	N/A

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Category	Fees	Mode	Amount
12	Approval of proposals received from MSME-Dis for organising sensitization Workshops on WTO	2	Sh. S.K.Sharma (Director)	sksharmawo@dcmsme.gov.in	9811826548 (23062237)	Examination of the proposal by the concerned Division. Obtaining administrative and financial approvals of the Competent Authority. Sanction and release of funds	Proposal from MSMEDIs as per guidelines of the scheme available at website: www.dcmsme.gov.in	N/A	N/A	N/A	

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
13	Approval of proposals under IPR (NMCP scheme)	1	Shri Pankaj Garg (JDC)	pankajgarg@nic.in	9668433515 (23061726)	Release of funds to the Implementing Agency	Application in the prescribed format alongwith documentation as per Scheme Guidelines available at www.dcmsme.gov.in	N/A	N/A	N/A
14	Reimbursement of fee for registration of Bar Code	2	Sh N.K.Verma (Dy Dir)	madivision22@gm ail.com	9810275240 (23063800)	Sanction of funds to the applicant Enterprise.	Application in the prescribed format alongwith documentation as per Scheme Guidelines available at www.dcmsme.gov.in	N/A	N/A	N/A
15	Timely release of Funds for strengthening the training infrastructure of the existing /new EDIs under the scheme "Assistance to Training Institutions".	1	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@ nic.in	u.viswanadham@nic.in (23063142)	1. Examination in the section P-II as per terms and conditions of approval conveyed.	Proof of Contribution of Applicant Organisation	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees	Category	Mode	Amount
									Category	Mode	Amount
							Proof of opening of single bank account for depositing applicant contribution & Govt. assistance.	N/A	N/A	N/A	N/A
							2. Approval of JS (SME)	N/A	N/A	N/A	N/A
							3. Concurrence to the proposals by Internal Finance Wing	N/A	N/A	N/A	N/A
							4. Approval by the Secretary (MSME)	N/A	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
								5. Issue of sanction letter, preparation of Bills and submission to PAO	Pre-stamped Receipt from the Grantee Institution Undertaking	N/A N/A
									Bond in case of private organisations	N/A
									Proof of Registration under CGA	N/A
									6. Pay order by PAO with approval of CCA, withdrawal of cheque and RTGS transfer to account of Grantee institution	N/A N/A N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Category	Fees
								Mode	Amount
16	Timely release of grant -in – aid for conducting training programmes	2	Sh. U. Viswanadham (Deputy Secretary)	u.viswanadham@nic.in	(23063142)	1. Examination in the section P1 as per terms and conditions of approval conveyed.	Certificate of Utilization (UC) of funds released earlier as per GFR Form No 19A	N/A	N/A
							Commitment by Apex Organisations of training programmes to be completed in the financial year.	N/A	N/A
							2. Approval of JS (SME)	N/A	N/A
							3. Concurrence to the proposals by Internal Finance Wing	N/A	N/A

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees	Category	Mode	Amount
									Category	Mode	Amount
									N/A	N/A	N/A
									N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
17	Release of funds to KVIC and MGIRL under different schemes	19	Shri Angshuman Dey, angshuman.dey@nic.in (Director)	angshuman.dey@nic.in (23062745)		6. Pay order by PAO with approval of CCA, drawal of cheque and RTGS transfer to account of Grantee institution	N/A	N/A	N/A	N/A
						1. Examination of proposals in the concerned section	Certificate of Utilization (UC) of funds released earlier as per GFR Form No 19A	N/A	N/A	N/A

