



ANNUAL REPORT 2015-16



Government of India

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES
(An ISO 9001:2008 Certified Organisation)

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Annual Report

2015-16

Government of India
Ministry of Micro, Small and Medium Enterprises
(An ISO 9001:2008 Certified Organisation)
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ABBREVIATIONS USED

Abbreviation	Full Form
ARI	Agro-Rural Industries
ASPIRE	A Scheme for Promotion of Innovation, Rural Industries and Entrepreneurship
CCEA	Cabinet Committee on Economic Affairs
CCRI	Central Coir Research Institute
CFTI	Central Footwear Training Institute
CICT	Central Institute of Coir Technology
CGTMSE	Credit Guarantee Trust for Micro and Small Enterprises
CLCSS	Credit Linked Capital Subsidy Scheme
CPIO	Central Public Information Officer
CVY	Coir Vikas Yojana
CUY	Coir Udyami Yojana
DC (MSME)	Development Commissioner (Micro, Small and Medium Enterprises)
DIs	Development Institutes
EDP	Entrepreneurship Development Programme
ESDP	Entrepreneurship-cum-Skill Development Programme
FFDC	Fragrance and Flavour Development Centre
FTS	Field Testing Station
GoI	Government of India
ICT	Information and Communication Technology
IPFC	Intellectual Property Facilitation Centre
IPR	Intellectual Property Rights
KVI	Khadi and Village Industries
KVIC	Khadi and Village Industries Commission
MGIRI	Mahatma Gandhi Institute for Rural Industrialisation
M/o MSME	Ministry of Micro, Small and Medium Enterprises
MSE	Micro and Small Enterprises
MSE-CDP	Micro and Small Enterprises – Cluster Development Programme

Abbreviation	Full Form
MSME	Micro, Small and Medium Enterprises
MSMED Act	Micro, Small and Medium Enterprises Development Act
MSME-DI	Micro, Small and Medium Enterprises Development Institute
MSME-TC	Micro, Small and Medium Enterprises Testing Centre
MSME-TDC	Micro, Small and Medium Enterprises Technology Development Centre
MSME-TS	Micro, Small and Medium Enterprises Testing Station
MSME-TR	Micro, Small and Medium Enterprises Tool Room
MSME-TI	Micro, Small and Medium Enterprises Training Institute
NB MSME	National Board for Micro, Small and Medium Enterprises
NER	North-Eastern Region
NIMSME	National Institute for Micro, Small and Medium Enterprises
NMCP	National Manufacturing Competitiveness Programme
NSIC	National Small Industries Corporation Limited
NTSC	NSIC Technical Service Centre
O/o DC MSME	Office of Development Commissioner(MSME)
PMEGP	Prime Minister's Employment Generation Programme
QMS	Quality Management System
QTT	Quality Technology Tools
R&D	Research & Development
REGP	Rural Employment Generation Programme
RGUMY	Rajiv Gandhi Udyami Mitra Yojana
RTI	Right to Information
SDP	Skill Development Programme
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
SME	Small & Medium Enterprises
SSI	Small Scale Industries
TDC	Technology Development Centre

INTRODUCTION

1.1 BACKGROUND

- 1.1.1 Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant and dynamic sector of the Indian economy. MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socio-economic development of the country.
- 1.1.2 Khadi is the proud legacy of our national freedom movement and the Father of the nation. Khadi and Village Industries (KVI) are two national heritages of India. One of the most significant aspects of KVI in Indian economy is that it creates employment at a very low per capita investment. The KVI Sector not only serves the basic needs of processed goods of the vast rural sector of the country, but also provides sustainable employment to rural artisans. KVI today represent an exquisite, heritage product, which is 'ethnic' as well as 'ethical'. The Sector has a potentially strong clientele among the middle and upper echelons of the society.



Shri Kalraj Mishra, Hon'ble Minister (MSME), Shri Manohar Lal Khattar, Hon'ble Chief Minister Haryana, Shri K.K. Jalan, Secretary (MSME), Shri S.N. Tripathi, AS&DC (MSME), Shri B.H. Anil Kumar, Joint Secretary (ARI) and Shri Manoj Joshi, Joint Secretary (SME) in Regional Conclave at Chandigarh.

- 1.1.3 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, Odisha, West Bengal, Maharashtra, Assam, Tripura, etc. It is an export oriented industry and has great potential to enhance exports by value addition through technological interventions and diversified products like Coir Geotextiles, Coir Pith, Coir Composites etc. The acceptability of Coir products has increased rapidly due to its 'environment friendly' image.
- 1.1.4 Ministry of Micro, Small & Medium Enterprises (M/o MSME) envisions a vibrant MSME sector by promoting growth and development of the MSME Sector, including Khadi, Village and Coir Industries , in cooperation with concerned Ministries/Departments, State Governments and other Stakeholders, through providing support to existing enterprises and encouraging creation of new enterprises.
- 1.1.5 The Micro, Small and Medium Enterprises Development (MSMED) Act was notified in 2006 to address policy issues affecting MSMEs as well as the coverage and investment ceiling of the sector. The Act seeks to facilitate the development of these enterprises as also enhance 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. The Act also provides for a statutory consultative mechanism at the national level with balanced representation of all sections of stakeholders, particularly the three classes of enterprises and with a wide range of advisory functions. Establishment of specific funds for the promotion, development and enhancing competitiveness of these enterprises, notification of schemes/programmes for this purpose, progressive credit policies and practices, preference in Government procurements to products and services of the micro and small enterprises, more effective mechanisms for mitigating the problems of delayed payments to micro and small enterprises and assurance of a scheme for easing the closure of business by these enterprises, are some of the other features of the Act.

On 9 May 2007, subsequent to an amendment of the Government of India (Allocation of Business) Rules, 1961, 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). This Ministry now designs policies and promotes/ facilitates programmes, projects and schemes and monitors their implementation with a view to assisting MSMEs and helps them to scale up.

- 1.1.6 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 M/o MSME and its organisations is to assist the States in their efforts to encourage entrepreneurship, employment and

Introduction

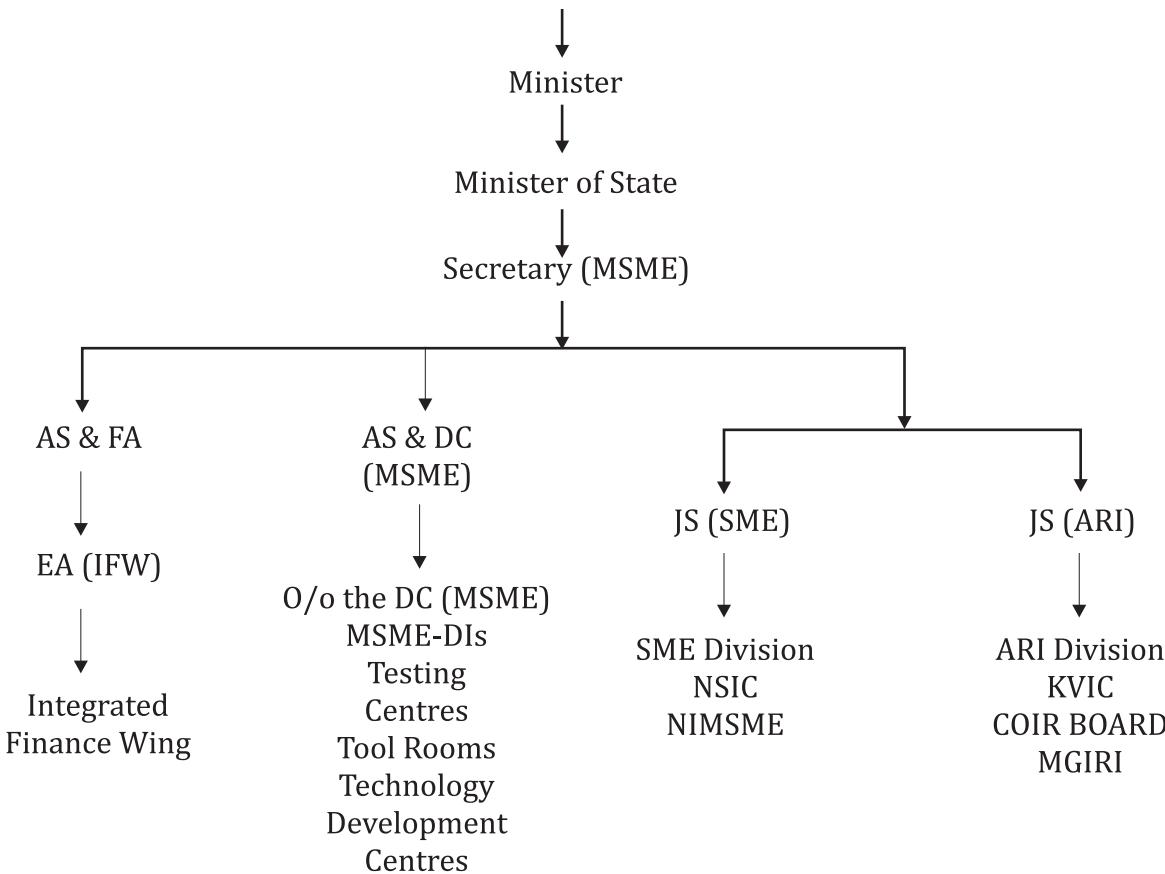
livelihood opportunities and enhance the competitiveness of MSMEs in the changed economic scenario. The schemes/programmes undertaken by the Ministry and its organisations seek to facilitate/provide: i) adequate flow of credit from financial institutions/banks; ii) support for technology upgradation and modernization; iii) integrated infrastructural facilities; iv) modern testing facilities and quality certification; v) access to modern management practices; vi) entrepreneurship development and skill upgradation through appropriate training facilities; vii) support for product development, design intervention and packaging; viii) welfare of artisans and workers; ix) assistance for better access to domestic and export markets and x) cluster-wise measures to promote capacity-building and empowerment of the units and their collectives.

1.2 ORGANISATIONAL SET-UP

- 1.2.1 The M/o MSME is having two Divisions called Small & Medium Enterprises (SME) Wing and Agro & Rural Industry (ARI) Wing. The SME Wing is allocated the work, *inter-alia*, of administration, vigilance and administrative supervision of the National Small Industries Corporation (NSIC) Ltd., a public sector enterprise and NIMESE the one autonomous national level entrepreneurship development/training organisations. The Wing is also responsible for implementation of the schemes relating to Performance and Credit Rating and Assistance to Training Institutions, among others. The ARI Wing looks after the administration of two statutory bodies viz. the Khadi and Village Industries Commission (KVIC), Coir Board and a Society called Mahatma Gandhi Institute for Rural Industrialisation (MGIRI). It also supervises the implementation of the Prime Minister's Employment Generation Programme (PMEGP). Scheme of Fund for Regeneration of Traditional Industries (SFURTI) and A Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE).
- 1.2.2 The implementation of policies and various programmes/schemes for providing infrastructure and support services to MSMEs is undertaken through its attached office, namely the Office of the Development Commissioner {O/o DC (MSME)}, National Small Industries Corporation (NSIC), Khadi and Village Industries Commission (KVIC), the Coir Board, and one training institutes 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.
- 1.2.3 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.

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

Organisational Structure of the Ministry



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

1.3 DEVELOPMENT COMMISSIONER (MICRO, SMALL AND MEDIUM ENTERPRISES)

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

Introduction

- Developing Human Resources through training and skill upgradation.
- Providing economic information services.
- Maintaining a close liaison with the Central Ministries, Planning Commission, State Governments, Financial Institutions and other Organisations concerned with development of MSMEs.
- Evolving and coordinating Policies and Programmes for development of MSMEs as ancillaries to large and medium scale industries.

Over the years, Office of the DC(MSME) has served a very useful purpose as a catalyst of growth of small enterprises through its vast network of field organisations spread over different parts of the country. The details of Schemes for the MSE sector being implemented by it have been duly incorporated in *Chapter - IV*.

1.4 KHADI & VILLAGE INDUSTRIES COMMISSION (KVIC)

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

1.5 MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)

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

1.6 COIR BOARD

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

Alleppey, and Central Institute of Coir Technology (CICT), Bengaluru for undertaking research and development activities on different aspects of coir industry, which is one of the major agro based rural industries in the country. The details of activities about the Coir sector are mentioned in *Chapter – VII*.

1.7 NATIONAL SMALL INDUSTRIES CORPORATION (NSIC) LTD

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

The NSIC is directly operating different programmes by a dedicated team of professionals at all levels and operates through 168 offices and 7 technical centres located all over India and one office located at Johannesburg (South Africa).

1.8 NATIONAL INSTITUTE FOR MICRO, SMALL AND MEDIUM ENTERPRISES (NI-MSME)

1.8.1 Entrepreneurship development and training is one of the key elements for the promotion of micro, small and medium enterprises (MSMEs), especially for creation of new enterprises by the first generation entrepreneurs. In order to inculcate the entrepreneurial culture amongst the first generation of entrepreneurs on a regular basis, the Ministry has set up National Institute for Micro, Small and Medium Enterprises (NI-MSME) (1960) at Hyderabad, as an autonomous society. This institute is engaged in developing training modules; undertaking research & training; and providing consultancy services for entrepreneurship development & promotion of MSMEs, including enhancement of their competitiveness. The role, functions and activities of the NI-MSME has been mentioned in *Chapter - IX*.

