



ANNUAL REPORT

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GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES
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Annual Report

2017-18

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

	Page No.
1. Introduction	1-21
1.1. Background	1
1.2. Mandate of the Ministry of MSME	2
1.3. Organisational structure	3
1.4. Recent Policy Initiatives	9
2. Overview and Performance of MSME Sector	22-38
2.1. Role of MSMEs in Indian Economy	22
2.2. Performance of the MSME Sector	23
2.3. Key Results of NSS 73rd Round Survey (2015-16) on Micro, Small and Medium Enterprises	24
2.4. Comparative Analysis between Fourth All India MSME Census (2006-07) and NSS 73 rd Round (2015-16)	31
2.5. Registration of New MSMEs	33
3. Statutory bodies, and other bodies under the MSME Ministry	39-68
3.1. Khadi Village Industries Commission (KVIC)	39
3.2. Coir Board	51
3.3. National Small Industries Corporation Limited (NSIC)	58
3.4. Mahatma Gandhi Institute of Rural Industrialisation (MGIRI)	63
3.5. National Institute for Micro, Small and Medium Enterprises (NIMSME)	66
4. Major Schemes	69-80
5. Targeted activities for the North-Eastern region, women, disabled persons, and International cooperation	81-90
5.1 Activities for the North Eastern Region	81
5.2 Activities targeted at the welfare of women	84
5.3 Welfare for Persons with disabilities	88
5.4 International Cooperation Scheme	88
6. General statutory obligations	91-96
6.1 Official Language	91
6.2 Vigilance	93
6.3 Citizen Charter	94
6.4 Right to Information	95
6.5 Prevention of Sexual Harrasment	95
Annexures	97-104
1. Plan Allocation and Expenditure during 2014-15 to 2017-18	97
2. List of Nodal CPIOs	98
3. Contact Addresses of the Offices of Ministry of MSME and its Statutory Bodies	100
4. State-wise List of MSME Dis and Branch MSME DIs	101

Introduction



Minister of State for Micro, Small & Medium Enterprises (I/C), Shri Giriraj Singh lighting the lamp to inaugurate the MSME pavilion, at the 37th India International Trade Fair (IITF), at Pragati Maidan, in New Delhi on November 14, 2017. The Secretary, MSME, Shri Arun Kumar Panda and other dignitaries are also seen.

1.1 Background

- 1.1.1 The Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy over the last five decades. It contributes significantly in the economic and social development of the country by fostering entrepreneurship and generating largest employment opportunities at comparatively lower capital cost, next only to agriculture. MSMEs are complementary to large industries as ancillary units and this sector contributes significantly in the inclusive industrial development of the country. The MSMEs are widening their domain across sectors of the economy, producing diverse range of products and services to meet demands of domestic as well as global markets. An overview of the growth and performance of MSME Sector in the country is provided in Chapter 2.
- 1.1.2 Ministry of Micro, Small & Medium Enterprises (M/o MSME) envisions a progressive MSME sector by promoting growth and development of the Sector, including Khadi, Village and Coir Industries, in cooperation with concerned Ministries/Departments, State Governments and other Stakeholders, through providing support to existing enterprises, adopting cutting

edge technologies and encouraging creation of new enterprises. The organization chart of the Ministry is given in paragraph 1.3.9 while the details of the recent policy initiatives of the Ministry are provided in Paragraph 1.4.

- 1.1.3 A number of statutory and non-statutory bodies work under the aegis of the Ministry of MSME. These include the Khadi Village Industries Commission (KVIC) and the Coir Board besides National Small Industries Corporation (NSIC), National Institute for Micro, Small and Medium Enterprises (NIMSME) and Mahatma Gandhi Institute for Rural Industrialisation (MGIRI). Details about the mandate and performance of these bodies are provided in Chapter 3.
- 1.1.4 The Ministry of MSME runs various schemes aimed at financial assistance, technology assistance and upgradation, infrastructure development, skill development and training, enhancing competitiveness and market assistance of MSMEs. A detailed list of schemes is provided in Chapter 4.
- 1.1.5 The Ministry is committed towards an agenda of inclusive development, and has taken various initiatives and measures to ensure that demographically as well as geographically weaker sections benefit from its work. A summary information on such initiatives is given in Chapter 5.

1.2 Mandate of the Ministry of MSME

- 1.2.1 On 9 May 2007, the erstwhile Ministry of Small Scale Industries and the Ministry of Agro and Rural Industries were merged to form the Ministry of Micro, Small and Medium Enterprises (M/o MSME). The Ministry designs policies, promotes/ facilitates programmes/ projects/ schemes and monitors their implementation, with a view to assisting MSMEs and helping them to scale up.
- 1.2.2 The Micro, Small and Medium Enterprises Development (MSMED) Act was notified in 2006 to address different issues affecting MSMEs inter-alia the coverage and investment ceiling of the sector. The MSMED Act seeks to facilitate the development of these enterprises as also enhance their competitiveness. The MSMED Act has the following key provisions:
 - Establishment of a National Board for Micro Small and Medium Enterprises headed by the Minister for MSME. The role of the Board is to examine the factors affecting the promotion and development of MSMEs, review the policies and programmes of the Central Government and make recommendations in regard to facilitating the promotion and development and enhancing their competitiveness.
 - It provides the first-ever legal framework for recognition of the concept of "enterprise" which comprises both manufacturing and service entities. It defines medium enterprises for the first time and seeks to integrate the three tiers of these enterprises, namely, micro, small and medium.

- It empowers the Central Government to undertake programmes and issue guidelines and instructions to develop and enhance the competitiveness of MSMEs.

1.2.3 Definitions of Micro, Small & Medium Enterprises : In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified as below:

Manufacturing Sector	
Enterprise Category	Investment in plant & machinery
Micro Enterprises	Does not exceed twenty five lakh rupees
Small Enterprises	More than twenty five lakh rupees but does not exceed five crore rupees
Medium Enterprises	More than five crore rupees but does not exceed ten crore rupees
Service Sector	
Enterprise Category	Investment in equipment
Micro Enterprises	Does not exceed ten lakh rupees:
Small Enterprises	More than ten lakh rupees but does not exceed two crore rupees
Medium Enterprises	More than two crore rupees but does not exceed five core rupees

1.2.4 The primary responsibility of promotion and development of MSMEs is of the State Governments. However, the Government of India, supplements efforts of the State Governments through various initiatives. The role of the Ministry of 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.

1.3 Organisational structure

1.3.1 The Ministry of MSME consists of Small & Medium Enterprises (SME) Division, Agro & Rural Industry (ARI) Division, Integrated Finance (IF) Wing and Data Analytics and Technical Co-ordination (DATC) Wing, besides the Office of the Development Commissioner (DCMSME) as an attached office and other subordinate organisations.



The Hon'ble Vice President, Shri Venkaiah Naidu, the Minister of State for Micro, Small & Medium Enterprises (I/C), Shri Giriraj Singh and other dignitaries at the National SC-ST Hub Confluence in New Delhi on September 20, 2017

1.3.2 SME 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 central public sector enterprise and National Institute of Micro, Small & Medium Enterprises (NIMSME) an autonomous national level entrepreneurship development/ training organizations. The Division is also responsible for implementation of the schemes relating to National SC-ST Hub, Performance and Credit Rating and Assistance to Training Institutions, among others. Further, the Division has the responsibility to deal with applications received under Public Grievances through CPGRAMS and under the Right to Information Act, 2005. The SME Division also deals with the work relating to preparation of Ministry's media campaign for promotion of schemes and its implementation by issue of advertisement in electronics and Print Media besides promotion of schemes of the Ministry through Social Media.

1.3.3 ARI Division - The ARI Division looks after the administration of two statutory bodies - the Khadi and Village Industries Commission (KVIC) and Coir Board and also of the Mahatma Gandhi Institute for Rural Industrialisation (MGIRI). It also supervises the implementation of the Prime Minister's Employment Generation Programme (PMEGP), the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) and A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship(ASPIRE).

1.3.4 IF Wing - IFW examines the various proposals received from the Programme Divisions of Ministry and the O/o DC(MSME) for (i)concurrence of release of funds under various schemes; (ii) furnishing comments on EFC/SFC for the Schemes to be continued beyond 12th Five Year Plan and convene the EFC/ SFC meetings. The Wing also examines other miscellaneous matters relating to signing of MoU/ other Agreements/ Contracts etc.

1.3.5 DATC Wing - This is a newly created wing to undertake analyses of data/ statistics related to

the MSME Sector and provide technical inputs for evidence based decision making pertaining to MSME Sector. Technical coordination with all stakeholders towards development and maintenance of MSME databases; Co-ordinating the complete compliance of the directives for the Direct Benefit Transfer (DBT) schemes of the Ministry; Implementing promotion of Digital Payment in the Ministry and managing the IT Cell of the Ministry are some of its other important activities.

1.3.6 Office of the Development Commissioner

1.3.6.1 Development Commissionerate implements the policies and various programmes/ schemes for providing infrastructure and support services to MSMEs. The Office of the Development Commissioner [O/o DC (MSME)] is an attached office of the Ministry, headed by the Additional Secretary & Development Commissioner (AS & DC), MSME. It functions through a network of MSME-Development Institutes (DI), 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 MSMEs.
- 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.

1.3.6.2 Technology Centres (Earlier known as Tool Room & Technical Institutions)

To provide right stimulus to the growth of industry in the country – particularly to micro, small and medium enterprises, Ministry has established Technology Centers across India, many of them through bilateral collaboration of the Governments of Germany & Denmark and the United Nations. These were earlier known as Tool Rooms and Technology Development Centers. Following is the list of the existing MSME Technology Centres:

1. Central Tool Room & Training Centre (CTTC), Kolkata
2. Central Tool Room (CTR), Ludhiana
3. Indo German Tool Room (IGTR), Indore
4. Indo German Tool Room (IGTR), Ahmedabad
5. Indo German Tool Room (IGTR), Aurangabad
6. Indo Danish Tool Room (IDTR), Jamshedpur

7. Central Tool Room & Training Centre (CTTC), Bhubaneswar
8. Tool Room & Training Centre (TRTC), Guwahati
9. Central Institute of Hand Tools (CIHT), Jalandhar
10. Central Institute of Tool Design (CITD), Hyderabad
11. Electronics Service & Training Centre (ESTC), Raigarh
12. Institute for Design of Electrical Measuring Instruments (IDEMI), Mumbai.
13. Fragrance & Flavour Development Centre (FFDC), Kannauj.
14. Centre for Development of Glass Industry (CDGI), Firozabad.
15. Process & Product Development Centre (PPDC), Agra.
16. Process cum Product Development Centre (PPDC), Meerut.
17. Central Footwear Training Institute (CFTI), Agra
18. Central Footwear Training Institute (CFTI), Chennai

Out of 18 Technology Centres (TCs), the first 10 TCs (earlier known as Tool Rooms) provide technological support to industries through design & manufacture of tools, precision components, moulds, dies, etc. These TCs also serve industry by providing skilled manpower in the areas of tool engineering & manufacturing sector. Today, these TCs are highly proficient in their respective fields.



MSME-TC, Aurangabad

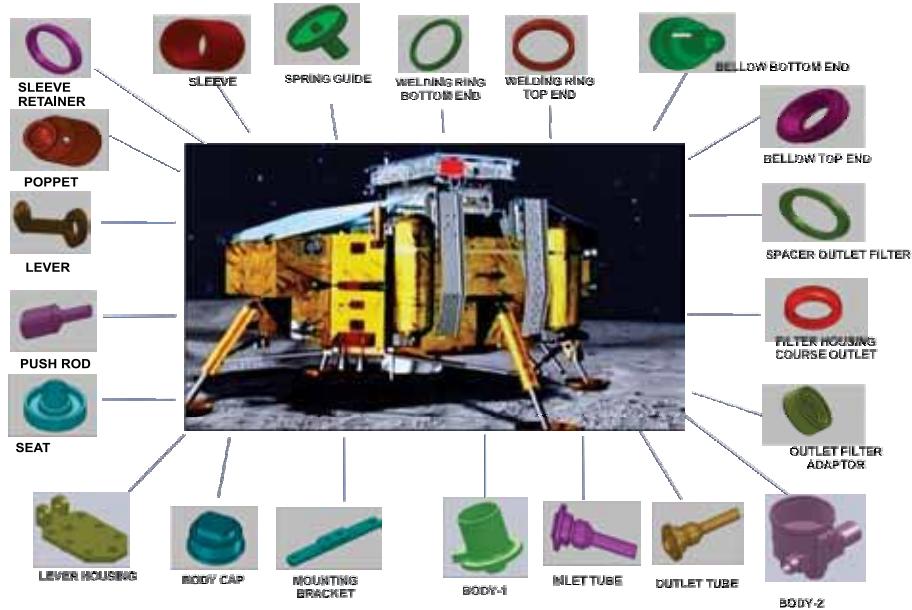
JEEP-Developed 217 tools for 62 components

Ministry has supported these centers by keeping them relevant and abreast with latest advancements in their respective fields and has periodically added new technologies such as CAD/CAM, CNC machining, vacuum heat treatment, 3D Printing etc. These TCs are concentrating on integrated development of the related segments of industries by providing quality tools, trained personnel and consultancy in tooling and related areas.

The remaining Technology Centres, (earlier known as Technology Development Centres) are product specific Centres to support MSMEs in the respective sectors by rendering technical services to develop and upgrade technologies, processes and products apart from training in the specific product groups such as Forging &Foundry, Electronics, Electrical Measuring Instruments, Fragrance &Flavour, Glass, Footwear &Sport Goods.

The Technology Centres apart from extending design, development & manufacturing support to MSMEs for complex tools, parts and components have also supported the strategic sectors such as Defence, Aerospace etc. of the country towards their R&D requirements.

Partnering India's Space Mission : Chandrayan-II (Moon Lander)



MSME-TC, Bhubaneswar
Developing components for Moon Mission

The Technology Centre's philosophy of integrated solutions for growth of industries is based on the provision of well structured, modular, hands on practically oriented training programmes. All courses are regularly updated to keep abreast with global technological advancements. The intake eligibility for the training programmes ranges from school dropout to M-Tech level. Various levels of courses, viz., certificate, diploma, advanced diploma, post diploma, post graduate diploma and post graduate courses offered by Technology Centres are well accepted by the industries, which is evident from nearly 80% placement of its long term trainees. A number of passed out trainees have also established their own enterprises thereby contributing to the social and economic development of the country.

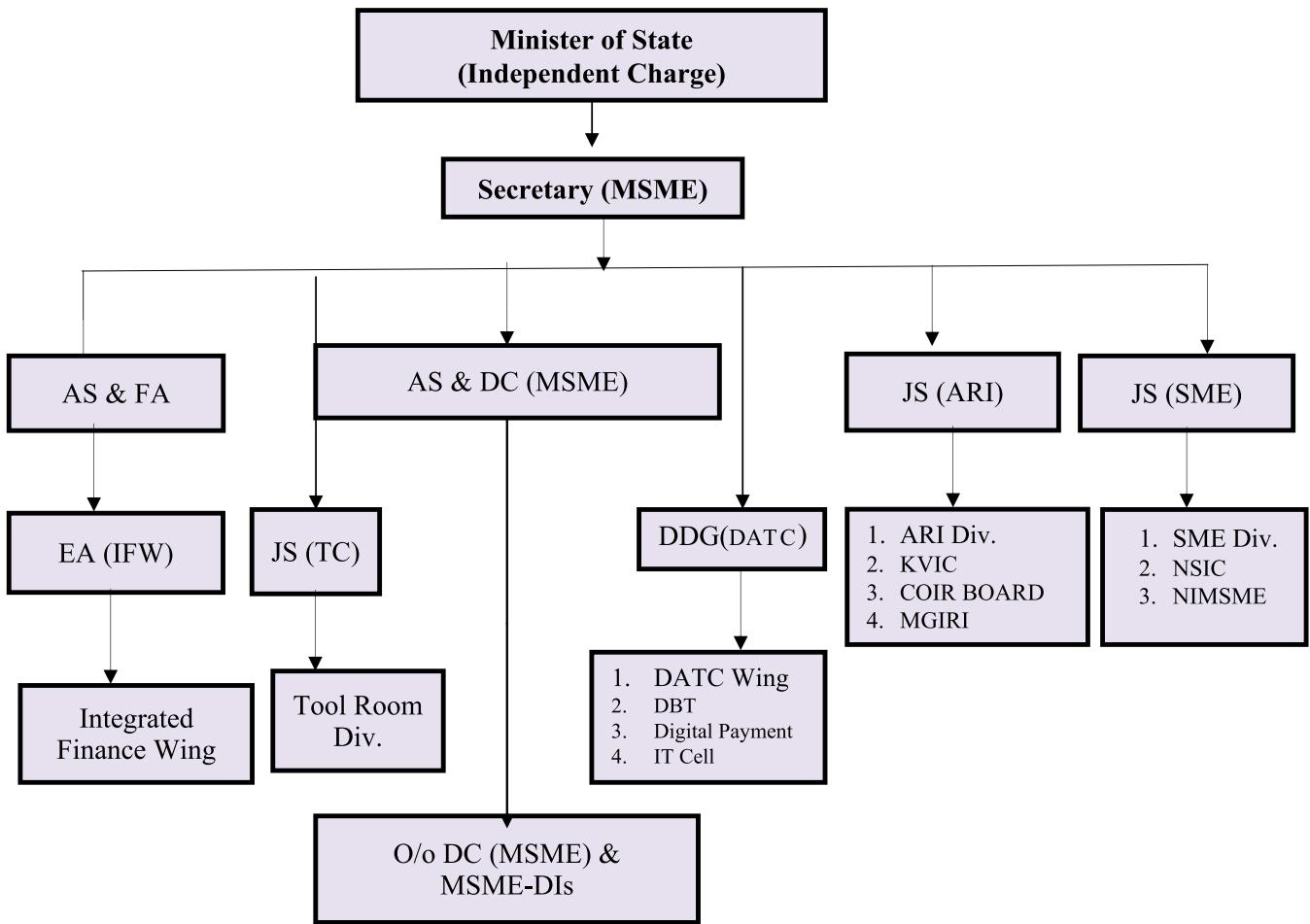


CNC Training Section: MSME TC Aurangabad

Apart from assisting State Governments for setting up of Technology Centres, MSME- Technology Centres have also successfully executed international assignments for setting up Technology Centres and Vocational Training Centres as well as training of trainers for developing countries like Zimbabwe, Myanmar, Sri Lanka, Tajakistan etc.

All the Technology Centres adhere to the principles of Total Quality Management (TQM). They are ISO 9001-2000 certified institutions and a few of them are ISO-14001, OHSAS-18001, ISO-29990, ISO/IEC17025:2005 and ISO-50001 certified. Central Tool Room & Training Centre, Bhubaneswar is also AS-9100 certified for Aero-space Component Supply.

- 1.3.7 Other important implementing agencies** are the National Small Industries Corporation (NSIC), Khadi and Village Industries Commission (KVIC), the Coir Board, and one training institute viz., National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad and Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Wardha - a society registered under Societies Registration Act, 1860.
- 1.3.8 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 makes recommendations to the Government in formulating the policies and programmes for the growth of MSMEs.
- 1.3.9 The organisational structure of the Ministry is depicted in the following organogram:**



1.4 Recent Policy Initiatives.

1.4.1 Ease of Registration Process of MSMEs- Udyog Aadhaar Memorandum -

1.4.1.1 Based on the Hon'ble Prime Minister's suggestion in his 'Mann Ki Baat' on 3.10.2014, to simplify forms to enable ease of registration of MSME's, Ministry of MSME has notified a simple one-page registration form 'Udyog Aadhaar Memorandum' (UAM) on 18th September 2015. The simplified one-page registration form UAM was made after consultations with the states and stakeholders, on the basis of recommendations made by the Kamath Committee on Financial Architecture and observations/approvals by Department Related Parliamentary Standing Committee, National Board for MSME and Advisory Committee for MSME etc.

1.4.1.2 This is a path breaking step to promote ease-of-doing-business for MSMEs in India as the UAM replaces the filing of Entrepreneurs' Memorandum (EM part-I & II) with the respective States/UTs. The entrepreneurs in the MSME sector just need to file online, a simple one-page UAM on <http://udyogaadhaar.gov.in> to instantly get a unique Udyog Aadhaar Number (UAN). The information sought is on self-certification basis and no supporting documents are required at the time of online filing of UAM. Revised notifications were also issued on 10.01.2017 and 30.06.2017 for inclusion of new features including amendment provisions.

1.4.1.3 More than 38.95 lakh UAMs have been filed since September 2015 upto December 2017. The filing of the UAMs has also significantly increased the information available with the Ministry of MSME regarding the trends in the sector and enhanced its capability to monitor trends within sub-categories within the MSME sector, such as manufacturing, services, enterprises, employment trends, and investment details.

1.4.2 Framework for Revival and Rehabilitation of MSMEs

In order to provide a simpler and faster mechanism to address the stress in the accounts of MSMEs and to facilitate the promotion and development of MSMEs, the Ministry of Micro, Small and Medium Enterprises, Government of India, vide its Gazette Notification dated May 29, 2015 notified a 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises'. Reserve Bank of India, after continuous follow up, has also issued guidelines to the Banks on 17.3.2016. Under these guidelines Banks have created a structure for finalising corrective action plan for revival & rehabilitation of MSMEs.

1.4.3 MSME Data Bank

For facilitating the promotion and development and enhancing the competitiveness of MSMEs, the Ministry of MSME vide Gazette Notification No. 750(E) dated 29.07.2016 had notified the MSME Development(Furnishing of information Rules, 2016) under which all MSMEs are to furnish information relating to their enterprises online to the Central Government in the data bank maintained by it at www.msmedatabank.in. This data bank will enable the Ministry to streamline and monitor the schemes and pass on the benefits directly to MSMEs. It will also provide the real-time information about the status of MSMEs under various parameters. Data Bank is helpful to MSME units, who can now update their enterprise information as and when required without visiting any government office and also update information about their products/ services, which can be accessed by government departments to do procurement under Public Procurement Policy of Government of India. More than 1.22 lakh units have been registered (upto December 2017) under MSME Data Bank since issuance of its notification.

1.4.4 MyMSME

To facilitate the enterprises to take benefit of various schemes by the Office of Development Commissioner (MSME), his office has launched a web-based application module, namely, MyMSME. This has also been converted into a mobile app. Entrepreneurs will be able to make their applications and track it on their mobile itself.

1.4.5 Direct Benefit Transfer in the M/o MSME

All welfare and subsidy schemes of Governments of India have been brought under Direct Benefit Transfer (DBT) with the aim of reforming Government delivery system by re-engineering the existing process in welfare and subsidy schemes, for simpler and faster flow of funds and to ensure accurate targeting of the beneficiaries, de-duplication and reduction of

fraud. As the nodal point for the implementation of the DBT programmes,DBT cell have been constituted in the Ministry. In 2017-18 all the 22 schemes of the Ministry of MSME were onboarded on DBT Bharat Portal out of which 1 scheme (i.e. TREAD scheme) has subsequently been wound up.

1.4.5.1 The schemes have been categorized based on the benefit type to the beneficiary's i.e., Cash, Kind or Composite (i.e. Cash and Kind). Below is the table showing the DBT schemes of the Ministry with the benefit type, number of beneficiaries and total funds transferred / expenditure incurred.

Sl. No.	Name of the Scheme	Benefit Type	Total no. of beneficiaries (till Dec, 2017)	Total Expenditure (Rs. Lakhs) (till Dec, '17)
1	ATI Scheme (Training Component)	In Kind	1671	296
2	Marketing Assistance Scheme	Cash	334	81.36
3	Coir Udyami Yojana	Cash	319	811
4	MPDA Grant To Khadi Institutions	Cash	342981	6085
5	Coir Vikas Yojana	Cash	1199	32.11
6	SFURTI- SI	In Kind	50000	1203
7	PMEGP Prime Ministers Employment Generation Programme	Cash	26072	72073
8	Credit Guarantee Scheme	In Kind	2916910	8200
9	Interest Subsidy Eligibility Certificate For Khadi And Polyvastra -ISEC	Cash	1305	1314
10	National Awards	Cash	50	50
11	MDP-EDP-Skill Development	Cash & In Kind	15236	223.53
12	Zero Effect Zero Defect ZED	Cash & In Kind	58	1015.24
13	Technology And Quality Upgradation Support Through MSMEs – TEQUP	Cash	1	0
14	MATU Scheme Excluding Vendor Development Programme and International/NationalWorkshop/ Seminar	Cash	129	50.55
15	Credit Linked Capital Subsidy Scheme CLCSS	Cash	4081	283444.16
16	IPR Building Awareness On Intellectual Property Rights For MSMEs	In Kind	417	0

Sl. No.	Name of the Scheme	Benefit Type	Total no. of beneficiaries (till Dec, 2017)	Total Expenditure (Rs. Lakhs) (till Dec, '17)
17	Lean Manufacturing Competitiveness Scheme For MSMEs	In Kind	1091	321.82
18	Design Clinic Scheme For Design Expertise To Micro, Small And Medium Enterprises	Cash	112	50.53
19	Incubation Centre Support For Entrepreneurial And Managerial Development Of SMEs Through Incubators	In Kind	56	80.74
20	Performance And Credit Rating Scheme	Cash	11424	25836.7
21	International Co-operation(IC) Schemes	Cash	567	2993.7
22	Trade Related Entrepreneurship Assistance And Development Scheme For Women	Wound up during 2017-18		

*The DBT applicable component for the scheme is very minimal and thus the fund transfer is NIL

1.4.5.2 The key performance indicators of DBT are:

- **Beneficiary Digitization (including Aadhaar seeding and validation):** 8 schemes have completed 100% beneficiary digitization. Rest of the schemes are in the process of achieving the 100% completion.
- **Funds transfer electronically:** Funds are being transferred under all schemes using PFMS and other electronic modes. Hence, 100% electronic transaction is being achieved.
- **Scheme specific MIS Integration with the DBT Bharat portal:** The Scheme Specific Management Information System (MIS) and its integration with DBT Bharat portal is also in completion stage for all 21 on-boarded schemes.
- **Notification of schemes under section 7 / 57 of the Aadhaar act:** The issuance of notification of schemes under section 7/57 of the Aadhaar Act, 2016 is under process.

1.4.6 GST Rollout and Ministry of MSME

Ministry of MSME had made elaborate arrangements for smooth roll out of GST. The following were taken involving all the stakeholders:

All field organisations under the Ministry, namely, Office of Development commissioner (Micro, Small and Medium Enterprises), Khadi and Village Industries Commission (KVIC), National Small Industries Corporation (NSIC), Coir Board, National Institute for Micro, Small and Medium Enterprises (Ni-MSME), Mahatma Gandhi Institute for Rural Industrialization (MGIRI) opened GST Cells in their respective offices to provide requisite support to MSMEs with respect to GST issues. More than 20000 persons have been trained in the various nuances of GST through workshops by M/o MSME and all its field organizations.



The then Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra at the National Workshop on GST Readiness of the Ministry of MSME, in New Delhi on July 13, 2017. The Ministers of State for Micro, Small & Medium Enterprises(I/C), Shri Giriraj Singh & the then MoS Shri Haribhai Parthibhai Chaudhary and other dignitaries are also seen.

- A special issue of Laghu Udyog Samachar was brought out fully dedicated to GST related issues. It is available online at <http://dcmsme.gov.in/LaghuUdyogSamachar.html>.
- A GST specific window has already been opened within the Internet Grievance Redressal System (IGMS) of the Ministry of Micro, Small and Medium Enterprises, an entry for which is also available at the abovementioned GST-MSME Link <http://igms.msmes.gov.in/Mymsme/grievance/COM>.
- Ministry set up a 24x7 helpline in NSIC to attend to queries.
- Ministry also conducted a wider consultation workshop with all associations in which, the sector expert pertaining to MSME of the GST Council made a presentation and clarified the queries and concerns in FICCI Auditorium on 13.07.2017.

1.4.7 Digital Payments

1.4.7.1 Government of India is making efforts for promoting a less cash economy and to provide the facility of seamless digital payment to all citizens of India in a convenient manner. Promotion of digital payments has been accorded highest priority by the Government of India to bring each and every segment of our country under the formal fold of digital payment services. The Vision is to provide facility of seamless digital payment to all citizens of India in a convenient, easy, affordable, quick and secured manner.

1.4.7.2 As a partner in the initiative, Ministry of MSME has taken numerous initiatives to digitally enable the entire MSME ecosystem. In line with the recommendations of Committee of Secretaries (CoS) and the guidelines of MeitY, committee on Digital Payments has been constituted in the Ministry under the Chairmanship of Secretary (MSME) for making the Ministry and its attached offices to oversee the successful implementation of Digidhan Mission.

- All the offices of Ministry of Micro, Small and Medium Enterprises, including its attached offices have been digitally enabled.
- For the MSME registered under UAM, efforts have been made to spread awareness on the ease and benefits of different modes of payments such as BHIM, UPI and Bharat QR code.
- For the Ministry and its attached offices (KVIC, Coir Board, NSIC, MGIRI, NIMSME) 89% of the bulk Digital Payment transactions during the current Financial Year were digital which accounted for more than 99% of total value of the transactions.