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Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees Category	Mode	Amount
							Action Plan (with timeline) for the proposed utilization of the funds sought	N/A	N/A	N/A
							2. Concurrence to the proposals by Internal Finance Wing	Recommendation of the Administrative Ministry on file.	N/A	N/A
							3. Approval by the Secretary (MSME)	Concurrence of IF Wing on file.	N/A	N/A
							4. Issue of sanction letter, raising of Bills and submission to PAO	Pre-stamped Receipt from the Grantee institution	N/A	N/A
							5. Pay order by PAO with approval of CCA, withdrawal of cheque and RTGS transfer to account of Grantee institution	Bills from the DDO,	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
18	Release of funds to Coir Board under different schemes	10	Shri V K Wadhwa, (Deputy Secretary)	dir.ari@nic.in (23062736)			1. Examination of proposals in the concerned section	Certificate of Utilization (UC) of funds released earlier as per GFR Form No 19A	N/A	N/A
								Progress Report showing physical and financial achievement in clear terms, adequately explaining shortfall if any and how will the shortfall be made up.	N/A	N/A
								Action Plan (with timeline) for the proposed utilization of the funds sought	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
						2. Concurrence to the proposals by Internal Finance Wing	Recommendation of the Administrative Ministry on file.	N/A	N/A	N/A
						3. Approval by the Secretary (MSME)	Concurrence of IF Wing on file.	N/A	N/A	N/A
						4. Issue of sanction letter, raising of Bills and submission to PAO	Pre-stamped Receipt from the Grantee institution	N/A	N/A	N/A
						5. Pay order by PAO with approval of CCA, drawal of cheque and RTGS transfer to account of Grantee institution	Bills from the D.D.O.	N/A	N/A	N/A
19	Release of funds to Credit Guarantee Fund Trust for Micro, Small Enterprises (CGTMSE)	5	Sh. Anupam Mishra (AEA)	anupam.mishraoffic@gmail.com	8527859835 (23062230)	Release of Government Contribution to the Corpus Fund.	Request from CGTMSE with confirmation from SIDBI about release of their proportionate share to the	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Category	Mode	Fees
20	Release of funds (Grant-in-Aid) by O/o DCI(MSME) to MSME-Tool Rooms/Technology Development Centres	5	Sh. R.K.Rai (Director)	k.rai@nic.in	9818117168 (23062561)	Release of funds to the autonomous body concerned with the approval of Competent Authority.	Proposal in the prescribed format on items as per approved action plan as per the Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A
21	Release of fund to SIDBI towards Portfolio Risk Fund under Micro Finance Programme	1	Sh. Anupam Mishra (AEA)	anupammishraoffic e@gmail.com	8527859835 (23062230)	Release of funds to SIDBI.	Application in the prescribed format as per Scheme Guidelines available at o/o dcmsme website: www.dcmsme.gov.in	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
22	Release of funds under marketing assistance scheme to implementing agency i.e. National Small Industries Corporation (NSIC), a PSU of GoI	1	Sh. Jithesh John (Joint Director)	jithesh@nic.in (23063198)		1. Examination of proposal received from NSIC in the section	Proposal and relevant documents	N/A	N/A	N/A
						2. Examination and concurrence of Integrated finance wing(IFW) of the ministry	N/A	N/A	N/A	N/A
						3. Issue of sanction order and release of funds	N/A	N/A	N/A	N/A
23	Release of funds under performance and credit rating scheme to implementing agency i.e. National Small Industries Corporation (NSIC), a PSU of GoI	1	Sh. Jithesh John (Joint Director)	jithesh@nic.in (23063198)		Examination of proposal received from NSIC in the section	Proposal and relevant documents	N/A	N/A	N/A
24	Providing policy support and guidance to KVIC and MGR&I as and when required	2	Shri Angshuman Dey, angshuman.dey@nic.in (Director)	angshuman.dey@nic.in (23062745)		Examination in the concerned section	Relevant documents	N/A	N/A	N/A

Main Services / Transactions

S.No.	Services / Transaction	Weight %	Responsible Person (Designation)	Email	Mobile (Phone No.)	Process	Document Required	Fees		
								Category	Mode	Amount
25	Providing policy support and guidance to Coir Board as and when required	3	Shri V K Wadiwa, (Deputy Secretary)	dir.arai@nic.in	(23062736)	Examination in the concerned section	Relevant documents	N/A	N/A	N/A
26	Prompt Grievance Redressal	10	Shri M.P. Singh, Shri P.P. Munidharan, Shri Abhishek Dey, Director	shingmps@gmail.com; ds.sme@nic.in; angshumanney@nic.in	(23061277)	Grievance relating to the jurisdiction of the Ministry, Olo DC (MSME) can be submitted both electronically (via http://egovern.gov.in) or by making call to Udyami Helpline 1800-180-6763 or in writing via registered post	Upscalation protocol as per the nature of the complaint.	N/A	N/A	N/A