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

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

Chapter-II

(a) GROWTH AND PERFORMANCE OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) AND (b) 4th CENSUS OF MSMEs

2.1 Overview of the SSI/ MSME Sector

- 2.1.1 Performance of Micro, Small & Medium Enterprises (MSME) Sector in the country is assessed mainly:
- a. By conducting of periodic All India Census of the Sector.
 - b. By collecting the number of Entrepreneur Memorandum Part-II (EM-II) filled at DICs. (Replaced with Udyog Aadhaar online filing system since September, 2015).
- 2.1.2 Since the conduct of Fourth All India Census of MSME, 2006-07, the trends in MSME sector is assessed with the help of number of EM-II filled at DICs over the years. However, estimates based on trends of Number of Working Enterprises, Employment, and Market value of Fixed Assets based on the Fourth All India Census of MSME is projected for latest years.
- 2.1.3 The latest census conducted was Fourth All India Census of MSME. The Census was conducted with reference year 2006-07, wherein the data was collected till 2009 and results published in 2011-12. The results made use of Economic Census, 2005 (EC, 2005) conducted by Central Statistics Office (CSO), Ministry of Statistics & Programme Implementation (MoSPI) for activities excluded from Fourth All India Census of MSMEs: 2006-07 for Unregistered Sector, namely wholesale/retail trade, legal, educational & social services, hotel & restaurants, transports and storage & warehousing (except cold storage).
- 2.1.4 The final reports of Fourth All India Census of MSME covering both Registered and Unrequested Sectors are available on the website of Office of DC, MSME at following link <http://dcmsme.gov.in/data-stat.htm>.
- 2.1.5 The comprehensive results of Fourth All India Census of MSME are as noted below:

TABLE 2.1: SUMMARY RESULTS: FOURTH ALL INDIA CENSUS OF MSME

Sl. No.	Characteristics	Registered Sector	Unregistered Sector	Economic Census-2005	Total
I	II	III	IV	V	VI
1	Size of Sector (in Lakh)	15.64	198.74	147.38	361.76
2	No. of rural units (in Lakh)	7.07 (45.20%)	119.68 (60.22%)	73.43 (49.82%)	200.18 (55.34%)
3	No. of Women Enterprises (in Lakh)	2.15 (13.72%)	18.06 (9.09%)	6.40 (4.34%)	26.61 (7.36%)

Growth and Performance of MSMEs and 4th Census of MSMEs

Sl. No.	Characteristics	Registered Sector	Unregistered Sector	Economic Census-2005	Total
I	II	III	IV	V	VI
4	Total Employment (in Lakh)	93.09	408.84	303.31	805.24
5	Per Unit Employment	5.95	2.06	2.06	2.23
6	Total original value of Plant & Machinery (₹ in Lakh)	10502461	9463960	-	19966421
7	Per unit original value of Plant & Machinery (₹ in Lakh)	6.72	0.48	-	-
8	Total fixed investment (₹ in Lakh)	44913840	24081646	-	68995486
9	Per Unit fixed investment (₹ in Lakh)	28.72	1.21	-	-
10	Total Gross Output (₹ in Lakh)	70751027	36970259	-	107721286

2.1.6 The estimated trends in regard to performance of MSME sector with respect to Total Working Enterprises, Employment, and Market Value of Fixed Assets, based on Fourth All India Census of MSME are as noted below:

TABLE 2.2: PERFORMANCE OF SSI/MSME, EMPLOYMENT AND INVESTMENTS

Sl. No.	Year	Total Working Enterprises (in lakh)	Employment (in lakh)	Market Value of Fixed Assets (₹ in crore)
I	II	III	IV	V
1	2006-07	361.76	805.23	868,543.79
2	2007-08 [#]	377.36	842	920,459.84
3	2008-09 [#]	393.7	880.84	977,114.72
4	2009-10 [#]	410.8	921.79	1,038,546.08
5	2010-11 [#]	428.73	965.15	1,105,934.09
6	2011-12 [#]	447.64	1,011.69	1,182,757.64
7	2012-13 [#]	467.54	1,061.40	1,268,763.67
8	2013-14 [#]	488.46	1,114.29	1,363,700.54
9	2014-15 [#]	510.57	1,171.32	1,471,912.94

[#] - Projected.

2.1.7 Contribution of MSME Sector in the Gross Domestic Product

As per the revised methodology suggested by CSO, MoSPI, on the basis of the data on Gross Domestic Product (GDP) published by CSO, MoSPI and final results of the latest Census

Growth and Performance of MSMEs and 4th Census of MSMEs

(Fourth Census), the estimated contribution of MSME sector to GDP and Output, during 2006-07 to 2012-13, are as noted below:

TABLE 2.3: CONTRIBUTION OF MSME SECTOR IN GDP AND OUTPUT

(at 2004-05 prices)

Year	Gross Value of Output of MSME Manufacturing Sector (₹ in crore)	Share of MSME sector in total GDP (%)			Share of MSME Manufacturing output in total Manufacturing Output (%)
		Manufacturing Sector MSME	Services Sector MSME	Total	
2006-07	1198818	7.73	27.40	35.13	42.02
2007-08	1322777	7.81	27.60	35.41	41.98
2008-09	1375589	7.52	28.60	36.12	40.79
2009-10	1488352	7.45	28.60	36.05	39.63
2010-11	1653622	7.39	29.30	36.69	38.50
2011-12	1788584	7.27	30.70	37.97	37.47
2012-13	1809976	7.04	30.50	37.54	37.33

Source: 1. Fourth All India Census of MSME 2006-07,
 2. National Account Statistics (2014), CSO, MoSPI and
 3. Annual Survey of Industries, CSO, MoSPI.

2.2 TRENDS IN REGISTERED SECTOR AS PER DATASET ON ENTREPRENEUR MEMORANDUM (PART-II) 2007-08 TO 2014-15

2.2.1 INTRODUCTION TO ENTREPRENEURS MEMORANDUM

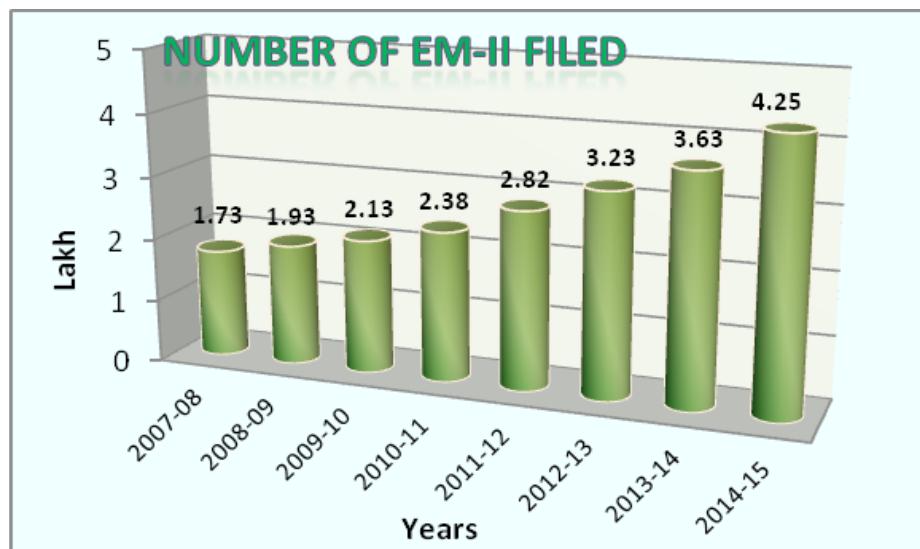
2.2.1.1 Subsequent to the implementation of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 with effect from October 2006, filing of Entrepreneurs Memorandum Part – II / (EM-II) came into vogue. Since September 2015, the same has been replaced with Udyog Aadhaar online filing system

2.2.1.2 As per the provisions of the MSMED Act, 2006 filing of EM-II is discretionary in nature. However, MSMEs file EM-II at District Industries Centres (DICs), after commencement of the project.

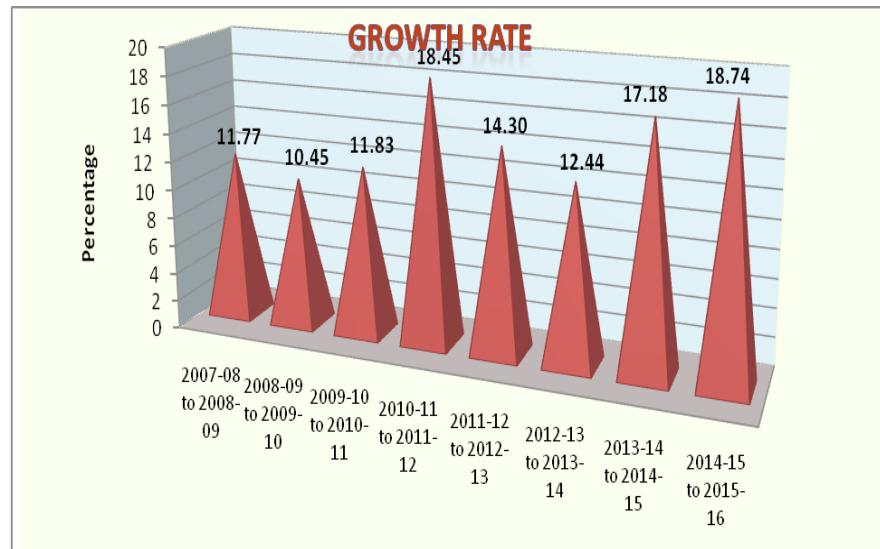
2.2.1.3 The information on number of EM-II filed by MSME at DICs was collected from the State/UT Commissionerates/ Directorates of Industries to assess the trends in growth of MSME during 2007-08 to 2014-15 in the country.

2.2.2 TRENDS IN MSME GROWTH (Filing of EM-II) DURING 2007-08 to 2014-15

2.2.2.1 MSME has shown consistent growth in terms of number of EM-II filed 2007-08 with the District Industries Centres across the country was 1.73 lakh which increased to 1.93, 2.13, 2.38, 2.82, 3.23, 3.63 and 4.25 lakh during 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 & 2014-15 respectively. (Chart 2.2.1)

CHART 2.2.1: NUMBER OF EM-II FILED BY THE MSME DURING 2007-08 TO 2014-15

2.2.2.2 MSME has shown constant growth rate around 11% every year till 2010-11. The highest growth in recent time was recorded during 2011-12 (18.45%) whereas during year 2012-13 and 2013-14 growth rate was around 14% and 12%, respectively. But it jumped to 17% in 2014-15. However, recent data for 2015 i.e., from April-September, 2015 shown impressive growth of 18.74% (year-on-year growth) (Chart 2.2.2).

CHART 2.2.2: ANNUAL GROWTH RATE ON PRECEDING YEARS**2.2.3 STATE/UT WISE DISTRIBUTION OF NUMBER OF EM-II FILED DURING 1st APRIL, 2007 TO 30th SEPTEMBER, 2015**

The State/UT wise details of EM-II filed with the Commissionerates/ Directorates of Industries during 2007-08 to 2014-15 are given in the following table:

Growth and Performance of MSMEs and 4th Census of MSMEs

TABLE 2.4: STATE/UT WISE DISTRIBUTION OF NUMBER OF EM-II FILED BY THE MSME DURING 2007-08 TO 2015-16 (SEPTEMBER)

Sl. No.	State/UT	Number of EM-II filed								
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 (30.9.15)
1	Jammu & Kashmir	1,044	971	1,192	914	1,170	1,027	918	1,159	559
2	Himachal Pradesh	832	925	1,053	942	856	772	627	388	96
3	Punjab	932	1,272	2,189	2,988	3,087	2,644	2,282	2,137	1144
4	Chandigarh	32	161	255	174	259	139	185	160	65
5	Uttarakhand	1,500	1,346	1,871	1,973	2,121	2,291	2,469	2,669	2082
6	Haryana	2,396	3,270	2,747	2,929	2,715	2,105	2,481	1,482	1111
7	Delhi	131	70	165	199	333	430	329	652	250
8	Rajasthan	13,786	14,703	14,631	14,863	14,678	15,363	17,601	18,655	4074
9	Uttar Pradesh	30,443	31,629	33,479	33,027	32,304	30,933	45,342	52,203	23402
10	Bihar	2,855	3,134	4,010	4,302	4,108	3,737	3,133	2,009	345
11	Sikkim	14	71	18	40	30	11	8	7	9
12	Arunachal Pradesh	63	144	86	60	25	55	25	25	0
13	Nagaland	687	2,498	1,445	217	213	231	242	91	10
14	Manipur	54	138	81	122	122	181	178	198	15
15	Mizoram	226	478	500	198	131	122	213	278	101
16	Tripura	156	236	220	218	205	150	173	172	92
17	Meghalaya	403	397	1,040	748	573	581	641	118	128
18	Assam	1,811	1,711	1,678	1,506	1,218	1,451	1,860	2,629	1075
19	West Bengal	17,618	13,428	11,685	10,109	13,470	10,342	11,380	15,244	8983
20	Jharkhand	940	1,051	669	690	939	4,554	3,592	3,450	410
21	Odisha	1,515	1,588	1,758	1,657	2,155	2,622	2,815	2,995	1682
22	Chhattisgarh	1,335	1,291	1,089	1,206	1,741	1,472	1,556	1,702	665
23	Madhya Pradesh	12,319	14,183	19,748	19,704	20,104	19,832	19,374	19,903	5169
24	Gujarat	13,185	17,866	19,992	27,939	51,781	68,235	58,627	64,160	36616
25	Daman & Diu	164	247	107	126	83	76	64	56	28
26	Dadra & Nagar Haveli	232	150	105	77	103	93	93	90	67
27	Maharashtra	10,244	11,682	11,896	14,496	15,606	16,136	19,826	36,992	20146
28	Andhra Pradesh	1,733	1,890	4,616	3,027	2,781	2,868	2,403	2,810	3677
29	Karnataka	14,984	15,705	17,195	18,434	21,021	24,208	25,966	28,754	10244
30	Goa	57	76	112	88	97	103	169	160	49
31	Lakshadweep	5	14	23	24	8	11	9	5	0
32	Kerala	10,757	15,541	10,956	11,089	11,071	13,551	14,997	14,906	5788
33	Tamil Nadu	27,309	32,049	41,799	57,902	70,639	90,974	116,393	143,104	85229
34	Puducherry	144	214	200	186	120	86	76	96	38
35	Andaman & Nicobar IIs.	52	61	68	78	82	100	100	112	38
36	Telangana	2,745	2,836	4,528	6,177	6,479	5,332	6,844	5,787	4467
All India		172,703	193,026	213,206	238,429	282,428	322,818	362,991	425,358	217854

Note: For year 2015-16, information is available only till September, 2015.