1.4.8 Grievance Monitoring

The Ministry attends to all the grievances on Centralized Public Grievance Redress and Monitoring System (CPGRAMS) and the number of the pending grievance on CPGRAMS as on 31.12.2017 was 61. The Ministry has started an MSME internet grievance monitoring system (eSAMADHAN) to track and monitor other grievances and suggestions received in the Ministry.

1.4.9 MSME SAMADHAAN: To Address Delayed Payment to MSEs

Section 15-24 of The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 deal with the issues relating to the Delayed Payments to Micro and Small Enterprises (MSEs) by the buyers to the MSE supplier. In the case of delay in payment beyond 45 days, MSEs suppliers may approach the Micro and Small Enterprises Facilitation Council (MSEFC) constituted under the Act in all States/UTs. Under Section 16 of the MSMED Act, delayed payment to supplier units, attracts compound interest with monthly rests at three times of the bank rate notified by the Reserve Bank.

To further the objectives of MSMED Act, 2006 Ministry of MSME launched a portal (<http://>

samadhaan.msme.gov.in/) on 30th October, 2017. The portal gives information about individual CPSEs/ Central Ministries, State Govts. etc. and other buyers regarding the payments pending with them in respect of the MSEs. The Central Ministries/ State Govt. have been provided with user-ID and password to login and monitor the delayed payment cases in respect of organisations under their jurisdiction. The said portal also facilitates MSEs to file their delayed payments related complaints online. After 15 days of online filing of the case, it is automatically registered with the MSEFC concerned.

From the date of launch of MSME SAMADHAAN portal, i.e. 30th October 2017, MSEs have filed 2927 applications related to delayed payments. These cases involve an amount of Rs. 744.65 Crore. This portal has also helped in getting the delayed payments getting settled mutually between seller and buyer. 105 mutual settlements have been done amounting to Rs. 8.87 Crore. Applications are getting converted to cases by MSE-Facilitation Councils in States. 264 applications have been converted to cases by 31.1.2018. This has empowered the MSEs to file their delayed payments cases directly. This is being monitored by respective Ministries/ CPSEs and State governments.

1.4.10 MSME-SAMBANDH

The Ministry of Micro, Small and Medium Enterprises notified the Public Procurement Policy for Micro and Small Enterprises which mandates 20% of annual procurement from MSEs including 4% from enterprises owned by SC/ST entrepreneurs by the Central Ministries / Departments and Central Public Sector Enterprises (CPSEs). For effective implementation and monitoring of the policy, the Ministry launched the Public Procurement Portal titled “MSME-SAMBANDH” on 08.12.2017.



Hon'ble MoS (I/C) Shri Giriraj Singh launching the procurement portal- MSME-SAMBANDH in New Delhi on December 8, 2017. The Secretary MSME, Dr. Arun Kumar Panda and Ms. Seema Bahuguna Secretary, Ministry of Public Enterprises, AS & DC, MSME, Shri Ram Mohan Mishra are also seen.

The portal would help in monitoring the procurement by Central Government Ministries, Departments and Central Public Sector Enterprises (CPSEs) and would enable them to share the list of required products/services from MSEs. The portal features the following:

- Central Government Ministries, Departments and Central Public Sector Enterprises (CPSEs) have been provided authenticated access in the portal.
- Annual Targets for procurements of the CPSEs will be uploaded on the portal and will be available in public domain.
- Monthly Update of Procurement by CPSEs from MSEs
- Monthly Update of Procurement by CPSEs from MSEs owned by SC/ST
- Reports for monitoring by Heads of Ministries, Departments and CPSEs
- Items purchased by CPSEs - Hyperlinks to CPSEs web page from Sambandh Portal will be available in public domain.

108 CPSEs have uploaded their annual procurement target as on 1st February, 2018. These CPSEs have reported an annual procurement target of Rs 85,619 Crore. 88 CPSEs have reported their actual procurement amounting to Rs. 62,695 Crore. The share of purchases from all MSMEs amounts to Rs. 14,334 Crore. The amount of purchases from SC/ST owned MSMEs is reported to be Rs. 267 Crore. It is also reported by CPSEs that 50,427 MSMEs have contributed to these procurements. 1084 MSMEs are owned by SC/STs in these procurements.

1.4.11 Technology Centre Systems Programme (TCSP)

To expand and upgrade the network of Technology Centres (Tool Rooms and Technology Development Centres) in the country, Ministry of MSME is implementing Technology Centre Systems Programme (TCSP) at an estimated Projected Cost of Rs. 2200 Crores including World Bank Loan assistance of USD 200Mn to establish 15 new Technology Centres (TCs) and upgrade existing TCs across the country.

TCSP has been conceptualized to create an innovative eco-system with following components which will engage with each other to create value:

1. Establishment of Physical Infrastructure: This includes establishment of 15 New Technology Centers and up-gradation/modernization of existing Technology Centers.
2. Engaging the services of world class **Technology Cluster Manager (TCM)** to help enhance the technical capabilities of sector specific TCs and thereby helping them in linkages with the MSMEs and institutions.
3. To establish a Web Portal for creating a technology platform to meet various needs of MSMEs in addition to implementation of ERP in Technology Centres.

Status of the Programme:

- The implementation of the programme commenced from 15th January 2015.
- Construction work started for 10 new Technology Centres (TCs), Rohtak, Bhiwadi, Baddi, Bengaluru, Durg Puducherry, Vishakhapatnam, Sitarganj, Bhopal and Kanpur. Construction work also started for upgradation of 3 existing TCs, Bhubaneswar, Mumbai and Aurnagabad. The estimated cost of construction of these TCs is Rs 600 crore.
- For Modernization of CTTC Bhubaneswar, IGTR, Aurangabad and IDEMI Mumbai, 44 high end machines and equipment have been procured. These machines are state of the art machines providing world class services to the industry.
- For modernization of CTR Ludhiana, CIHT Jalandhar, IGTR Indore, CITD Hyderabad, CTTC Kolkata and IDTR Jamshedpur, 122 world class machines are being procured.

The project is scheduled to end by 2020-21. It is expected that after completion of the project, the training capacity of the network of the TCs will be enhanced from present 1.5 lakh to 2.5 lakh per annum. The new TCs will also provide consultancy, incubation, tolling support and other production related services. The project will provide an eco system for the growth and development of MSMEs all across the country. The setting up Fragrance and Flavour Centre in Imphal will enhance the income of farmers by creating an eco system of values added products from agriculture produce.



Fuel Line Replacement Units in Tejas aircraft by MSME Technology Centre, CTTC, Bhubaneswar

1.4.12 Partnership with Industry

In addition to MoU signed with Samsung Electronics India for skilling youth in repairing & maintenance of electronic products, the DC(MSME) also signed MoU with SAP India for skilling of youth in ERP SAP Business One Module. These skill development programmes are conducted through MSME Technology Centres.

1.4.13 International MOUs

1.4.13.1 Ministry of MSME has not signed any MoU during 2017-18 at Government to Government level with foreign countries for cooperation in MSME sector.

1.4.13.2 Shri Giriraj Singh, Hon'ble Minister of State (Independent Charge), Ministry of MSME, Government of India and Dr. Mustapa Mohamed, Minister of International Trade & Industry, Government of Malaysia, witnessed the MoU Signing Ceremony of National Small Industries Corporation of India and SME Corp. Malaysia on 25-01-2018 for Cooperation in MSME sector. The MoU was signed by Shri Ravindra Nath, Chairman & Managing Director, NSIC and Dr. Hafsa Hashim, CEO, SME Corp. Malaysia. Shri Arun Kumar Panda, Secretary (MSME), other senior officials of Ministry of MSME, Govt. of India and officials of Ministry of International Trade, Government of Malaysia were also present on the occasion.



Minister of State for Micro, Small & Medium Enterprises (I/C), Shri Giriraj Singh and the Minister of International Trade & Industry (MITI), Malaysia, Dato' Sri Mustapa Bin Mohamed witnessing the signing of an MoU, at the SME Business Networking event, in New Delhi on January 25, 2018. The Secretary, MSME, Shri Arun Kumar Panda is also seen.

1.4.14 MoU with NSIC for provision of services for MSMEs

The National Small Industries Corporation (NSIC) signed Memorandum of Understanding

(MoU) for the year 2017-18 with the Ministry of Micro, Small and medium Enterprises, Government of India on 08.06.2017. The MoU envisages provision of enhanced services by NSIC under its various schemes for MSMEs in the country with the growth in the operational performance of the Corporation during the year 2017-18. NSIC has been graded as very good for FY 2016-17.

1.4.15 SWACHHTA PAKHWADA by Ministry of MSME

1.4.15.1 Ministry of MSME celebrated the Swachhta Pakhwada from 1st to 15th December, 2017. Union Minister of State (Independent Charge) Shri Giriraj Singh distributed Swachhta Awards in a function held in Vigyan Bhawan at New Delhi on 15.12.2017. Industrial Clusters, Industry Associations and MSME Offices were felicitated for their contribution to Swachh Bharat Abhiyaan. Dr. Arun Kumar Panda, Secretary (MSME) and Shri Parameswaran Iyer, Secretary, Ministry of Drinking Water and Sanitation (DWS) along with other dignitaries and senior officials from the Ministry were also present.



Minister of State for Micro, Small & Medium Enterprises (I/C), Shri Giriraj Singh presenting the Swachhata Awards 2017, at a function, in New Delhi on December 15, 2017. The Secretary, MSME, Shri Arun Kumar Panda and the Secretary, Ministry of Drinking Water and Sanitation, Shri Parameswaran Iyer are also seen.

1.4.15.2 For the first time, Swachhta Pakhwada was organized by the Ministry with grandeur through its field offices and organisations spreading across the country. Awareness campaigns and seminars on new and Innovative technologies on cleanliness were organised. School children were also associated in activities like tree plantation, painting competition, essay and slogan writing competition, etc. Speaking on the occasion, Shri Giriraj Singh said that Swachh Bharat Abhiyaan started by the Hon'ble Prime Minister in 2014 on the birth anniversary of Mahatma Gandhi is changing the world's perception about India. The Ministry of MSME and its subordinate offices are regularly organising cleanliness drives not only in their respective

offices but also in the industrial clusters, industrial estates, to translate this great vision of Hon'ble Prime Minister to reality. Awareness is being created amongst MSMEs about the importance of setting up of effluent treatment plants and adopting waste management techniques. This is one such initiative to create a healthy competition amongst industrial clusters, industrial estates and offices for Swachhta.

1.4.16 National Scheduled Caste / Scheduled Tribe Hub:

1.4.16.1 This Ministry of MSME approved a scheme for setting up of National Schedule Caste and Schedule Tribes (SC/ST) Hub on 25.07.2016. The said Hub was formally launched by the Hon'ble Prime Minister on 18.10.2016 at Ludhiana, Punjab. The Hub is set up to provide professional support to SC/ST entrepreneurs to fulfill the obligations under the Central Government Public Procurement Policy for Micro and Small Enterprises Order 2012, adopt applicable business practices and leverage the Standup India initiatives. The total project cost of the National Schedule Caste and Schedule Tribes Hub is proposed to be Rs. 490 crores for period from 2016-17 to 2019-20. The functions of Hub include collection, collation and dissemination of information regarding SC/ST enterprises and entrepreneurs, capacity building among existing and prospective SC/ST entrepreneurs through skill training and EDPs, vendor development involving CPSEs, NSIC, MSME-DIs and industry associations including Dalit Indian Chamber of Commerce & Industry (DICCI), promoting participation of SC/ST entrepreneurs in exhibitions and organizing special exhibitions for this purpose, facilitating SC/ST entrepreneurs participating in public procurement and monitoring the progress, etc.

1.4.16.2 Four Sub-schemes have been made under National SC/ST Hub. Highlights of these sub-schemes are as under:

- (a) Special Single Point Registration Scheme(SPRS)-**SC/ST enterprises registered under Special Single Point Registration Scheme can be eligible for upfront 100% subsidy on the fee of NSIC for fresh registration/ renewal/ amendments/ competency certificate and also the inspection fees of the empaneled Inspection Agencies/ NSIC including Service Tax applicable. Registered SC/ST owned enterprises would also be eligible for getting benefits of issue of tender sets free of cost, exemption from payment of Earnest Money Deposit (EMD) etc. under Public Procurement Policy.
- (b) Special Marketing Assistance Scheme (SMAS)-** SC/ST entrepreneurs shall be allowed reimbursement under SMAS for maximum of 2(two) international events and 4 (four) domestic events in a financial year.
- (c) Subsidy for Performance & Credit Rating Scheme (SPCRS) –** Under this scheme, 90% subsidy shall be provided on rating fee of all rating agencies for fresh rating under the scheme of NSSH, subject to the specified ceilings. For renewal of ratings for units having a rating of up to 5 will get a subsidy of 50% of the rating fee payable in the first year.
- (d) Special Credit Linked Capital Subsidy Scheme-**Under this scheme, 25% capital subsidy are given to SC/ST MSEs for technology up gradation (limited to maximum Rs. 1 crore).



The Minister of State for Micro, Small & Medium Enterprises (I/C), Shri Giriraj Singh addressing the National SC-ST Hub Confluence in New Delhi on September 20, 2017

1.4.16.3 The Ministry with NSIC had organized '**NSSH Confluence**' on 20.09.2017 at PravasiBhartiya Kendra, Chankypuri, New Delhi to interact with Industry Associations and Incubators from across the country to understand the gaps in realizing the mandate of Public Procurement Policy. The programme also aimed to put forth innovative strategies for the holistic development of MSME owned by SC/ST entrepreneurs. Hon'ble Vice-President of India, Shri Venkaiah Naidu was the Chief Guest of the programme, Shri ThaawarchandGehlot, Hon'ble Minister of Social Justice & Empowerment, Shri JualOoram, Hon'ble Minister of Tribal Affairs, Shri Giriraj Singh, Hon'ble MoS(I/C), MSME and Shri Shiv PratapShukla,MoS(Finance) also graced the occasion as Guests of Honour. Around 350 representatives from more than 100 associations/incubators participated in the confluence.

1.4.16.4 During 2016-17, assistance provided for 58 domestic exhibitions and 14 foreign visit/ participation in exhibitions benefitting 671 SC/ST MSMEs and 96 SC/ST MSMEs respectively. 38 Special Vendor Development Programmes were also organized participating 1561 MSMEs. In addition, 395 units were rated under Special Performance & Credit Rating Scheme and 80 units were registered/renewed under Single Point Registration Scheme. During 2017-18 (upto December 2017), assistance provided for 73 domestic exhibitions and 14 foreign visit/ participation in exhibitions benefitting 114 SC/ST MSMEs and 88 MSMEs respectively. 54 Special Vendor Development Programmes were also organized participating 1743 MSMEs. In addition, 140 units were rated under Special Performance & Credit Rating Scheme and 294 units were registered/ renewed under Single Point Registration Scheme. Short-term Training Programmes for capacity building of SC/ST entrepreneurs have also been conducted at premier institutions, on pilot basis.

1.4.16.5 Twenty-four State Level conclaves of SC/ST Entrepreneurs are being organized in various parts of the country during the year. 7 States conclaves have already been conducted at Bengaluru, Lucknow, Coimbatore, Faridabad, Kolkata, Agra and Agartala by December 2017.

1.4.16.6 Eighteen State level Conclaves in the second phase under NSSH are also planned to be organized in the rest of the country to take cognizance of various endeavours under taken by Central and State Government to boost entrepreneurship and ensure higher participation of SC/ST entrepreneurs in the supply chain of CPSCs requirement.

Overview of Performance of the MSME Sector

2.1 Role of MSMEs in Indian Economy

2.1.1 The Micro, Small & Medium Enterprises (MSMEs) have been contributing significantly to the expansion of entrepreneurial endeavours through business innovations. The MSMEs are widening their domain across sectors of the economy, producing diverse range of products and services to meet demands of domestic as well as global markets. As per the data available with Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation, the contribution of MSME Sector in country's Gross Value Added (GVA)¹ and Gross Domestic Product (GDP)², at current prices for the last five years is as below:

Table 2-1.: Contribution of MSMEs in Country's Economy at Current Price

(Figures in Rs. Crores adjusted for FISIM³ at current prices)						
Year	MSME GVA	Growth (%)	Total GVA	Share of MSME in GVA (%)	Total GDP	Share of MSME in GDP (in %)
2011-12	2583263	-	8106946	31.86	8736329	29.57
2012-13	2977623	15.27	9202692	32.36	9944013	29.94
2013-14	3343009	12.27	10363153	32.26	11233522	29.76
2014-15	3658196	9.43	11481794	31.86	12445128	29.39
2015-16	3936788	7.62	12458642	31.60	13682035	28.77

Source: Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation

2.1.2. The contribution of Manufacturing MSMEs in the country's total Manufacturing GVO⁴ (Gross Value of Output) at current prices has also remained consistent at about 33%, i.e. one-third during the last five years.

1 Gross Value Added (GVA): It may be noted that estimates of GVA had been prepared at factor cost in the earlier series (base year 2004-05), while these are being prepared at basic prices in the new series (2011-12). GVA estimated by production approach: (GVA = Output - Material Inputs) and GVA estimated by income approach: (GVA = Compensation of Employees + Operating Surplus + CFC)

2 Gross Domestic Product (GDP): GDP is derived by adding taxes on products, net of subsidies on products, to GVA at basic prices.

3 FISIM stands for Financial Intermediation Services Indirectly Measured. In the System of National Accounts it is an estimate of the value of the services provided by financial intermediaries, such as banks, for which no explicit charges are made; instead these services are paid for as part of the margin between rates applied to savers and borrowers. The supposition is that savers would receive a lower interest rate and borrowers pay a higher interest rate if all financial services had explicit charges.

4 Gross Value Output(GVO): Manufacturing Output is defined to include the ex-factory value, (i.e., exclusive of taxes, duties, etc. on sale and inclusive of subsidies etc., if any) of products and by-products manufactured during the accounting year, and the net value of the semi-finished goods, work-in-process, and also the receipts for industrial and non-industrial services rendered to others, value of semi-finished goods of last year sold in the current year, sale value of goods sold in the same condition as purchased and value of electricity generated and sold.

2.2 Performance of the MSME Sector

Performance of Micro, Small & Medium Enterprises (MSME) Sector in India can be assessed mainly by the information from the following sources:

- 2.2.1 Analyzing the findings of the NSS (National Sample Survey), 73rd Round on Unincorporated Non-Agricultural Enterprises in Manufacturing, Trade and Other Services Sectors (Excluding Constructions). This also gives the latest and most comprehensive account of the performance of the MSME Sector as of the estimated number of 633.92 lakh enterprises, only 4000 enterprises were large and thereby out of the MSME Sector. The Report on Key Indicators of the Survey is available at www.mospi.gov.in.
- 2.2.2 Studying the report of the Economic Census conducted by the Central Statistics Office (Report of 6th Economic Census, 2013) available at www.mospi.gov.in and also at www.msme.gov.in. CSO started Economic Censuses for preparing frame of establishments, particularly the 'area frame' which could be used for various surveys for collection of detailed data, mainly on non-agricultural sector of the economy. Six Economic Censuses have been conducted so far in 1977, 1980, 1990, 1998, 2005 and 2013-14. As per the Sixth Economic Census (2013), 58.5 million establishments were found to be in operation. 34.8 million establishments (59.48%) were found in rural areas and nearly 23.7 million establishments (40.52%) were found to be located in urban areas.
- 2.2.3 Studying the results of the periodic All India Census of the MSME Sector. Three All-India Censuses of Small Scale Industries (SSI) were held in 1977, 1988 and 2001-02. The latest census conducted by the Office of the Development Commissioner (MSME) on Micro, Small and Medium Enterprises (MSME) is the Fourth All India Census of MSME held in 2006-07, with base period 2006-07. The final reports of the Fourth All India Census of MSME covering both Registered and Unregistered Sectors, are available on the website of Office of DC, MSME at following link <http://dcmsme.gov.in/data-stat.htm>.
- 2.2.4 Collecting information on new registration of Enterprises, previously done through Entrepreneur Memorandum Part-II (EM-II) filed at DICs till September, 2015. This has subsequently been replaced by self-declared online filing system under Udyog Aadhaar Memorandum at udyogaadhaar.gov.in. A summary of the results based on UAM registration data till 31.12.17 has been given at para 2.5.4.
- 2.2.5 Analysing the information available in MSME Data Bank at <http://www.msmedatabank.infor> which, detail data has been provided by the enterprises on receipt of benefit under various schemes. The objective of the databank is to have one-stop source of information of MSMEs of India, including their, requirement in terms of credit, technology, raw material and marketing, etc. The MIS dashboard of the databank provides real time information on various types of the MSMEs registered on the databank, which is used for public procurement purposes by PSUs for procuring from MSMEs. MSME Development (Furnishing of Information) Rules, 2016 have been notified making it compulsory for MSMEs to give the required information while availing the benefit of grant or subsidy.

2.3. Key Results of NSS 73rd Round Survey (2015-16) on Micro, Small and Medium Enterprises

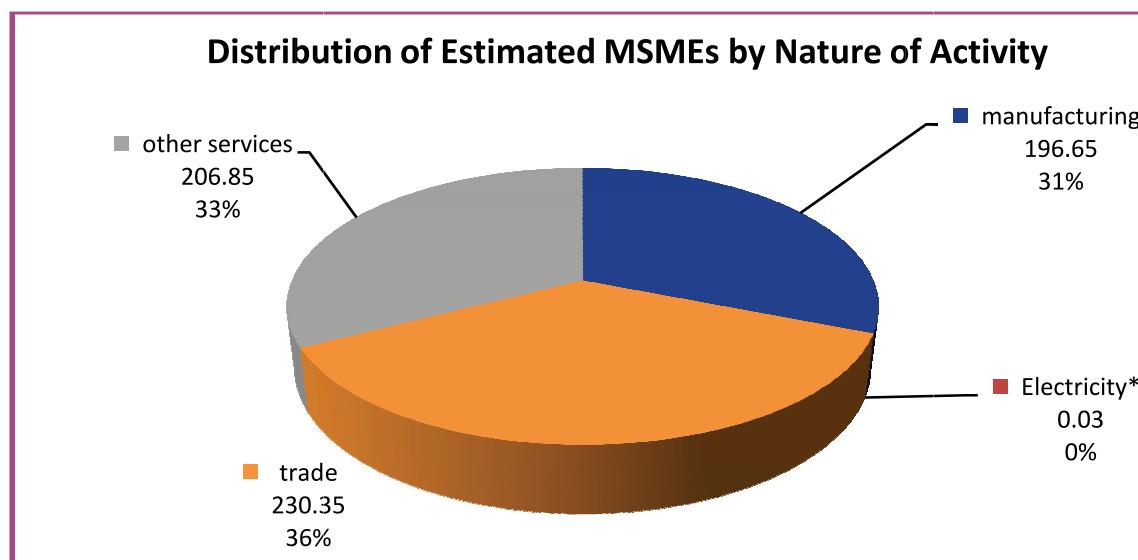
2.3.1. Estimated Number of MSMEs in the Country:

2.3.1.1. As per the National Sample Survey (NSS) 73rd round, conducted by National Sample Survey Office, Ministry of Statistics & Programme Implementation during the period 2015-16, there were 633.88 lakh unincorporated non-agriculture MSMEs in the country engaged in different economic activities (196.64 lakh in Manufacturing, 230.35 lakh in Trade and 206.84 lakh in Other Services and 0.03 lakh in Non-captive Electricity Generation and Transmission,) excluding the MSMEs registered under (a) Sections 2m(i) and 2m(ii) of the Factories Act, 1948, (b) Companies Act, 1956 and (c) Construction activities falling under Section F of National Industrial Classification (NIC) 2008. Table 2-2 and Figure 2-1 shows the distribution of MSMEs activity category wise.

Table 2-2: Estimated Number of MSMEs (Activity Wise)

Activity Category	Estimated Number of Enterprises (in lakh)			Share (%)
	Rural	Urban	Total	
Manufacturing	114.14	82.50	196.65	31
Trade	108.71	121.64	230.35	36
Other Services	102.00	104.85	206.85	33
Electricity*	0.03	0.01	0.03	0
All	324.88	309.00	633.88	100

*Non-captive electricity generation and transmission and distribution by units not registered with the Central Electricity Authority (CEA)



*Non-captive electricity generation and transmission

Figure 2-1 Distribution of Estimated MSMEs (Nature of Activity Wise)

It is seen that 31% MSMEs were found to be engaged in Manufacturing activities, while 36% were in Trade and 33% in Other Services. Again out of 633.88 estimated number of MSMEs, 324.88 lakh MSMEs (51.25%) were in rural area and 309 lakh MSMEs (48.75%) were in the urban areas as is evident from Figure 2-2.

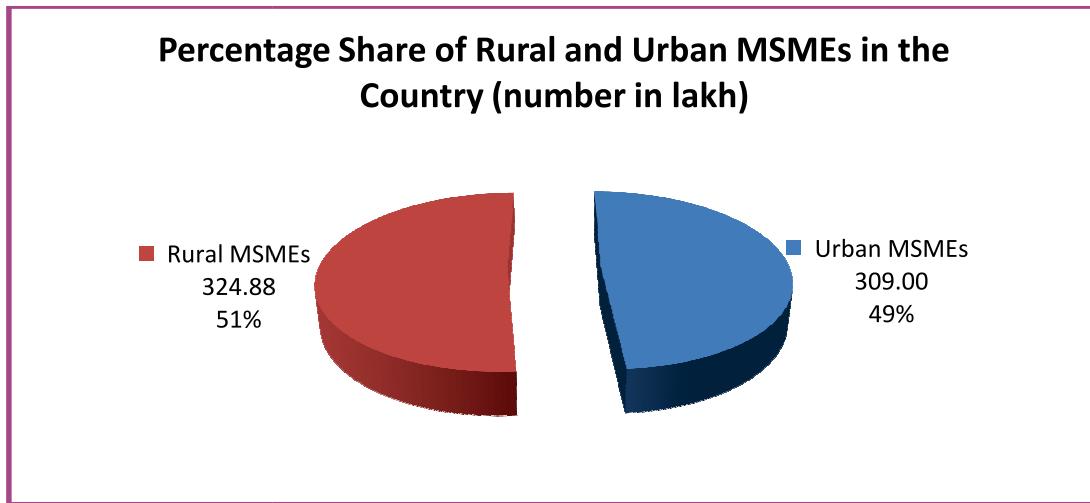


Figure 2-2: Percentage share of rural and urban MSMEs in the country

2.3.1.2. The Micro sector with 630.52 lakh estimated enterprises accounts for more than 99% of total estimated number of MSMEs. Small sector with 3.31 lakh and Medium sector with 0.05 lakh estimated MSMEs accounts for 0.52% and 0.01% of total estimated MSMEs, respectively. Table 2-3 depicts the distribution of different categories of enterprises in rural and urban areas. State-wise estimated number of MSMEs is also enclosed as Annexure-1.

Table 2-3: Distribution of Enterprises Category Wise(Numbers in lakh)

Sector	Micro	Small	Medium	Total	Share (%)
Rural	324.09	0.78	0.01	324.88	51
Urban	306.43	2.53	0.04	309.00	49
All	630.52	3.31	0.05	633.88	100

2.3.2. Type of Ownership of Enterprises

2.3.2.1. Male/ Female Ownership

Out of 633.88 lakh MSMEs, 608.41 lakh (95.98%) MSMEs were proprietary enterprises. There has been overwhelming predominance of male owners in proprietary MSMEs. Thus, for proprietary MSMEs as a whole, male owned 79.63% of enterprises as compared to 20.37% owned by female. There was no significant deviation in this pattern in urban and rural areas, although the dominance of male owned enterprises was slightly more pronounced in urban areas as compared to rural areas (81.58% as compared to 77.76%).

**Table 2-4: Percentage Distribution of Enterprises in rural and urban areas.
(Male/ Female ownership category wise)**

Sector	Male	Female	All
Rural	77.76	22.24	100
Urban	81.58	18.42	100
All	79.63	20.37	100

Further male dominance in ownership has been more pronounced for small and medium enterprises with 95% or more enterprises being owned by them, as compared to micro enterprises where 77.76% were owned by males.

Table 2-5: Percentage distribution of Enterprises by Male/Female Owners

Category	Male	Female	All
Micro	79.56	20.44	100
Small	94.74	5.26	100
Medium	97.33	2.67	100
All	79.63	20.37	100

2.3.3. Ownership of Enterprises Social Category Wise

2.3.3.1. The socially backward groups owned almost 66.27% of MSMEs, though bulk of that can be attributed to OBCs owning in 49.72%. The representation of SC and ST owners in MSME sector was low at 12.45% and 4.10% respectively. In rural areas, almost 73.67% of MSMEs were owned by socially backward groups, of which 51.59% belonged to the OBCs. In urban areas, almost 58.68% belonged to the socially backward groups, of which 47.80% belonged to the OBCs.