Service Standards

S. No.	Services / Transaction	Weight	Success Indicators	Service Standard	Unit	Weight	Data Source
1	Approval of proposal under MSE-CDP	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	5.00	Ministry Records
2	Approval of new proposals from KVIC and Coir Board for development of traditional industries clusters under SFURTI	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	5.00	Ministry Records
3	Credit Linked Capital Subsidy for technology upgradation of micro and small enterprises in select sub-sectors / products approved under the Credit Linked Capital Subsidy Scheme(CLCSS)	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	5.00	Ministry Records
4	Approval of proposals from KVIC and MGIRI for participation in international exhibitions.	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	2.00	Ministry Records
5	Approval of proposals from Coir Board for participation in international exhibitions.	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	2.00	Ministry Records
6	Approval of proposal under International cooperation scheme	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	75	Days	1.00	Ministry Records
7	Approval of Proposals Received from State Governments / Others seeking financial assistance on matching basis for strengthening the training infrastructure of the existing /new EDIs under the scheme "Assistance to Training Institutions".	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	1.00	Ministry Records

Service Standards

S. No.	Services / Transaction	Weight	Success Indicators	Service Standard	Unit	Weight	Data Source
8	Approval of proposal of Training Programmes under the scheme "Assistance to Training Institutions".	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	2.00	Ministry Records
9	Approval of proposals to Host Institutions as Business Incubators(BIs) and incubatees under Bis for support of innovative business ideas which could be commercialize in a year.	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	1.00	Ministry Record
10	Approval of proposals under NMCP Schemes (Design Clinic, Lean Manufacturing, TEQUP, QMS/QTT, ICT)	10.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	32	Days	10.00	Ministry Records
11	Empanelment of Udyami Mitra	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	75	Days	1.00	Ministry Records
12	Approval of proposals received from MSME-Dis for organising sensitization Workshops on WTO	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	2.00	Ministry Records
13	Approval of proposals under IPR (NMCP scheme)	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	1.00	Ministry Records
14	Reimbursement of fee for registration of Bar Code	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	2.00	Ministry Records

Service Standards

S. No.	Services / Transaction	Weight	Success Indicators	Service Standard	Unit	Weight	Data Source
15	Timely release of Funds for strengthening the training infrastructure of the existing /new EDIs under the scheme "Assistance to Training Institutions".	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	35	Days	1.00	Ministry Records
16	Timely release of grant – in – aid for conducting training programmes	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	35	Days	2.00	Ministry Records
17	Release of funds to KVIC and MGIRI under different schemes	19.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	19.00	Ministry Records
18	Release of funds to Coir Board under different schemes	10.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	10.00	Ministry Records
19	Release of funds to Credit Guarantee Fund Trust for Micro, Small Enterprises (CGTMSE)	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	5.00	Ministry Records
20	Release of funds (Grant-in-Aid) by O/o DC(MSME) to MSME-Tool Rooms/Technology Development Centres	5.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	5.00	Ministry Records
21	Release of fund to SIDBI towards Portfolio Risk Fund under Micro Finance Programme	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	30	Days	1.00	Ministry Records
22	Release of funds under marketing assistance scheme to implementing agency i.e.	1.0	Maximum time taken from the date of receipt of the fully completed	16	days	1.00	Ministry Records

Service Standards

S. No.	Services / Transaction	Weight	Success Indicators	Service Standard	Unit	Weight	Data Source
	National Small Industries Corporation (NSIC), a PSU of GoI		proposal in all respects				
23	Release of funds under performance and credit rating scheme to implementing agency i.e. National Small Industries Corporation (NSIC), a PSU of GoI	1.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	25	Days	1.00	Ministry Records
24	Providing policy support and guidance to KVIC and MGIRI as and when required	2.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	55	Days	2.00	Ministry Records
25	Providing policy support and guidance to Coir Board as and when required	3.0	Maximum time taken from the date of receipt of the fully completed proposal in all respects	35	Days	3.00	Ministry Records
26	Prompt Grievance Redressal	10.0	Average time taken to enter the grievance in CPGRAM i.e. http://pgportal.gov.in received through Udyami Helpline 1800-180-6763 or in writing via registered post.	20	Days	1.00	CPGRAMS & Ministry's Records
			Average time taken to send communication for additional information	35	Days	1.00	CPGRAMS & Ministry's Records
			Average time taken for grievance settlement	75	Days	8.00	CPGRAMS & Ministry's Records

Grievance Redress**Website url to lodge** <http://pgportal.gov.in/>

S.No.	Name of the Public Grievance Officer	Helpline	Email	Mobile
1	O/o DC (MSME); Shri M.P. Singh Economic Adviser	23061277	singhmps@gmail.com	
2	ARI: Shri. Angshuman Dey, Director	23062745	angshuman.dey@nic.in	
3	SME: Shri P.P. Muditshan Dy Secy	23061431	ds.sme@nic.in	

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List of Stakeholders/Clients