2.2.4 NUMBER OF EM-II FILED DURING 2007-08 TO 2014-15 BY TYPE OF ENTERPRISES

The sector-wise i.e., Micro, Small, and Medium details of EM-II filed with the Commissionerates/Directorates of Industries during 2007-08 to 2015-16 are given in the following table:-

TABLE 2.5: DISTRIBUTION OF NUMBER OF EM-II FILED BY TYPE OF ENTERPRISES

Year	Number of EM-II filed pertaining to			
	Micro	Small	Medium	Total
2007-08	1,53,110 *	16,730 *	467 *	1,72,703
2008-09	1,70,262 *	18,792 *	702 *	1,93,026
2009-10	1,85,180 *	23,870 *	1,409 *	2,13,206
2010-11	2,05,112 *	29,125 *	1,263 *	2,38,429
2011-12	2,42,539 *	34,225 *	2,949 *	2,82,428
2012-13	2,75,867	41,502	5,449	3,22,818
2013-14	2,96,526	59,127	7,338	3,62,991
2014-15	3,46,206	70,933	8,219	4,25,358
**2015-16	1,15,540	14,582	571	2,17,854

Source: - The State/UT Commissionerates/Directorates of Industries & MSME-Development Institutes.

Note:

* Provisional, since district-wise bifurcated figures by type of enterprise from the Haryana State is awaited.

** For year 2015-16, information is as on 30th September, 2015.

The Final Report of Fourth All India Census of MSME, Registered and Unregistered Sectors and Entrepreneurs Memorandum (Part-II) Data on MSME Sector during 2007-08 to 2014-15 are available on the website of Office of DC (MSME).

Chapter-III

POLICY INITIATIVES

3.1 Ease of Registration Process of MSMEs- Udyog Aadhaar Memorandum (UAM):

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 in the Gazette of India Vide Notification Number S.O 2576 (E). The simplified one page registration form "Udyog Aadhaar" 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 MSMEetc. This is also in line with Prime Minister's announcement with regard to dispensing with requirement of attestation of documents to be replaced with self-attestation of document. 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 cumbersome filing of EM has now been dispensed with and 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). Under new system of Udyog Aadhaar Memorandum, the growth of registrations of the MSMEs is impressive and more than 2.30 lakh units have been registered as on 17.02.2016.



Shri Kalraj Mishra, Hon'ble Minister (MSME), addressing in Make in India week at Mumbai.

Shri K.K. Jalan, Secretary (MSME) is also seen.

The salient features of the UAM are:

- The one page simplified registration Form would constitute a self declaration format under which the MSME will self certify its existence, bank account details, promoter/ owner Aadhaar details, other minimum basic information required, etc
- There shall be no fee for filing the UAM
- Udyog Aadhaar Acknowledgement shall be generated and mailed to the email address provided in the UAM which shall contain unique Udyog Aadhaar Number
- No supporting document is required to be uploaded or submitted while filing the UAM.

3.2 Framework for Revival and Rehabilitation of MSMEs

MSMEs have been playing a pivotal role in the country's overall economic growth and have increased potential to grow but major obstacle is that they have been facing the constraint of adequate or timely finance. Issues related to sickness of MSMEs, Non-Performing Assets and exit policy have been raised from time to time in different quarters. Keeping in view these issues, the Ministry of Micro, Small & Medium Enterprises has notified a Framework for Revival and Rehabilitation of MSMEs on 29th May, 2015 in the Gazette of India Vide Notification Number S.O 1432(E), in exercise of the powers conferred under section 9 of the Micro, Small and Medium Enterprises Development Act, 2006. This framework complements to the features of the existing RBI notification of 2012 and 2014. Under this framework any enterprise can seek revival and rehabilitation benefit through a committee constituted by banks with representatives from State Governments, experts and others. **The main features of the framework are as below:**

(a) Identification of incipient stress: Before a loan account of a MSME turns into a Non Performing Asset (NPA), banks/creditors are required to identify incipient stress in the account. Any Micro, Small or Medium enterprise may also voluntarily initiate proceedings under this framework if enterprise reasonably apprehends failure of its business or its inability or likely inability to pay debts and before the accumulated losses of the enterprise equals to half or more of its entire net worth.

(b) Committees for Distressed Micro, Small and Medium Enterprises: All banks shall constitute one or more Committees at such locations as may be considered necessary by the board of directors of such banks to provide reasonable access to all eligible Micro, Small and Medium enterprises which have availed credit facilities from such bank. The Committee shall comprise of representatives of the bank, independent expert and representative of the State Government.

(c) Corrective Action Plan (CAP) by the Committee: The Committee may explore various options to resolve the stress in the account. The intention is to arrive at an early and feasible solution to preserve the economic value of the underlying assets as well as the lenders' loans and also to allow the enterprise to continue with its business. During the period of operation of Corrective Action Plan (CAP), the enterprise shall be allowed to avail both secured and unsecured credit for its business operations.

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(d) Options under Corrective Action Plan (CAP): The options under Corrective Action Plan (CAP) by the Committee may include: (i) Rectification - regularize the account so that the account does not slip into the non-performing asset (NPA) category, (ii) restructuring the account if it is *prima facie* viable and the borrower is not a willful defaulter, and (iii) recovery - Once the first two options at (i) and (ii) above are seen as not feasible, due recovery process may be resorted to.

(e) Restructuring Process: If the Committee decides restructuring of the account as CAP, it will have the option of either referring the account to Enterprise Debt Restructuring (EDR) Cell after a decision to restructure is taken or restructure the same independent of the EDR mechanism. If the Committee decides to restructure an account independent of the EDR mechanism, the Committee should carry out the detailed Techno-Economic Viability (TEV) study, and if found viable, finalise the restructuring package within 30 days from the date of signing off the final CAP.

(f) Prudential Norms on Asset Classification and Provisioning: While a restructuring proposal is under consideration by the Committee/EDR, the usual asset classification norm would continue to apply. The process of re-classification of an asset should not stop merely because restructuring proposal is under consideration by the Committee/EDR. However, as an incentive for quick implementation of a restructuring package, the special asset classification benefit on restructuring of accounts as per extant instructions would be available for accounts undertaken for restructuring under these guidelines.

(g) Wilful Defaulters and Non-Cooperative Borrowers: Banks are required to strictly adhere to the guidelines issued by RBI from time to time regarding treatment of Wilful Defaulters.

(h) Review: In case the Committee decides that recovery action is to be initiated against an enterprise, such enterprise may request for a review of the decision by the Committee within a period of fifteen working days from the date of receipt of the decision of the Committee. Application filed under this section shall be decided by the Committee within a period of thirty days from the date of filing and if as a consequence of such review, the Committee decides to pursue a fresh corrective action plan for revival of the enterprise shall apply accordingly.

3.3 ASPIRE - A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship was launched on 16.03.2015 to set up a network of technology centres and to set up incubation centres to accelerate entrepreneurship and also to promote start-ups for innovation and entrepreneurship in rural and agriculture based industry with a fund of ₹ 210 crore. Under the scheme:

- i) 80 Livelihood Business Incubators (LBI) and 30 Technology Business Incubators (TBI) to be set up by March 2017.
- ii) A total of 1,04,000 incubates adequately skilled and trained would be ready for taking the program forward.

3.3.1 Achievements

- i) 1st Livelihood Business Incubator (LBI) has been set up in Deoria, Uttar Pradesh on 15.04.2015 by NSIC.
- ii) Subsequently 21 LBIs have been approved with sanction of funds of ₹ 20.67 crore and ₹ 7.21 crore has been released. The 2nd Centre was inaugurated on 18th December 2015 at Rajkot Gujarat.
- iii) 2 TBIs have been approved in the States of Tamil Nadu (Thiruchirapally) and Maharashtra (Pune).
- iv) For creation and setting up of ASPIRE Fund of Funds, ₹ 60 crore has been released to the SIDBI.
- v) In the first year of the scheme, as of now, LBIs and TBIs are set up/proposed across 12 States of the country including NER.
- vi) As on 15.01.2016 a batch of 217 incubates involved in 8 different training modules have passed out from Deoria Centre and another batch of 160 incubates are undergoing training. In the Rajkot centre, a batch of 88 incubates are undergoing training involving 7 training modules.

3.3.2 Targets proposed upto March 2016

- i) To approve 40 Livelihood Business Incubators (LBIs) by March 2016.
- ii) To approve 15 Technology Business Incubators (TBIs) by March 2016.
- iii) To conduct One Business Accelerator Workshop for micro and small enterprises in the Agro and Rural Industry sector for providing inputs to them to scale up to the next level.

3.4 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The first comprehensive legislation “The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 covering the entire gamut of the micro, small and medium enterprises, has come into force w.e.f. 2 October, 2006.

The Office of the Development Commissioner (MSME) has been actively pursuing the implementation of MSMED Act with States / UTs. As a result, all States / UTs have issued notifications for authority to accept filing of Memorandum for Micro and Small Enterprises (MSEs), 33 States / UTs have notified the rule for Micro & Small Enterprises Facilitation Council (MSEFC) and all States / UTs have constituted MSEFCs.

3.5 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (AMENDMENT) BILL, 2015.

Micro, Small and Medium Enterprises Development (Amendment) Bill, 2015 was introduced in the Lok Sabha on 20.04.2015. The objectives of the proposed amendments are to:

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- (i) Enhance the existing limit for investment in plant and machinery considering changes in price index and cost of inputs consistent with the emerging role of the MSMEs in various Global Value Chains.
- (ii) Include medium enterprises apart from small enterprises in section 7(9) to enable the aforesaid category of enterprises to avail the benefits and become competitive.
- (iii) Empower the central Government to revise the existing limit for investment by notification, considering the inflation and dynamic market situation.



The Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh addressing the 13th Meeting of the National Board for Micro, Small & Medium Enterprises, in New Delhi. The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra and then Secretary, Ministry of Micro, Small & Medium Enterprises, Dr. Anup K. Pujari are also seen.

3.6 POLICY OF RESERVATION OF ITEMS RESERVED FOR EXCLUSIVE MANUFACTURE IN MSE SECTOR

With the notification no. 998(E) dated 10/04/2015 the list of items reserved for exclusive manufacture in MSE Sector has been done away with. As on date there is no item reserved for exclusive manufacture in MSE Sector.

3.7 NATIONAL MANUFACTURING COMPETITIVENESS PROGRAMME (NMCP)

Ensuring the growth of Small Scale Sector at a healthy rate is crucial for the overall growth of Manufacturing Sector as also the National Economy. For this to happen the small scale

sector has to become competitive. In the 2005-06 Budget, the Government has announced formulation of a National Competitiveness Programme, particularly to support the Small and Medium Enterprises (SMEs) in their endeavour to become competitive.

The National Manufacturing Competitiveness Programme (NMCP) highlights the needs for enhancing the competitiveness of Indian Manufacturing Sector. This is determined by measuring the productivity vis-à-vis the use of its human capital and natural resources.

The NMCP is the nodal programme of the Government to develop global competitiveness among Indian MSMEs. The Programme was initiated in 2007-08. This programme targets at enhancing the entire value chain of the MSME sector through the following schemes:

- (a) Lean Manufacturing Competitiveness Scheme for MSMEs;
- (b) Promotion of Information & Communication Tools (ICT) in MSME sector;
- (c) Technology and Quality Up gradation Support to MSMEs;
- (d) Design Clinics scheme for MSMEs;
- (e) Enabling Manufacturing Sector to be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT);
- (f) Marketing Assistance and Technology Up gradation Scheme for MSMEs;
- (g) National campaign for building awareness on Intellectual Property Rights (IPR);
- (h) Support for Entrepreneurial and Managerial Development of SMEs through Incubators.
- (i) Bar Code under Market Development Assistance (MDA) scheme.