Table 2-6: Percentage Distribution of enterprises by social group of owners

Sector	SC	ST	OBC	Others	Not known	All
Rural	15.37	6.70	51.59	25.62	0.72	100.00
Urban	9.45	1.43	47.80	40.46	0.86	100.00
All	12.45	4.10	49.72	32.95	0.79	100.00

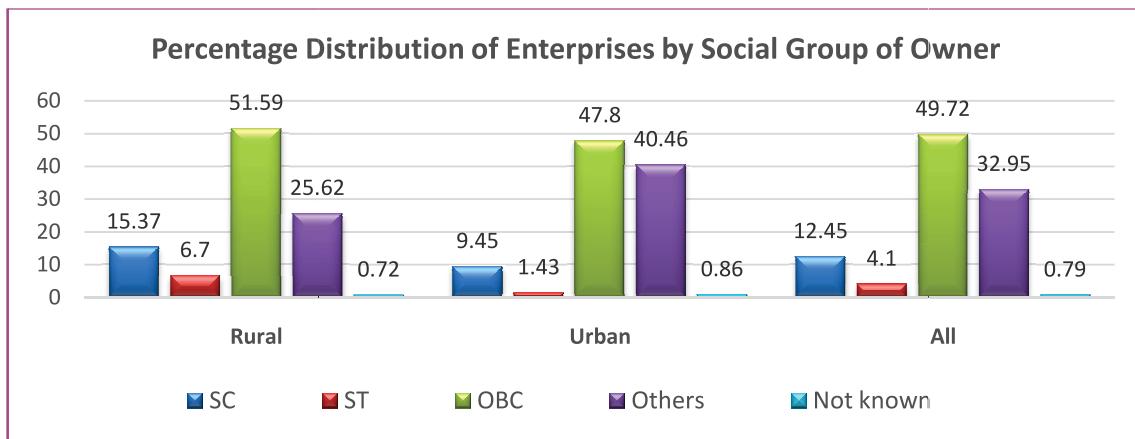


Figure 2-3: Percentage Distribution of Enterprises Social group-wise in Rural/ Urban Areas

2.3.3.2 The analysis of enterprises owned by socially backward groups in each of the three segments of MSME sector reveals that the Micro sector had 66.42% of enterprises owned by socially backward group, whereas Small and Medium sectors had 36.80% and 24.94% of enterprises owned by socially backward groups respectively.

Table 2-7: Percentage Distribution of Enterprises Social Category Wise

Sector	SC	ST	OBC	Others	Not known	All
Micro	12.48	4.11	49.83	32.79	0.79	100
Small	5.50	1.65	29.64	62.82	0.39	100
Medium	0.00	1.09	23.85	70.80	4.27	100
All	12.45	4.10	49.72	32.95	0.79	100

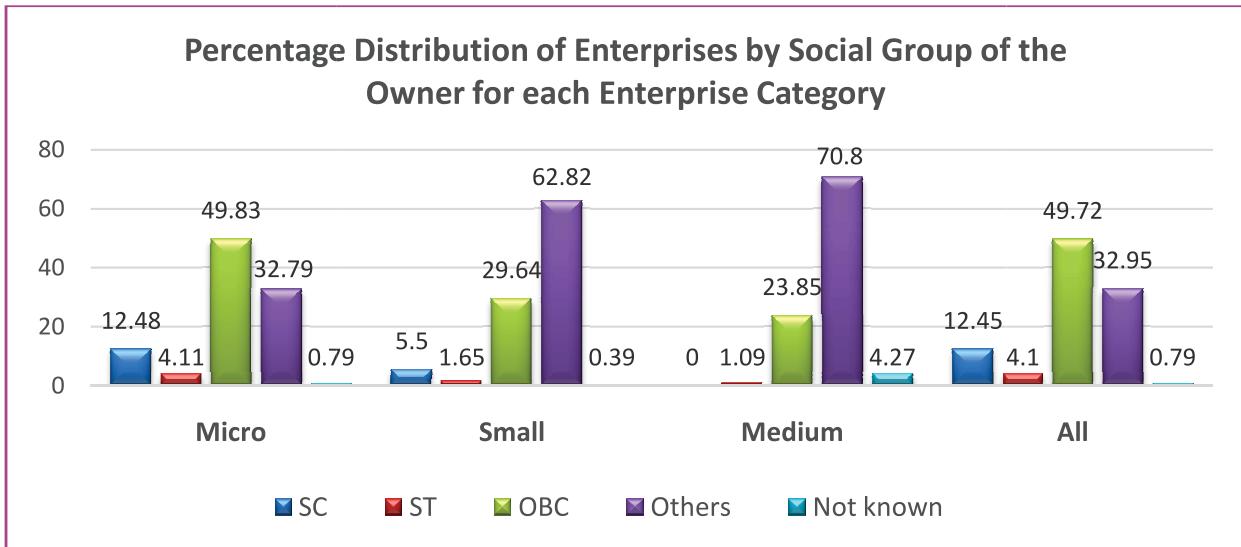


Figure 2-4: Percentage Distribution of Enterprises by Social Group of the Owner and Category of Enterprise

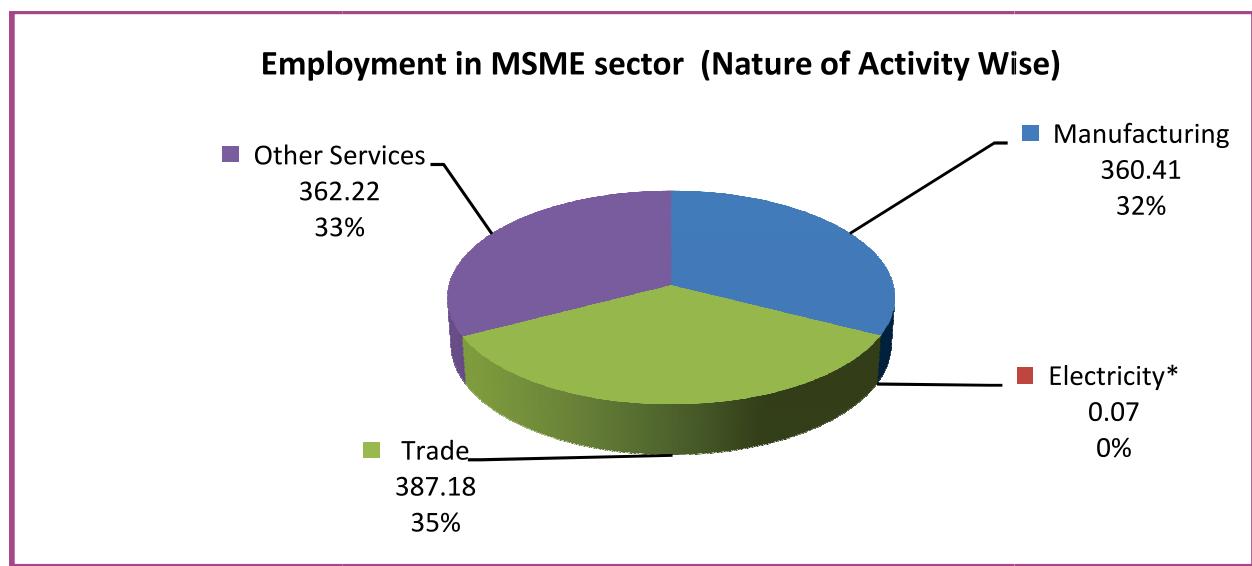
2.3.4 Employment

2.3.4.1 As per the National Sample Survey (NSS) 73rd round conducted during the period 2015-16, MSME sector has been creating 11.10 crore jobs (360.41 lakh in Manufacturing, 387.18 lakh in Trade and 362.82 lakh in Other Services and 0.07 lakh in Non-captive Electricity Generation and Transmission) in the rural and the urban areas across the country. Table 2-10 and Figure 2-9 shows the distribution of MSMEs activity wise.

Table 2-8: Estimated Employment in MSME Sector (Broad Activity Category Wise)

Broad Activity Category	Employment (in lakh)			Share (%)
	Rural	Urban	Total	
Manufacturing	186.56	173.86	360.41	32
Trade	160.64	226.54	387.18	35
Other Services	150.53	211.69	362.22	33
Electricity*	0.06	0.02	0.07	0
All	497.78	612.10	1109.89	100

*Non-captive electricity generation and transmission



*Non-captive electricity generation and transmission

Figure 2-5: Distribution of Employment in the MSME Sector Broad Activity Category wise

2.3.4.2 Micro sector with 630.52 lakh estimated enterprises provides employment to 1076.19 lakh persons, which accounts for around 97% of total employment in the sector. Small sector with 3.31 lakh and Medium sector with 0.05 lakh estimated MSMEs provides employment to 31.95 lakh (2.88%) and 1.75 lakh (0.16%) persons of total employment in MSME sector, respectively. Figure 2-6 and Table 2-9 shows the sectoral distribution of employment in MSMEs. State-wise distribution of employment is given in Annexure-II.

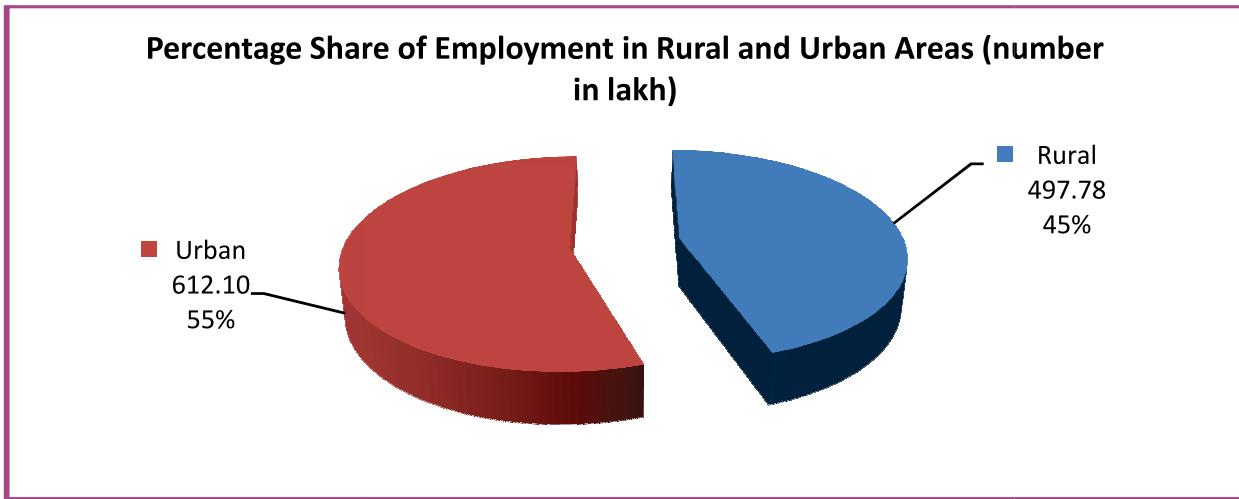


Figure 2-6: Percentage Share of Rural and Urban MSMEs in the Country

Table 2-9: Distribution of Employment in Rural and Urban Areas (Number in lakh)

Sector	Micro	Small	Medium	Total	Share (%)
Rural	489.30	7.88	0.60	497.78	45
Urban	586.88	24.06	1.16	612.10	55
All	1076.19	31.95	1.75	1109.89	100

2.3.4.3 Out of 1109.89 lakh employees in MSME sector, 844.68 (76%) are male employees and remaining 264.92 lakh (24%) are females. The Table 2-10 and Figure 2-7 shows the gender-wise distribution of workforce in MSME sector.

Table 2-10: Sectoral distribution of workers in Male and Female Category (in Lakh)

Sector	Female	Male	Total	Share (%)
Rural	137.50	360.15	497.78	45
Urban	127.42	484.54	612.10	55
Total	264.92	844.68	1109.89	100

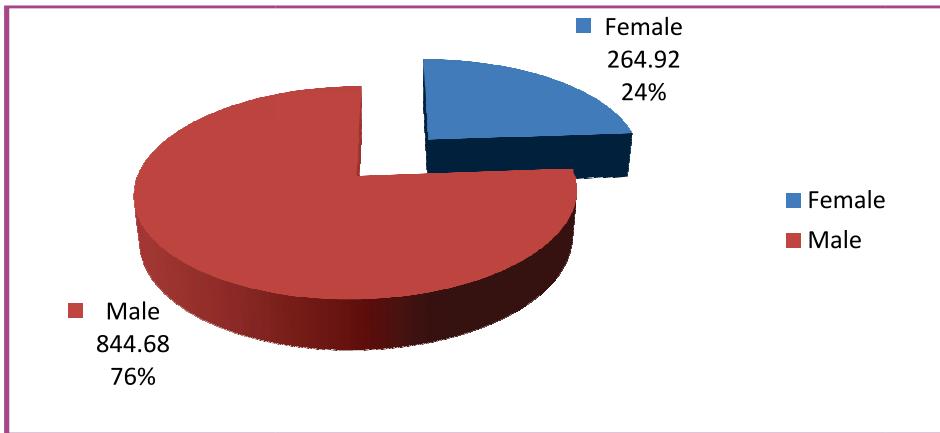


Figure 2-7: Distribution of workers in Male and Female Category



2.3.5 State-wise Distribution of estimated MSMEs

State of Uttar Pradesh had the largest number of estimated MSMEs with a share of 14.20% of MSMEs in the country. West Bengal comes as close second with a share of 14% again. The top 10 States together accounted for a share of 74.05% of the total estimated number of MSMEs in the country. Figure 2-8 and Table 2-11 show the distribution of estimated enterprises in top ten States.

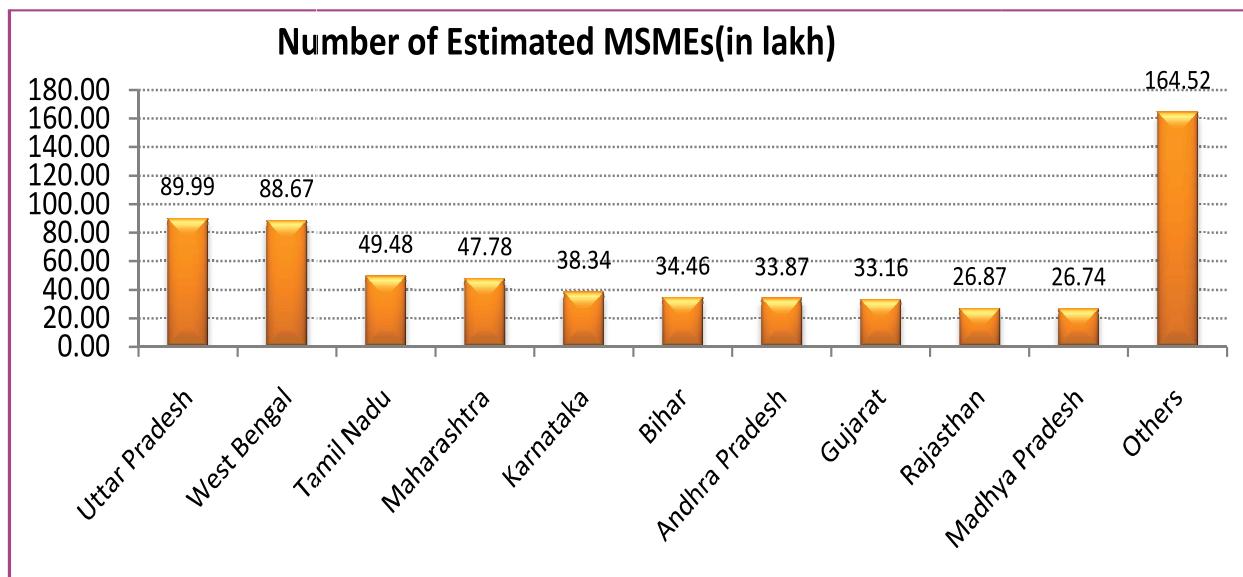


Figure 2-8: Distribution of MSMEs in Top Ten States

Table 2-11: State-wise Distribution of enterprises

Sl. No.	State/UT	Estimate Number of MSMEs	
		Number (in lakh)	Share (in %)
1	Uttar Pradesh	89.99	14
2	West Bengal	88.67	14
3	Tamil Nadu	49.48	8
4	Maharashtra	47.78	8
5	Karnataka	38.34	6
6	Bihar	34.46	5
7	Andhra Pradesh	33.87	5
8	Gujarat	33.16	5
9	Rajasthan	26.87	4
10	Madhya Pradesh	26.74	4
11	Total of above ten States	469.36	74
12	Other State/UTs	164.52	26
13	All	633.88	100

2.4 Comparative Analysis between Fourth All India MSME Census (2006-07) and NSS 73rd Round (2015-16)

Comprehensive information on the MSME Sector can be obtained from both Fourth all India MSME Census was held in 2006-07 and the NSS 73rd Round (2015-16). Being held almost 10 years time gap, a comparison of the two sets of results can capture the growth of the basic parameters of the MSME Sector over a decade.

Table 2-12: Growth of MSMEs (Figures in lakh)

Parameter	NSS 73rd Round [#] , 2015-16	Fourth All India Census of MSMEs, 2006-07	Annual Compound Growth Rate (%)
No. of MSMEs (Total)	633.88	361.76	6.43
Manufacturing	196.65	115.00	6.14
Services	437.23	246.76	6.56
Employment (Total)	1109.89	805.24	3.63
Manufacturing	360.42	320.03	1.33
Services	749.47	485.21	4.95

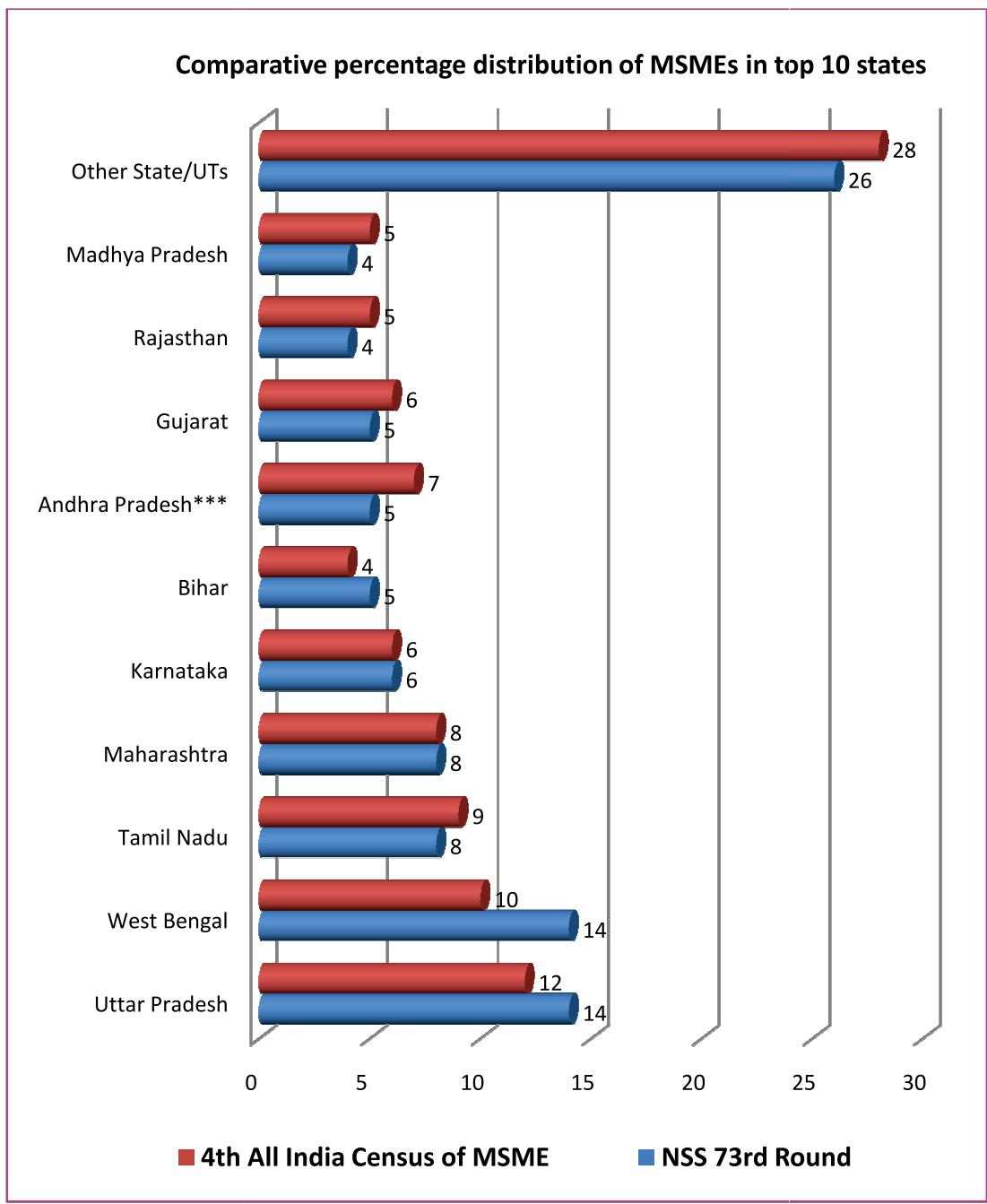
* Service includes Trade, Electricity & Other Services.

2.4.1 Table 2-13 below shows the comparative distribution of MSMEs in the top 10 States.

Table 2-13: Comparative distribution of top ten states between NSS

Sl. No.	State/UT	NSS 73 rd round (2015-16)		Fourth All India Census of MSME (2006-07)	
		Number (in lakh)	Share (%)	Number (in lakh)	Share (%)
1	Uttar Pradesh	89.99	14	44.03	12
2	West Bengal	88.67	14	34.64	10
3	Tamil Nadu	49.48	8	33.13	9
4	Maharashtra	47.78	8	30.63	8
5	Karnataka	38.34	6	20.19	6
6	Bihar	34.46	5	14.70	4
7	Andhra Pradesh**	33.87	5	25.96	7
8	Gujarat	33.16	5	21.78	6
9	Rajasthan	26.87	4	16.64	5
10	Madhya Pradesh	26.74	4	19.33	5
11	Total of top ten States	469.4	74	261.04	72
12	Other State/UTs	164.5	26	100.72	28
13	All	633.9	100	361.76	100

**Including Telangana in Fourth All India Census of MSME



***Including Telangana in Fourth All India Census of MSME

Figure 2-9: Comparative Distribution of MSMEs across States

2.5 Registration of New MSMEs

- 2.5.1 One of the critical indicators to assess the successful development of MSME Sector in an economy is the data on opening of new MSMEs; it depicts the conducive environment for opening and growth of such units in an economy as well as show the high morale of entrepreneurs in the macroeconomics of the economy.

- 2.5.2 Before the MSMED Act, 2006, there was a system of registration by small scale industrial units to the DICs. Subsequently, as per the provisions of the MSMED Act, 2006, MSMEs used to file Entrepreneurs Memorandum (Part-I) at District Industries Centres (DICs) before starting an enterprise. After commencement of production, the entrepreneur concerned used to file Entrepreneurs Memorandum (Part-II) / [EM-II]. A total of 21,96,902 EM-II filings had taken place between 2007 and 2015. Analyses of information from EM-II filings is provided at: <http://www.dcmsme.gov.in/publications/EMII-2014-15.pdf>.
- 2.5.3 Since September, 2015, in view of promoting ease of business, an online filing system under Udyog Aadhar Memorandum (UAM) based on self-declared information has been put in place. Till end of December, 2017, 38.99 lakh MSMEs have already registered on UAM, the detailed information on which is available at: <http://udyogaadhaar.gov.in/UA/UdyogAadhar-New.aspx>.
- 2.5.4 An analysis of UAM filings also provides a break-up of manufacturing and services MSMEs. It may be noted that the services MSMEs comprise a larger proportion of UAM filings than those involved in manufacturing. The break-up is provided in Figure 2-10.

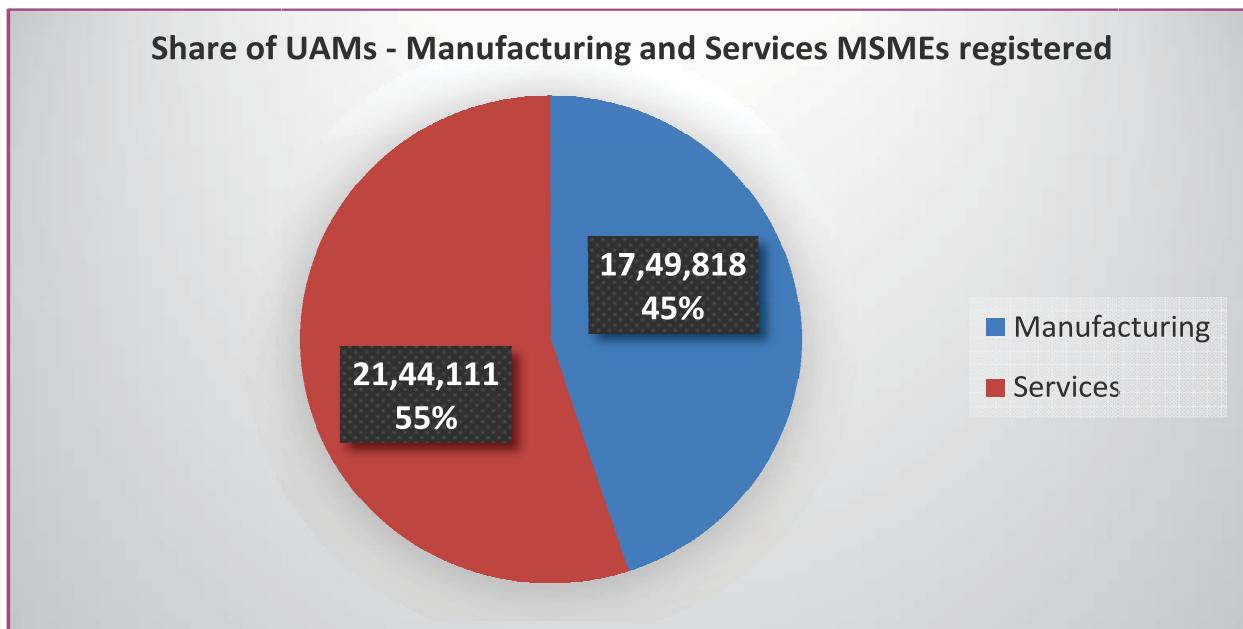


Figure 2-10: Share of UAM filings - Manufacturing and Services

- 2.5.5 Figure 2-11 shows the distribution of Micro, Small and Medium enterprises within the total number of UAM filings. As can be seen, Micro enterprises constitute the vast majority of the enterprises (90%) who have filed UAMs since 2015, while the remaining are mostly Small Enterprises (10%) with Medium enterprises constituting less than 0.5% of the total UAMs filed.

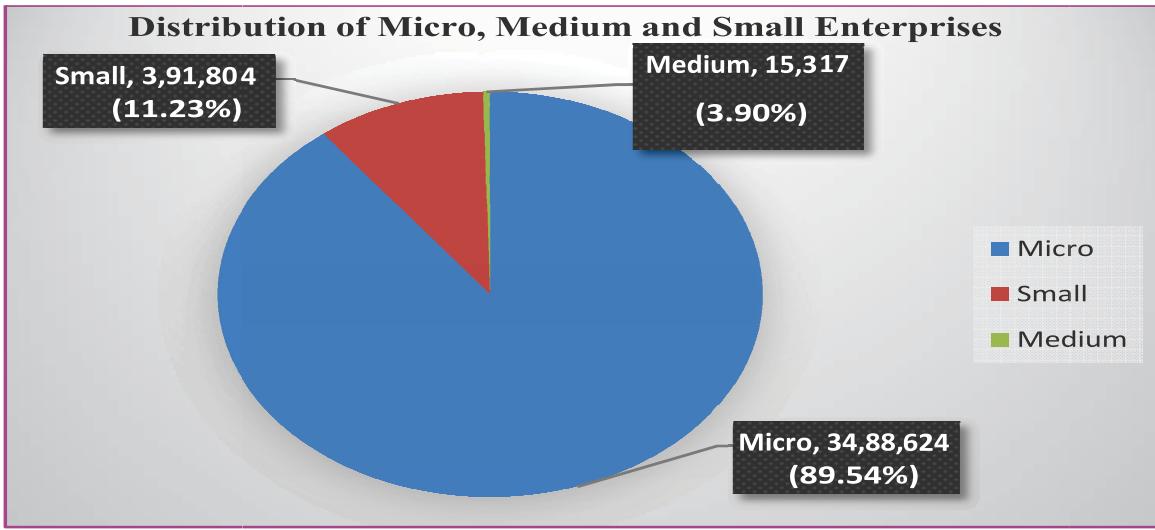


Figure 2-11: Distribution of Micro, Small and Medium Enterprises as per UAM filings

- 2.5.6 UAMs also collect information regarding the social category of owners of enterprises. Figure 2-12 shows the distribution of SCs, STs and OBCs who have filed UAMs since 2015.