S.	Stakeholders / Clients
1	State Governments
2	MSME Associations
3	Micro, Small and Medium Enterprises
4	National Small Industries Corporation Ltd (NSIC)
5	Khadi and Village Industries Commission (KVIC)
6	Coir Board
7	National Level Entrepreneurship Development Institutes (EDIs) e.g. National Institute for Entrepreneurship and Small Business Development (NIESBUD)-NOIDA, National Institute for Micro, Small and Medium enterprises (Ni-MSME)-Hyderabad, Indian Institute of Entrepreneurship (IIE)-Guwahati,
8	Mahatma Gandhi Institute of Rural Industrialisation (MGRRI)
9	State level EDIs
10	Training Institutions
11	MSME Tools Rooms
12	MSME-DIs (Development Institutes)
13	Small Industries Development Bank of India (SIDBI)
14	National Bank for Agriculture and Rural Development
15	Public Sector Banks
16	The Tamil Nadu Industrial Investment Corporation Ltd , Chennai.

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List of Stakeholders/Clients

S.	Stakeholders / Clients
17	State Industrial Development Corporations
18	State Industrial Infrastructure Development Corporations
19	Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)
20	Citizens

Responsibility Centers and Subordinate Organizations

S. No.	Responsibility Centers and Subordinate Organizations	Landline Number	Email	Mobile Number	Address
1	National Small Industries Corporation Ltd	011-26926275, 26910910	info@nsic.co.in		Olkha Industrial Estate, Phase-III, New Delhi.
2	Khadi and Village Industries Commission, (KVIC),	022-26714320-25	dlt@kvic.gov.in		"Gramodaya""3, Iifa Road, Vile Parle (West), Mumbai – 400056, Maharashtra.
3	National Institute for Entrepreneurship and Small Business Development (NIESBUD),	0120-2403051-54	info.niesbud@nic.in		A-23-24, Sector-62, Institutional Area, Phase-II, NOIDA-201301.
4	National Institute for Micro, Small and Medium Enterprises (NI-MSME),	040-23608544-46	registrar@nimsme.org		Yousuf Gauda, Hyderabad – 500 045.
5	Indian Institute of Entrepreneurship (IIE),	0361-2302646, 2300994, 2300123	iiieindia1@bsnl.in		37, NH Bypass, Lalmati, Basitha Chariali, Guwahati – 781 029, Assam.
6	Coir Board	0484-2351807, 2351788	coirboard@vsnl.com		"Coir House", M G Road, Ernakulam, Kochi-682016, Kerala
7	Mahatama Gandhi Institute of Rural Industrialisation	07152-263512	director.mgiri@gmail.com		Maganwadi, Warda-442001, Maharashtra
8	MSME-Tool Room, (Indo German Tool Room)	0240 2466832, 2482593, 2470541	gm@igtr-aur.org		P-31 MIDC, Chikalthana Ind. Area, Aurangabad 431 006
9	MSME-Tool Room, (Indo German Tool Room),	079 25840966, 25841963	gm@igtrand.com		Plot-5003, Phase-IV, GIIDC Vatva, Mehsedab Road, Ahmedabad 382 445 (Gujarat).
10	MSME-Tool Room, (Indo German Tool Room),	0731 4210700/0304 4210701	indigr@sancharnet.in		Plot No.291/B -302/A, Sector-E, Sanwer Road,

Responsibility Centers and Subordinate Organizations

S.	Responsibility Centers and Subordinate Organizations	Landline Number	Email	Mobile Number	Address
11	MSME-Tool Room (Central Tool Room),	0161 2670057, 2670058, 2670059, 2676166	info@ctrlludhiana.com		Industrial Area, Indore 452 003 (MP).
12	MSME-Tool Room (Central Tool Room & Training Centre)	033 25771492, 25771068	cttcolkata@vsnl.com		A-5, Focal Point, Ludhiana 141 010 (Punjab).
13	MSME-Tool Room, (Central Tool Room & Training Centre),	0674 2742100, 2743349, 3011700	cttc@satyam.net.in		Bonhooghly Indl. Area, Kolkata 700 108 (W.B.).
14	MSME-Tool Room (Indo Danish Tool Room)	0657 2201261/62, 2200507	reach@idtrijamschedpur.com		B-36, Chandaka Indl. Area, P.O. Patia, Bhubaneswar 751 024 (Orissa).
15	MSME-Tool Room (Tool Room & Training Centre)	0361 2655542	trtc_ghy@rediffmail.com		M-4 (Part) Phase-VI, Tata Kandra Road, Gamharia, Jamshedpur 832 108 (Jharkhand).
16	MSME-Tool Room, (Central Institute of Hand Tools),	0181 2290226, 2290225, 2290196	institute_jld@dataone.com		Amingaon Industrial Area, North Guwahati Road, Amingaon, Guwahati 781 031
17	MSME-Technology Development Centre (Institute for Design of Electrical Measuring Instruments),	022 24050301/2/3/4	idemi@vsnl.net		G.T. Road, Bye Pass, Jalandhar-144008 (Punjab).
18	MSME-Technology Development Centre (Electronics Service & Training Centre)	05947 251201, 251530, 255951	pd_estic@sancharnet.in		S.T. Top Marg, Chunabhatti Sion, P.O. Mumbai-400022.
					Kaniya, Rannagar, Dist. Nainital-244715, Uttarakhand.