3.8 PRIME MINISTER'S TASK FORCE ON MICRO, SMALL AND MEDIUM ENTERPRISES (PM'S TASK FORCE ON MSMEs)

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

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

Policy Initiatives

3.9 PUBLIC PROCUREMENT POLICY FOR GOODS PRODUCED AND SERVICES RENDERED BY MICRO AND SMALL ENTERPRISES (MSEs)

- 3.9.1 In exercise of the powers conferred under section 11 of the Micro, Small and Medium Enterprises Development Act, 2006, the Government of India has notified Public Procurement Policy for Micro & Small Enterprises (MSEs) Order, 2012 which is applicable for every Central Ministry / Department / PSU from 1st April, 2012.
- 3.9.2 The Policy mandates that every Central Ministry / Department / Public Sector Undertaking shall set an Annual goal of procurement from Micro and Small Enterprises from the financial year 2012-13 and onwards, with the objective of achieving an overall procurement of minimum of 20 percent of total annual purchases of products produced and services rendered by Micro and Small Enterprises in a period of three years. The minimum 20% Annual procurement from MSEs has become mandatory from 1st April 2015. Policy has also earmarked a sub-target of 4% out of the 20%, from MSEs owned by SC/ ST Enterprises. Further, Micro and Small Enterprises are facilitated by providing them tender sets free of cost, exempting Micro and Small Enterprises from payment of earnest money to reduce transaction cost of their business. 358 items are also reserved for exclusive procurement from Micro and Small Enterprises.
- 3.9.3 Every Central Government Ministry / Department / PSU shall report the goals set with respect to procurement to be met from MSEs and the achievement made thereto in their respective Annual Reports. They shall also prepare Annual Procurement Plan for purchases and upload the same on their official website so that Micro and Small Enterprises may get advance information about requirement of procurement agencies. All the Chief Ministers of State Governments have also been advised to formulate similar policy for MSEs in their states. A Grievances cell has been constituted for the Redressal of the grievances for MSEs.
- 3.9.4 The policy will help to promote MSEs by improving their market access and competitiveness through increased participation by MSEs in Government purchases and encouraging linkages between MSEs and large enterprises.

3.10 E-Governance initiatives/ DIGITAL INITIATIVES

- 3.10.1 **E-Office:** e-Office initiative has been introduced to achieve paperless office in the Ministry. Movement of e-files has been started and digitalization of existing physical files for converting the same into electronic files has been completed. e-Office initiative has also been introduced to achieve paperless office of DC(MSME) like the way Ministry of MSME has done it. The necessary ground work has been completed and the work has been taken up in consultation with NIC officials for IT set up, hardware platform requirement, IT hardware requirement, number of users, Manpower & Training activities as per e-office requirement. The digitization work of documents and software installation on cloud and trial has already been completed. The Office of the DC (MSME) has been successfully using e-offcie software since 1.1.2016 .

3.10.2 Proposal for ISO 9001:2015 Certified Organisation: First ISO 9001:2008 quality standards have been adopted for the **entire Ministry (first ever)** and the processes completed with M/s TUV India has certified our processes. The Office of DC-MSME has taken up the proposal for adoption as an ISO 9001:2015 certified organization. An International agency accredited by NABCB has been consulted for creating primary documentation work.

3.10.3 Mobile Friendly Website: The website of the Ministry and Office of the DC MSME has been made mobile friendly. With this, entrepreneur friendly content can be easily accessed through any mobile and tablet <http://msme.gov.in> and <http://dcmsme.gov.in>

3.10.4 AADHAAR Based Attendance: Aadhaar-based Bio-metric Attendance System for all employees of the Ministry and Office of Development Commissioner (Micro, Small and Medium Enterprises) resulting in punctuality of attendance and the manual has been dispensed with.

3.10.5 CRC Meeting for formation of CADRE in MSME DO

Since the establishment of Small Industry Development Organisation in 1954, there had not been any review or restricting of cadre in this organization. A proposal for constituting an independent cadre in the name of "Indian Enterprises Development Service" (IEDS) was prepared and submitted to DoPT and same was approved by the DoPT and Deptt. Of Expenditure and finally the proposal has been approved in the CRC meeting held on 28.12.2015.

3.10.6 Development of ON-LINE Softwares for O/o DC-MSME

New Development

- PPPS (Physical Performance of Plan Schemes)
(<http://msmedi.dcmsme.gov.in/DcWebManager/user-login.aspx>)
- EET (Energy Efficiency Technology Up-gradation)
(http://nmcp.dcmsme.gov.in/Admin/EET_Userlogin.aspx)
- National Award
(<http://msmedi.dcmsme.gov.in/na.aspx>)
- MY MSME App (MSME Helpline) (Android App & Desktop Version)
(<http://cluster.dcmsme.gov.in/helpline/welcome.html>)
- ISO-9000
(<http://msmedi.dcmsme.gov.in/iso9000.aspx>)
Single login online Application Schemes (Desktop Version & Android App)
(<http://msmedi.dcmsme.gov.in/dcsmseapp.aspx>)

Policy Initiatives

Enhancement

- **CLCSS**
 - Success Story
- **NMCP**
 - Old host instauration data entry module
 - Infrastructure development and Incubate Ideas of division with financial detail
 - New Incubator and Incubate apply online application module (offline)
 - Add & view details of old Beneficiaries for product certification under TEQUP
- **AB-SDMIS**
 - SC-ST Reimbursement Details
 - Result Framework & Monitoring
- **MSME-DI Training**
 - Create Co-ordinator for PPPS
 - View PPPS Co-ordinator list
- **TREAD**
 - Multiple time apply of application

Undergoing Development

- Common Application for MSME All schemes
- SC-ST Reimbursement Details
- Edit and update of Trainee and programme details.

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

4.1 Background

- 4.1.1** The O/o DC (MSME) was established as Small Industries Development Organisation (SIDO) {now referred to as Micro, Small and Medium Enterprises – Development Office (MSME-DO)} in 1954 on the basis of the recommendations of the Ford Foundation. The MSME-DO is playing a very constructive role by rendering comprehensive services including consultancy through institutional set up of its field organizations spread over different parts of the country. The Office of the Development Commissioner (Micro, Small and Medium Enterprises) has been functioning as an apex/nodal organ and provides link between the Ministry/Department and field organizations. It has been working as an attached office to the Ministry of Small Scale Industries (now Ministry of Micro, Small and Medium Enterprises) since 6th September, 2001. Over the years, it has witnessed its role evolve into an agency for advocacy, handholding and facilitation of the small industries sector. It has over 60 offices and 18 autonomous bodies under administrative control. These autonomous bodies include Tool Rooms; Training Institutions and Technology Development Centres. It provides a wide spectrum of services to the small industries sector, now enlarged to also include Micro, Small and Medium Enterprises. The institutions, inter-alia, include facilities for testing, tool making, training for entrepreneurship development, preparation of project and product profiles, technical and managerial consultancy, assistance for exports, pollution and energy audits etc. The organisation provides economic information services and also advises Government in policy formulation for the promotion and development of MSME sector. Its field offices also work as effective links between the Central and the State Governments for the area of MSME development.
- 4.1.2** As a result of the globalization and liberalization of the economy, the units in the sector were increasingly called upon to face new and bigger challenges not only from MNCs etc. but also from bigger domestic players. Recognising the dynamics of the new environment in which these units were operating, the O/o DC (MSME) now focuses on providing support in the fields of credit, marketing, technology and infrastructure. The emerging global trends and national developments have transformed the role of the Organization into that of catalyst of growth of small enterprises in the country. The major functions of the Organization are: -
- i) Advising the Government in policy formulation for the promotion and development of MSME units
 - ii) Providing techno-economic and managerial consultancy, common facilities and

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- extension services to the MSME Sector;
- iii) Providing for technology upgradation, modernisation, quality improvement and infrastructure;
 - iv) Developing Human Resources through training and skill upgradation;
 - v) Providing economic information services;
 - vi) Maintaining a close liaison with the Central Ministries, Planning Commission, State Governments, Financial Institutions and other organisations concerned with development of MSME Sector and
 - vii) Evolving and coordinating Policies and Programmes for development of the MSME as ancillaries to large industries.

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

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

- Assistance / Consultancy to prospective entrepreneurs;
- Assistance / Consultancy rendered to existing units.
- Preparation of State Industrial Profiles.
- Preparation/ Updation of District Industrial Potential Surveys
- Project Profiles.
- Entrepreneurship Development Programmes.
- Motivational Campaigns.
- Production Index.
- Management Development Programmes.
- Skill Development Programmes.
- Vendor Development Programmes for Ancilliarisation.
- Quality Control and Upgradation.
- Export Promotion.
- Ancillary Development.
- Common Facility Workshop/Lab.
- Preparation of Directory of Specific Industry.
- Intensive Technical Assistance.

- Coordination with DICs
- Linkage with State Government Functionaries.
- Market Surveys.
- National Manufacturing Competitiveness Programmes (NMCP).
- Cluster Development Programme.
- Public Procurement Policy.

In addition to above, the Institutes reorient their activities in accordance with the policy initiatives taken by the Ministry of MSME, Government of India from time to time for promotion and development of MSMEs.

4.1.5 MSME Technology Centres (Earlier Known as Tool Room & Technical Institution)

Ministry of Micro, Small and Medium Enterprises (MSME), Office of the Development Commissioner (MSME) in its endeavour to provide the right stimulus for the growth of the industry in the country – particularly with objective of helping the micro, small and medium enterprises, has established the following 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), Ramnagar
12. Institute for Design of Electrical Measuring Instruments, 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

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- 4.1.6** Out of 18 Technology Centres (TCs), the first 10 TCs provide invaluable service to the Indian industry by way of precision tooling and providing well trained craftsmen in the area of tool and die making. Today, these TCs are highly proficient in mould and die making technology and promote precision and quality in the development and manufacture of sophisticated moulds, dies and tools.



*The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra and the Minister of State for Textiles (Independent Charge), Shri Santosh Kumar Gangwar witnessing the signing ceremony of an MoU between Ministry of MSME with National Textile Mill Kanpur for Technology Centre at NTC, Kanpur, in New Delhi.
The Secretary, Ministry of Textiles and Senior Officers of Ministry of MSME are also seen.*

- 4.1.7** Not only are the Technology Centres equipped with the best technology, they are also abreast with the latest advancements in the field and periodically add new technology like CAD/CAM, CNC machining for Tooling, Vacuum Heat Treatment, Rapid Prototyping etc. These TCs are concentrating on an Integrated Development of the related segments of industries by way of providing quality tools, trained personnel and consultancy in tooling and related areas.
- 4.1.8** The remaining Technology Centres are product specific Centres to look into MSMEs specific problems and render technical services, developed and upgraded technologies and manpower development and training in specific product groups like Foundry & Forging, Electronics, Electrical Measuring Instruments, Fragrance & Flavour, Glass, Sport Shoes, and develop footwear designing to promote exports & provide training for manpower in Footwear Industry.

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4.1.9 The achievements of these Tool Rooms are as under :- Achievements of MSME Tool Rooms during 2015-16 (up to 31st January, 2016) are as under:

(i)	Revenue Target 2015-16 (₹ in lakh)	34952
(ii)	Revenue Earned (₹ in lakh)	19914
(iii)	No. of Units Serviced	29502
(iv)	No. of Trainees (Long Term)	25427
(v)	No. of Trainees (Short Term)	116065
(vi)	No. of SC/ST Trainees	56410
(vii)	No. of OBC Trainees	17899
(viii)	No. of Minority Trainees	2935
(ix)	No. of Women Trainees	17008
(x)	No. of Physically Handicapped Trainees	36



On the occasion laying of foundation stone of Technology Centre at Solan, Himachal Pradesh by the Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra. Shri K.K. Jalan, Secretary (MSME) and Shri S.N. Triprathi, AS&DC (MSME) are also seen.

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4.2 Technology Centre Systems Programme (TCSP)-Establishment of MSME - Technology Centres through World Bank Assistance.

In order to upgrade and expand the network of MSME Technology Centres(earlier known as Tool Rooms & Technology Development Centres), a Programme entitled “Technology Centre systems programme(TCSP)” is being implemented at an estimated cost of ₹ 2200 crore including World Bank funding of USD 200 Million. The funding of the programme has been approved by World Bank and the programme is in advanced stage of implementation. 15 location across the Country have been approved for establishing new Technology Centres. It is expected that provision of Technology Partners, Cluster Network Managers and National Portal as envisaged in the Programme will promote manufacturing sector especially MSMEs in the country to a great extent. In addition, the programme will greatly improve the employability of the unemployed youth all over the country by skilling and upskilling them suitably.

4.3 MSME Testing Centres (TCs) and MSME Testing Stations (TSs)

4.3.1 MSME - Testing Centres(TCs)

Office of DC (MSME) is operating four MSME -Testing Centres (formerly RTCs) located at New Delhi, Mumbai, Chennai and Kolkata. MSME – Testing Centres provide testing and calibration facilities to industries in general and Micro, Small & Medium Enterprises in particular for raw materials, semi-finished and finished products, manufactured by them. The centers are equipped with the State-of- the-art indigenous and imported equipments in the disciplines of Chemical, Mechanical, Metallurgical and Electrical Engineering to undertake Performance test, Type test and Acceptance test of semi- finished, finished products etc. The centers also undertake calibration works for Measuring Instruments and Equipment conforming to international standards. These centres are accredited by internationally recognized National Accreditation Board of Testing & Calibration laboratories (NABL) certification as per ISO (17025).