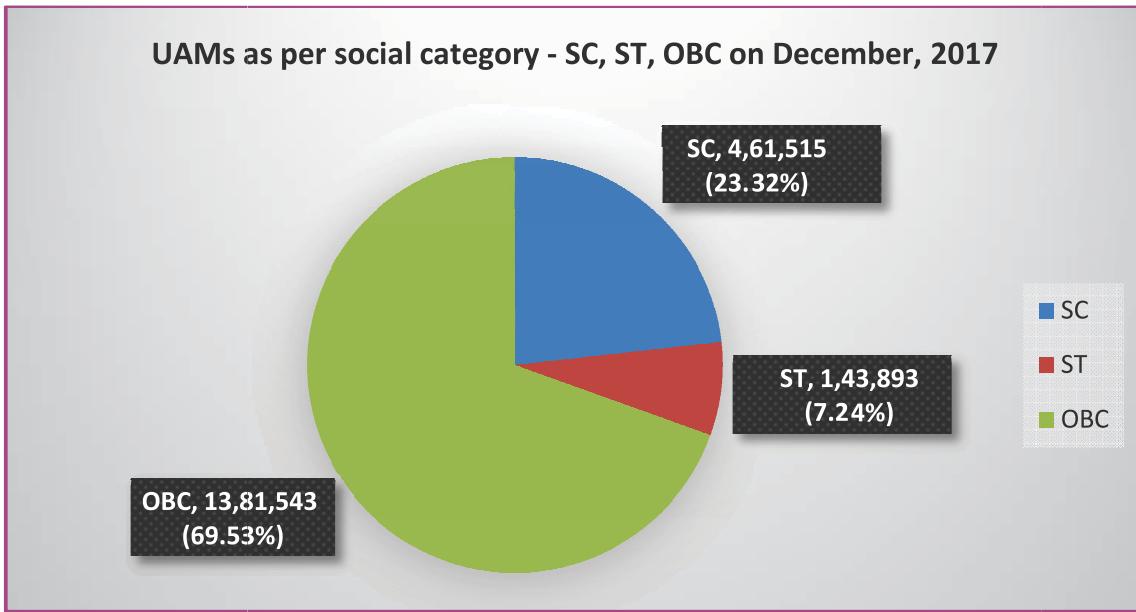


Figure 2-12: UAMs as per social category - SC/ST/OBC

- 2.5.7 An analysis of the UAM filings shows the geographical spread of UAMs as uneven. Figure 2-13 shows the geographical distribution of UAMs across all Indian States and Union Territories. Encouraging more equitable growth within the MSME sector also remains an important challenge for the Ministry, and various steps are being taken to address the same.

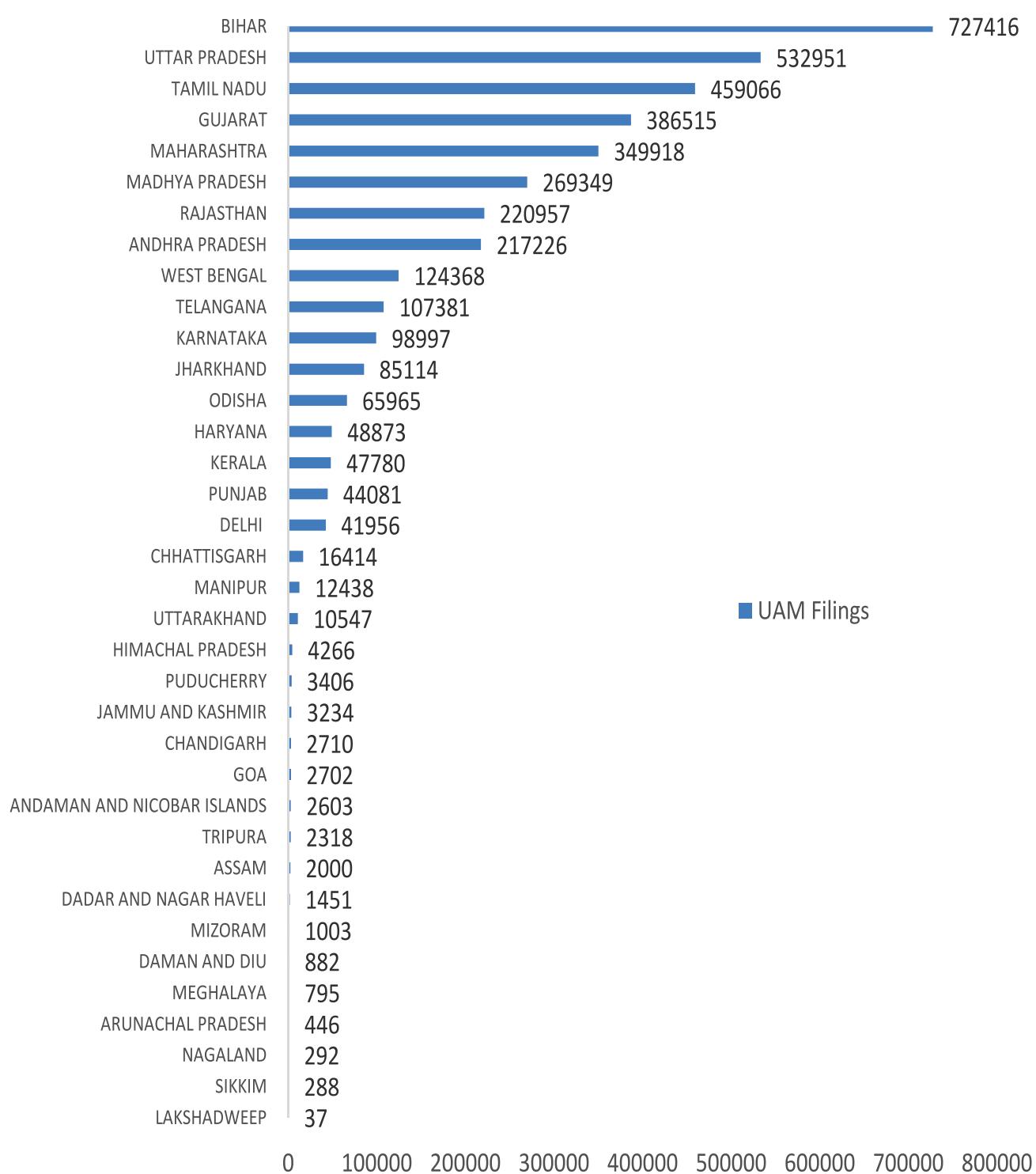


Fig 2-13 : State-wise distribution of UAM filings

Table 1: State-wise Distribution Estimated Number of MSME (NSS 73rd Round)

Sl. No.	State/UT	Estimated number of enterprises (Number in lakh)			
		Micro	Small	Medium	MSME
1	Andhra Pradesh	33.74	0.13	0.00	33.87
2	Arunachal Pradesh	0.22	0.00	0.00	0.23
3	Assam	12.10	0.04	0.00	12.14
4	Bihar	34.41	0.04	0.00	34.46
5	Chhattisgarh	8.45	0.03	0.00	8.48
6	Delhi	9.25	0.11	0.00	9.36
7	Goa	0.70	0.00	0.00	0.70
8	Gujarat	32.67	0.50	0.00	33.16
9	Haryana	9.53	0.17	0.00	9.70
10	Himachal Pradesh	3.86	0.06	0.00	3.92
11	Jammu & Kashmir	7.06	0.03	0.00	7.09
12	Jharkhand	15.78	0.10	0.00	15.88
13	Karnataka	38.25	0.09	0.00	38.34
14	Kerala	23.58	0.21	0.00	23.79
15	Madhya Pradesh	26.42	0.31	0.01	26.74
16	Maharashtra	47.60	0.17	0.00	47.78
17	Manipur	1.80	0.00	0.00	1.80
18	Meghalaya	1.12	0.00	0.00	1.12
19	Mizoram	0.35	0.00	0.00	0.35
20	Nagaland	0.91	0.00	0.00	0.91
21	Odisha	19.80	0.04	0.00	19.84
22	Punjab	14.56	0.09	0.00	14.65
23	Rajasthan	26.66	0.20	0.01	26.87
24	Sikkim	0.26	0.00	0.00	0.26
25	Tamil Nadu	49.27	0.21	0.00	49.48
26	Telangana	25.94	0.10	0.01	26.05
27	Tripura	2.10	0.01	0.00	2.11
28	Uttar Pradesh	89.64	0.36	0.00	89.99
29	Uttarakhand	4.14	0.02	0.00	4.17
30	West Bengal	88.41	0.26	0.01	88.67
31	A & N Islands	0.19	0.00	0.00	0.19
32	Chandigarh	0.56	0.00	0.00	0.56
33	Dadra & Nagar Haveli	0.15	0.01	0.00	0.16
34	Daman & Diu	0.08	0.00	0.00	0.08
35	Lakshadweep	0.02	0.00	0.00	0.02
36	Puducherry	0.96	0.00	0.00	0.96
ALL		630.52	3.31	0.05	633.88

Table 2: State-wise Estimated Number of Employees (NSS 73rd Round)

Sl. No.	State/UT	Employment (Number in lakh)		
		Female	Male	Total
1	Andhra Pradesh	21.01	34.98	55.99
2	Arunachal Pradesh	0.11	0.29	0.41
3	Assam	1.78	16.37	18.15
4	Bihar	4.79	48.26	53.07
5	Chhattisgarh	4.07	12.79	16.86
6	Delhi	2.41	20.59	23.00
7	Goa	0.41	1.20	1.60
8	Gujarat	13.71	47.44	61.16
9	Haryana	2.78	16.27	19.06
10	Himachal Pradesh	1.13	5.29	6.43
11	Jammu & Kashmir	1.50	9.37	10.88
12	Jharkhand	5.57	19.34	24.91
13	Karnataka	19.73	51.11	70.84
14	Kerala	13.77	30.86	44.64
15	Madhya Pradesh	10.13	38.61	48.80
16	Maharashtra	17.97	72.77	90.77
17	Manipur	1.40	1.52	2.92
18	Meghalaya	0.72	1.19	1.91
19	Mizoram	0.28	0.34	0.62
20	Nagaland	0.59	1.18	1.77
21	Odisha	8.37	24.87	33.26
22	Punjab	4.24	20.55	24.80
23	Rajasthan	8.01	38.31	46.33
24	Sikkim	0.14	0.31	0.45
25	Tamil Nadu	32.27	64.45	96.73
26	Telangana	15.24	24.91	40.16
27	Tripura	0.44	2.51	2.95
28	Uttar Pradesh	27.27	137.92	165.26
29	Uttarakhand	0.69	5.91	6.60
30	West Bengal	43.51	91.95	135.52
31	A & N Islands	0.10	0.29	0.39
32	Chandigarh	0.12	1.17	1.29
33	Dadra & Nagar Haveli	0.07	0.29	0.36
34	Daman & Diu	0.02	0.12	0.14
35	Lakshadweep	0.01	0.02	0.03
36	Puducherry	0.57	1.27	1.84
ALL		264.92	844.68	1109.89

Statutory bodies, and other bodies under the MSME Ministry

3.1. Khadi Village Industries Commission (KVIC)

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.

3.1.1 Objectives:

The main objectives of KVIC include:-

- The social objective of providing employment in rural areas;
- The economic objective of producing saleable articles; and
- The wider objective of creating self-reliance amongst people and building up a strong rural community spirit.

3.1.2 Functions:

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

- i. to plan and organize 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.

3.1.3 Organisation:

3.1.3.1 The Commission functions with its Head Office at Mumbai and six Zonal Offices located at New Delhi; Bhopal; Bangalore; Kolkata; Mumbai and Guwahati and 46 Field Offices spread all over the country.

3.1.3.2 The organization design of the KVIC is as given below:

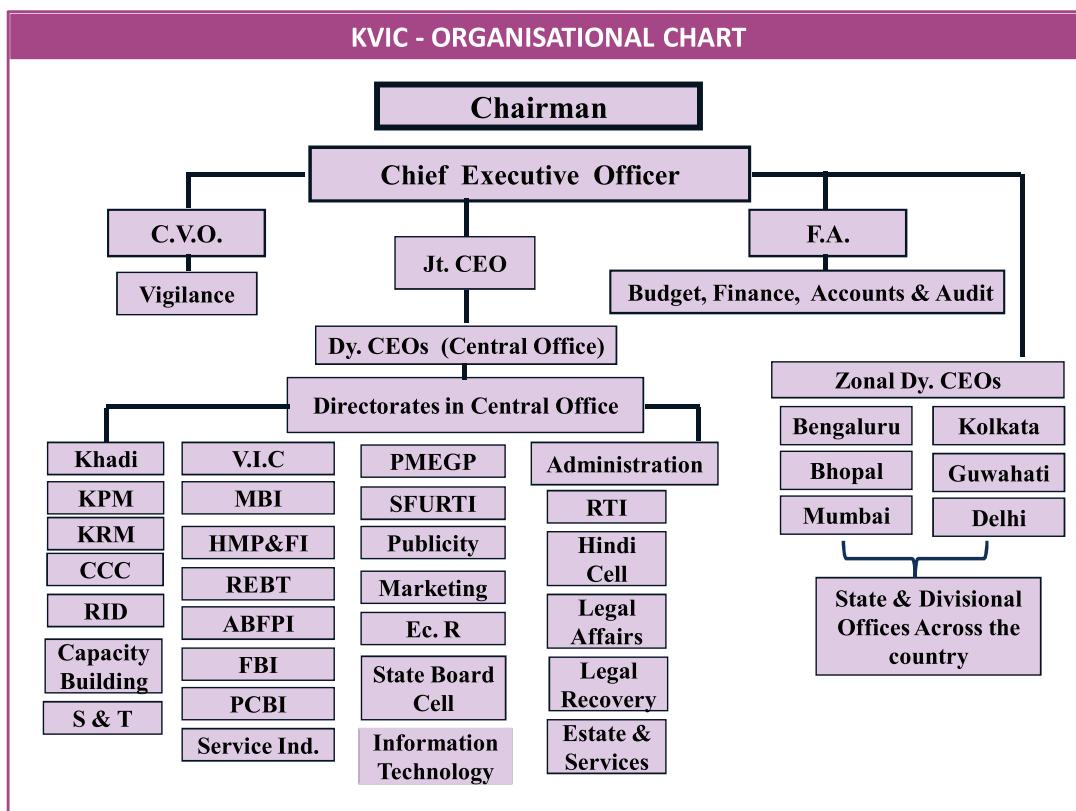


Figure 3-1: Organisation Chart of KVIC

3.1.3.3 KVIC undertakes training activities through its 38 departmental and non-departmental training centres. Marketing of KVI product produced by Khadi & Village Industries institutions and units, Khadi Gramodyog Bhandar and Bhavans, run by KVI institutions done through 8058 sale outlets in different parts of the country. KVIC also operates 07 DSOs to market KVI products of KVI institutions/ NGOs and entrepreneurs.

3.1.3.4 Khadi and Village Industries (KVI) programmes are implemented through 34 State/Union Territories (UTs) Khadi and Village Industries Boards (KVIBs); 4601 registered institutions, Banks/Financial institutions. The Khadi programme is implemented through institutions registered either with KVIC or State/UT KVIBs.

3.1.4 Khadi Sector in India:

3.1.4.1 Khadi activity is considered as potential tool for creation of employment opportunities at the doorstep of rural artisans at very low capital investment. Immediately after independence, Khadi and Village productivity became the grand symbol of nationalism. As such, Khadi came to be known not just as a piece of cloth, but as a symbol of freedom and self-reliance.

3.1.4.2 Production of Khadi and polyvastra is by far the largest rural productivity programme in the world. It provides the rural communities a high value for their effort while providing the consumers value for money. KVIC is a statutory organization tasked with the role of promoting the production and sale of Khadi. Over 2375 institutions form the vast network that is implementing the objective and programmes of KVIC in India. Over 4.56 lakh people are engaged in their activities under KVIC, a majority of which (over 70 percent) are women.

3.1.4.3 Khadi is the unique programme of KVIC and a potent tool for creation of employment at the artisans' doorstep being implemented by 2375 Khadi Institutions. The assistance provided through Market Development Assistance (MDA) and Interest Subsidy Eligibility Certificate (ISEC) Scheme are enabling Khadi institutions to provide employment opportunities to 4.56 lakh traditional artisans living in the rural areas.



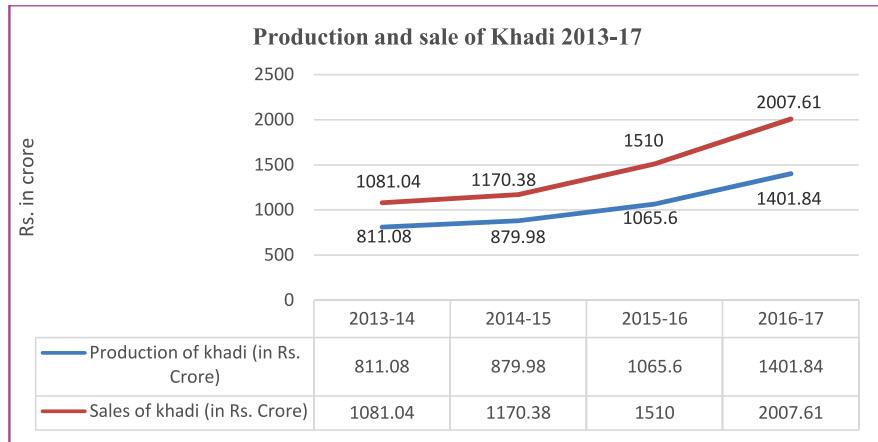


Figure 3-2: Production of Khadi 2013-17 (KVIC Annual Report)

3.1.4.4 Khadi production and sales have grown consistently over the past five years, from production of Rs. 879.98 crore in 2014-15 to Rs 1401.84 crore in 2016-17. Similarly, sales of Khadi have shown growth from Rs. 1170.38 crore in 2014-15 to Rs 2007.61 crore in 2016-17.

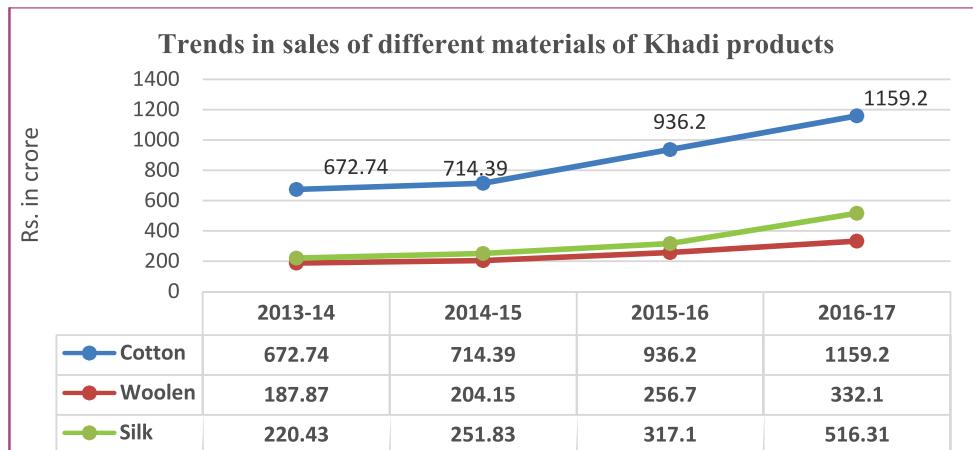


Figure 3-3: Trends in sales of different materials of Khadi (KVIC Annual Report)

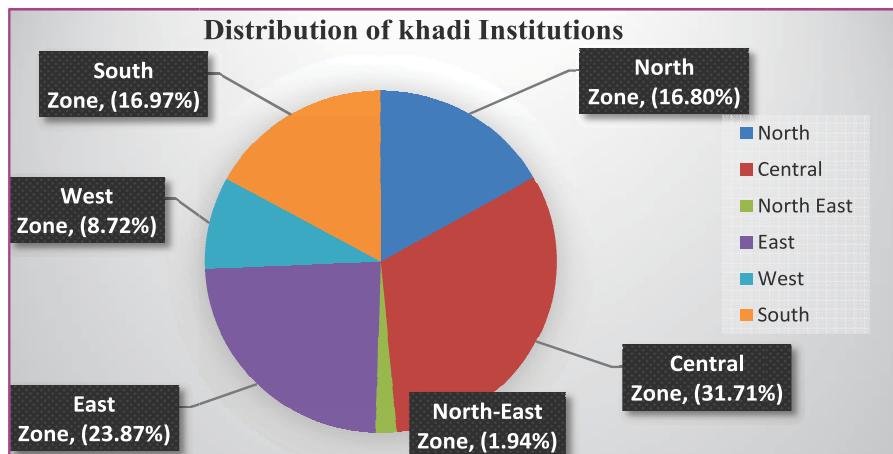


Figure 3-4: Distribution of khadi institutes (KVIC)

3.1.4.5 There is a total of 2375 khadi institutions in the country that employ a total of 4,56,000 artisans (complete details are available online at: <http://www.kviconline.gov.in/claims/artisanData/index.jsp>). The majority of khadi institutes are situated in the Central part of the country (Figure 3-4).

3.1.4.6 Village industries have shown consistent growth over the past few years. Production and sales have grown consistently from total production worth Rs. 26689.39crores in 2014-15, the number stood at Rs 41110.26 crore in 2016-17. Similarly, sales of goods produced by village industries have shown growth from Rs. 31865.52 crores in 2014-15 to Rs. 49991.61crores in 2016-17. Village industries comprise seven different sectors. These are:

Sl. No.	Classification	Industries
1	Mineral Based Industry	Pottery Lime
2	Agro Based & Food Processing Industry (ABFPI)	Pulses & Cereals Processing Industry Gur & Khandsari Industry Palmgur Industry Fruit & Vegetable Processing Industry Village Oil Industry
3	Polymer & Chemical Based Industry (PCBI)	Leather Industry Non Edible Oils & Soap Industry Cottage Match Industry Plastic Industry
4	Forest Based Industry (FBI)	Medicinal Plants Industry Bee Keeping Industry Minor Forest Based Industries
5	Hand Made Paper & Fibre Industry (HMPFI)	Hand Made Paper Industry Fibre Industry
6	Rural Engineering & Bio Technology Industry (REBTI)	Non-Conventional Energy Carpentry & Blacksmithy Electronics
7	SEP/Service Industry	

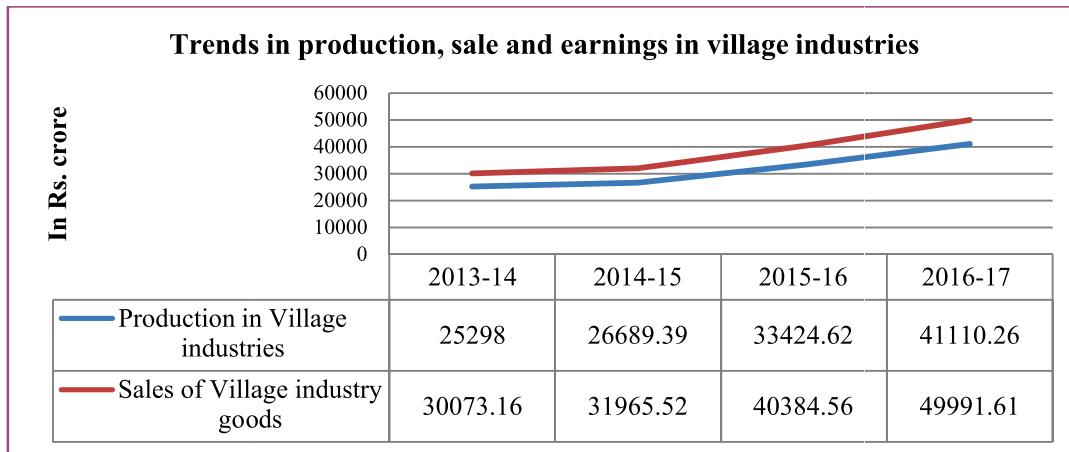


Figure 3-5: Trends in production, sale and earnings in village industries (KVIC Annual Report)



Village industry Products marketed by KVIC

3.1.5 Recent strategic initiatives by KVIC to promote khadi:

Recent Strategic initiatives by KVIC have been taken to promote production and sale at units stand all over India for Khadi & Village industries:

(A) New Initiatives:

- Liberal policy has been adopted to fix the target of production and sales of Khadi Institutions.
- Under SAHYOG Yojana, KVIC has collected Rs. 1.00 crore to distribute Charkha among poor artisans.

- In Kaziranga, 100 displaced persons have been rehabilitated and provided with 25 Charkhas and 5 Looms.
- Under CSR, Rs. 5.30 crore has been provided by Rural Electrification Corporation (REC) which has generated employment opportunity for 1000 artisans.
- 500 new model eight-spindle charkhas were gifted to the women spinners of nine State of the Country to enhance the productivity and their wages.
- In order to make Khadi easily available including designer products to its patrons, KVIC has taken the initiative to open premier Khadi Showrooms known as 'Khadi Lounge' such types of lounges have been opened at Jaipur, Mumbai and New Delhi.
- KVIC sold coupons to ONGC and organized special Exhibition, for sales of Khadi to 35,000 employees of ONGC across the country.
- The largest Charkha has been established at IGI Airport, New Delhi.
- Premium sales outlets have been opened at Lucknow, Delhi, Visakhapatnam, Airports to augment sale of the premium Khadi products.
- Two sales outlets under "Franchisee Schemes" have been opened at Pune and Tirumala to increase the Khadi and V.I. products produced by KVI units.



Secretary, MSME, Shri Arun Kumar Panda, the Chairman, KVIC, Shri V.K. Saxena and the J.S. & CEO, KVIC, Shri B.H Anil Kumar in a meeting with the CEOs of retail chains and designer conference, in Mumbai on November 16, 2017.

(B) Other initiatives by KVIC

- An online application system has been made operational for disbursement of Market Development Assistance (MDA) scheme to Khadi Institutions and artisans.

- KVIC has started Registration of new institutions online for undertaking Khadi activities by the new entities.
- KVIC has entered an agreement with M/s Raymonds Ltd. and M/s Aditya Birla Fashion &Retails Ltd. and given Khadi Mark Registration Certificate for Marketing of Khadi Products.
- Institutions are being given full freedom to increase their level of production as well as sales by optimum utilization of all their resources.
- The payment of MDA and Interest Subsidy under ISEC to Khadi Institutions and incentives to Khadi Artisans are being paid online on DBT mode in their Bank Account.
- **Research and Development** -KVIC undertakes research and development activities to continuously explore and implement in the area of technology by providing scientific input to needy institutions with an objective to increase the productivity and quality of the product through Mahatma Gandhi Institute of Rural Industrialization (MGIRI) Wardha, IIT, Delhi & IIT, Chennai etc.
- **Registration of New Khadi Institutions** - KVIC has enlisted/ registered new institutions with a view to enhancing production. 62 such new khadi institutions were registered in 2016-17.
- **Artisan Welfare Fund Trust (AWFT)** - Artisan Welfare Trust is run by khadi institutions in states. Membership in AWFT is mandatory for all Khadi institutions, So far, 2086 Khadi institutions have taken membership of these Trusts.

3.1.6 Marketing activities

- Three new sales outlets/ Lounge “Khadi India” have been established in Jaipur, Mumbai and New Delhi.
- Sales outlets established at Airport in Lucknow and Vishakhapatnam.
- KVIC also taken steps to develop its market by convergence with Corporate, PSUs, Ministries.
- Khadi Denim Products continued to make Khadi fabrics and apparels appealing to the youth as a symbol of ‘Swadeshi Khadi Fashion’.
- KVIC has taken the path breaking initiative to open up premier Khadi Showrooms to make available premier Khadi designer products in sophisticated showrooms through the KVIC Franchise Outlets in 15 selected cities to market the KVI products produced by entrepreneurs/institutions.



3.1.7 Implementation of MSME schemes

KVIC is an implementing\ nodal agency for schemes initiated by the MSME Ministry. Given below is a list of schemes being implemented by KVIC.

Table 3-1: Major Schemes being implemented by KVIC

S.No	Scheme	KVIC Activities
1.	Workshed Scheme for Khadi Artisans	Financial assistance for construction of work sheds is provided to khadi artisans to BPL category through the Khadi institutions with which the khadi artisans are associated. 39715 artisans were assisted under the scheme from inception including 3272 beneficiaries during 2016-17.
2	Strengthening Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure	This scheme was formulated in order to facilitate the need-based support towards the Khadi sector for nursing the sick/ problematic institutions, and institutions 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. Under this scheme, financial assistance has been provided to 35 weak Khadi institutions for strengthening their infrastructure and for renovation of selected 117 khadi sales outlets during the year 2016-17.

S.No	Scheme	KVIC Activities
3.	Khadi Reform and Development Programme (KRDp)	<p>Department of Economic Affairs, Ministry of Finance has tied up financial aid from Asian Development Bank (ADB) amounting to US\$150 million over a period of three years w.e.f February, 2010 for implementing a comprehensive Khadi Reform Programme worked out in consultation with ADB and KVIC.</p> <ul style="list-style-type: none"> • Gazette notification for Khadi Mark Regulation issued in July, 2013 • The loan was restructured with an amount USD 105 and timeline upto 31.12.2017. • Direct Reform Assistance (DRA) under KRDp is provided to 327 Khadi institutions and provided assistance to 100 Khadi institutions including both normal and special category up to 31.03.2017. • 2163 KIs have obtained Khadi Mark Certificate. • 18324 NMC and 4561 improved Looms have been sanctioned to 327 KIs, and procured 8628 NMC and 1532 improved looms including Traditional by the 100 KIs under KRDp and provided employment to the artisans i.e. spinners & weavers under this programme. • 3508 persons inclusive of spinners/weavers and staff have been trained under various disciplines. • 197 Sales outlets have been renovated by the KIs
4.	Interest Subsidy Eligibility Certificate (ISEC) Scheme	<p>Govt. of India launched the Interest Subsidy Eligibility Certificate (ISEC) Scheme in 1977-78 for Khadi Institutions to mobilize additional requirements of fund from the Financial Institutions/ Banks. ISEC Scheme is the major source of funding for the Khadi and Polyvastra Programme.</p> <ul style="list-style-type: none"> • The ISEC Scheme is applicable for all registered Khadi institutions under KVIC/ KVIB implementing Khadi and Polyvastra programme. Under the scheme, credit at the concessional rate of Interest of 4% per annum is given for working Capital (WC) as per the requirement of KVI institutions. The difference between the actual lending rate and 4% is paid by the Central Government through the Khadi & Village Industries Commission (KVIC) to the lending Banks and the funds for this purpose are provided under the Khadi grant or V.I grant heads to KVIC. Details are given in Chapter-4.