Responsibility Centers and Subordinate Organizations

S. No.	Responsibility Centers and Subordinate Organizations	Landline Number	Email	Mobile Number	Address
19	MSME-Technology Development Centre, (Process cum Product Development Centre)	0121 2511779	info@ppdcmeerut.com		Sports Goods Complex, Delhi Road, Meerut-250002 (U.P.).
20	MSME-Technology Development Centre, (Process and Product Development Centre)	0562 2344006, 2344673	ppdc@sancharnet.in		Foundry Nagar, Agra-282006 (U.P.).
21	MSME-Technology Development Centre, (Central Footwear Training Institute),	044 22501529	cfti@vsnl.net		65/1, G.S.T. Road, Guindy, Chennai-600032
22	MSME-Technology Development Centre, (Central Footwear Training Institute),	0562 2642005, 2642004	info@cftiagra.org.in		C – 41& 42, Site 'C', Sikandra, Industrial Area, Agra-282007 (U.P.).
23	MSME-Technology Development Centre, (Fragrance & Flavour Development Centre),	05694 234465, 234791	ffdc@sancharnet.in		Industrial Estate, GT Road, P.O. Makrand Nagar, Kannauj, -209726 (U.P.).
24	MSME-Technology Development Centre, (Centre for Development of Glass Industry),	05612 232293	cdgjrbd@sancharnet.in		A-1/1, Industrial Area, Jalesar Road, P.O. Muddinpur, Firozabad-283203 (U.P.).
25	MSME-Tool Room (Central Institute of Tool Design)	040 23774536, 23772748	hyd1_citdhyd@sancharnet.in		A-1 to A-8 APIE, Balanagar, Hyderabad 500 037 (A.P.)

Indicative Expectations from Service

S.	Indicative Expectations from Service Recipients
1	Receipt of application/ proposal complete in all respects as per respective scheme guidelines available on web-site of Ministry i.e. www.msme.gov.in .
2	Proper utilisation of central financial assistance released.
3	As per the Terms & Reference stated in the respective Scheme Guidelines.
4	To check the Ministry of MSME website regularly for updates.



ANNEXURE - 8

ANNEXURE VIII**1. LIST OF CPIOs OF THE MINISTRY**

Sl. No.	Name, Designation and Telephone No. of CPIO (S/Shri)	Name, Designation and Telephone No. of Appellate Authority (S/Shri)	Subject Matter
1.	M.L. Sharma, Under Secretary 23063293	Jithesh John, Joint Director 23063198	Matters relating to the Public Sector Undertaking, the National Small Industries Corporation Limited (NSIC), Coordination of Plan Budget of SME Division, International Cooperation Scheme.
2.	P.S. Verma, Under Secretary 23061636	U. Viswanadham, Deputy Secretary 23063142	Plan Schemes relating to Surveys, Studies and Policy Research and Policy relating to Entrepreneurship Development Institutes (EDIs) and Rajiv Gandhi Udyami Mitra Yojana (RGUMY), Protocol and General Administration.
3.	M.K. Mishra, Under Secretary-ARI Division 23062573	Angshuman Dey Director 23062745	All the matters relating to Agro and Rural Industries like Khadi & Village Industries and Prime Minister's Employment Generation Programme (PMEGP) & Scheme of Fund for Regeneration of Traditional Industries (SFURTI) and Coordination of Plan Budget of ARI Division.
4.	Baldev Raj, Research Officer 23063288	P.P. Muralidharan Deputy Secretary 23061431	Overall Coordination and matters which are not specifically pertaining to any other PIO. Filing of various reports with Central Information Commission etc.
5.	K.P. Singh, Assistant Director 23062672	P.P. Muralidharan Deputy Secretary 23061431	Matters relating to Official Language Act.
6.	Lendup Sherpa, Section Officer-ARI Division	V.K. Wadhwa, Deputy Secretary 23062736	Matters relating to Coir Industry.
7.	B.P. Pant, Section Officer	P.P. Muralidharan Deputy Secretary 23061431	Matters relating to Vigilance and Cash Section
8.	S.K. Meena, Section Officer 23062210	P.P. Muralidharan Deputy Secretary 23061431	Matters relating to administration and establishment of the Ministry of MSME