4.3.2 MSME - Testing Stations (TSs)

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

4.3.2.2 These Testing Stations in fact act as extension of the MSME- TCs thereby serving the needs of the industries situated in far- flung areas. The MSME- Testing Stations are regularly modernizing/upgrading their facilities to cater to the need of industries in general and Micro, Small & Medium sector in particular, situated in their locality. For the year 2015-16, an amount of Rs 1000.00 lakh has been allocated for day to day functioning and

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modernization of MSME-Testing Centres / Stations. The Overall performance of MSME-TCs & MSME-TSs has been taken up to 31.01-2016

Year	Revenue earned (` lakhs)		Recurring Expenditure (` lakhs)		No. of jobs com- pleted		No. of Units benefitted	
	TCs	TSs	TCs	TSs	TCs	TSs	TCs	TSs
2007-08	326.06	106.81	430.40	111.84	12214	14261	2428	4662
2008-09	348.11	122.91	568.32	175.21	14013	21916	2608	5844
2009-10	387.96	137.04	638.37	209.92	14497	22471	6805	8163
2010-11	389.77	175.12	701.76	229.10	13981	26488	6304	8497
2011-12	425.28	213.37	727.38	187.34	19436	24542	7302	8906
2012-13	468.23	249.07	775.41	214.91	15472	17123	5602	8627
2013-14	581.69	275.90	787.70	238.40	14135	17545	6657	8155
2014-15	559.81	288.11	935.15	275.93	12709	14185	7295	6741
2015-16 (up to 31.01.16)	418.96	282.46	629.70	240.79	9746	10556	4765	5230

4.4 MSME-Development Institutes (MSME-DIs)

- 4.4.1 MSME-DIs are providing techno managerial consultancy and rendering necessary assistance to MSMEs by conducting various programmes like Seminars, Industrial Motivational Campaigns, Feasibility Reports, Area Survey Reports, etc. They also provide Common Facility services, In-plant Studies, EDPs for MSMEs.
- 4.4.2 Funds are allotted to meet the expenditure on salary, travel and other expenses of the staff posted in these institutes including rent/taxes for the building occupied by these institutes. Funds are also provided for infrastructures, machinery and other technical equipments, which may be required by MSMEs. The common facility centre in these DIs also provide help to MSME sector in developing hi-tech tools, dies, jigs and fixtures etc.
- 4.4.3 The workshops in these institutes are rendering common facility services in different technical trades like designing and manufacturing of tools, jigs, fixtures, dies, moulds etc. All these workshops are well equipped with conventional as well as latest hi-tech machines like CNC Lathe, CNC wirecut, CNC EDM, CNC Horizontal and Vertical, Machining Centre etc.
- 4.4.4 Another important activity of these institutes is to provide training to young prospective entrepreneurs and the workers sponsored by MSMEs and unemployed youth to upgrade their skills on modern machines. The institutes are also organizing regular and special programmes/ courses in various technical trades and in manufacturing processes.

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4.5 Credit Linked Capital Subsidy Scheme (CLCSS)

The Ministry of Micro, Small and Medium Enterprises (MSME) is operating a Scheme namely Credit Linked Capital Subsidy Scheme (CLCSS) for Technology up-gradation of Micro and Small Enterprises. The Scheme aims at facilitating Technology up-gradation of Micro and Small Enterprises (earlier known as Small Scale Industries). The Scheme was launched in October, 2000 and revised from 29.09.2005. The revised scheme facilitates 15% upfront Capital Subsidy (limited to maximum ₹ 15.00 lakh) for purchase of approved Plant & Machinery. Maximum limit of eligible loan for calculation of subsidy under the scheme is Rs. 100 lakh. Present, more than 1500 technologies under 51 products/sub-sectors have been approved under the scheme. Since inception of the scheme, 38,675 units have availed subsidy of ₹ 2267.34 crores till 18.02.2016.

4.6 Credit Guarantee Fund Scheme for Micro and Small Enterprises

- 4.6.1 The Government launched the Credit Guarantee Fund Scheme for Micro and Small enterprises (CGTMSE) in August, 2000 with the objective of making available credit to Micro and Small Enterprises for loans up to ₹ 100 lakh without collateral/ third party guarantees. The scheme is being operated by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) set up jointly by the Government of India and SIDBI. The corpus of CGTMSE is contributed by the Government of India and SIDBI in the ratio of 4:1.
- 4.6.2 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 ₹ 100 lakh per borrowing unit. The guarantee cover provided is up to 75% of the credit facility up to ₹ 50 lakh (85% for loans up to ₹ 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 ₹ 50 lakh and up to ₹ 100 lakh. A composite all-in Annual Guarantee Fee of 1.0 % of the credit facility sanctioned (0.75% for credit facility upto ₹ 5 lakh and 0.85% for above ₹ 5 lakh and upto 100 lakh for Women, Micro Enterprises and units in NER including Sikkim) is now being charged.
- 4.6.3 At present, 129 eligible institutions comprising 21 Public Sector Banks, 6 SBI & its associate Banks, 20 Private Sector Banks, 69 Regional Rural Banks (RRBs), 4 Foreign Banks and 9 other institutions i.e. Delhi Financial Corporation, Kerala Financial Corporation, Jammu & Kashmir Development Finance Corporation Ltd, Andhra Pradesh State Financial Corporation, Export Import Bank of India, The Tamil Nadu Industrial Investment Corporation Ltd., National Small Industries Corporation (NSIC), North Eastern Development Finance Corporation (NEDFI) and Small Industries Development Bank of India (SIDBI) have become Member Lending Institutions (MLIs) of CGTMSE for participating under the Credit Guarantee Scheme.
- 4.6.4 As on 31st January, 2016, cumulatively 22,09,011 proposals have been approved for guarantee cover for a total sanctioned loan amount of ₹ 1,05,297.42 crore.

4.7 Scheme of Micro Finance Programme

- 4.7.1 The Ministry has been operating a Scheme of Micro Finance Programme since 2003-04

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

- 4.7.2 As on 30 November, 2015, Cumulative loan amount provided to MFIs/NGOs under the Scheme stood at ₹ 2414.87 crore covering approximately 28.44 lakh beneficiaries.

4.8 Micro and Small Enterprises Cluster Development Programme (MSE-CDP)

The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India (GoI) 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. A cluster is a group of enterprises located within an identifiable and as far as practicable, contiguous area and producing same/similar products/services. The essential characteristics of enterprises in a cluster are (a) Similarity or complementarity in the methods of production, quality control and testing, energy consumption, pollution control, etc (b) Similar level of technology and marketing strategies/ practices (c) Channels for communication among the members of the cluster (d) Common challenges and opportunities.

Objectives of the Scheme

- 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 associations, 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).

Strategy and Approach

Given the diverse nature of the MSEs in terms of both geographical location and sectoral composition, the MSE-CDP scheme aims at addressing the needs of the industries, through well defined clusters and geographical areas. This will enable achieving the economies of scale in terms of deployment of resources as well as focusing on the specific needs of similar industries. The capacity building of associations, setting up of special purpose vehicles (SPVs), consortia, etc. which are integral part of the scheme would enable the MSEs to leverage their

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resources and also to have better access to public resources, linkages to credit and enhance their marketing competitiveness.

Soft Interventions: This will lead to creation of general awareness, counseling, motivation and trust building, exposure visits, market development including exports, participation in seminars, workshops and training programmes on technology upgradation, etc.

Common Facility Centre (CFC): This will lead to creation of tangible “assets” as Common Facility Centers (CFCs) like Common Production/Processing Centre (for balancing/ correcting/improving production line that cannot be undertaken by individual units), Design Centres, Testing Facilities, Training Centre, R&D Centres, Effluent Treatment Plant, Marketing Display/Selling Centre, Common Logistics Centre, Common Raw Material Bank/Sales Depot, etc.

Infrastructure Development Centre (ID): This will lead to creation of infrastructural facilities like power distribution network, water, telecommunication, drainage and pollution control facilities, roads, banks, raw materials, storage and marketing outlets, common service facilities and technological backup services for MSEs in the new/ existing industrial estates/ areas.

Financial assistance under the scheme

The financial assistances for various interventions are:-

- (i) Preparation of Diagnostic Study Report with Government of India (GoI) grant of maximum Rs 2.50 lakh. For the field organizations (MSME-DIs) of the Ministry of MSME, this financial support will be Rs 1.00 lakh.
- (ii) Soft Interventions with GoI grant of 75% of the sanctioned amount of the maximum project cost of Rs 25.00 lakh per cluster. For NE & Hill States, Clusters with more than 50% (a) micro/ village (b) women owned (c) SC/ST units, the GoI grant will be 90%.
- (iii) Detailed Project Report (DPR) with GoI grant of maximum Rs 5.00 lakh for preparation of a technical feasibility and viability project report.
- (iv) Hard Interventions in the form of tangible assets like Common Facility Centre having machinery and equipment for critical processes, research and development, testing, etc. with GoI grant upto 70% of the cost of project of maximum Rs 15.00 crore. For NE & Hill States, Clusters with more than 50% (a) micro/ village (b) women owned (c) SC/ST units, the GoI grant will be 90%.
- (v) Infrastructure Development with GoI grant upto 60% of the cost of project of Rs 10.00 crore, excluding cost of land. GoI grant will be 80% for projects in NE & Hill States, industrial areas/ estates with more than 50% (a) micro (b) women owned (c) SC/ST units.

Progress Report

Cluster Development: A total of 1018 interventions in various clusters spread over 29 States and 1 UTs in the country have so far been taken under the programme.

i)	Total clusters taken	1018 (till date)
	• Ongoing clusters	341
	- Diagnostic Study	165
	- Soft interventions	106
	- Hard interventions	70
	• Completed Clusters	677
	- Diagnostic Study	408
	- Soft interventions	235
	- Hard interventions	34
ii)	Total infrastructure projects taken	178
	- Ongoing projects	52
	- Completed	126

Financial Progress: Sanctions for expenditure of ₹ 59.27 Crore have been issued upto 31st Janaury, 2016 during the current financial year under MSE-CDP.

During the financial year 2015-16, around 29 Diagnostic Studies, 16 Soft Interventions and 08 Common Facility Centres were approved. Besides this, 07 Infrastructure Development Projects were also approved.

Online Application: To ensure the transparency and speedy implementation of MSE-CDP, this office has started online application system from 1st April 2012 & successfully implementing the same.

4.9 National Manufacturing Competitiveness Programme (NMCP)

4.9.1 Scheme for Providing Support for Entrepreneurial and Managerial Development of SMEs through Incubators

The scheme called “Support for Entrepreneurial and Managerial development of SMEs through Incubators” is operational since April 2008. This is one of the components of National Manufacturing Competitiveness Programme (NMCP) which emphasis's on the Support for Entrepreneurial and Managerial development of SMEs through Incubators. Under the scheme the main task is to promote individual innovators who can become technology based entrepreneur.

The office of DC (MSME) has selected 200 Business Incubators for implementing the above scheme and released ₹ 22.18 Crore upto January, 2016 as given below:

Sl. No.	Year	No. of HI/BI approved	No. of Ideas approved	GoI Assistance (₹ in crores)
1.	2008-09	25	18	-
2.	2009-10	29	164	1.91
3.	2010-11	22	95	5.76

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Sl. No.	Year	No. of HI/BI approved	No. of Ideas approved	GoI Assistance (₹ in crores)
4.	2011-12	-	49	2.06
5.	2012-13	26	29	2.30
6.	2013-14	16	53	2.51
7.	2014-15	35	143	2.68
8.	2015-16 (Upto 31 st Jan. 2016)	47	97	4.96
Total		200	648	22.18

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

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

This scheme was implemented during 11th Five-year Plan and after evaluation study the scheme continued during the 12th Five Year Plan. Under this scheme, financial assistance is provided for taking up the identified activities viz. (1) Awareness/ Sensitisation Programmes, (2) Pilot Studies for Selected Clusters/ Groups of Industries, (3) Interactive Seminars / Workshops, (4) Specialized Training, (5) Assistance for Grant on Patent/ GI Registration, (6) Setting up of ‘IP Facilitation Centre and (7) activity with International Agencies. These initiatives are being implemented through various eligible implementing agency prescribed in the scheme guidelines, to encourage MSMEs for their overall development.

With the approval of the Project Implementation Committee (PIC), which is responsible for day-to-day implementation of the programme, various activities have been undertaken during the year 2015-16. Progress upto 31-01-2016, in this context, includes (i) setting up of 31 Intellectual Property Facilitation Centres (IPFCs), (ii) Organized 313 Awareness / Sensitisation Programmes, (iii) 96 Workshops / Seminars, (iv) 8 Short Term Training Programmes and (v) Three, Two-days Workshops in association of International Agency i.e WIPO, Geneva, (vi) One Pilot Study was conducted on Cane and Bamboo and (vii) Financial assistance has been released to two unit for Grant of Domestic Patent.