S.No	Scheme	KVIC Activities
5.	MPDA	During 2016-17 Rs. 327.04 crore have been disbursed by KVIC to Khadi Institutions and incentive to Khadi artisans towards MDA (khadi) during 2016-17. Details are given in Chapter-4.
6.	Aam Admi Bima Yojana	Aam Admi Bima Yojana (erstwhile Khadi Karigar Jana Shree Bima Yozana) is a group Insurance Scheme for the benefit of Khadi artisans covering natural death, death and permanent/partial disability due to accident. The Scheme also offers educational scholarship for upto two children of Khadi artisan who are studying in IXth Std. to XIIth Std. including ITI @ Rs. 300/-per quarter without any additional premium. Details are given in Chapter-4.

3.1.8 Growth in the Khadi industry

Khadi and Village Industries activities are the key source of livelihood for rural and urban people who largely include spinners, weavers and other artisans spread across the country. The comparative performance of KVIIs during 2014-15, 2015-16 and 2016-17 is given in the table below, and shows robust growth.

Table 3-2: Comparative performance of Khadi and Village Industries

(Rs. In crore, Employment: In lakh persons)

S. No.	Industry	2014-15	2015-16	2016-17	2017-18 (upto 31.12.2017)
I.	Production				
A.	Khadi	879.98	1065.60	1520.83*	1069.46*
B.	Village	26689.39	33424.62	41110.26	44656.23
	Total	27569.37	34490.22	42631.09	45725.69
II.	Sales				
A.	Khadi	1170.38	1510.00	2146.60*	1326.33*
B.	Village	31965.52	40384.56	49991.61	54424.07
	Total	33135.90	41894.56	52138.21	55750.40
III.	Employment				
A.	Khadi	11.06	11.07	4.56*	4.56*
B.	Village	123.19	126.76	131.84	133.23
	Total	134.25	137.83	136.40	137.79

*Polyvastra figures included in khadi during 2016-17 & 2017-18



KVIC started “Sweet Kranti” from Rashtrapati Bhavan in the august presence of Hon’ble President, Shri Ram Nath Kovind on the occasion of “World Honey Bee Day” On 19.08.2017.

3.1.9 Challenges faced by Khadi Sector:

- The biggest challenge for Khadi is from the handloom, mill made, branded ethnic segment on the one hand and from counterfeit, spurious, look-alike products being sold as khadi all across the country.
- Khadi being a product known for its rich heritage and emotional value also throws open the entire ethnic ware segment to be flooded with products and brands. Developing market oriented, modern products equipped for fashion conscious youth is a challenge to be met, as well as an opportunity to be cashed on.
- Steady sale and higher returns are essential to remunerate the artisans well on time and also a steady increase in wages is a must to keep the artisans in the stream.
- Modernization of equipment and operations of the Khadi Institutions and renovation of stores are the other big challenges.

3.1.10 Budgetary support to KVIC

3.1.10.1 The Ministry of (MSME) provides funds to KVIC for undertaking its various activities under Plan. These funds are provided primarily by way of grants and KVIC in turn re-allocates fund to its implementing agencies, namely the State KVIbs; institutions registered under the Societies Registration Act, 1860 and cooperative societies registered under the Cooperative Acts of the State Governments, District Industries Centres, etc. The Commission’s administrative expenditure including pension payments is met out of Non-plan Government budgetary support.

3.1.10.2 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 Estimate 2017-18 are given in the following Table:

TABLE 3-3: Budgetary Support to KVIC (Rs.crore)

Year	Allocation (R.E)		Funds Released	
	Plan	Non- Plan	Plan	Non- Plan
2014-15	1452.00	229.09	1384.40	227.31
2015-16	1579.65	244.71	1520.49	244.18
2016-17	1647.40	258.74	1591.08	258.74
2017-18 (B.E)	1866.68		1522.55	

NOTE: 2017-18 figures are upto 31st December 2017.

3.2 Coir Board

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.

3.2.1 Objective

3.2.1.1 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 is the best example of producing beautiful artifacts, handicrafts and utility products from coconut husks which is otherwise a waste. The coir industry employs more than 7.00 lakh persons of whom a majority are 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. The Coir Board is tasked with promoting the overall development of the coir industry and improvement of the living conditions of the workers engaged in this traditional industry.

3.2.2 Functions

The functions of the Coir Board for the development of coir industry, inter-alia, include:

- Promoting exports of coir yarn and coir products and carrying on propaganda for that purpose.
- Regulating under the supervision of the Central Government the production of husks, coir yarn and coir products by registering coir spindles and looms for manufacturing coir products as also manufacturers of coir products.
- Undertaking, assisting or encouraging scientific, technological and economic research and maintaining and assisting in the maintenance of one or more research institutes;

- Collecting statistics from manufacturers of and dealers in coir products and from other persons as may be prescribed, on any matter relating to the coir industry and the publication of statistics so collected.
- Fixing grade standards are arranged when necessary for inspection of fibre, coir yarn and coir products.
- Improving the marketing of coconut husk, coir fibre, coir yarn and coir products in India and elsewhere and preventing unfair competitions;
- Setting up or assisting in the setup of factories for the producers of coir products with the aid of power.
- Promoting co-operative organization among producers of husks, coir fibre and coir yarn and manufactures of coir products.
- Ensuring remunerative return to producers of husks coir fibre and coir yarn and manufacturers of coir products;
- Advising on all matters relating to the development of the coir industry.

3.2.3 Organisation

The Govt. of India vide Gazette Notification No. S.O 2677(E) dated 30.9.2015 reconstituted the Board with 18 members for a period of 3 years. Vide Gazette Notification No. S.O. 3284 (E) dated 24th October, 2016 amendment has been made to the above notification and appointed one more Member to the Board under category (e) for a period up to 29th Sept. 2018. Further, the Govt. of India vide Gazette Notificaion No.S.O.3351(E) dated 16.10.2017, amended the Notification Number S.O.2677(E) dated 30th September, 2015, and 10 more members were appointed to the Board under Category (b), (c),(d) and (g) for a period up to 29th September, 2018.

- Sri. C.P Radhakrishnan, Ex- Member of Parliament continues to be the Chairman of Coir Board.
- Coir Board has currently 30 Members including Chairman, Coir Board.
- The Head Quarters of the Board is located at Coir House, M.G.Road, Kochi, Kerala.
- The Board is running 51 establishments including 30 Showrooms and Sales Depots and 1 Sub Depot set up in various parts of India. There are a total number of 320 employees under the Board.

3.2.4 Coir Industry in India

3.2.4.1 Coir is a coarse fibre extracted from husk, the fibrous outer shell of coconut. Ropes and cordage, made out of coconut fibre have been in use from ancient times. Indian navigators, who sailed the seas to Malaya, Java, China and to the Gulf of Arabia centuries ago, had been using coir as their ship's cables. The coir manufacturing industry producing coir mats,

matting and other floor coverings, was started in India on a factory basis, over a hundred and fifty years ago when the first factory was set up in Alleppey in 1859.

3.2.4.2 Coir industry is an agro-based traditional industry, which originated in the State of Kerala and proliferated to the other coconut producing states like Tamil Nadu, Karnataka, Andhra Pradesh, Orissa, West Bengal, Maharashtra, Assam, Tripura, etc. It is an export oriented industry having potential to enhance exports by value addition through technological interventions.



Minister of State for Micro, Small & Medium Enterprises (I/C), Shri Giriraj Singh visiting after inaugurating the Coir Board pavilion, at the 37th India International Trade Fair (IITF), at Pragati Maidan, in New Delhi on November 14, 2017.

3.2.4.3 Total world coir fibre production is 10,64,000 tons (FAO Statistical Bulletin 2015). The coir fibre industry is particularly important in some areas of the developing world. India, mainly the coastal region of Kerala State, produces 55% of the total world supply of white coir fibre. Tamil Nadu is the leading brown fibre producer in India. India is a major exporter of coir in the world.

Table 3-4: Export of Coir During Last 5 Years (Volume And Value)

Year	Quantity(MTs)	Value (Rs. In Lakh)
2013-14	537040.38	147603.84
2014-15	626666.00	163033.77
2015-16	752020.00	190142.52
2016-17	957045.00	228164.82
2017-18 (upto 31.12.2017)	254039.00	58129.85

3.2.4.4 The top 5 coir importing countries from India are indicated in Table below:

Table 3-5:Top 5 Coir Importers from India

Sl. No.	Country	Quantity (Tonnes)	Percentage (%)	Value (Rs. in Lakhs)	Percentage (%)
1	China	439884.57	45.96	66655.52	29.21
2	USA	133536.72	13.95	53286.56	23.35
3	Netherlands	82487.53	8.62	18148.78	7.95
4	UK	17668.15	1.85	11076.22	4.85
5	South Korea	57545.12	6.01	9486.28	4.16

3.2.5 Major activities and achievements

3.2.5.1 The Ministry has been attaching importance to the development of coir sector in the country. Production of coir fibre was 3,25,900 MT up to 31st December, 2017 cumulative employment for 7.29 lakh persons against the fibre production of 5,56,900 MT during the last financial year.

Year	2013-14	2014-15	2015-16	2016-17	2017-18*
Coir Fibre Production (Metric Ton)	5,39,815	5,42,000	5,49,300	5,56,900	3,25,900

*Provisional figures upto 31st December 2017.

Coir Geo textiles For soil erosion control



3.2.5.2 The estimated production of coir and coir products during the last two years and the current year are given below:

Table 3-6: Growth in production of coir products during 2015-18

Item	2015-16 (Qty in MT)	2016-17 (Qty in MT)	2017-18* (Qty in MT)
Coir fibre	549300	556900	325900
Coir yarn	329600	334200	195600
Coir products	217500	220500	129050
Coir rope	65920	66850	39150
Curled coir	65850	66800	39100
Rubberized coir	87900	89100	52150

*Provisional up to 31st December, 2017

3.2.5.3 The estimated production of coir and coir products has increased modestly but consistently. The number of persons employed in the coir industry has shown the same trend.

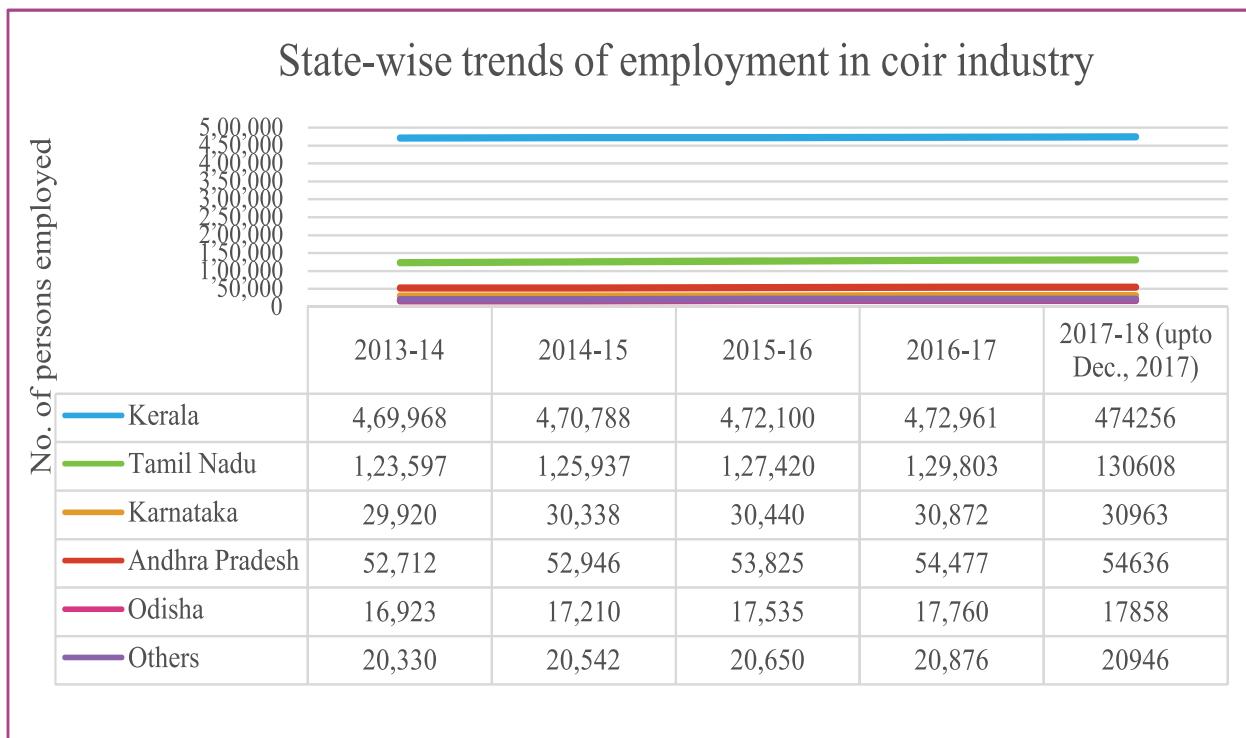


Figure 3-5: State-wise trends of employment in coir industry (Coir Board)

Innovative Coir Products - Coir Wood



3.2.6 Schemes implemented by the Coir Board

3.2.6.1 Coir Udyami Yojana - This is a credit linked central sector scheme whose objectives are modernisation of the Coir Industry and enhancement of utilization of coconut husk and to provide more employment for women in rural areas. During 2017-18, Rs.6.32 crore (up to December, 2017) has been spent as margin money in setting up of 319 units. During the remaining period of this financial year 450 more units will be set up.

3.2.6.2 Coir Vikas Yojana – In this scheme various programmes like Entrepreneurship Development Programme, Awareness Programme, Workshop, Seminar, Exposure Tour, etc. are organised for attracting more entrepreneurs to coir sector. In order to create skilled man power required for the coir industry the Board is organising various training programmes on manufacture of value added products. The candidates undergoing these training programmes are given a monthly stipend amounting to Rs. 1000/- per month. Coir Board has conducted 10 Workshops, 7 Entrepreneurship Development Programme, 19 Awareness Programme in various States through Board's Regional/ Sub Regional Offices during the year 2017-18 (up to December 2017).

3.2.6.3 Mahila Coir Yojana - The Mahila Coir Yojana is a woman oriented self-employment Scheme in the coir industry which provides self-employment opportunities to the rural women artisans in the coconut producing regions. One artisan per household is eligible to receive assistance under the Scheme. The training is given in spinning of coir yarn/ various coir processing activities to rural women in regions producing coir fibre in the country. The scheme envisages distribution of motorized ratts/ motorized traditional ratts and other coir processing equipments which can be operated by women, at 75% subsidy subject to a maximum of Rs. 7500/- after completion of the 2 months training programme.

3.2.7 Challenges to Coir Sector:

- Coir industry in India is traditionally an export oriented and labour intensive one. Even though the Indian Coir continues to enjoy its supremacy in the world market, the products of this industry are facing tough competition from other cheaper products.
- Being manufactured from an agricultural produce with a relatively high level of costs of inputs, Coir goods are dearer than synthetics and other competing items. The method of production and processing of Coir, in many parts of the country, continues to be obsolete.
- Modernization of the Coir Industry with state-of-art production techniques, machinery etc. is the need of the hour. Even though there is stiff competition for coir in the area of floor covering material, products like Coir Pith, Coir Geotextile, and Coir Wood offers a plethora of opportunities in the developing world.
- Adequate market promotion in these countries through awareness creation on the environment friendly aspects and new application area of coir products would lead to long term gains to the Coir sector. Bringing coir products under the 'Ecomark' and environment friendly goods category would be ideal step in this direction. Coir products being 100% ecofriendly and biodegradable offers solution to the current day serious issues like deforestation, global warming etc.

3.2.8 Research and Development (R&D) – Various Research and Development activities for modernization of coir industry in the country are carried out by two research institutes of Coir Board Viz. Central Coir Research Institute at Alleppey in Kerala and Central Institute of Coir Technology at Bangalore in Karnataka. The R&D efforts of the Board have resulted in the development of different machinery items with high productivity, eco-friendly production processes, new end-use applications, product development etc.

3.2.9 Budgetary support by Ministry of MSME to Coir Board

3.2.9.1 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 five years are given below.

Table 3-7: Budgetary support to the Coir Board

Year	Allocation (RE) (Rs. In crore)		Funds Released (Rs. In crore)	
	Plan	Non- Plan	Plan	Non- Plan
2013-14	57.07	19.20	45.10	19.17
2014-15	41.90	26.75	38.58	26.60
2015-16	34.90	23.95	31.55	23.73
2016-17	42.30	30.75	35.04	35.70
2017-18*	63.00		49.73	

*Releases upto 31.12.2017

3.3. National Small Industries Corporation (NSIC)

National Small Industries Corporation (NSIC) is an ISO 9001-2008 certified Government of India Enterprise under Ministry of Micro, Small and Medium Enterprises (MSME). NSIC has been working to promote aid and foster the growth of micro, small and medium enterprises in the country. NSIC is a profitmaking, dividend paying company.

3.3.1 Objective

3.3.1.1 The mission of NSIC is "*To promote and support Micro, Small and Medium Enterprises by providing integrated support services encompassing, Marketing, Finance, Technology and other Services.*"

3.3.1.2 The vision of NSIC is "*To be premier organization fostering the growth of Micro, Small and Medium Enterprises in the country.*"

3.3.2 Functions

3.3.2.1 NSIC performs three distinct categories of activities in order to fulfill its mission.

It runs a number of schemes, and is also an implementing partner for a number of schemes of the Ministry of MSME. These schemes/ activities include:

- Marketing Assistance
- Bank Credit Facilitation
- Performance & Credit Ratings
- Raw Material Assistance
- Single Point Registration
- Infomediary Services
- NSIC Consortia and Tender Marketing Scheme
- Marketing Intelligence
- Bill Discounting
- Infrastructure
- National Schedule Caste and Schedule Tribe Hub

3.3.2.2 NSIC provides technical support to MSMEs through 'NSIC Technical Services Centres' (NTSCs) and a number of TICs & LBIs spread across the country. The range of technical services provided through these centres includes skill development in Hi-Tech as well as conventional trades, material and product testing.

3.3.2.3 One of the programmes being implemented by NSIC is to create self-employment opportunities by imparting training in entrepreneurship building to the unemployed people who want to

set up new small business enterprises in any of the manufacturing/ services sectors or seek employment opportunities. For this purpose, NSIC has started a new initiative by entering into franchisee arrangements with private partners interested for setting up of Training-cum-Incubation Centres (NSIC-TIC) at various locations across the country under Public-Private Partnership (PPP) mode.

3.3.3 Organisation

3.3.3.1 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 three non-official part-time Directors.

3.3.3.2 NSIC operates through countrywide network of 165 offices and 7 Technical Centres in the Country. To manage operations in African countries, NSIC operates from its office in Johannesburg, South Africa. In addition, NSIC has set up Training-cum-Incubation Centre with a large professional manpower and provides a package of services for meeting the needs of MSME sector.

3.3.4 Major activities and achievements

3.3.4.1 Marketing support

Marketing has been identified as one of the most important tool for business development. 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. The NSIC does this primarily through:

- a. Raw Material Distribution** - Raw Material Assistance Scheme aims at helping MSMEs by way of financing the purchase of Raw Material (both indigenous & imported). This gives an opportunity to MSMEs to focus better on manufacturing quality products. NSIC through its distribution network leverages with bulk manufacturers to provide raw materials to MSMEs as per their requirements at concessional rates all over the country. During FY 2016-17, NSIC serviced the raw material requirements of Micro, Small & Medium Enterprises (MSMEs) through supply of iron & steel specially allocated through Ministry of Steel, Govt. of India, Aluminum from M/s. NALCO, Paraffin Wax from M/s. CPCL, Coal from M/s. Coal India Ltd., Polymer Products i.e. PP, HDPE & LLDPE from M/s. IOCL and Copper from M/s. SesaSterlite. The Corporation has added another main producer i.e. Numaligarh Refinery Limited (NRL) for handling their Paraffin Wax material by opening a godown (Agency) at Guwahati. With this, the Corporation is having total 37 distributing centers. During FY 2016-17, the total raw material distribution by NSIC was 11,35,788 MTs and in FY 2017-18 (upto 31st December, 2017), the total raw material distribution was 8,45,031 MTs.
- 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. Under the Tender Marketing Scheme, NSIC facilitates the MSE(s) in every stage of tender activity right from the participation in tenders till execution of tenders. During FY 2016-17, 900 tenders were executed valued at Rs. 189.64 crore and total seven numbers of consortia were formed. During the year 2017-18 (upto 31st December, 2017), the Corporation formed 4 new consortia. The Corporation has participated in 511 tenders valued at Rs. 191.67 crore, has been awarded tender for Rs. 124.72 crore and tenders worth Rs. 164.03 crore has been executed.

- c. **Exhibitions** - To showcase the competencies of Indian MSMEs, NSIC facilitates MSMEs' participations in National & International Exhibitions, Fairs, Buyer- Seller meets, Intensive campaigns and marketing promotion events etc. on concessional terms under the Marketing Assistance Scheme of the Ministry of MSME. Participation in these 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 FY 2016-17 NSIC participated/ organised/ cosponsored 202 exhibitions in India and participated in 20 international exhibitions wherein 3014 units participated. In FY 2017-18 (upto 31stDecember, 2017), NSIC participated/ organised/ cosponsored 83 exhibitions in India and participated in 13 international exhibitions, wherein 904 units participated.

- d. **Buyer - Seller Meets** – NSIC, during FY 2016-17 conducted 70 Buyer- seller meets/ VDPs and in FY 2017-18 (upto December 2017), 19 buyer-seller meet/VDPs for the purpose of facilitating MSEs to become vendor of large buyers.

3.3.4.2 Credit support –

- A. NSIC meets credit needs of MSMEs through tie-up arrangements with Banks. NSIC has entered into tie-up arrangements with various Banks for providing Credit Facilitation to the MSME sector. NSIC finances Procurement of Raw Materials & Marketing. It does so by making arrangements with bulk manufacturers for procuring the materials and supplying the same to MSMEs. NSIC provides financial assistance for raw material procurement by making the payment to suppliers. Credit facilitation of Rs. 6,425 crore was made during FY 2016-17. In FY 2017-18 (upto 31 December, 2017) credit facilitation was made of Rs. 4139 crore.
- B. In addition, NSIC has initiated Online **Finance Facilitation Centre**under which credit to MSMEs will be facilitated through web linkages between NSIC portal and Bank's portal. The MSME Unit can either directly log in at www.nsicffconline.in or can also contact to its nearest NSIC Finance Facilitation Centre with the loan proposal.

The official at the Finance Facilitation Centre will provide hand holding support by assisting the unit in documentation for online submission of the loan proposal to any three preferred banks as opted by MSME unit which are under MOU agreement with NSIC. At present, eight Finance Facilitation Centres have been established at Jalandhar, Peenya, Ludhiana, Guwahati, Hyderabad, Jaipur, Chennai and Kanpur.

3.3.4.3 Other support services

3.3.4.3.1 NSIC operates single point registration for Government purchase to build the capacities of MSEs for participation in Government tenders and contribute in Government Public Procurement processes. MSMEs are also empowered to participate in tenders of Government departments / institutions through consortia and tender marketing scheme. During FY 2016-17, 4,964 fresh units were added and 5763 units were renewed. 21,109 live units were registered under Single Point Registration Scheme as on 31st March, 2017. In FY 2017-18 (upto 31 December 2017), 2952 fresh units were added and 4271 units were renewed. 21,922 cumulative number of units registered under SPRS upto 31 December, 2017.

3.3.4.3.2 NSIC also facilitates E-Marketing Service through MSME Global Mart Web Portal (www.msmemart.com). NSIC's marketing portal provides e-marketing platform to MSMEs across the country to enhance their business. The portal hosts vast database of registered members who are looking for business opportunities, in terms of sustainable partnership, sub-contracting and participation in Public Procurements. During FY 2016-17, 6160 units were registered under B2B portal and in FY 2017-18 (upto 31 December, 2017), 5930 units were registered under B2B portal.

3.3.4.3.3 NSIC facilitates skill development by imparting training according to requirements of industries by linking with them so as to strengthen on-going training programmes through updated knowledge from the industries through its seven Technical Services Centres (NTSCs) located at Okhla (New Delhi), Hyderabad (Telangana), Howrah (West Bengal), Rajkot (Gujarat), Chennai (Tamil Nadu), Rajpura (Punjab) & Aligarh (Uttar Pradesh). The industry oriented training is offered in fields like Mechanical, Design, Electrical & Electronics, Information Technology & Mechatronics, wherein the training programme inter-alia include Robotics, PLC & SCADA, Embedded Technology, Solar Energy, Turner, Fitter, Machinist, Welder, Electrician, Draughtsman (Mech.), Refrigeration & Air Conditioning, HVAC, Tool Design & Manufacturing, Revit MEP, CAD / CAM-Creo, Unigraphics, CATIA, Solid Works, CNC Programming & Operation, Revit Architecture, Interior Design, O Level Advance Software, Web Technology, Graphics, Multimedia, Computer Hardware & Networking. These technical centres also conduct testing through NABL Accredited laboratories in the areas like Electrical Cable & Conductor Testing, Engine Testing, Pump Testing, Building materials, Plastics, Electrical appliances, Calibration etc.

3.3.4.3.4 NSIC, through rapid incubation centres, provides support to the prospective entrepreneurs and start-up companies to start product manufacturing. These Incubation Centers provide facilities of hands-on training on working projects and also covering the theoretical aspects

of business such as Marketing, Business Development, Project report preparation etc. NSIC has set up six Livelihood Business Incubators at Deoria (UP), Rajkot (Gujarat), Kashipur (Uttarakhand), Naini (UP), Nawada (Bihar) and Chennai (Tamilnadu) under “A Scheme for Promotion of Innovation, Entrepreneurship & Agro Industry (ASPIRE)” of this Ministry. NSIC associated with Haryana State Government for setting up Technology cum incubation Center at Neemka, Faridabad.

3.3.4.4 Entrepreneurship Orientation Programme - Purpose of EOP is to create awareness among the students for setting up of new Enterprise after completion of their studies instead of searching for jobs only. This program makes participants familiar about role and importance of MSMEs in Indian Economy, process of setting up of Enterprise, preparing Project Reports, identifying marketing possibilities as well as with the issues regarding various statutory requirements such as Income Tax, VAT etc. Details are available at: <http://www.nsic.co.in/eop1014.asp>.

3.3.4.5 International cooperation - The focus of activities at the enterprise level is on the entrepreneurs and the objective is to initiate long term and sustainable enterprise to enterprise cooperation between Indian small enterprises and enterprises in target countries. This is achieved by exchanging business delegations and organizing one-on-one business meetings among the enterprises of both the countries. Main features of International Cooperation include, exchange of business/ technology missions with various countries; facilitating enterprise to enterprise cooperation, technology transfers & other forms of sustainable collaboration; explore new markets & areas of co-operation; identification of new export markets by participating in exhibitions abroad; sharing of Indian experiences with other developing countries.

3.3.5 Business Performance of NSIC

3.3.5.1 The total business has been more than Rs. 20,000 crore in both years 2015-16 and 2016-17, and the profit before tax continuously increased, standing at Rs.165.07 crore during 2016-17.

3.3.5.2 The gross profit margin and net profit before & after tax earned by the Company during 2014-15, 2015-16, 2016-17 and 2017-18 (upto December 2017) is depicted in the Table 3-8 below:

Table 3-8: Financial performance of NSIC 2013-2017 (Rs. in Lakh)

Particulars	2014-15	2015-16	2016-17	2017-18 (Up to Dec. 17)
Gross Profit Margin	33,577	37,710	36,744	23497.42
Net Profit before Tax	13,256	15,695	16,507	11723.05
Less : Provision for Tax	4,399	5,549	5,867	4057.11
Net Profit after tax	8,860	10,146	10,640	7665.94

3.3.5.3 Government Purchase - The revenue generated from the Schemes of Government Purchase during the year 2016-17 was Rs.14.07 crore and Rs. 8.41 crore under these schemes during the current financial year up to December 2017.

3.3.5.4 In 2016-17, NSIC paid a dividend of Rs. 31.26 crore i.e. 30% of the PAT for the year 2016-17 to the Government of India.