2. LIST OF NODAL CPIOS OF THE MINISTRY's ORGANISATIONS

Sl. No.	Name, Designation and Telephone of CPIO (S/Shri)	Name, Designation and Telephone of Appellate Authority (S/Shri)	Subject Matter
1.	Harish Anand Director, Office of the DC (MSME), Nirman Bhavan, New Delhi. 011-23062219	M.P. Singh, Economic Adviser, Office of the DC(MSME), Nirman Bhavan, New Delhi. 011-23061277	Distribution of all the RTI applications related to Office of the Development Commissioner (MSME) among the concerned CPIOs. The subject-wise list of CPIOs are available on website www.dcmsme.gov.in
2.	A.K. Aggarwal General Manager, NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26910910	Ravindra Nath Director (Finance) NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26319452	Distribution of all the RTI applications related to the National Small Industries Corporation Limited among the concerned CPIOs. The subject-wise list of CPIOs are available on website www.nsic.co.in
3.	Mukesh Kumar Gupta, Admn. Officer, National Institute for Entrepreneurship and Small Business Development (NIESBUD), A-23- 24, Sector-62, Institutional Area, Phase-II, NOIDA-201301, Uttar Pradesh 0120-2403057	Smt. Rita Sengupta, Director, National Institute for Entrepreneurship and Small Business Development (NIESBUD), A-23- 24, Sector-62, Institutional Area, Phase-II, NOIDA-201301, Uttar Pradesh 0120-2403057	All the matters related to NIESBUD. The details of CPIOs are available on website www.niesbud.nic.in

4.	N. Muralia Kishore, Librarian and Asstt. Registrar, National Institute for Micro, Small and Medium Enterprises (NI- MSME), Yousuf Gauda, Hyderabad – 500 045		All the matters related to NIMSME. The details of CPIOs are available on website www.nimsme.org
5.	Bakul Sarma, Admn. Officer, Indian Institute of Entrepreneurship (IIE), 37, NH Bypass, Lalmati, Basistha Chariali, Guwahati-781 029, Assam	K. Ahmed, Director Indian Institute of Entrepreneurship (IIE), 37, NH Bypass, Lalmati, Basistha Chariali, Guwahati – 781 029, Assam	All the matters related to IIE. The details of CPIOs available on website www.iie.nic.in
6.	G. Hussain, Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26714267	G. Guruprasanna, Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26713538	Distribution of all the RTI applications related to Khadi and Village Industries Commission among the concerned CPIOs. The subject-wise list of CPIOs is available on website www.kvic.org.in
7.	Smt. Anita Jacob, Deputy Director, Coir Board, Coir House, M.G. Road, Kochi-682016	P.C. Antonel Vaz, Joint Director, Coir Board, Coir House, M.G. Road, Kochi-682016 0484-2373327	All the matters related to Coir Board. The details of CPIOs are available on website www.coirboard.gov.in

8.	Srinivasan. R, Deputy Director Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001 07152-253512	Dr. T. Karunakarn, Director, Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001 07152-253512	All the matters related to MGIRI. The details of CPIOs are available on website www.mgiri.org
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ANNEXURE - 9

ANNEXURE-IX**CONTACT ADDRESSES****MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES**