4.9.3 Lean Manufacturing Competitiveness Scheme for MSMEs

Lean Technologies are important in achieving Zero defect and Zero effect manufacturing as desired by Hon'ble Prime Minister. The share of manufacturing sector in Indian National GDP over the years has decreased to 14 %. National Manufacturing Policy of Government

of India envisages share of manufacturing to reach target of 25% of the National GDP by 2022 also vision by New National Programme-“Make in India”. The Lean Manufacturing Competitiveness Scheme (LMCS) is basically a business initiative to enhance competitiveness of the manufacturing sector, imbibing a culture of continuous improvement, inculcating good management system resulted through increase in overall productivity, quality of the product, process improvement, cost reduction, scientific inventory management, improved process flows, reduced engineering time and so on with the application of Lean Manufacturing (LM) techniques like 5S System, Visual Control, Standard Operating Procedures (SOPs), Just in Time (JIT), KANBAN System, Cellular Layout, Value Stream Mapping, Poka Yoke, Single Minutes Exchange of Dies (SMED), Total Productive Maintenance, Kaizen Blitz.

2. The Lean Manufacturing Competitiveness Scheme was started as a pilot phase in 2009 for 100 Mini Clusters (10 or so manufacturing MSME units) in 11th Five Year Plan. National Productivity Council (NPC) was selected as National Monitoring and Implementing Unit (NMIU) for facilitating implementation and monitoring of the Scheme. Intervention of Lean Techniques started in 89 Mini Clusters and successfully Work completed in **59** Mini Clusters with an expenditure of **Rs 16.0 cr** under the Pilot phase of LMCS. The brief progress details of the Pilot Phase are as below:

Activities	Target (Nos.)	Achievement (Nos.)
Awareness Programmes covering 138 mini clusters	100	120
SPVs/DPGs formed	100	112
SPVs/DPGs Functioning	100	99
LMC Selected	100	94
Tripartite agreement signed	100	89
Completed Mini clusters	100	59

3. The success and need of the scheme was evaluated (2012) by independent body i.e. by Quality Council of India (QCI). The evaluation report on Implementation of pilot LMCS has recommended the continuation of the Scheme keeping in view benefits amounting to about **20%** increased in productivity to the units.

4. The scheme was up-scaled in September, 2013 considering the recommendations of the evaluation report. The up-scaled Lean Manufacturing Competitiveness Scheme approved with a Total Project cost of Rs 240.94 cr. (GOI contribution Rs 204.94 cr.) for 12th Five Year Plan for 500 mini clusters. National Productivity Council and Quality Council of India have been selected as National Monitoring and Implementing Units (NMIs) for the up-scaled scheme. Under the scheme, financial assistance upto ₹ 36 Lakhs (maximum) per Mini Cluster of 10 units for a period of 18 Months or till completion (GOI:Units::80:20, ₹ 28.8 Lakhs: ₹ 7.2 Lakhs) is paid to Lean Manufacturing Consultants for intervention Lean Manufacturing

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Techniques in the units. The brief progress of the up scaled are as below:

Activities	Target (Nos.)	Achievement (Nos.)
Clusters identified for implementation of the Lean Techniques	500	585 (85 reserved)
Awareness Programmes across the country	1000	556
LMC (Lean Manufacturing Consultant) Empanelled in the Scheme	--	447
SPVs (Special Purpose Vehicle) /DPGs Formed	500	286
LMC (Lean Manufacturing Consultant) Selected in the Scheme for LM interventions in the Cluster	500	201
Expenditure Incurred	₹ 29.0 cr.	

Example of 5S implementation

implementation - scrap yard

Before



After



Removed the scrap in scrap yard. & create the space for die storage

Implementation - Packing & dispatch area

Before



After



Packing & dispatch area – unwanted material removed

WORK STATION

◆ BEFORE



MATERIALS ARE PLACED ON SHOP FLOOR

◆ AFTER



NOW PALLETS ARE USED FOR KEEPING MATERIALS

12

Standardizing layout change

Before



After



General Engineering Cluster, Coimbatore

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

Objectives

1. The scheme, “Enabling Manufacturing Sector be Competitive through Quality Management Standards (QMS) and Quality Technology Tools (QTT)” is aimed to improve the quality of the products in the MSME sector and inculcate the quality consciousness in enterprises in this sector.
2. This scheme was implemented during 11th Five-year Plan. After evaluation study the

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scheme is being continued during the 12th Five Year Plan. The major activities under the scheme are:

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

Present Status (31.01.2016)

Till 31st Janaury,2016 (i) 50 Nos. of awareness programmes have been conducted (ii) One National level workshop organized (iii) 02 no. of 2 days workshop at metros organized .(iv) 1800 Nos. ITI teachers have been trained on QMS/QTT by Quality Council of India (QCI). (v) Course Module for the polytechnic prepared by QCI have been accepted by Ministry of HRD (vi) Implementation of QMS/QTT in 20 nos. MSME Cluster/200 Units are under process. The DSR of 10 Clusters/ 100 Units have been prepared and implementations of QMS/QTT in these units are in the final stage. The DSR in the other identified 10 clusters/ 100 units for the implementation of QMS/QTT in these Clusters/ Units are being prepared.

4.9.5 Technology and Quality Upgradation Support to MSMEs

The objective of this component of NMCP is to sensitize the MSMEs about the benefits that could accrue from usage of energy efficient technologies, reduction in emissions of Green House Gases, improve the acceptance of their products by product quality certification, thereby making them globally competitive. The major activities planned include Capacity Building of MSME Clusters for Energy Efficiency/Clean Development, Implementation of Energy Efficient Technologies in MSME sector and encouraging MSMEs to acquire product certification licenses from National / International bodies.

Present Status: During 2015-16, 86 no. of Product Certification reimbursements have been made till 31st January, 2016 for an amount of ₹ 83.31 lacs. 78 nos. of Awareness Programme have been conducted for wider outreach of scheme. Further 105 nos. of EET cases have been approved by the scheme Steering Committee (SSC) for assistance towards implementing energy efficient technology during the current financial year, for reimbursement of ₹ 9.98 crore.

4.9.6 Marketing Assistance and Technology Upgradation Scheme for MSMEs

The objective of this scheme is to enhance MSME's competitiveness in the National as well as International market through various activities such as Technology up gradation in Packaging, Skills up gradation/Development for Modern Marketing Techniques, Competition Studies of threatened products, Special components for North Eastern Region (NER), Identification of new markets through state/district level, local exhibitions/trade fairs, Corporate Governance Practices, Marketing Hubs and Reimbursement to ISO 18000/22000/27000 Certification.

Present Status: Targets have been allotted to MSME-DIs for participation of MSME units in the domestic exhibitions/fairs, reimbursement for ISO 18000/22000/27000 certification and for Corporate Governance Practices. Financial assistance of ₹ 403.05 lakhs has been providing to 2469 MSME units benefitted under the Scheme upto 31.01.2016.

4.9.7 Design Clinics Scheme for MSMEs (as on 31.01.2016)

The main objective of this component is to bring the MSME sector and design expertise on a common platform and to provide expert advice and solutions on design problems, resulting in continuous improvement and value – addition for existing products. It also aims at value-added cost effective solutions. The activities under the scheme include creation of Design Clinics Secretariat along with regional centres for intervention on the design needs of the MSME sector, and the funding assistance for design projects. This scheme is being implementing through implementing agencies throughout the country. The board activities planned under the scheme includes organize a Awareness Campaign, Seminar, Workshops in clusters and Professional Design Project & Student Projects and providing Government of India financial assistance for the individual/group of MSME units for Design intervention.

Present Status: National Institute of Design (NID), Ahmadabad, CSIR, New Delhi and IISC, Bangalore is the implementing agencies. Till date to sensitize the scheme, total 399 nos. of Design Awareness Programme completed, total 36 nos. of Orientation Programme, total nos. of 151 nos. of Professional Design Projects completed and 91 nos. of Student Design Projects were completed from MSME units for design intervention. 77 nos. of Professional Design Projects were approved by PMAC during the year 2015-16.

4.9.8 Promotion of Information and Communication Tools (ICT) in MSME sector

The main objective of the scheme is to motivate MSMEs to adopt ICT tools and applications in their production & business processes with a view to improve their competitiveness in national & International market. The likely development outcomes of the scheme will be:

- (i) To promote an echo system of cost effective and all inclusive ICT applications for MSMEs through Cloud Computing
- (ii) To establish Inter and Intra Networks amongst Technology Centers and Institutions of Office of DC, MSME
- (iii) To enable MSMEs to search for value chain (raw material, experts) online
- (iv) Adoption of best practices to improve quality of products and services
- (v) Reducing delivery cycle time
- (vi) IT as a medium of communication to revamp access to the markets, enhanced access empowers the market to undertake direct, faster and better transactions.
- (vii) Evolving internal efficiencies by way of intense ICT intake and automating procedure for cost reduction and capacity enhancement for information access, processing, collaboration and dissemination.

These objectives will be achieved by expediting ICT interventions through Cloud computing among MSMEs.

Present Status: TCIL has been appointed to work as SI under ICT Scheme during 2015-16. Signing of MoU with TCIL is under process.

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4.10 ISO-9000/14001/HACCP Certification Reimbursement Scheme

4.10.1 The scheme envisages one time reimbursement of charges for acquiring ISO 9000/14001/ HACCP certification in MSEs to the extent of 75% of the cost, subject to the maximum of ₹ 75000/- . An amount of ₹ 137.96 crore has been reimbursed to 26,622 units since inception of the scheme till 31st March, 2015. During 2015-16 about ₹ 2.77 crore has been reimbursed to 512 Micro & Small Enterprise (MSE) beneficiaries upto 31st January, 2016.

4.11 Training Programmes (IMCs, EDPS) conducted by MSME-DIs

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

- (i) Industrial Motivation Campaigns (IMCs): Industrial Motivation Campaign, of one day duration, are organized to identify and motivate traditional /non-traditional entrepreneurs having potential for setting up Micro or Small Enterprises so as to lead them towards self employment. Emphasis is being given to organize the maximum number of programmes in rural/remote areas particularly for weaker sections of the society. There is a target of 880 IMCs for the current year wherein 35,000 persons are likely to participate.
- (ii) Entrepreneurship Development Programmes (EDPs): Entrepreneurship Development Programmes are being organized as a regular training activity to cultivate the latent qualities of youth by enlightening them on various aspects that are necessary to be considered while setting up Micro, Small & Medium Enterprises. These programmes are conducted generally for technicians /artisans for motivating them towards self-employment. The course contents of such Entrepreneurship Development Programmes are so designed as to provide useful information on product /process design, manufacturing practices involved, testing and quality control, selection and usage of appropriate machinery and equipments, project profile preparation, marketing avenues/techniques, product / service pricing, export opportunities, infrastructure facilities available, finance and financial institutions, cash flow, etc. No participation fee is charged from SCs/STs. Only 50% fee is charged from Women and Physically handicapped participants. A stipend of ₹ 125 /- per week per candidate is provided to a person belonging to SC/ST, women or physically handicapped categories in the stipendiary programmes. Emphasis is being made to organize special programmes in rural areas particularly for weaker sections of the society. This year target for EDPs is 878 programmes. 17560 persons are to be trained in these EDPs.

4.11.2 Officers of DC (MSME) Training Programme

I. Introduction

MSME-DO plays a vital role in the development of Micro, Small & Medium sector in India actively engaged in developing new and existing Micro, Small and Medium Entrepreneurs by providing training, extension service, common facility workshop and Hi-tech technological

inputs and facilities through a wide net of modern tool rooms and development institutes spread across the country. It has excellent technical manpower for imparting Entrepreneurship skills, managerial and technical training in all trades pertaining to MSME sector.

For the efficient working of the organisation, there exists a continuous need for improving the performance of MSME-DO officers and staff by giving appropriate training to them. Accordingly, O/o Development Commissioner (MSME) arranges various In-Country training programmes for MSME-DO officials for enriching their knowledge and skill. On an average about 300 officials are trained every year.

II. Objectives

The Micro, Small & Medium Enterprises - Development Organisation is regularly carrying out the Human Resource Development activities for its officers and staff since its inception. The organisation is imparting induction as well as in-service training through various renowned training institutions. The main objectives of this scheme are:

1. To aware with the latest technologies and tools available globally.
2. To upgrade with latest management practices, administrative rules and procedures in use.
3. To make them more competitive by using latest quality control and testing facilities.
4. To train them in making more use of Information technology in day to day work.

III. Actual Physical and Financial achievements {F.Y. 2015-16 (till 31.01.2016)}

- (a) A total of 249 officials (including 13 officers from NE region and 5 women officials) have attended various training programmes at different training institutes situated in different parts of the country.
- (b) The total expenditure incurred is ₹ 1.17 crores.

IV. Outlook for the Year 2015-16

It is expected to provide training to additional 75 MSME-DO officials during the remaining period of the F.Y. 2015-16.