3.4 MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)

3.4.1 The existing Jamnalal Bajaj Central Research Institute (JBCRI), Wardha was revamped with the help of IIT, Delhi as a national level institute under the Ministry of MSME in October 2008 called Mahatma Gandhi Institute for Rural Industrialization (MGIRI).

3.4.2 Objectives - 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

3.4.3 Functions - The activities of MGIRI are being carried out by its six Divisions each headed by a Senior Scientists/ Technologist.

- i. Chemical 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.
- iii. Bio-processing and Herbal Division: This Division prepares technology packages and simple quality assurance methods to facilitate production and utilization of organic manures, bio-fertilizers and bio-pesticides to promote rural entrepreneurs.
- 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.

- 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.

3.4.4 Organisation - MGIRI has a General Council (GC) which has a maximum of 35 members and the President of the GC is Hon'ble Minister of State for MSME (I/C), Ministry of MSME, Govt. of India and an Executive Council(EC), comprising not more than 15 members with Secretary, Ministry of MSME, Govt. of India as the Chairman. The Director of the Institute is the Member Secretary of both GC and EC.

3.4.5 Major activities and achievements in 2016-17

3.4.5.1 Employees of the institute participated in 23 national/ international seminars, conferences and workshops for the presentation of research work and knowledge sharing among the scientific community.

3.4.5.2 MGIRI participated in 7 National and regional level exhibitions, expos and IITF 2016 for the creation of awareness about the MGIRI technologies, products and services.

3.4.5.3 Two (2) research papers have been published in national and international journals till December 2017.

3.4.5.4 During the period 2015- 2017 MGIRI came up with a number of technologies, 11 of which can be listed as follows:

- Health Drink in granules form based on herbs (Arjun and palash).
- Low cost media for preparation of Spirulina for generation of oxygen and absorption of Carbon dioxide.
- Plant Growth promoter (Amino acids) based on Cow urine and waste human hair.
- Pro biotic honey based on Lactobacillus Coagulance.
- Solar Blunger.
- Solar potter's wheel suitable for small terracotta articles.
- Heavy duty energy efficient potter's wheel
- Gang Turn-wood Lathe machine.
- Cyclone dryer for Moringa leaves
- Solar dryer for Essence stick and Mahua Flower drying.
- Solar driven Waste Collection Vehicles

3.4.5.5 Work on 16 improved machines/ products/ processes/ services for Rural Industries sector has been completed including Fruit sorting machine, Cook stove moulds for charcoal briquetting machine, Conversion of PVK model Dal mill into solar power operation, Low cost pugmill, Solar blower for black smithy, Slicer cum stick making machine, Dabba packing machine, Roving winding machine, Energy efficient Buffing machine for Dokra craft, Solar power operated Granulator, Anti wrinkle cream, Moringa, Honey and Spirulina based products, Rajgira popup machine etc. Apart from the above, 30 each of garment & woven designs created for Khadi sector and uploaded on www.greenkhadidesigns.com for access to khadi sector artisans and entrepreneurs.

3.4.5.6 MGIRI imparted training to 451 trainees in 69 sessions to various aspirant and existing entrepreneurs, representatives of NGOs, field agencies, artisans, students, farmers, SHGs etc. from all over the country for dissemination of technologies, products, processes, designs etc. for enterprise development and skill up gradation.

3.4.5.7 MGIRI has provided quality testing and guidance services to 21 various agencies such as KVI institutions, entrepreneurs, students, farmers etc. for 69 different product samples to improve and maintain the quality of the products as per Indian standards.

3.4.5.8 Community Radio (90.4 FM) popularly known as Radio MGIRI has been conducting several programmes to sensitise people such as YuvaVishwa (for various competitive exams), MajhGaonMajhShivar (based on village problems and Government Schemes/ projects for rural sector) , Hello Doctor (health related information), Krushijagar (Agriculture related information) etc.

3.4.6 Budgetary support to MGIRI

3.4.6.1 The Union Government through Ministry of MSME provides funds to MGIRI for undertaking its various activities. The details of funds provided during the last four years to MGIRI are as under:

Table 7: Budgetary support to MGIRI

Year	Budget allocation (RE) (Rs. In crore)	Funds released (Rs. In crore)
2014-15	11.50	7.23
2015-16	6.87	6.02
2016-17	10.15	9.42
2017-18	10.00	4.93*

*Releases upto 31.12.2017

3.5 National Institute for MSMEs (NIMSME)

NIMSME was originally set up as Central Industrial Extension Training Institute (CIETI) in New Delhi in 1960 under the then Ministry of Industry and Commerce, Government of India. The Institute was shifted to Hyderabad in 1962 as a registered society in the name of Small Industry Extension Training Institute (SIET). After the enactment of MSMED Act, 2006, the Institute expanded focus of its objectives and re-designed its organization structure. In line with the new Act, the Institute was rechristened as National Institute for Micro, Small and Medium Enterprises (NIMSME). It is currently an organization under the aegis of the Ministry of Micro, Small and Medium Enterprises (formerly Ministry of SSI & ARI), Government of India.

3.5.1 Objectives:

3.5.1.1 The primary objective of NIMSME was to be the trainer of trainers. Today, with the technological development and ever-changing market scenario, the organisation's involvement has undergone changes too. From being merely trainers, NIMSME has widened its scope of activities to consultancy, research, extension and information services.

3.5.1.2 In line with the national objective of economic development through industrialization, and based on the expertise that is available, the Institute has identified thrust areas that need emphasis and exploration. These are: Entrepreneurship Development, Technology Up-gradation & Transfer, Policy Issues, NGO Networking, Environment Concerns, Cluster Development, Management Consultancy, Quality Management Services, Financial Services, and Information Services.

3.5.1.3 NIMSME's long-term mission is to excel at the following:

- Turning new corners in Information Technology.
- Spot lighting of topical issues through conferences, seminars, etc.
- Greater attention to need based programmes.
- Shift towards client driven approach and innovative interventions.
- Programme evaluation.
- Emphasis on research publications.

3.5.2 Functions

Enterprise promotion and entrepreneurship development being the central focus of NIMSME's functions, the Institute's competencies converge on the following aspects:-

- Enabling enterprise creation;
- Capacity building for enterprise growth and sustainability;
- Creation, development and dissemination of enterprise knowledge;

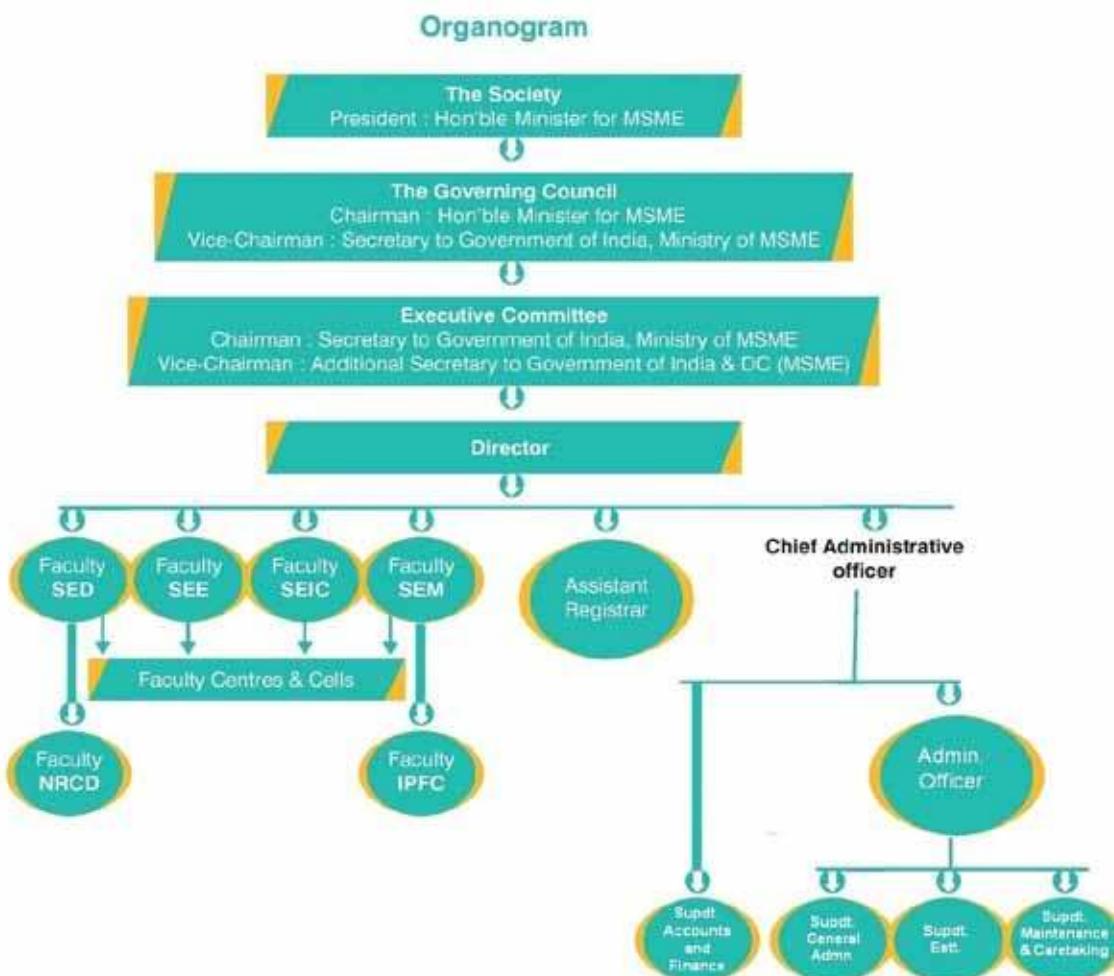
- Diagnostic and development studies for policy formulation; and
- Empowering the under-privileged through enterprise creation.

3.5.3 Organisation

3.5.3.1 The apex body of the Institute is the Governing Council, headed by the Hon'ble Minister of State for MSME (I/C).

3.5.3.2 Activities of the Institute are organized through its four Schools of Excellence (Enterprise Development; Enterprise Management; Entrepreneurship and Extension; and Enterprise Information and Communication), with each School consisting of theme-focused centre's 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. The organization chart of NIMSME is provided below.

ni-msme ORGANISATIONAL STRUCTURE



3.5.4 Major activities and achievements

3.5.4.1 The performance of the Institute in FY 2016-17 and 2017-18 (as at the end of December, 2017) is given in the Table below:

Programmes	2016-17		2017-18	
	From April to December, 2017			
	Programmes	Trainees	Programmes	Trainees
Entrepreneurship Development Programmes				
Programmes under Assistance to Training Institutions sponsored by M/o MSME				
Ni-msme as Apex Institution				
Completed	135	4,050	26	780
Other Programmes:				
National	896	32,809	603	19,508
International	14	370	8	206
Seminars and Workshops	62	3,063	32	1,662
Consultancy and Research	29	0	51	--
Total	1,136	40,292	720	22,156

3.5.4.2 Ni-MSME has also provided services on 12 continuing consultancy projects from previous year; and 8 consultancy projects taken up during the year 2017-18.

3.5.4.3 Ni-MSME has also brought out 7 publications on various topics. Details of publications are as under:-

Sl. No.	Name of the Publication	Date of Publication	Language
1.	MSME SCHEMES	May 2017	Hindi & English
2.	Achievements 2014-17	May 2017	Hindi & English
3.	MSME SCHEMES	July 2017	Hindi & English
4.	SEDME Journal	June & September, 2017	English

Major Schemes

- 4.1 The Ministry of MSME runs numerous schemes targeted at a) providing credit and financial assistances b) skill development training, c) infrastructure development, d) marketing assistance, e) technological and quality upgradation and f) Other Services for the MSMEs across the country. A snapshot of all the schemes is provided below:

List of the Schemes of the Ministry of MSME

A. Credit and Financial Assistances to MSMEs

I. Prime Minister's Employment Generation Programme (PMEGP)	
Description	<p>The scheme aims to generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures/ projects/ micro enterprises. Another objective is to provide continuous and sustainable employment to a large segment of traditional and prospective artisans and rural / urban unemployed youth in the country, so as to help arrest migration of rural youth to urban areas. A third objective is to increase the wage earning capacity of artisans and contribute to increase in the growth rate of rural and urban employment.</p> <p>The Scheme is implemented by Khadi and Village Industries Commission (KVIC), as the nodal agency at the National level. At the State level, the Scheme is implemented through State KVIC Directorates, State Khadi and Village Industries Boards (KVIBs) and District Industries Centres (DICs) and banks.</p> <p>The maximum cost of the project/ unit admissible under manufacturing sector is Rs.25 lakh and under business/service sector is Rs.10 lakh.</p>
Intended beneficiaries	<p>Any individual, above 18 years of age is eligible to seek assistance. If the project size is above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business / service sector, the applicant must be at least Class VIII Pass.</p> <p>Only new projects are considered for sanction under PMEGP. Self Help Groups (including those belonging to BPL provided that they have not availed benefits under any other Scheme), Institutions registered under Societies Registration Act,1860; Production Co-operative Societies, and Charitable Trusts are also eligible.</p>
Funds Allocated (2017-18)	<p>Rs. 1004.49 crore (BE)</p>  <p>Instant Chapathi and Poori Making unit in Kothapeta village, Guntur District, Andhra Pradesh</p>

II. Credit Linked Capital Subsidy Scheme (CLCSS)

Description	<p>The objective of the Scheme namely "Credit Linked Capital Subsidy Scheme (CLCSS)" for Technology Upgradation of Micro and Small Enterprises is to facilitate technology up-gration in Micro and Small Enterprises (MSEs) by providing capital subsidy of 15 % (limited to maximum of Rs.15.00 lakhs) on institutional finance availed by them for induction of well-established and improved technology. Maximum limit of eligible loan for calculation of subsidy under the Scheme is investment in approved plant & machinery upto Rs.1.00 crore for induction of well-established and improved technologies.</p> <p>MSEs are particularly disadvantaged due to insufficient investment and lack of awareness of both the quality standards and access to modern technologies. A large percentage of MSEs are running with outdated technology and plant and machinery. The CLCSS is envisaged to address this issue. Presently, 51 Sectors / sub-sectors with approved Machinery/Technologies are covered under the scheme. The scheme is applicable to new and existing Micro & Small Enterprises (MSEs) engaged in manufacturing.</p> <p>Office of the Development Commissioner (MSME) is implementing the scheme through 12 Nodal Banks / Agencies. The eligible MSEs are required to apply online through Primary Lending Institutions (PLIs), from where the MSEs availed term loan for up-gradation of technology. The completed application is uploaded by PLI through Online Application and Tracking System to the attached Nodal Agency, which, in turn, recommends the application online to Office of DC (MSME) for release of subsidy. After processing of application and subject to availability of funds, due approval is accorded from competent authority and concurrence of Internal Finance Wing, after which funds are released to Nodal Agencies. Funds are then transferred by the Nodal Agencies to the PLIs where the account of the MSE is operated.</p> <p>The scheme has been immensely successful in enabling MSEs in technology upgradation. This in turn has resulted in productivity improvement, increase in turnover and productivity. A substantial improvement in product quality has also been reported.</p> <p>The scheme has also led to energy reduction in terms of electricity consumption and fuel consumption besides having a positive impact air, water and noise pollution.</p> <p>Since, inception of the scheme 48618 MSEs have availed subsidy which is Rs. 2907.68 crore till 31-12-2017.</p>
	
Intended beneficiaries	The scheme is applicable to new and existing MSEs.
Funds Allocated (2017-18)	BE - Rs. 441.30 crore,

III. Credit Guarantee Trust Fund For MSEs (CGTMSE) - Provision of collateral free credit for MSMEs

Description	<p>Guarantees are provided for extending collateral free lending to Micro and Small Enterprises through banks and financial institutions (including NBFCs).</p> <p>The Scheme covers collateral free credit facility (term loan and/ or working capital) extended by eligible lending institutions to new and existing micro and small enterprises up to Rs. 200 lakh per borrowing unit. The guarantee cover provided is up to 75% of the credit facility upto Rs. 50 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) with a uniform guarantee at 50% of the credit exposure above Rs. 50 lakh and up to Rs. 200 lakh. A composite all in Annual Guarantee Fee of 1.0% p.a. of the credit facility sanctioned (0.75% for credit facility upto Rs. 5 lakh and 0.85% for above Rs. 5 lakh and upto 200 lakh for women, Micro Enterprises and units in NER including Sikkim) is charged.</p> <p>This Scheme has been tremendously successful if we consider the fact that the scheme has facilitated loans which were 20 times the corpus and has thus been able to promote entrepreneurial activities in the country. It is the only of its kind guarantee scheme which has covered more than 29 lakh beneficiaries in last 10 years. The beneficiaries experienced a boost in their turnover as well as employment generation in the years following approval of CGTMSE funding. CGTMSE funding has had a positive impact on six major areas in the MSE sector - technology upgradation, skill upgradation, market development, sustainability of scheme, economic impact, and social Impact.</p> <p>The scheme has been successful in spanning itself geographically across the country with a special focus in the North East. The benefits of the scheme have also reached more than 100 industrial sectors in which MSEs are operating. The beneficiaries are spread over even tier 3 towns and not limited to major industrial hubs. CGTMSE has been highly effective in settling the claims wherein the first instalment was settled within 3 weeks in majority of the cases.</p> <p>From the financial prudence perspective too, it may be mentioned that the risk coverage is adequately calculated and measures have been taken to ensure that banks conduct due-diligence before submitting the application under CGTMSE scheme. Among the stringent criteria for availing loans are registration of an enterprise as an LLP, private Limited or Proprietorship Company, the necessary tax registrations and approval to do business. New businesses, especially, need to submit a detailed plan with financial projections, business model, and promoter profiles and existing businesses have to submit their financial performance report and financial statements.</p> <p>Details of the scheme along with latest circulars are available in the website of CGTMSE at www.cgtmse.in.</p> <p>Status: As on 31stDecember, 2017, cumulatively 2968859 proposals have been approved for guarantee cover for a total sanctioned loan amount of Rs. 1,41.878.14 crore.</p>
Intended beneficiaries	The Scheme is applicable to new and existing MSEs.
Funds Allocated (2017-18)	Rs. 3002.00 crore (BE)

B. Skill Development and Training

I. A Scheme for Promotion of Innovation, Rural Industry & Entrepreneurship (ASPIRE)

Description	<p>The scheme has the following objectives:</p> <ul style="list-style-type: none">(i) Create new jobs and reduce unemployment,(ii) Promote entrepreneurship culture in India,(iii) Grassroots economic development(iv) Facilitate innovative business solution for unmet social needs, and(v) Promote innovation to strengthen the competitiveness of MSME sector. <p>The scheme components are</p> <ul style="list-style-type: none">(i) Create a database of technologies available with various Government/ private agencies and set up a Network of Technology Centres for sharing of best practices and experiences;(ii) Develop the required skilled Human Resources necessary for mentoring and handholding the incubates;(iii) Set up Livelihood Business Incubators (LBI) under National Small Industries Corporation (NSIC), KVIC or Coir Board or any other Institution/agency of GOI/State Govt.(iv) Incubation and Commercialisation of Business Ideas Programme through technical/ research institutes Ministries of GOI and Private incubators.(v) Business Accelerator programme for scaling up.(vi) Create a framework for Start-up Promotion through Small Industries Development Bank of India (SIDBI) by using innovative means of finance to enable ideas/innovation & to convert these into commercial enterprises.
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The Objective of LBIs is

- (a) To set up business incubators so that eligible youth can be adequately incubated in various skills and be provided the opportunity to set up their own business enterprises;
- (b) To impart entrepreneurship, and skill development training to youth;
- (c) To provide mentoring and hand holding with facilitation for funding with a view to empower them to set up own business enterprises.
- (d) To promote new low-end-technology/livelihood based enterprises.

The following activities are covered under the scheme:

- A- Livelihood Business Incubators by NSIC, KVIC, Coir Board or any other Institution or any other Institution or Agency of Govt. of India/State - Setting up LBI's (100lakh for NSIC & others. And INR 50 lakh for eligible agencies under ppp) for plant & machinery only.

	<p>B- Technology Business Incubators -</p> <p>1-Incubation center</p> <ul style="list-style-type: none"> • Support for Existing Incubators (INR 30 lakh for incubator capex) • Setting up of New Incubator (INR 100 lakh for incubator capex) <p>2-Incubation of Ideas (INR 3 lakh per idea)</p> <p>3- Creation of Enterprise out of innovative idea (Seed Capital fund@ INR 1.00 cr. per incubator for enterprise creation@ 50% of project cost or 20 lakh per successful idea whichever is less)</p> <p>4-Accelerator workshop</p> <p>NSIC, KVIC and the Coir Board are nodal agencies tasked to replicate the “Rapid Incubation Model”. In addition, Private partner institutions and entities can also set up livelihood incubation centres under PPP mode with NSIC, KVIC or Coir Board, or any other Institution/agency of GOI/State Govt.</p> <p>Status: The scheme was introduced in 2015-16. As on 31.12.2017, 62 Livelihood Business Incubators (LBIs) and 8 Technology Business Incubator (TBIs) proposals have been given approval out of which 33 LBIs have been operationalized. Total support to be provided to these 70 Incubators is Rs. 106.20 crore.</p>
Intended beneficiaries	<p>(a) Existing incubation centres currently operating under different Ministries and Departments of the Government of India or Institutions including National/Regional level institutions of GOI/State Governments.</p> <p>(b) To set up new incubation centres, eligible private institutions including Industry Associations, along with the Academic Institutions, R&D laboratories, Universities, Government entities and Technology Parks, Technical institutions with a proven track record in promotion of innovative/technology based entrepreneurship in the agro-rural landscape.</p>
Funds Allocated (2017-18)	<p>Rs. 50.00 crore (BE)</p> 

C. Infrastructure

I. Scheme of Fund for Regeneration of Traditional Industries (SFURTI)

Description	<p>The objectives of the scheme is to organize traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability, sustained employment, to enhance marketability of products of such clusters, to equip traditional artisans of the associated clusters with the improved skills, to make provision for common facilities and improved tools and equipment for artisans, to strengthen the cluster governance systems with the active participation of the stakeholders, and to build up innovative products, improved technologies, advanced processes, market intelligence and new models of public-private partnerships.</p> <p>The scheme covers three types of interventions:</p> <ol style="list-style-type: none">i. Soft interventions – Activities to build general awareness, counselling, skill development and capacity building, exposure visits, market development initiatives, design and product development, etc.ii. Hard interventions – Creation of common facility centres, raw material banks, upgradation of production infrastructure, warehousing facility, tools and technological upgradation, etc.iii. Thematic interventions – Interventions on a cross-cutting basis for brand building, new media marketing, e-commerce initiatives, research and development, etc. <p>The financial assistance provided for any specific project shall be subject to a maximum of Rs 8 (eight) crore to support Soft, Hard and Thematic interventions.</p> <table border="1"><thead><tr><th>Type of clusters</th><th>Per Cluster Budget Limit</th></tr></thead><tbody><tr><td>Heritage Clusters (1000-2500 artisans)</td><td>Rs 8 crore</td></tr><tr><td>Major Clusters (500-1000 artisans)</td><td>Rs 3 crore</td></tr><tr><td>Mini-Clusters (Upto 500 artisans)</td><td>Rs 1.5 crore</td></tr></tbody></table> <p>MSME Ministry has constituted a Scheme Steering Committee as the apex coordination and monitoring body. The KVIC, Coir Board, NiMSME (Hyderabad), IED (Odisha), IIE (Guwahati), IMED, J&K KVIB are the Nodal Agencies for scheme implementation in their respective areas. In addition, other Nodal Agencies are being identified for implementation.</p> <p>Status: The scheme was revamped during 2014 with an outlay of Rs.149.44 crore for developing 71 clusters. 78 clusters have been given in-principle approval by Scheme Steering Committee (SSC) and 72 DPRs have been given final approval. A total of 32 clusters are ready for inauguration, where the entire CFC activities have been completed. Rest 37 clusters to be completed for operation within 4 months latest by March 2018. A total of 59900 artisans are likely to be benefited under 72 clusters and total financial support for these 72 clusters will be Rs.139.58 crore.</p> <p>Intended beneficiaries</p> <p>Non-Government organizations (NGOs), institutions of the Central and State Governments and semi-Government institutions, field functionaries of State and Central Govt., Panchayati Raj institutions (PRIs), Private sector by forming cluster specific SPVs, Corporates and corporate Responsibility (CSR) foundations with expertise to undertake cluster development.</p>	Type of clusters	Per Cluster Budget Limit	Heritage Clusters (1000-2500 artisans)	Rs 8 crore	Major Clusters (500-1000 artisans)	Rs 3 crore	Mini-Clusters (Upto 500 artisans)	Rs 1.5 crore
Type of clusters	Per Cluster Budget Limit								
Heritage Clusters (1000-2500 artisans)	Rs 8 crore								
Major Clusters (500-1000 artisans)	Rs 3 crore								
Mini-Clusters (Upto 500 artisans)	Rs 1.5 crore								

<p>Funds Allocated (2017-18)</p>	<p>Rs. 75.00 crore</p>    
<p>Kangayam Coir Geotextiles & Matting Cluster, Tamil Nadu</p>	

II. Scheme for Micro & Small Enterprises Cluster Development Programme (MSE-CDP)

<p>Descriptions</p>	<p>The Ministry has adopted the cluster development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country.</p> <p><u>Objectives of the Scheme -</u></p> <ul style="list-style-type: none"> (i) To support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills and quality, market access, access to capital etc. (ii) To build capacity of MSEs for common supportive action through formation of self-help groups, consortia, upgradation of association etc. (iii) To create / upgrade infrastructural facilities in the new / existing industrial areas / clusters of MSEs. (iv) To set up Common Facility Centres (for testing, training centre, raw material depot, effluent treatment, complementing production processes etc.) <p><u>Major activities:</u></p> <ul style="list-style-type: none"> i. Funding support for setting up of 'Common Facility Centres (CFC)'. ii. Funding support for setting up of 'Common Display Centres (CDC) for Women Entrepreneurs'. iii. Funding support for 'Infrastructure Development Projects (new / upgradation)'. <p>Status: During the financial year 2017-18 (upto 31st December 2017), 9 Common Facility Centres and 11 Infrastructure Development Projects have been completed.</p>
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<p>Intended beneficiaries</p> <p>i. Funding support for setting up of Common Facility Centres (CFCs)- Implementing agencies such as organisations of State Governments, National and International Institutions engaged in development of MSME sector or any other institution / agency approved by the Ministry of MSME.</p> <p>ii. Funding support for setting up of Common Display Centres (CDC) for Women Entrepreneurs - Association of Women Entrepreneurs.</p> <p>Funding support for Infrastructure Development Projects (new /upgradation)-Implementing agencies such as organisations of State Governments.</p>	 <p>Turmeric Clusters, Sangli, Maharashtra</p>
<p>Funds Allocated (2017-18)</p>	<p>BE - Rs. 184.00 crore, RE – 184.00 crore (proposed).</p>

D. Marketing Assistance

I. Scheme for providing financial assistance to Khadi institutions under MPDA

<p>Description</p>	<p>Government has introduced w.e.f 01.04.2010, a flexible, growth stimulating and artisan oriented Market Development Assistance (MDA) Scheme, in place of the erstwhile system of Rebate. Under MDA, financial assistance is provided to institutions @ 20% of the value of production of khadi and polyvastra, to be shared among artisans, producing institutions and selling institutions in the ratio 40:40:20. MDA provides institutions flexibility to use the assistance for improving the outlets, products and production processes, besides giving incentive to customers, etc. The scheme has been modified as MPDA by amalgamating existing Market Development Assistance on production (Khadi & Poly) Scheme and additional components of Publicity, Marketing and Market promotion (including Export Promotion) & Infrastructure (inclusive of new component of Marketing Complexes/Khadi Plaza) out of VI Grant.Under the Modified MDA (MMDA), Pricing would be fully de-linked from the cost chart and products can be sold at market-linked prices at all stages of production. Incentives would be extended to Artisans and Karyakartas.</p>
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	<p>Further, production & marketing support for products, which are self-sustainable, will be phased out. Modified MDA shall be calculated at 30% of the Prime Cost, {cost of raw material plus conversion charges up to grey cloth plus processing charges without margins [establishment expenditure (25%) and trading, insurance & bank interest (8%)]. The Modified MDA shall be distributed amongst producing institutions (40%), selling institutions (20%) and artisans (40%).</p> <p>KVIC is the implementing agency.</p> <p>Status: An amount of Rs. 171.53 crore has been disbursed by KVIC towards MDA (Khadi) in 2014-15. In 2015-16, Rs. 167.74 crore have been disbursed by KVIC towards MDA (Khadi), in 2016-17, Rs.33.53 crore have been disbursed by KVIC towards MDA (Khadi). And during 2017-18 (upto 31st, December, 2017) Rs. 328.31 crore have been disbursed by KVIC towards MDA (Khadi)</p>
Intended beneficiaries	The Khadi institutions, having valid Khadi certificate and categorized as A+, A, B and C, are only eligible to avail MDA grant from KVIC.
Funds Allocated (2017-18)	Rs 340.00 crore