S. No.	Name and Address of the organisation	Website	E-mail	Telephone	Fax
1	Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 107	www.msme.gov.in	min-msme@nic.in	011-23063800 23063802-06	011-23062315 23061726 23061068
2	Office of Development Commissioner (MSME), 7 th Floor, A-Wing, Nirman Bhavan, New Delhi – 110 108	www.dcmsme.gov.in; www.laghu-udyog.com; www.smallindustry.com	dc-msme@nic.in	011-23063800 23063802-06	011-23062315 23061726 23061068
3	Khadi and Village Industries Commission, (KVIC), “Gramodaya” 3, Irla Road, Vile Parle (West), Mumbai - 400056, Maharashtra	www.kvic.org.in	kvichq@bom3.vsnl.net.in, ditkvic@bom3.vsnl.net.in, dit@kvic.gov.in	022-26714320-25/ 26716323/ 26712324/ 26713527-9/ 26711073/ 26713675	022-26711003
4	Coir Board, “Coir House”, M.G. Road, Ernakulam, Kochi-682016, Kerala	www.coirboard.nic.in, www.coirboard.gov.in	coir@md2.vsnl.net.in, coirboard@vsnl.com	0484-2351807, 2351788, 2351954, 2354397	0484-2370034
5	National Small Industries Corporation Limited (NSIC), NSIC Bhawan, Okhla Industrial Estate, New Delhi – 110 020	www.nsic.co.in	info@nsic.co.in, pro@nsic.co.in	011-26926275 26910910 26926370 Toll Free 1-800-111955	011-26932075 26311109

6	National Institute for Entrepreneurship and Small Business Development (NIESBUD), A-23-24, Sector-62, Institutional Area, Phase-II, NOIDA-201301, Uttar Pradesh	www.niesbud.nic.in	info.niesbud@nic.in, rrsingh04@yahoo.com,	0120-2403051-54	0120-2403057 2403062
7	National Institute for Micro, Small and Medium Enterprises (NI-MSME), Yousuf Gauda, Hyderabad – 500 045	www.nimsme.org	registrar@nimsme.org	040-23608544-46 23608316-19	040-23608547 23608956 23541260
8	Indian Institute of Entrepreneurship (IIE), 37, NH Bypass, Lalmati, Basistha Chariali, Guwahati – 781 029, Assam	www.iie.nic.in	iieindia1@sancharnet.in, iieindia1@bsnl.in	0361-2302646 2300994 2300123 2300840	0361-2300325
9	Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001	www.mgiri.org	director.mgiri@gmail.com	0752-253512	0752-240328

**CONTACT ADDRESSES OF AUTONOMOUS INSTITUTIONS
UNDER OFFICE OF THE DEVELOPMENT COMMISSIONER (MSME)
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES**

S . No.	Name and Address of the Autonomous Body	Website	E-mail	Telephone	Fax
1.	General Manager, MSME-Tool Room (Indo German Tool Room), P-31, MIDC, Chikalthana Indl. Area, Aurangabad 431 006	www.igtr-aur.org	gm@igtr-aur.org	0240- 2480578 - 2486832 - 2482593 - 2470541	0240-2484028
2.	General Manager MSME-Tool Room (Indo German Tool Room) Plot-5003, Phase-IV, GIDC Vatva Mehmedabad Road, Ahmedabad 382 445 (Gujarat)	www.igtrahd.com	gm@igtrahd.com marketing@igtrahd.com	079- 25840964 25840966	079 -25841962
3.	General Manager MSME-Tool Room (Indo German Tool Room) Plot No.291/B, 302/A, Sector-E, Sanwer Road, Industrial Area, Indore 452 015 (MP)	www.igtr-indore.com	indigtr@sancharnet.in igtrindore-mp@nic.in	0731- 4210755 4210700, 4210704	0731-2720353
4.	General Manager MSME-Tool Room (Central Tool Room) A-5, Focal Point Ludhiana 141 010 (Punjab)	www.ctrludhiana.com	info@ctrludhiana.com centool@jla.vsnl.net.in	0161- 2670058 -2676166	0161-2674746
5.	Principal Director MSME-Tool Room (Central Institute of Tool Design) A-1 to A-8 APIE, Balanagar Hyderabad 500 037 (A.P.)	www.citdindia.org	hyd1_citdhyd@sancharnet.in	040- 23772747-48	040-23772658
6.	General Manager MSME-Tool Room (Central Tool Room & Training Centre) Bonhooghly Indl. Area Kolkata 700 108 (W.B.)	www.msmetoolroomkolkata.com	msmetrkolkata@bsnl.in	033- 25770576 - 25771492 - 25771068	033-25772494