- 4.11.3 To create consciousness about the packaging and to educate Micro & Small entrepreneurs about the scientific packaging techniques, improve their packaging standards, latest design of packaging technology and to highlight the importance of packaging in marketing, Office of DC(MSME) has been organizing specialised training programmes on packaging for exports for MSE units through its field offices i.e. MSME-DIs in collaboration with Indian Institute of Packaging (IIP), Mumbai or similar Institutes/Organizations of repute since the year 1979. The training programmes are being organized for one, two, three and five days duration as per the need and concentration of MSEs. ₹ 22.30 lakh have been spent for conducting 26 numbers of one, two & three days programmes on packaging, One 3-days programme on "Export Procedures & Documentation" for SMEs, One 5-day Programme on "Export Procedures & Documentation" for MSME-DO officers and a One-day workshop for MSME exporters during 2015-16 (upto 31.01.2016) in association with IIFT, New Delhi. Similar activities are planned to be organized during 2016-17, under the Scheme.

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4.11.4 During the year 2014-15, 28 programmes were organized benefiting 1022 MSE entrepreneurs. Besides, 26 MSME-DO officers were trained in the training programme on "Export Procedures & Documentation". Women, SC&ST and Physically Handicapped participants are exempted from payment of participation fee for attending these training programmes on packaging for exports. All existing and potential entrepreneurs from Micro, Small & Medium Enterprises are eligible for training under this scheme.

4.12 Vendor Development Programmes (VDPs) for Ancilliarisation

Vendor Development Programmes (VDPs) are being organized by the MSME-DIs located in every corner of the country to provide a common platform for business as well as selling organizations to interact with each other with a view to identifying emerging demands of the buyer organizations while simultaneously providing an opportunity for displaying the capabilities of small scale entrepreneurs and their industrial ventures. Such programmes have proved to be of immense use in identifying suitable Entrepreneurs by a number of buying organizations including the Public Sector Enterprises various Wings of Defense, Railways and others in indigenizing, a number of products which hitherto have been imported at a colossal cost.

Two types of VDP's are being organized by MSME-DI's, National Level VDPs-cum-Exhibitions (NVDP) and State Level VDP's (SVDP). In NVDP's , large scale organizations such as BEL, BHEL, TELCO, BSNL, IOC, NHPC, NTPC Etc, interact with MSEs in establishing potential vendors. An exhibition is also organized for displaying the products of MSEs (sellers) and requirement of large scale organizations (Buyers). Souvenir, containing details of participants, published after every NVDP. In SVDPs, only one or two buying large scale organizations functioning in the State participate and interact with MSEs (sellers) in the Buyer-Seller Meets. NVDP's organized generally from 2 to 3 days and SVDP's for one day. All Micro, Small, Medium and Large Enterprises can participate in the Vendor Development Programmes.

VDPs are also aimed to create awareness on Public Procurement Policy to make SME units understand the requirements of goods/services for various CPSUs and to display the strength of MSE units in the form of exhibition. In view of this, VDPs helps to achieve objective of faster and inclusive growth, expanding production in a regionally balanced manner and in generating widely dispersed employment.

During the year 2015-16, 26 Nos. of National Level VDPs and 143 Nos. of State Level VDPs have been organized by MSME-DIs throughout the country up to 31.01.2016.

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

Office of DC (MSME) has been providing assistance under Marketing Development Assistance Scheme to MSEs for getting exposure to the international markets and exploring possibility of export of their products by exhibiting them through participation in overseas International Trade Fairs. During FY 2015-16 (till 18.02.2016), the Office of DC (MSME) has participated in 14 International Trade Fairs in which 230 units has participated. Total expenditure till 18.02.2016 is ₹ 3.77 crore.

4.14 Bar Code

SSI-MDA Scheme has the provision for reimbursement of 75% of one time registration fees and annual recurring fees (for first three years) paid by Micro and Small Enterprises (MSEs) to GS1 India for adoption of Bar Code.

The Scheme aims at enhancing marketing competitiveness of MSEs. Financial assistance of ₹ 98.85 lakhs has been provided to 523 MSEs upto 31st January 2016 for reimbursement of one time registration fees and annual recurring fees.

4.15 SENET (Small Enterprise Network)

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

- (i). Maintenance of computers, Servers, printers, UPS, Networking equipments, Facility Management, Internet connection etc., up gradation/replacement of Computers of IT Hardware available in the Headquarters and it's 30 (thirty) field MSME-DIs & 28 Branch MSME-DIs.
- (ii) The maintenance of the website of Office of DC (MSME), the website of 30 MSME Development Institutes providing internet connection to 30 field MSME-DIs & 28 Branch MSME-DIs.
- (iii) There, of course are certain add-ons for facilitation of MSMEs in these establishments. Furthermore, e-Governance guide lines issued by DAREG, guidelines of CVC for placement of tenders on the website, Guidelines of RTI Act 2005 etc. and basic transparency requirement and other services provided by SENET. The SENET Scheme also provides for a communication link between the Associations; state Govt. and other stakeholders.

4.16 National Awards

4.16.1 National Awards were instituted in 1983 with a view to recognize the efforts and contribution of Micro, Small and Medium Enterprises (MSMEs) by the Ministry of MSME (formerly SSI). MSMEs have shown continued dynamism in terms of their contribution to national economy. MSME sector accounts for significant share in employment, number of enterprises, manufacturing output and exports. Over the years, the sector has emerged as a nursery of entrepreneurship and bedrock of innovations, resulting in diversified product development and import substitutions. Entrepreneurial efforts and individual creativity have made it possible to develop new variants of the same base products with additional features that are unique and more user- friendly. These achievements became possible owing to the ambitions and visionary zeal of MSME entrepreneurs. In addition to the policy initiatives for the overall development of MSME sector, Government felt the need for encouraging the spirit

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of entrepreneurship by way of Annual National Awards which can further instill a sense of pride in MSME entrepreneurs.

To this context, Ministry of Micro, Small and Medium Enterprises, with a view for recognizing the efforts and contribution of MSMEs, presents National Award annually to selected entrepreneurs and enterprises, under the Scheme of National Awards. The awards are given for various categories i.e. (i) Product/Processes Innovation (ii) Outstanding Entrepreneurship (iii) Lean Manufacturing Techniques (iv) Quality Products (v) Awards to Banks for Excellent Lending to MSEs (vi) Khadi & Village Industries Sector (vii) Coir Industries Sector .

Special Awards are also given to honor one outstanding women entrepreneur, one outstanding entrepreneur from SC/ST community and one outstanding entrepreneur from North Eastern Region in the category of Outstanding Entrepreneurship awards for small enterprises. Selection for the awards is made on the basis of set criteria exclusively designed to evaluate performance of the MSMEs.

The First, Second and Third National Awards in the categories of (i) to (iv) carry cash prize of ₹ 3,00,00/- , ₹ 2,00,000/- and ₹ 1,50,000/- respectively along with a certificate and a trophy.

For the year 2013-14, total 109 National Awards are being given i.e. 36 for MSME Sector, 6 for Banks, 44 for Khadi & Village Industries and 23 for Coir Industries.

4.16.2. Innovation in Micro, Small and Medium Enterprises (MSMEs)

National Award for Innovation in MSME have been given to MSMEs for their contribution in Product/ Process Innovation. Selection for the Award is made on the basis of a clearly laid down criteria which includes Nature of Innovation, technology involved, economic potential of the innovation project realized, import substitution, energy conservation, details of patent, Growth rate of annual sales and profit, Standardization, Obtaining ISO-9000, future innovation plan etc. The category includes the following awards:

- i. National Award in Micro & Small Enterprises - First, Second and Third Award
- ii. National Award in Medium Enterprises - First, Second and Third Award

For the Year 2013, First and Second National Award for Innovation in Micro and Small Enterprises have been awarded to the Entrepreneurs from Haryana and Third Award to the Entrepreneur from Karnataka States. First Award for Innovation in Medium enterprises have been awarded to Entrepreneur from Rajasthan State and Second and Third Award to Punjab State.

4.16.3 Outstanding Entrepreneurship in Micro, Small & Medium Enterprises (MSMEs)

This category includes awards as given below:

- (1) National Award for Outstanding Entrepreneurship in Micro Enterprises (Mfg)
 - (i) First (ii) Second and (iii) Third
- (2) National Award for Outstanding Entrepreneurship in Small Enterprises (Mfg)

- (i) First (ii) Second and (iii) Third (iv) Special Awards at par with the First Award to honour an outstanding women entrepreneur (v) Special Awards at par with the First Award an outstanding entrepreneur from SC/ST (vi) Special Awards at par with the First Award to an entrepreneur from North Eastern Region,
- (3) National Award for Outstanding Entrepreneurship in Medium Enterprises (Mfg)
(i) First (ii) Second and (iii) Third
- (4) National Award for Outstanding Entrepreneurship in Micro & Small Enterprises (services)
(i) First (ii) Second and (iii) Third

Selection for these awards is made on the basis of a set criteria exclusively designed to evaluate Outstanding Efforts in Entrepreneurship/performance of the MSMEs. It includes growth rate of annual turnover and profit, use and choice of technology, export, innovation, in-house testing facility, pollution control measures, quality control standards, welfare measures, Future Plan/ Vision, Strategic Initiatives etc.

For the Year 2013, First and Second Award in Micro Enterprises have been given to entrepreneur from Gujarat, Tamil Nadu respectively and Third Award have been given to two entrepreneurs from Haryana and West Bengal.

First and Second Award in Small Enterprises has been given to an entrepreneur from Gujarat and Haryana respectively and Third Award has been given to two entrepreneurs from Haryana. Special Award under the category of Women entrepreneur, and NER Entrepreneurs has been given to entrepreneur from Rajasthan and Assam respectively. Special Award to outstanding SC/ST entrepreneur has been given to an entrepreneur from Haryana.

First, Second and Third Award in Medium Enterprises has been given to entrepreneur from Odisha, Gujarat and Haryana respectively.

First, Second and Third Award in Micro and Small Enterprises rendering services for the year 2013 has been given to entrepreneurs from Haryana, Odisha and Rajasthan respectively.

4.16.4 Lean Manufacturing Techniques in MSME

The Ministry of MSME has introduced from the year 2012 National Awards to MSMEs implementing Lean Manufacturing Techniques with the objectives of reducing wastes, increasing productivity, introducing innovative practices for improving overall competitiveness, imbuing a culture of continuous improvement. The category includes 3 following awards:

- i. National Award in Micro Enterprises - First Award
- ii. National Award in Small Enterprises - First Award
- iii. National Award in Medium Enterprises - First Award

Selection of awards is made on the basis of the clearly laid down criteria which includes Adopting 5S system, Implementing Standard Operating Procedures (SOPs), Implementing Enterprise Resource Planning (ERP) system, Implementing Energy Conservation Techniques,

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Implementing Poka -Yoke instructions, Training to staff on LM Techniques, Growth rate on Turnover and profit, Use of Technology, ISO 9001/14001 etc.

For the year 2013, First Award in Micro Enterprises has been awarded to an entrepreneur from Delhi, First award in Small enterprises to an entrepreneur from Himachal Pradesh and First Award in Medium enterprises to an entrepreneur from Punjab.

4.16.5 Quality Products in Micro & Small Enterprises (MSEs)

This category includes certain product groups selected each year. One National Award is given for each category of the selected products. Selection for the award is made on the basis of a set criteria exclusively designed to evaluate Quality Products of the MSEs includes testing of raw materials, manufacturing practices, quality control standards, export performance, growth trends, pollution control, use and choice of technology, services offered to consumers, Future Plan/ vision, strategic initiatives etc.

For the Year 2013, National Awards for Quality Product are being given to eligible Entrepreneurs for following 10 product groups:

- (1) Active Pharmaceutical Ingredients
- (2) Micro Nutrients' for Plants
- (3) Energy Efficient Pumps
- (4) Toughened Metallic ware
- (5) Automotive Electronic Components
- (6) Electronic Surveillance & Security System
- (7) Engineering Granite Products
- (8) Artistic Glass Ware/ Products
- (9) Natural Fragrance and Flavors
- (10) Leather Apparels.

4.16.6 National Awards to Banks 2013-14 for Excellence in MSE Lending and Lending to Micro Enterprises

With a view to encouraging the Banks to enhance credit flow to the MSE sector, a Scheme of National Awards to the Banks in recognition of their outstanding performance in financing the micro and small enterprises sector was introduced from the year 2001-02. Further, the National Awards for Excellence in Lending to Micro Enterprises have also been instituted from the year 2005-06.

The selection of the Banks for these Awards is made on the basis of their performance in financing micro and small enterprises/micro enterprises on criteria determined by a Standing Committee constituted under the chairmanship of the Additional Secretary and Development Commissioner (MSME), Ministry of MSME.

The Awards are in the form of three trophies, along with certificates, to the best performing banks. Two trophies are given to the major banks while the third trophy goes to one of the Associate Banks of State Bank of India, as a Special Award.

For the year 2013-14, the First National Award for excellence in lending to Micro & Small Enterprises has been conferred upon Canara Bank, Second National Award to UCO Bank and the Special Award to State Bank of Patiala.

For excellence in lending to Micro Enterprises during 2013-14, the First National Award has been conferred upon Canara Bank, Second National Award to UCO Bank and the Special Award to State Bank of Travancore.

4.16.7 Awards for KVIC Sector

For the Year 2013-14, 44 awards are being given for Khadi Village Industry Sector to the Best Spinners, Best Weavers, Best Artisans, Best Khadi Institutions, Best PMEGP Units, Best Khadi and Village Industries Boards, Banks under PMEGP etc.