E. Technology Upgradation and Competitiveness

I. Financial Support to MSMEs in ZED certification

Description	<p>The Ministry of Micro, Small & Medium Enterprises (MSME), Government of India has launched on 18.10.2016 a new scheme 'Financial Support to MSMEs in ZED Certification Scheme', for the benefit of Micro, Small & Medium Enterprises (MSMEs). The scheme will be implemented in 22,222 MSMEs with the total Project Cost of Rs. 491.00 crore.</p> <p>The scheme envisages promotion of Zero Defect and Zero Effect (ZED) manufacturing amongst MSMEs and ZED Assessment for their certification with the objectives like, developing an Ecosystem for Zero Defect manufacturing in MSMEs, promoting adaption of Quality tools / systems and Energy Efficient manufacturing, enabling MSMEs for manufacture of quality products and to encourage MSMEs to upgrade their quality standards in products and processes with adoption of Zero Defect production processes and without impacting the environment, etc.</p> <p>The scheme is an extensive drive to create proper awareness in MSMEs about ZED manufacturing and motivate them for assessment of their enterprise for ZED (Bronze-Silver-Gold-Diamond-Platinum) and support them. After ZED assessment, MSMEs can reduce wastages substantially, increase productivity, expand their market as IOPs, become vendors to CPSUs, have more IPRs, develop new products and processes etc.</p> <p>The Quality Council of India (QCI) is the National Monitoring & Implementing Unit (NMIU) to implement ZED scheme among MSMEs across the country.</p>
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	10963 MSMEs are registered under ZED certification till 1 st February, 2018. 5129 MSMEs started Online Self-Assessment, out of which 1424 have completed so far. 242 MSMEs have paid Fees for Desk Top Assessment and 60 MSMEs have paid Fees for Site Assessment. Out of 38 cases presented before Rating Committee 08 MSME got Gold, 14 MSMEs got Silver, 09 MSMEs got Bronze and 07 MSMEs have No rating.
Intended Beneficiaries	MSMEs
Implementation	Quality Council of India
Funds Allocated (2017-18)	Rs 17.6 crore (BE)

F. Other Services

I. National Scheduled Caste and Scheduled Tribe Hub	
Description	<p>The Hub provides professional support to SC/ST entrepreneurs to fulfill the obligations under the Central Government Public Procurement Policy for Micro and Small Enterprises Order 2012, adopt applicable business practices and leverage the Stand up India initiatives. The Scheme is implemented through National Small Industries Corporation Ltd. (NSIC). The National SC/ST Hub carries out the following functions:</p> <ul style="list-style-type: none"> i. Collection, Collation and Dissemination of information regarding SC/ST enterprises and entrepreneurs. ii. Capacity building among existing and prospective SC/ST entrepreneurs through skill training and EDPs. iii. Vendor Development involving CPSEs, NSIC, MSME-DIs and industry associations including DICCI. iv. Promoting participation of SC/ST entrepreneurs in exhibitions and organizing special exhibitions for this purpose. v. Mentoring and hand holding support to SC/ST entrepreneurs. vi. Working with States as well as other organisations for SC/ST entrepreneurs so that these enterprises can benefit from all of them. vii. Facilitating SC/ST entrepreneurs participating in public procurement, eplatform of DGS&D and monitoring the progress. viii. Facilitating credit linkages for SC/ST entrepreneurs. <p>The Guideline of National SC/ST Hub Scheme is available on the Ministry's Website i.e. www.msme.gov.in.</p> <p>The "National Scheduled Caste & Scheduled Tribe Hub" has been set up in the National Small Industries Corporation Limited (NSIC), a public sector undertaking which is the implementing agency</p> <p>Status: During 2016-17, assistance provided for 58 domestic exhibitions and 14 foreign visit/participation in exhibitions benefitting 671 SC/ST MSMEs and 96 SC/ST MSMEs respectively. 38 Special Vendor Development Programmes were also organized participating 1561 MSMEs. In addition, 395 units were rated under Special Performance & Credit Rating Scheme and 80 units were registered/renewed under Single Point Registration Scheme.</p>

Nature of Assistance	Financial assistance is currently being provided under NSSH for the following sub-schemes: <ul style="list-style-type: none"> • Single Point Registration Scheme (SPRS) • Special Marketing Assistance Scheme(SMAS) • Subsidy for Performance and Credit Rating Scheme(SPCRS) • Special Credit Linked Capital Subsidy Scheme (SCLCSS)
Application Process	Who can apply: SC/ST owned Micro & Small Enterprises (MSEs), who are having valid Udyog Aadhaar Memorandum No. (UAM No.) and enrolled on MSME Databank, are eligible to apply. How to apply: SC/ST Micro & Small Enterprises shall have to apply either online on NSIC website www.nsicspronline.com or on the prescribed application form in Duplicate and to be submitted to the concerned Zonal/Branch Office of NSIC located nearest to the unit. Whom to contact: General Manager (SPRS), NSIC Ltd., New Delhi Ph: 011-26926275 Email: sprs@nsic.co.in
Intended Beneficiaries	SC/ST MSEs and SC/ST Entrepreneurs
Funds allocated (2017-18)	Rs. 60 crore

II. Scheme for Promotion of MSMEs in N.E. Region and Sikkim

Description	<p>Setting up new and modernize existing Mini Technology Centres- The Scheme envisage financial assistance to State Governments for setting up new and modernize existing Mini Technology Centres. The quantum of financial assistance is equal to 90% of the cost of machinery/ equipment/buildings, not exceeding Rs. 10.00 crore. Government of India funding would not be admissible towards cost of land.</p> <p>Development of new and existing Industrial Estates- Financial assistance for development of new and existing Industrial Estates. 80% of the cost of infrastructure facilities not exceeding Rs. 8.00 crore will be sanctioned for development of new and existing Industrial Estates. The infrastructure facilities will include power distribution system, water, telecommunication, drainage & pollution control facilities, roads, banks, storage and marketing outlets etc.</p> <p>Capacity Building of Officers- Capacity Building of officers engaged in promotion and development of MSMEs, by deputing them for various Techno-managerial training programmes in MSME Institutions such as NI-MSME, Hyderabad & MSME Technology Centres The expenditure towards training fee and the boarding/lodging expenses of officers would be borne by Government of India under the scheme and would be paid directly to the Training Institutions.</p>
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	<p>Other Activities-The Scheme funds can also be used for undertaking various activities such as Research Studies, Strengthening of Institutes etc. These can be specially designed Projects formulated by State Governments or other organizations for development and promotion of enterprises in the areas of honey, bamboo, organic products etc. IT modules for ease of doing business for micro and small enterprises working in NER and Sikkim can also be developed. Each such intervention can be upto Rs. 1.00 crore.</p> <p>Status: Till 31st, December 2017, under the scheme, Rs.2.50 crore have been sanctioned and released to Government of Tripura, Rs. 1.45 crore have been sanctioned to Government of Assam (to be released after the releasing of Govt. of Assam's share) for technology centre at Tinsukia and released on 2nd instalment of Rs. 2.00 crore is in process to the NTTC Dimapur, Nagaland.</p>
Intended beneficiaries	All MSMEs
Fund Allocation (2017-18)	Rs. 5.00 crore (BE)

Targeted activities for the North-Eastern Region, Women, Disabled Persons, and International Cooperation

5.1 Activities for the North-East Region

5.1.1 Budgetary outlay reserved for the North-East Region

5.1.1.1 Pursuant to the Government's Policy of earmarking 10% of the total funds for NER, under the Schemes/Programmes of M/o MSME, an outlay of Rs.648.20 crore in BE 2017-18 had been earmarked exclusively for the Region which comprises the states of Assam, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura.

5.1.1.2 Details of funds earmarked to ARI Division and funds released by the Ministry for the NER during the last three years and 2017-18 are given in the Table below.

Table 5-1: Funds released ARI Division for NER during 2014-15 to 2017-18			
Year	Budget Allocation (RE) for ARI Division	10% Budget Allocation to NER	Expenditure NER
2014-15	1500.00	151.00	101.40
2015-16	1754.18	175.40	163.47
2016-17	1717.55	171.76	143.25
2017-18	2065.48 (BE)	206.55	175.36*

*Releases upto 31.12.2017

5.1.2 KVIC in the North-East

5.1.2.1 In order to ensure effective implementation and monitoring of Khadi and Village Industries (KVI) programmes in the NER, Khadi and Village Industries Commission (KVIC) have 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.

5.1.2.2 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.

5.1.2.3 KVIC is implementing the following schemes in the North East:

- **PMEGP** - Special efforts have been made by KVIC to provide employment in NER under PMEGP. In 2016-17 a total number of 11690 projects were assisted by utilizing margin money subsidy of Rs. 141.91 crore. In the current year, 2017-18(up to 31.12.2017) a total number of 3499 projects were disbursed by banks involving margin money subsidy of Rs. 57.13 crore.
- **AABY** - A total of 5065 artisans have been covered under the Aam Admi Bima Yojana of KVIC so far to provide insurance to the khadi artisans/weavers.
- **Exhibitions**: 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.

5.1.2.4 PMEGP Performance in North-Eastern States

No. of Persons Benefitted under PMEGP					
States	2013-14	2014-15	2015-16	2016-17	2017-18 (upto 31, Dec, 2017)
Assam	29332	15535	9026	6028	1529
Meghalaya	1386	3680	4824	329	46
Manipur	5277	829	2715	1265	319
Tripura	9074	6333	5355	2297	489
Nagaland	4373	2407	4998	1018	825
Mizoram	5050	6736	9072	425	133
Sikkim	255	54	397	27	16
Arunachal Pr.	6570	2871	104	301	140

5.1.3 Growth & Production of KVIC in North East

5.1.3.1 KVI production in the North Eastern region has increased consistently over the past five years. Figure 5-2 shows that the production of Khadi has increased in every single state within the region during this period.

5.1.3.2 The absolute number of persons employed by KVIs has also increased consistently since 2012. Figure 5-3 shows a consistent increase in the number of persons employed in every single state within this period. In addition, there are a total of 46 Khadi artisan institutions in the North East region employing 10.47 lakh artisans. The complete information is available at: <http://www.kviconline.gov.in/claims/artisanData/index.jsp>

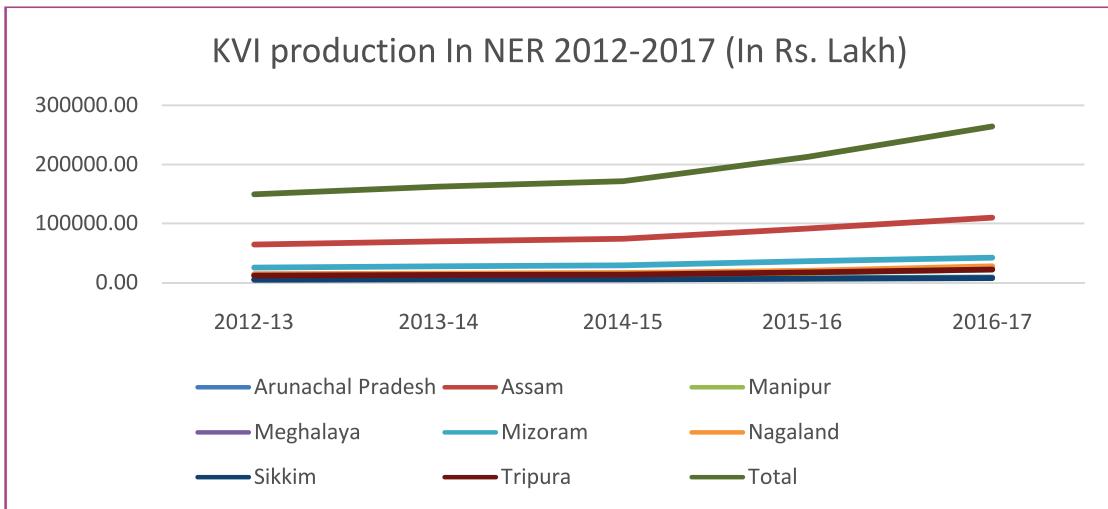


Figure 5-2: KVI Productions in NER 2012-17

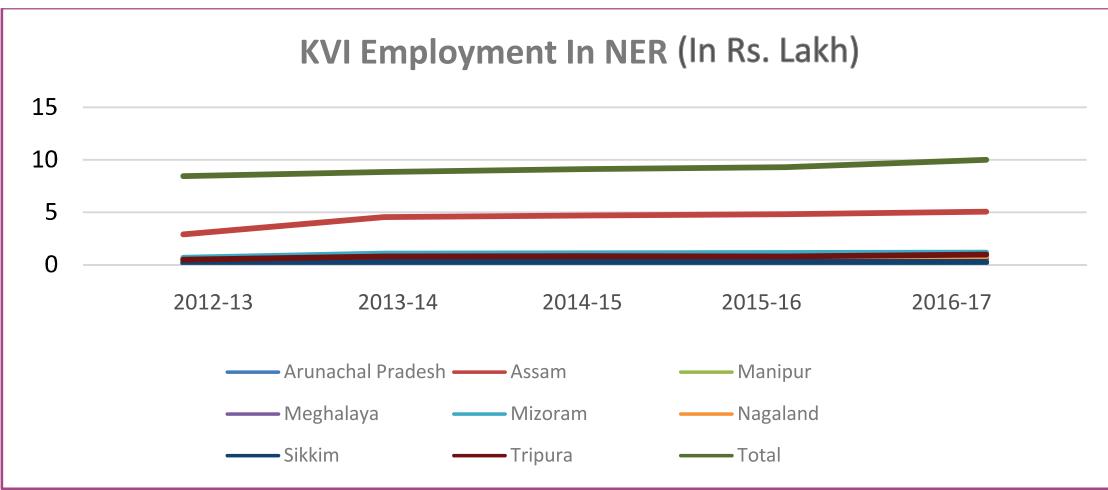


Figure 5-3: KVI Employment in NER 2012-17

5.1.4. DC-MSME

5.1.4.1. The Office of DC (MSME) has MSME-DIs at Gangtok (Sikkim); Guwahati (Assam); Imphal (Manipur); Agartala (Tripura) and also branch MSME-DIs at Aizawl (Mizoram); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Diphu (Assam); Silchar (Assam); Tezpur (Assam); Shillong (Meghalaya) and Tura (Meghalaya).

5.1.4.2 To strengthen the MSME initiatives in the NER, the Development Commissioner (MSME), Govt. Of India implemented the following activities during 2016-17 in all north-eastern states of India through Ministry of Development of North Eastern Region, GOI. A number of training activities are being conducted by NIMSME, details are available at: http://msme.gov.in/WriteReadData/eBook/EDP_Calendar_Training_Programme_Final_Inner_2nd_Draft.pdf):

- Sensitizing all State government officials in NER on various latest schemes (PMEGY, ASPIRE, MSE-EDP etc.).

- Provide various trainings to officers of District Industry Centers & other line departments & NGOs/MFIs on EDP in various sectors including Agriculture and allied sectors, Tourism etc.
- Provide Enterprise development trainings to existing MSMEs.
- Other flagship schemes of GOI like Startup India, Stand up India & MUDRA etc.

5.1.4.3 Initiatives of the Office of DC-MSME

- Participation in International Trade Fairs/ Exhibitions - For Women/SC/ST entrepreneurs & entrepreneurs from North Eastern Regions, Govt. of India reimburses 100% space rent and economy class air fare.
- MSE-CDP: GoI grant is 90% for CFCs in NE & Hill States, Clusters with more than 50% (a) micro/ village (b) women owned (c) SC/ST units.
- Infrastructure Development: The MSME Ministry provides grants for infrastructure development under the CDP scheme. The GoI grant is restricted to 60% of the cost of project of Rs 10.00 crore. However, GoI grant is 80% for projects in NE & Hill States, industrial areas/ estates with more than 50% (a) micro (b) women owned (c) SC/ST units.
- Under the Entrepreneurship Development Programme, 20% of the targeted EDP and ESDP of the duration of 2 weeks and 6 weeks respectively, are conducted exclusively for the weaker sections of the Society (SC /ST/Women/Physically Handicapped), for which no fee is charged. In addition, a stipend is provided for such attendees.

5.1.5 NSIC in North Eastern region

5.1.5.1 NSIC has a network of offices in NER. This includes Branch Office at Guwahati and Sub-Offices at Tinsukia (Assam), Imphal (Manipur); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Shillong (Meghalaya) and Agartala (Tripura). NSIC Incubation Centre, Guwahati provides training in various trades like Fashion Designing, Food Processing / Bakery; Fancy Bag & School Bag manufacturing; Decorative Candle Making Course and Computer Hardware and Networking programme.

5.1.5.2 NSIC – During the year 2016-17 (up to December, 2016), NSIC has provided training to 21313 women under various training programmes. Data and updated information to be provided on number of women trained in each year for the past five years.

5.2 Activities targeted at welfare of women

5.2.1 As Per the NSS 73rd Round of NSSO, there are a total of estimated approximately 1,23,90,523 Women owned proprietary MSMEs in the country. Figure 5-4 shows the percentage distribution of male owned proprietary MSMEs in the country. More than 20% proprietary MSMEs are owned by women.



5.2.2 The main focus of the schemes/programmes undertaken by the Organisations of the Ministry is thus to provide/facilitate a wide range of services 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. 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.

State-wise Distribution of Proprietary MSMEs by Gender of Owners [NSS 73rd Round]

Sl. No.	State/UTs	Male	Female	All	Share of State among All MSMEs with Male Owners (%)	Share of State among All MSMEs with Female Owners (%)
1	West Bengal	5583138	2901324	8484462	11.52	23.42
2	Tamil Nadu	3441489	1285263	4726752	7.10	10.37
3	Telangana	1459622	972424	2432046	3.01	7.85
4	Karnataka	2684469	936905	3621374	5.54	7.56
5	Uttar Pradesh	8010932	862796	8873728	16.53	6.96
6	Andhra Pradesh	2160318	838033	2998351	4.46	6.76
7	Gujarat	2375858	826640	3202499	4.90	6.67
8	Maharashtra	3798339	801197	4599536	7.84	6.47
9	Kerala	1647853	495962	2143816	3.40	4.00
10	Rajasthan	2261127	380007	2641134	4.67	3.07
11	Madhya Pradesh	2275251	370427	2645678	4.70	2.99
12	Jharkhand	1250953	310388	1561341	2.58	2.51
13	Odisha	1567395	295460	1862856	3.24	2.38
14	Punjab	1183871	224185	1408056	2.44	1.81
15	Bihar	3239698	168347	3408044	6.69	1.36
16	Haryana	831645	98309	929953	1.72	0.79
17	Delhi	827234	86742	913977	1.71	0.70
18	Manipur	86383	86604	172987	0.18	0.70
19	Jammu & Kashmir	624056	74785	698841	1.29	0.60
20	Chhattisgarh	727203	71201	798403	1.50	0.57
21	Assam	1128411	66665	1195076	2.33	0.54
22	Himachal Pradesh	329595	50368	379963	0.68	0.41
23	Meghalaya	72191	39462	111653	0.15	0.32
24	Tripura	179169	28042	207212	0.37	0.23
25	Puducherry	65350	27072	92422	0.13	0.22
26	Uttarakhand	380000	20964	400964	0.78	0.17
27	Nagaland	65778	20865	86643	0.14	0.17
28	Mizoram	20439	13698	34137	0.04	0.11
29	Goa	57133	10815	67948	0.12	0.09
30	Arunachal Pradesh	16153	6274	22427	0.03	0.05
31	Chandigarh	44321	5560	49881	0.09	0.04
32	Sikkim	20880	5036	25916	0.04	0.04
33	A & N Islands	14302	4026	18328	0.03	0.03
34	Dadra & Nagar Haveli	12900	2629	15529	0.03	0.02
35	Daman & Diu	5880	1560	7441	0.01	0.01
36	Lakshadweep	1384	488	1872	0.00	0.00
37	ALL	48450722	12390523	60841245	100.00	100.00

Percentage Share of States in MSMEs Owned by Women

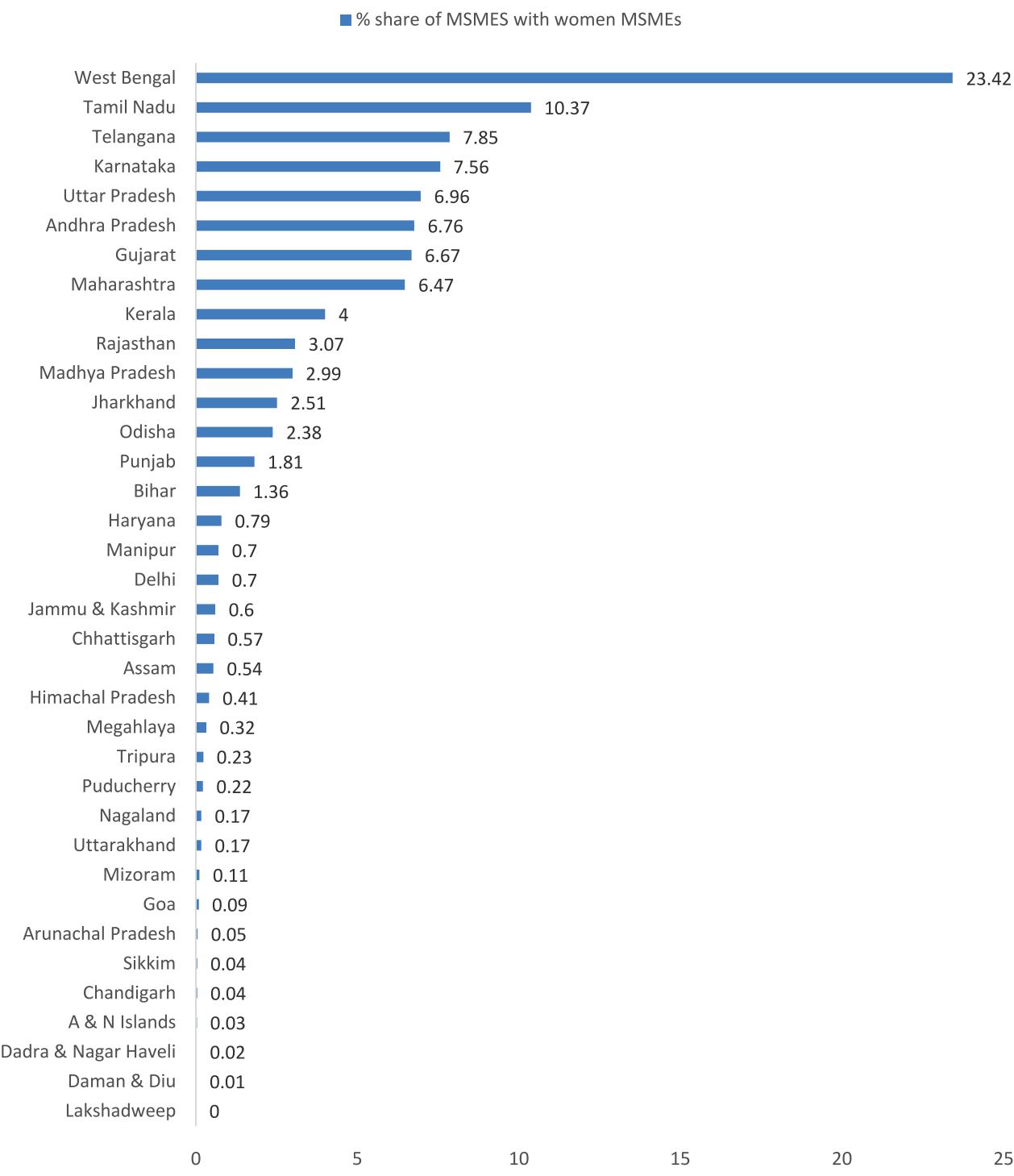


Figure 5-4: Percentage share of states in MSMEs with women owners

- 5.2.3 PMEGP– Under PMEGP higher subsidy is provided to women beneficiaries. Since inception (i.e. 2008-09 to 31.12.2017), 116447 projects have been assisted to women entrepreneurs under PMEGP. Data on number of women beneficiaries for each over the past five years is as follow:

Year	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18(As on 31.12.2017)
Women Beneficia-ries under PMEGP	13612	13448	13394	11356	14768	8464*

*Provisional

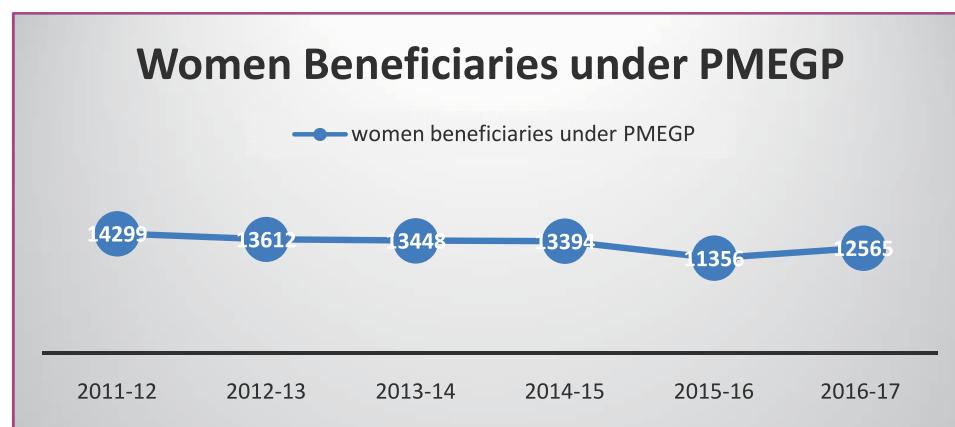


Figure 5-5: Women beneficiaries under PMEGP 2011-2017

5.3 Welfare for Persons with disabilities

- 5.3.1 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 O/o DC (MSME), are regularly intimated to the Department of Personnel and Training for filling up of such posts. Besides, other facilities (like conveyance allowance), as per the Government of India's instructions, also provided to the disabled persons working in various offices of the Ministry.

- 5.3.2 The NSIC and NIMSME are providing necessary reservation/preference for the training in different fields of entrepreneurship development and related training modules.

5.4 International Cooperation

- 5.4.1 Worldwide, the MSMEs have been accepted as the engine of economic growth for promoting equitable development. 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 markets, 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.

5.4.2 With agility and dynamism, the sector has shown admirable innovation and adaptability to the recent economic downturn and recession. However, MSMEs have been facing great challenge 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. In continuation of this endeavour, M/o MSME has entered into long term agreements, Memorandum of Understanding/Joint Action Plan with 19 countries viz., Tunisia, Romania, Rwanda, Mexico, Uzbekistan, Lesotho, Sri Lanka, Algeria, Sudan, Cote d'Ivoire, Egypt, Republic of South Korea, Mozambique, Botswana, Indonesia, Vietnam, Mauritius, Sweden and UAE.

5.4.3 Significant Meetings with Foreign Dignitaries and Delegations

Ministry of Micro, Small and Medium Enterprises and its Organisations like O/o DC (MSME) and NSIC hold discussions with foreign delegations for enhancement of bilateral cooperation for the mutual benefits of MSMEs of the two countries. The details of such meetings/ discussions with respect to M/o MSME are given below:

- A delegation led by Mr. Cristian DIMA, Romanian Secretary of State for Business Environment met Secretary (MSME) on 10 April, 2017 in New Delhi and discussed matters relating to cooperation between the two countries in the field of MSMEs.
- A delegation led by Hon'ble Minister for MSME visited Mauritius from 12-14 May, 2017 to participate in the 2nd India-Mauritius Joint Committee Meeting (JCM) and to participate in the International SME Innovation & Technology Fair 2017. A number of proposals were made by Mauritius side seeking technical assistance, visit of experts from India and grant for setting up institution in Mauritius. The Indian side proposed setting up of a virtual technology exchange centre with active participation of NSIC and SMEDA counterpart organization of NSIC. The delegation under the leadership of Hon'ble Minister for MSME also met the President, the Prime Minister and the Minister Mentor and Minister for Defence of Mauritius and discussed bilateral matters relating to MSME sector, economic development etc.
- A delegation led by H.E. Ms. Ann Linde, Hon'ble Minister of EU Affairs and Trade of Sweden met Hon'ble Minister for MSME on 18 May, 2017 in New Delhi. The two sides discussed about enhancing cooperation in MSME sector.
- A delegation led by H.E. Eng. YarubQudah, Minister of Ministry of Industry and Trade Supply, Government of Kingdom of Jordan had a meeting with Hon'ble Minister (MSME) on 5th July, 2017 in New Delhi discussed bilateral issues relating to MSME sector.