7.	General Manager MSME-Tool Room (Central Tool Room & Training Centre) B-36, Chandka Indl. Area P.O. Patia Bhubaneswar 751 024 (Orissa)	www.cttc.gov.in	cttc@satyam.net.in cttc@sify.com	0674-2742100 -3011700	0674-2743061
8.	General Manager MSME-Tool Room (Indo Danish Tool Room) M-4 (Part) Phase-VI, Tata Kandra Road, Gamharia Jamshedpur 832 108 (Jharkhand)	www.idtrjamshedpur.com	reach@idtrjamshedpur.com	0657- 2201261-62	0657-2202723
9.	Project Manager MSME-Tool Room (Tool Room & Training Centre) Amingaon Industrial Area, North Guwahati Road, Amingaon, Guwahati 781 031	www.trtcguwahati.org	trtc_ghy@rediffmail.com	0361- 2655542 -2654042	0361-2654042
10.	Principal Director MSME-Tool Room (Central Institute of Hand Tools) G.T. Road, Bye Pass, Jalandhar-144008 (Punjab)	www.ciht.in	institute_jld@dataone.in bathla_ashok@yahoo.com	0181- 2290225-26 -2290196	0181-2290457
11.	Principal Director MSME-Tech. Development Centre (Institute for Design of Electrical Measuring Instruments) S.T. Tope Marg, Chunabhatti Sion,P.O. Mumbai-400 022	www.idemi.org www.msmetdcmumbai.org	info@idemi.org idemi@mtnl.net.in	022 -24056239 - 24050301-04	022-24050016
12.	Principal Director MSME-Technology Development Centre (Electronics Service & Training Centre) Kaniya, Ramnagar Dist. Nainital-244715 Uttarakhand	www.estcindia.com	pd_estc@sancharnet.in	05947-251201 251530 255951	05947-251294

13.	Principal Director MSME-Technology Development Centre (Process cum Product Development Centre) Sports Goods Complex, Delhi Road Meerut-250002 (U.P.)	www.ppdmeerut.com	info@ ppdmeerut.com ppdmeerut@ yahoo.co.in	0121-2511779	0121-2404991
14.	Principal Director MSME-Technology Development Centre (Process and Product Development Centre) Foundry Nagar, Agra-282006 (U.P.)	www.ppdagra.in	info@ppdagra. in arvindppdc@ gmail.com	0562-2344006 2344673	0562-2344381
15.	Director MSME-Technology Development Centre (Central Footwear Training Institute) C – 41& 42, Site ‘C’ Sikandra, Industrial Area Agra-282007 (U.P.)	www.cftiagra.org.in	info@cftiagra. .org.in	0562 -2642004- 05	0562-2640502 2642004
16.	Director MSME-Technology Development Centre (Central Footwear Training Institute) 65/1, G.S.T. Road, Guindy Chennai-600032	www.cftichennai.in	cfti_chennai@ vsnl.net cfti@vsnl.net	044-22501529	044-22500876
17.	Principal Director MSME-Technology Development Centre (Fragrance & Flavour Development Centre), Industrial Estate GT Road, P.O. Makrand Nagar Kannauj -209726 (U.P.)	www.ffdcindia.org	ffdcknj@ sancharnet.in	05694-234465 -234791	05694-235242
18.	Principal Director MSME-Technology Development Centre (Centre for the Development of Glass Industry), A-1/1, Industrial Area, Jalesar Road, P.O. Muiddinpur Firozabad-283203 (U.P.)	www.cdgiindia.com	cdgifzbd@gmail. com contact@ cdgiindia.com	05612- 232293	05612-232447



ANNEXURE - 10

Definition of Micro, Small and Medium Enterprises in India

Micro, small and medium enterprises as per MSMED Act, 2006 are defined based on their investment in plant and machinery (for manufacturing enterprise) and on equipment for enterprises providing or rendering services. **The defined limit on investment for enterprises to be classified as micro, small and medium enterprises is as follows:**

Classification	Manufacturing Enterprises*	Service Enterprises**
Micro	Rs. 2.5 million / Rs. 25 lakh	Rs. 1 million / Rs. 10 lakh
Small	Rs.50 million / Rs. 5 crore	Rs. 20 million / Rs 2 crore
Medium	Rs 100 million / Rs 10 crore	Rs. 50 million / Rs 5 crore

* Investment limit in Plant & Machinery

** Investment limit in equipment

The term “*village industries*” has been redefined in amended KVIC, Act, 1956 as “any industry located in a rural area which produces any goods or renders any service with or without the use of power and in which the fixed capital investment per head of artisan or worker does not exceed Rs. one lakh (Rs. one lakh and fifty thousand in case of village industry located in a hilly area) or such other sum as may, by notification in the Official Gazette, be specified from time to time by the Central Government”.



MICRO, SMALL & MEDIUM ENTERPRISES

सूक्ष्म, लघु एवं मध्यम उद्यम

GOVERNMENT OF INDIA

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

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