- A delegation led by Mr. Iljoon Lee, Deputy Director of International Affairs Division, Small and Medium Business Administration (SMB) of Republic of Korea met Smt. AlkaNangiaArora, Joint Secretary (SME), M/o MSME on 20th July, 2017 in New Delhi and held discussion regarding setting up of a technology centre in NSIC, New Delhi.
- A six-member delegation from Asian and Pacific Center for Transfer of Technology (APCTT), National Focal Point of the Islamic Republic of Iran led by Dr. BehzadSoltani, President and Chairman of the Board Innovation and Prosperity Fund (IPF) along with other officials met Dr. Arun Kumar Panda, Secretary (MSME), M/o MSME on 12th September, 2017 in New Delhi and discussed bilateral issues relating to MSME sector.
- A delegation led by Shri Giriraj Singh, Hon'ble Minister of State (Independent Charge) for MSME visited Mauritius from 1-3 November, 2017 to participate in the commemorative events to mark Aapravasi Divas 2017 and also had meetings with Government functionaries to discuss various issues promoting international cooperation.
- A two-member delegation led by Mr. Hung Yang, Executive Director of Economic Division, Taiwan met Smt. AlkaNangiaArora, Joint Secretary (SME), M/o of MSME on 13th November, 2017 in New Delhi to discuss issues relating to MSME sector.
- A delegation led by H.E. Mr. Siarjuddin Hamid Yousif, Ambassador of the Republic of Sudan met Dr. Arun Kumar Panda, Secretary, M/o MSME on 27th November, 2017 and discussed issues relating to MSME sector.

General Statutory Obligations

6.1 Official language

- 6.1.1 The Union of India is constitutionally obligated to use the Hindi in Devanagari script as its official language. 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 the compliance of Official Language Policy, 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.
- 6.1.2 Progress has been made in the progressive use of Hindi in official business. The Ministry has a fully functional Hindi language website at: <http://msme.gov.in/mobhin/Home.aspx>.
The Office of the DC also has a fully functional Hindi website at: <http://laghu-udyog.gov.in/>.
- 6.1.3 All documents such as general orders, notifications, press communiqué, contract, agreement, tender forms and notices, resolution, rules, memorandum/ office memorandum, administrative reports and official papers laid before a House or both the Houses of Parliament under the Section 3(3) of the Official Languages Act, 1963 are issued bilingually, i.e. both in Hindi and English. General orders meant for departmental use were issued in Hindi only. All letters received in Hindi were replied to in Hindi.
- 6.1.4 The meeting of Hindi Advisory Committee of M/o Micro, Small and Medium Enterprises was held on 10th Nov, 2017 under the chairmanship of the Hon'ble Minister of State of MSME (I/C) wherein important decisions were taken. The Departmental Official Language Implementation Committee under the Chairmanship of the Joint Secretary (In-Charge of Hindi) in the Ministry of MSME has already been constituted. Quarterly meetings of the Committee were organized regularly and important decisions for use of Hindi in official work were taken. Effective steps for ensuring compliance of the decisions have also been taken.
- 6.1.5 Correspondence in Hindi: Letters to State Governments, Union Territory 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 88% correspondence was made in Hindi in region 'A', 88% in region 'B' and 80% in region 'C' up to the quarter ending September, 2017.
- 6.1.6 Section specified for working in Hindi: -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. 18 sections specified for doing their cent-percent work in Hindi

- 6.1.7 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 i.e. Coir Board, Kochi and Central Coir Research Institute, Alpuzha under the control of Ministry of MSME were inspected to ensure the use of Hindi in official work and compliance with the Official Language policy.
- 6.1.8 The Third Sub-Committee of the Committee of Parliament on Official Language inspected the office of the Khadi and Village Industries Commission, Bikaner and important suggestions were given by the committee which were circulated for compliance to all the concerned offices under the control of Ministry of Micro, Small and Medium Enterprises.
- 6.1.9 Hindi Month:Hindi month was celebrated from 14th September, 2017 to 13th October, 2017 in the Ministry of Micro, Small and Medium Enterprises. 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 Kavita, Dictation and Hindi work in the sections etc. were organised. Hindi Workshops were also organized during the period. A large number of officers and employees participated in these events with enthusiasm. The messages of the Hon'ble Home Minister, the Cabinet Secretary and Hon'ble Minister of State (IC), M/o MSME on the occasion of Hindi Day, 2017, were circulated in the Ministry of MSME as well as in its attached and subordinate offices for information and compliance.



6.1.10 Use of Hindi in statutory bodies:

6.1.10.1 KVIC: Khadi and Village Industries Commission (HQ), Mumbai has a full -ledged Hindi Department which is responsible to implement the official language policy and guidelines issued from time to time by the Department of Official Language, Ministry of Home Affairs. Hindi Fortnight was celebrated from 14th – 28th September, 2017 in which various Hindi competitions were held and during the period winner participants of five competitions held were rewarded. The meetings of Official Language Implementation Committee and Hindi

Committee and workshops were organized regularly in the Commission. The website of the commission is bilingual. The full compliance of the section 3(3) of Official Languages Act, 1963 is ensured in the commission.

6.1.10.2 Coir Board: Coir Board, being a part of the Govt. of India, under the administrative control of Ministry of MSME, is continuing its efforts to promote the use of official language of the Union in all its establishments. Quarterly Hindi workshops were conducted during the reporting year in Head Office with a view to make the staff aware of Official Language programmes and also to motivate them to use Hindi in their official work. Official Language inspections were conducted in Coir Bhavans/Sub Offices of the Board along with internal audit inspections. Eight workshops were organized upto December, 2017 wherein 70 and 21 officials were trained.

6.1.10.3 NSIC: 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 were regularly organized in NSIC. During the year, Hindi Fortnight was celebrated from 1st September, 2017 to 15th September, 2017 in which various Hindi competitions were organized.

6.1.10.4 Mahatma Gandhi Institute for Rural Industrialization (MGIRI): Hindi fortnight was celebrated from 14 to 27 September, 2017 in the institute. During this occasion various events were organized on topics like "present status of hindi and challenges", "various aspects of official hindi", "Hindi in social media", and "promotion of hindi in South Indian states -Tamil Nadu. All officers and staffs were actively participated and presented their views.

For the promotion and implementation of official language in the institute, quarterly meetings of official language implementation committee were organised.

6.2 Vigilance

- 6.2.1 The Vigilance Division of the Ministry is headed by a part-time 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.
- 6.2.2 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. During the period under report, the references/vigilance complaints received from various sources in the Ministry/Attached Office/Organizations under the Ministry were replied/disposed off.
- 6.2.3 Vigilance Awareness Week was observed from 30th October, 2017 to 4th November, 2017.
- 6.2.4 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 Annual Performance Appraisal Reports (APARs) of Officers and Staff including online system of SPARROW <https://sparrow.eoffice.gov.in>
 - ii. All cases falling under CCS (Conduct) Rules, 1964 including Annual Property Return Statement of the employees and information under Lokpal.
 - iii. Safe custody of mortgage bonds/deeds.
 - iv. Vigilance clearance for administrative purposes.
- 6.2.5. During the period under report, almost 90% complaints were closed in consultation with Central Vigilance Commission, wherever applicable. Many complaints are at an advanced stage of investigation.

6.3 Citizen's Charter

- 6.3.1 Citizens'/ Clients' Charter for M/o MSME have been prepared and the same can be viewed at Ministry's website. This Charter consists of 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.
- 6.3.2 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 organisations. It also receives RTI applications as well as fees, if any, by RTI applicant.
- 6.3.3 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.
- 6.3.4 The detailed Citizens'/ Clients' Charter of the Ministry is available on the website of the Ministry.
- 6.3.5 Complaints: The Department of Administrative Reforms and Public Grievances (DAPRG) have created a portal for public grievances - <http://pgportal.gov.in>. Any person can lodge his grievance on this portal. All grievances received by DAPRG, Prime Minister's Office and President Secretariat are forwarded to the concerned Ministries through this portal/software. Grievance pertaining to other Ministries/Subordinate organisations can be transferred online. M/o MSME, O/o DC (MSME), NSIC and all the 24 Responsibility Centres have been provided link to <http://pgportal.gov.in>. The MSME Ministry and its organisations are promptly attending to the grievances. The Ministry has also started MSME internet grievance monitoring system to track and monitor other grievances and suggestions received in the Ministry. 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 Additional Development Commissioner, 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.nimsme.org	NI-MSME, Hyderabad
	www.kvic.org.in	KVIC, Mumbai
2. Information and Facilitation Counter, Gate No. 4, Ground Floor, Nirman Bhawan, New Delhi – 110108. Tel. No. 23062219	www.coir-india.com	Coir Board, Kochi
	www.mgiri.org	MGIRI, Wardha

6.4 Right to Information

6.4.1 For information under the RTI Act, 2005, citizens may approach the Public Information Officer (RTI) located between Gate No. 4 & 5, Nirman Bhawan, (O/o DC (MSME)), New Delhi on any working day. Information regarding RTI requests and appeals is provided below.

Table 15: Details of RTI applications received and their status						
	Requests received	Rejected	Information provided	Transferred to other Public Authority	Returned	Pending Requests
April 2017 – December- 2017	255	0	125	121	9	0
2016-17	518	0	224	267	27	0

Table 16: Details of appeals under RTI Act, 2005						
	Opening balance	Appeals Received	Initial action to be taken	Information provided	Returned to applicant	Pending appeals
April 2017 – December, 2017	0	1	0	1	0	0
2016-17	0	15	0	15	0	0

6.4.2 The complete information in respect of the Ministry and the other Public Authorities of the Organisations under this Ministry is regularly uploaded on the website of the Ministry. The details of the CPIOs'/Appellate Authority are also available at respective Office website. The latest list of Nodal CPIOs of the Ministry and its organisations is at Annexure 4.

6.5. Prevention of Sexual Harassment

- In accordance with the provisions contained in the Sexual Harassment of Women at Work Place (Prevention and Redressal) Act, 2013, an Internal Complaints Committee has been constituted in the Ministry.
- During the year 2017-18 (i.e. upto December 2017) no case was reported to the Internal Complaints Committee and no case is pending with the ICC.

- The online complaint management system — '**SHe-box' (sexual harassment electronic box)** — introduced by the Ministry of Women and Child Development to enable women employees of the Central Government to file complaints directly has been given wide publicity by the Ministry among its employees and attached/subordinate organisations.

1. PLAN ALLOCATION AND EXPENDITURE DURING 2014-15, 2015-16, 2016-17 AND 2017-18

(Rs. in crore)

Items	2014-15	2015-16	2016-17	2017-18
A. SME DIVISION				
BE	227.00	129.28	310.99	121.00
RE	200.00	143.82	160.73	-----
EXPENDITURE	192.42	131.11	121.50	71.01 *
B. ARI DIVISION				
BE	2042.00	1651.22	1825.00	2065.48
RE	1500.00	1744.18	1717.54	----
EXPENDITURE	1427.08	1655.03)	1686.39	1781.94 *
C. O/o. DC (MSME)				
BE	1058.00	832.01	864.00	4295.48
RE	800.00	732.00	3107.93	----
EXPENDITURE	771.69	661.42	1365.12	3531.91 *
TOTAL BE	3327.00	2612.51	2999.99	6481.96
TOTAL RE	2500.00	2620.00	4986.20	-
TOTAL EXPENDITURE	2391.19	2447.56	3173.01	5384.86*

*(upto 31.12.2017)

2. List of Nodal CPIOs

Sl. No.	Name, Designation and Telephone of CPIO (S/Shri)	Name, Designation and Telephone of Appellate Authority (S/Shri)	Subject Matter
1.	Magan Lal Under Secretary, M/o MSME, Udyog Bhavan, New Delhi. 23063293	L.Haokip, Director 23061431	Distribution of all the RTI applications related to M/o MSME among the concerned CPIOs. The subject-wise list of CPIOs are available on website www.msme.gov.in
2.	R C Tully Director, Office of the DC (MSME), Nirman Bhavan, New Delhi. 011-23062992	Santanu Mitra, Addl. Development Commissioner, Office of the DC(MSME), Nirman Bhavan, New Delhi. 011-23062477	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
3.	Manoj Lal Chief General Manager, NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26926275, manojlal@nsic.co.in	A.K. Mittal Director Finance NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26310549, dfin@nsic.co.in	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
4.	N. Muralia Kishore, Asstt. Registrar, National Institute for Micro, Small and Medium Enterprises (NI-MSME), YousufGauda, Hyderabad – 500 045 040-23633260, ar@nimsme.org	Dr. G P. Vallabh Reddy, Chief Administrative Officer National Institute for Micro, Small and Medium Enterprises (NI-MSME), YousufGauda, Hyderabad – 500 045 040-23633203, cao@nimsme.org	All the matters related to NIMSME. The details of CPIOs are available on website www.nimsme.org
5.	Amit Pura Chobin, Asst. Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26711037	Shri Om Prakash, 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

6.	Smt. Anita Jacob, Deputy Director, Coir Board, Coir House, M.G. Road, Kochi-682016 0484-2351807	K Anand Babu, Joint Director (Plg.) Coir Board, Coir House, M.G. Road, Kochi-682016 0484-2351807	All the matters related to Coir Board. The details of CPIOs are available on website www.coirboard.gov.in
7.	Dr. M. Patnaik Deputy Director Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001 07152-253512	Dr. P.B. Kale, Director, Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001 07152-253512, 13 director.mgiri@gmail.com	All the matters related to MGIRI. The details of CPIOs are available on website www.mgiri.org

3. Contact Addresses of the Offices of M/o MSME and its Statutory Bodies

Sl. 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,	011-26926275 26910910 26926370 Toll Free 1-800-111955	011-26932075 26311109
6	National Institute for Micro, Small and Medium Enterprises (NI-MSME), YousufGauda, Hyderabad – 500 045	www.nimsme.org	registrar@nimsme.org	040-23608544-46 23608316-19	040-23608547 23608956 23541260
7	Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001	www.mgiri.org	director.mgiri@gmail.com	0752-253512	0752-240328

4. State-Wise List Of MSME DIs And Branch MSME DI

Sl. No.	State	Name of the Institute	Location	Address	Land Line No.	Fax No.	E-mail ID
1	Andaman & Nicobar (UT)	Br. MSME-DI	Port Blair	DollygungIndustrail Estate, P.O. Jungle Ghat, Port Blair-744103	03192-252308		brdcdi-pprt@dcmsme.gov.in jangammouli@yahoo.com
2	Andhra Pradesh	Br. MSME-DI	Visakhapatnam	F-19-22, Block D IDA, Autonagar, Visakhapatnam- 530012	0891-2517942 /2701061	0891-2517942	brdcdi-vish@dcmsme.gov.in
3	Telangana	MSME-DI	Hyderabad	Narsapur Cross Roads, Bala Nagar, Hyderabad-500 037	040-23078857	040-23078857	dcdi-hyd@dcmsme.gov.in
4	Arunachal Pradesh	Br. MSME-DI	Itanagar	APIDFC Building, 'C' Sector, Itanagar-791111	0360-2291176	0360-2291176	brmsme.itan@gmail.com
5	Assam	MSME-DI	Guwahati	Industrial Estate, M.R.D Road , P.O. Bamuni-maidam, Guwahati-781021	0361-2550052, 2550298	0361-2550298	dcdi-guwahati@dcmsme.gov.in
		Br. MSME-DI	Silchar	Link Road Point, N.S Avenue, Silchar-788006	03842-247649	03842-241649	brdcdi-silc@dcmsme.gov.in
		Br. MSME-DI	Diphu (KarbriAnglong)	Amalipati, KarbiAnglong , Diphu-782460	03761-272549	03671-272549	brmsmediphu@gmail.com
		Br. MSME-DI	Tezpur	Darrang College Road, Tezpur-784001	03712-221084	03712-221084	brdcdi-tezp@dcmsme.gov.in
6	Bihar	MSME-DI	Muzaffarpur	Institute, Goshala Road, P.O Ramna, Muzaffarpur-842002.	0621-2282486 /2284425	0621-2282486	dcdi-mzfpur@dcmsme.gov.in
		MSME-DI	Patna	Patliputra Industrial Est.,Patna-800013	0612-2262568	0612-2262719	dcdi-patna@dcmsme.gov.in
7	Chattisgarh	MSME-DI	Raipur	Near Urkura Railway Station, Bhanpuri Industrial Area, Raipur (C.G)-492001	0771-2427719	0771-2422312	dcdi-raipur@dcmsme.gov.in
8	Dadra & Nagar Haveli (UT)	Br. MSME-DI	Silvassa	Masat Industrial Estate, Silvassa-396230	0260-2640933	0260-2640933	brdcdi-silv@dcmsme.gov.in
9	Delhi (NCT)	MSME-Ext. Centre	New Delhi	Bal Sahayog Kendra, Connaught Place, New Delhi.			dcdi-ndelhi@dcmsme.gov.in
		MSME-DI	New Delhi	Shaheed Capt. Gaur Marg, Opp. Okhla Industrial Estate, New Delhi-110 020.	011-26847223, 26838369,	011-26838016	dcdi-ndelhi@dcmsme.gov.in
10	Goa	MSME-DI	Margao	Opp. Konkan Railway Station (Quepem Road), Margao-403 601.	0832-2705092	0832-2710525	dcdi-goa@dcmsme.gov.in

Sl. No.	State	Name of the Institute	Location	Address	Land Line No.	Fax No.	E-mail ID
11	Gujarat	MSME-DI	Ahmedabad	Harsiddhh Camber, 4th Floor, Ashram Road (Gujarat), Ahmedabad-380014	079-27543147, 27544248	079-27540619	dcdi-ahmbad@dcmsme.gov.in
		Br. MSME-DI	Rajkot	3rd Floor, Annexe Building, Amruta (Jasani) Building Premises, Nr.Girnar Cinema, M G Road, Rajkot-360001	0281-2471045	0281-2471045	brdcdi-rajk@dcmsme.gov.in
12	Haryana	MSME-DI	Karnal	11-A, Industrial Development Colony, Near ITI, Kunjpura Road, Karnal-132 001.	0184-2208100/2208113	0184-2208114	dcdi-karnal@dcmsme.gov.in
		Br. MSME-DI	Bhiwani	Iti Campus, Hansi Road, Bhiwani-125021.	01664-243200	01664-243200	brdcdi-bhiw@dcmsme.gov.in
13	Himachal Pradesh	MSME-DI	Solan	Electronic Complex, Chambaghat, Solan-173213.	01792-230265	01792-230766	dcdi-solan@dcmsme.gov.in
14	Jammu & Kashmir	Br. MSME-DI	Jammu Tawi	Industrial Estate Digiane, Jammu Tawi-180010	0191-2431077	0191-2431077	dcdi-jammu@dcmsme.gov.in
		MSME-DI	Jammu	36, B/C, Gandhi Nagar, Jammu-180004.	0191-2431077	0191-2450035	dcdi-jammu@dcmsme.gov.in
15	Jharkhand	Br. MSME-DI	Dhanbad	Katras Road, Matkuria, Dhanbad-826001.	0326-23063380	0326-23063380	brdcdi-dhan@dcmsme.gov.in
		MSME-DI	Ranchi	Industrial Estate., Kokar, Ranchi-834001	0651-2546133	0651-2546235	dcdi-ranchi@dcmsme.gov.in
16	Karnataka	MSME-DI	Hubli	Industrial Estate, Gokul Road, Hubli-580 030	0836-2330389, 0836-2332334	0836-2330389	dcdi-hubli@dcmsme.gov.in
		MSME-DI	Begaluru	Rajaji Nagar, Industrial Estate, Bangalore-560 010.	080-23151540, 080-23151581, 080-23151582	080-23144506	dcdi-bang@dcmsme.gov.in
		Br. MSME-DI	Mangalore	L-11. Industrial Estate, Yeyyadi, Mangalore-575005	0824-2217936		brdcdi-mang@dcmsme.gov.in
		Br. MSME-DI	Gulbarga	C-122, Industrial Estate, M.S.K. Mill Road, Gulbarga-585102.	08472-420944		bsjawalgi@yahoo.co.in
17	Kerala	MSME-DI	Thrissur	Kanjany Road, Ayyanthole, Thrissur-680003	0487-2360686/638/216	0487-2360536/216	dcdi-thrissur@dcmsme.gov.in
		MSME-TI	Thiruvalla	Manjadi PO., Thiruvalla, Pathanamthitta-689105	0469-2701336	0469-2701336	msmeti@dcmsme.gov.in
		MSME-TI/TS	Ettumanur	P.B..No. 7, Ettumanur, Kottayam-686631, Kerala State	0481-2535563	0481-2535523	msmeti-ettu@dcmsme.gov.in
18	Lakshadweep (UT)	MSME-Nucleus Cell	Lakshadweep	Amini, UT of Lakshadweep-682552	04891-273345		brdcdi-laks@dcmsme.gov.in

Sl. No.	State	Name of the Institute	Location	Address	Land Line No.	Fax No.	E-mail ID
19	Madhya Pradesh	Br. MSME-DI	Gwalior	7, Industrial Estate, Tansen Road, Gwalior-474004	0751-2422590		brdcdi-gwal@dcmsme.gov.in
		Br. MSME-DI	Rewa	Udyog Vihar, Chorhatta, Rewa-486001.	0766-2222448		brdcdi-reva@dcmsme.gov.in
		MSME-DI	Indore	10, Industrial Estate, Polo Ground, Indore-452015	0731-2421659/ 07312421037	0731-2420723	dcdi-indore@dcmsme.gov.in
20	Maharashtra	Br. MSME-DI	Aurangabad	32-33, Midc, Industrial Area, Chikal Thana, Aurangabad-431210.	0240-2485430	0240-2484204	brdcdi-aura@dcmsme.gov.in
		MSME-DI	Mumbai	KuriaAndheri Road, Sakinaka, Mumbai-400072	91-22-28576090	91-22-28578092	dcdi-mumbai@dcmsme.gov.in
		MSME-DI	Nagpur	Block-C, C.G.O Complex, Seminary Hill, Nagpur-440006	0712-2510352	0712-2511985	dcdi-nagpur@dcmsme.gov.in
21	Manipur	MSME-DI	Imphal	C-17/18, Takyelpat, Industrial Estate, Imphal-795 001.	0385-2416220		dcdi-imphal@dcmsme.gov.in
22	Meghalaya	Br. MSME-DI	Tura	Dakopgre, Near T. V Tower, Tura- 794101	03651-222569	03651-222569	brdcdi-tura@dcmsme.gov.in
		Br. MSME-DI	Shillong	Opposite B. K. Bajoria School, Shillong-793001	0364-2223349	0364-2223349	brdcdi-shil@dcmsme.gov.in
23	Mizoram	Br. MSME-DI	Aizwal	Br. MSME-DI, College Veng. House No. V-37 Near TAXI Stand. Aizawl-796001	0389-2323448		brdcdi-aizw@dcmsme.gov.in
24	Nagaland	Br. MSME-DI	Dimapur	Industrial Estate, Dimapur-795001.	03862-248552	03862-248552	brdcdi-dima@dcmsme.gov.in
25	Odisha	MSME-DI	Cuttack	Vikas Sadan, College Square, Cuttack-753 003.	0671-2548077	0671-2548006	dcdi-cuttack@dcmsme.gov.in
		Br. MSME-DI	Rayagada	R.K.Nagar, Rayagada-765004	06852-222268	06856-235968	brdcdi-ray@dcmsme.gov.in
		Br. MSME-DI	Rourkela	C-9, Industrial Estate, Rourkela-769004.	0661-2507492	0661-2402492	brdcdi-rour@dcmsme.gov.in
26	Punjab	MSME-DI	Ludhiana	Near Pratap Chock, OppSangeet Cinema, Industrial Area- B, Ludhiana - 141003	0161-2531733, 734	0161-2533225	dcdi-ludhiana@dcmsme.gov.in
27	Rajasthan	MSME-DI	Jaipur	22 Godam Industrial Estate, Jaipur-302006.	0141-2210553, 2212098	0141-2210553	dcdi-jaipur@dcmsme.gov.in
28	Sikkim	MSME-DI	Gangtok	Tadong Bazar, NH-10, K K Singh Building, PO Tadong, Gangtok-737102.	03592-231880	03592-231262	dcdi-gangtok@dcmsme.gov.in

Sl. No.	State	Name of the Institute	Location	Address	Land Line No.	Fax No.	E-mail ID
29	Tamil Nadu	MSME-DI	Chennai	65/1, G.S.T Road, Guindy, P.B. 3746, Chennai-600 032	044-22501011/12 /13	044-22341014	dcdi-chennai@dcmsme.gov.in
		Br. MSME-DI	Coimbatore	386, Patel Road, Ram Nagar, Coimbatore	0422-2230426	0422-2233956	brdcdi-coim@dcmsme.gov.in
		Br. MSME-DI	Tuticorin	No. 6 Jayaraj Road, Tuticorin 628003.	0461-2375345		dcdi-chennai@dcmsme.gov.in
		Br. MSME-DI	Tirunelveli	Shed No. 7& 8 Industrial Estate, Pettai, Tirunelveli 627010.	0462-2342137		Brmsmedi-tin@gmail.com
30	Tripura	MSME-DI	Agartala	MSME-DI. Indranagar (Near I.T.I. Play Ground) P.O. :- Kunjaban, Agartala- 7999006	0381-2326570		dcdi-agartala@dcmsme.gov.in
31	Uttar Pradesh	MSME-DI	Agra	34, Industrial Estate, Nunhai, Agra-282 006	0562-2280879/2280882	0562-2523247	dcdi-agra@dcmsme.gov.in
		MSME-DI	Allahabad	E-17/18, Udyog Nagar, Naini, Allahabad-211 009	0532-2697468	0532-2696809	dcdi-allbad@dcmsme.gov.in
		MSME-DI	Kanpur	107, Industrial Estate, Kalpi Road, Kanpur-208 012.	0512-2295070 2295071, 2295073.	0512-2240143	dcdi-kanpur@dcmsme.gov.in
		Br. MSME-DI	Varanasi	Chandpur I industrial Estate, Varanasi-221106.	0542-2370621	0542-2371320	brdcdi-vara@dcmsme.gov.in
32	Uttaranchal	MSME-DI	Haldwani	Kham BungalaCampis, Kaladungi Road, Haldwani- 263 139.	05946-221053, 220853	05946-228353	dcdi-haldwani@dcmsme.gov.in
33	West Bengal	MSME-DI	Kolkata	111&112, B.T Road, Kolkata-700 108	033-25775531	033-25100524	ajoy1791@gmail.com dcdi-kolkata@dcmsme.gov.in
		Br. MSME-DI	Suri (Birbhum)	R. N. Tagore Road, Near Police Lines, PO-Suri, Distt. Birbhum, West Bengal, Pin-731101	03462-255402	03462-255402	brdcdi-birb@dcmsme.gov.in snandy.msme@gmail.com
		Br. MSME-DI	Durgapur	RA-39 (Ground Floor), Urvashi (Ph.2), Bengal Ambuja, Tarashankar-Sarani, City Centre, durgapur-713 216.	0343-2547129		brdcdi-durg@dcmsme.gov.in dipakchanda900@hotmail.com
		Br. MSME-DI	Siliguri	Industrial Estate, Sevoke Road, 2nd mile, Siliguri- 734 001.	0353-2542487		brdcdi-sili@dcmsme.gov.in monojit342@gmail.com

Abbreviations

MSME	Micro, Small and Medium Enterprises
AABY	Aam Admi Bima Yojana
ARI	Agro & Rural Industry
ASPIRE	A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship
BI	Business Incubators
BPL	Below Poverty Line
CCA	Carbon Credit Aggregation Centres
CDC	Common Display Centres
CSO	Central Statistics Office
CUY	Coir Udyami Yojana
DBT	Direct Benefit Transfer
DC (MSME)	Development Commissioner (MSME)
DICs	District Industries Centres
DPR	Detailed Project Report
EC	Economic Census
EET	Energy Efficient Technologies
EM-II	Entrepreneur Memorandum Part-II
ESDP	Entrepreneurship Skill Development Programmes
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IIT	Indian Institute of Technology
IPFC	Intellectual Property Rights Facilitation Centre
ISEC	Interest Subsidy Eligibility Certificate

KVIC	Khadi Village Industries Commission
LIC	Life Insurance Corporation of India
MMDA	Modified Market Development Assistance
MFI	Micro Finance Institution
MGIRI	Mahatma Gandhi Institute for Rural Industrialisation
MoSPI	Ministry of Statistics and Programme Implementation
MoU	Memorandum of Understanding
MSE-CDP	Scheme for Micro & Small Enterprises Cluster Development Programme
MSMED Act	Micro, Small and Medium Enterprises Development Act
NBMSME	National Board for Micro, Small and Medium Enterprises
NER	North-East Region
NGOs	Non-Government organizations
NID	National Institute of Design
NIMSME	National Institute for Micro, Small and Medium Enterprises
NIT	National Institute of Technology
NSIC	National Small Industries Corporation
OBCs	Other Backward Classes
PMAC	Project Monitoring & Advisory Committee
PMEGP	Prime Minister's Employment Generation Programme
PPP	Public Private Partnership
PRI	Panchayati Raj institutions
QCI	Quality Council of India
RBI	Reserve Bank of India
REBTI	Rural Engineering & Bio Technology Industry

SC	Scheduled Caste
SEBI	Securities and Exchange Board of India
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SMAS	Special Marketing Scheme
SME	Small & Medium Enterprises
SPV	Special Purpose Vehicle
SSPRS	Subsidy of Single Point Registration Scheme
ST	Scheduled Tribe
TEQUP	Technology and Quality Upgradation
TREAD	Trade Related Entrepreneurship Assistance and Development
UAM	Udyog Aadhaar Memorandum

Government of India
Ministry of Micro, Small and Medium Enterprises
(An ISO 9001:2008 Certified Organisation)
Udyog Bhawan, New Delhi – 110 011
www.msme.gov.in