4.16.8 Awards for Coir Industry Sector

For the Year 2013-14, 23 awards are being given for Coir Industry for Larger Exporters of Coir & Coir Products, Best Dealer in Domestic Market, Research & Development Efforts in product development and diversifications etc.

4.16.9 Privilege

The winners of the awards have the privilege of allowing their employees to wear labels, pins, ties or other distinctive badges with the symbol of the Awards indicating the year of Award inscribed on it. The entrepreneurs can also use the symbol on their letterheads or any advertisement issued along with the year of the award. The amount of cash prize received by winners is exempted under section 10(17) of Income Tax Act 1961.

4.17 Advertising and Publicity

1. The Advertising and Publicity is undertaken by the Office of the Development Commissioner (MSME) for creating awareness amongst the people through Print and Electronic Media as well as publishing work and editing, production& printing of publication and publicity material about the policies, programmes and activities of the Ministry of MSME for the development of MSMEs. A number of various media related activities were performed during the year.
2. Maintaining close coordination and liaison with Printing presses and media wings of the I&B Ministry and handling print and electronic media/ publicity work.
3. Releasing Advertising in all leading newspapers at all India level and coordinating with Ministry of I&B and Field Offices of the DC (MSME) located all over India.
4. Organizing special publicity/media management plan for MSME which includes outdoor, electronic media & Print Media including Press Conferences.



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra and the President & CEO Samsung India Electronics, Mr. H.C. Hong signed the documents of an MoU for MSME-SAMSUNG Digital Academy, in New Delhi. The then Special Secretary & Development Commissioner, Shri Amarendra Sinha and the Senior Vice President, Samsung India Electronics, Mr. H.W. Bang are also seen.

Print Media: Till January, 2016 more than 354 advertisements related to different training programmes were released in National/Vernacular Newspapers through DAVP for Headquarter and Field Offices on EDPs/SDPs/MDPs/VDPs etc. In addition, advertisements relating to Schemes/Tenders/Notices/vacancies etc. of the Office of the Development Commissioner (MSME) were also released. Special Creative, layout and design with different options prepared for RPF for upgradation of database, Main Advertisement and Strip Advertisement for Digital Launch of Employment Exchange for Industry, Training programmes, Different Tender Notice and other regular advertisements released through DAVP. Dailies Informative & motivational display advertisements were also released across the country through DAVP i.e. Release of Advertisement regarding Inviting Applications from MSMEs for National Awards Function, 2014, Advertisement for Inauguration of MSME-Expo- 2015 organized by O/o DC (MSME) in the 35th IITF and Synchronize & Edited different MSME films (converted into one Film) and shown to public at large during the IITF – MSME-Expo-2015 for their awareness regarding Udyog Aadhaar, Cluster Programme, Tool Room and Schemes & Programmes of the Ministry of MSME. For timely publication of advertisements, coordination/monitoring with President's Office/PMO, Creative Agency, DAVP/Newspapers and all field MSME-DIs was also performed.

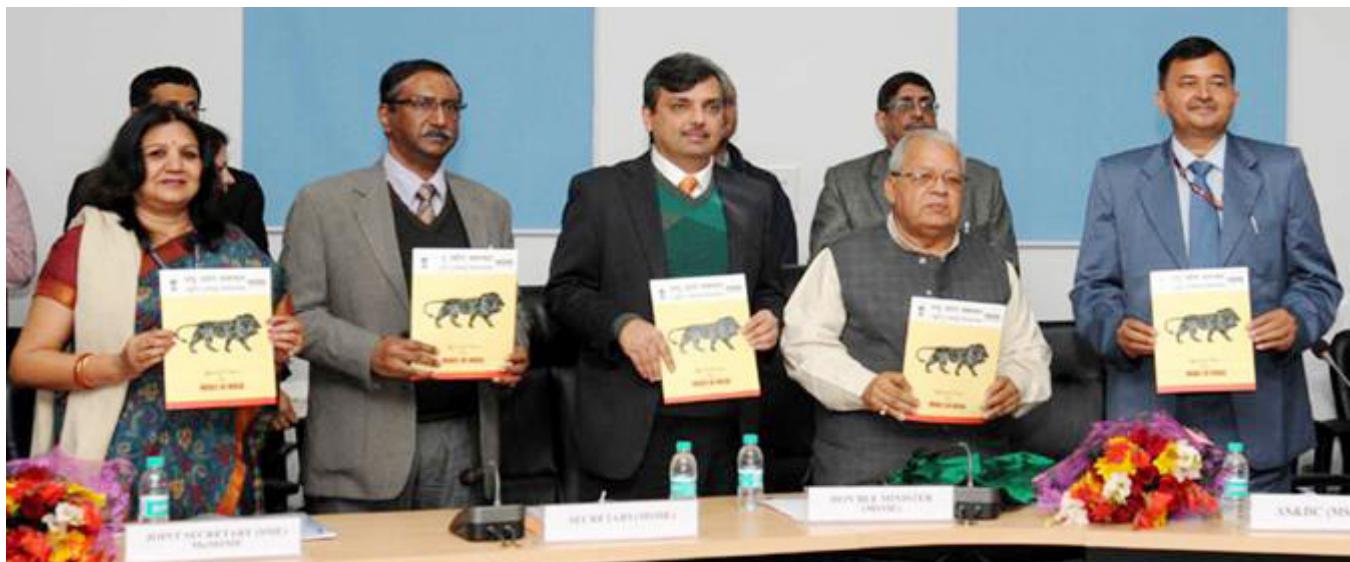
Coordinated with PIB/PTI/Vaarta/Photo Division/TV Channels and Reporters/Photographers for the coverage of Digital Launch of Employment Exchange for Industries, signing ceremony of MSME-Samsung MoU, meeting of National Board of MSME.

Newspapers/Magazine Clippings/Press Coverage: News/articles/ features/coverage pertaining to MSME Sector from more than 30 newspapers and magazines are scanned on daily basis and are brought to the notice of concerned Deptts./Divisions for suitable action and also clippings were uploaded on the DC(MSME)'s website.

During the year a number of messages were prepared. For speedy information and Media coverage, coordinated with PIB & Doordarshan/AIR for Live Telecast/Broadcast on several occasions. Press briefings were also organized for the National Awards Function and MSME Expo, KVIC, Coir Board and background material in Hindi and English were distributed amongst media persons. During the Media Management events, the coordination was ensured among various Organizations of the Ministry like KVIC, Coir Board etc.

4.18 Laghu Udyog Samachar and Other Publications

An attempt to revive the publication of Laghu Udyog Samachar, a monthly journal in Hindi and English (Bilingual) of MSME has been taken place in November, 2015. The December, 2015 issue of Laghu Udyog Samachar was based on the Theme "National Awards" and January- 2016 was based on the theme "Start-up". (A special issue on "Make in India" (LUS: February, 2016) was also brought out in January, 2016). A special publication titled 'Compendium of National Manufacturing Competitiveness Programme (NMCP)' was published by the Office of DC(MSME) during the year. It provided latest information on variety of topics on the operations of MSMEs. It creates awareness and disseminates information on policies and programmes of the Central Government. Old special issues of Laghu Udyog Samachar were also distributed amongst the visitors during the MSME Expo in India International Trade Fair.



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra releasing the Make-in-India Issue of Laghu Udyog Samachar, in New Delhi. The Additional Secretary & Development Commissioner (MSME), Shri Surendra Nath Tripathi and the Senior Officers of MSME are also seen.

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Guidelines for the implementation of Lean Manufacturing Competitiveness, Scheme upscaled: revised edition in English & Hindi.

The booklet (in Hindi and English) of "Skill Mapping for MSME Sector in India" was brought out and released by Hon'ble Union Minister of MSME.

The publication of different motivational booklets, folder, brochures were also brought out for field offices during the year.

For various publications as well as advertisements, emphasis was given on following the guidelines of Official Language Policy with regard to advertisements in O.L.

A number of RTI Applications were disposed off within the stipulated period.

4.19 Information & Facilitation Counter (IFC)

The Information and Facilitation Counter (IFC) located in Nirman Bhawan is a nodal office for the M/o MSME and its organizations. It provides speedy and easy access to information to the public on the services and activities of Ministry of MSME and its organizations. Till date more than 338 visitors/information seekers/VIPs etc. were attended during the period and provided the relevant information including booklet/magazines. Copies of important brochures, pamphlets, books, etc. are also made available to the entrepreneurs by the IFC. The other important activities of IFC include:

- (i) Providing counseling, guidance & Information related to enterprise;
- (ii) Disseminating information on technical scheme, project report and details of various programmes implemented by the M/o MSME and Office of the DC(MSME) etc.;
- (iii) Making available information relating to policies concerning MSMEs and schemes of various State Governments for promotion of MSMEs;
- (iv) Providing information about filing of Memorandum and other different provisions of the Micro, Small and medium Enterprises Development Act, 2006 and supplying information about credit policies of the Government, statistics related to MSMEs, technical and marketing aspects concerning MSMEs and Reservation/De-reservation in MSMEs etc.
- (v) During the year, more than 2000 prospective and existing entrepreneurs including media persons, MPs/VIPs, officials from Directorate of Industries/DIs/NGOs/ Associations etc. across the country were guided, motivated, counseled on different schemes run by the Ministry of MSME. And, also distributed the Annual Report, Self Employment booklets, Compendium of National Manufacturing Competitiveness Programme (NMCP), different trade-wise project profiles and old and new publications of Laghu Udyog Samachar (complimentary copies) in Hindi & English were issued to them during the year.

4.20 Modernization of MSME Libraries

The Office of the DC (MSME) is maintaining Libraries at its Headquarters at Nirman Bhawan and its entire field Institutes. These Libraries are the source of information and are maintained with the objective of making available the technical information required for the development of MSMEs. The officers of the institutes and also the entrepreneurs of the areas use the libraries to know about the new developments taking place in the different segments of industrial and business environment.

The libraries are maintaining technical books, journals, reports, project profiles and statistical surveys and copies of other related government publication etc. Libraries are maintained regularly with these publications to keep abreast with developments taking place in the field of I.T. The MSME libraries are being equipped with computers, photostat machines, internet connectivity etc.

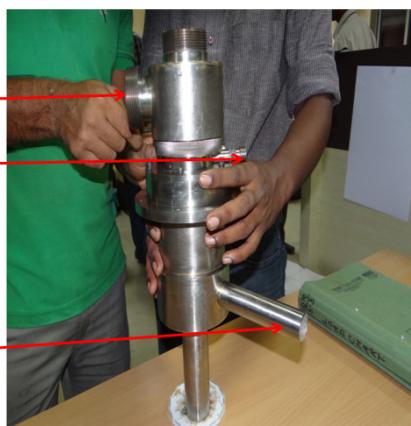
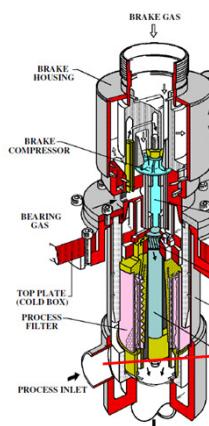
Hands on training through Design & Manufacturing



- Precision dies and tools, moulds, die-casting dies, jigs & fixtures, gauges etc. and their appropriate use and maintenance.
- Precision machining of critical components.
- Vacuum heat treatment

Precision Machining & Assembly

CRYOGENIC TURBINE (Linde, UK)



Chapter-V

KHADI AND VILLAGE INDUSTRIES COMMISSION (KVIC)

5.1 BACKGROUND

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

5.2 MAIN OBJECTIVES

The main objectives of KVIC include:-

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

5.3 FUNCTIONS

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

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

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

5.4 ORGANISATIONAL SET-UP

- 5.4.1 KVIC is functioning under the administrative control of the Ministry of Micro, Small and Medium Enterprises, Government of India. The Commission functions with its Head Office at Mumbai and six Zonal Offices located at New Delhi; Bhopal; Bangalore; Kolkata; Mumbai and Guwahati and 37 State/Divisional Offices spread all over the country to facilitate speedy implementation of KVI programme. At the Central Office level, different Directorates have been constituted for coordinating the functions like Khadi, Village Industries, Capacity Building, Marketing, Accounts, Administration, Economic research, Prime Minister's Employment Generation Programme (PMEGP), SFURTI etc.
- 5.4.2 KVIC undertakes training activities through its 39 departmental and non-departmental training centres. Marketing is taken up through its 08 departmentally-run Khadi Gramodyog Bhavans located in urban areas and 7050 institutional/retail sales outlets located at different parts of the country. KVIC also makes available quality raw material to khadi institutions through its six Central Silver Plants (CSPs).

5.5 IMPLEMENTING AGENCIES

Khadi and Village Industries (KVI) programmes are implemented through 33 State/Union Territories (UTs) Khadi and Village Industries Boards (KVIBs); 4,443 registered institutions; Banks/Financial institutions. The Khadi programme is implemented through institutions registered either with KVIC or State/UT KVIBs. In the case of village industries, KVIC is implementing with effect from 2008-09 the Prime Minister's Employment Generation Programme (PMEGP) which is a more attractive scheme for prospective entrepreneurs with higher subsidy levels than the erstwhile Rural Employment Generation Programme (REGP) and Prime Minister's Rozgar Yojana(PMRY). KVIC also implements cluster development activities in traditional industries of khadi and village industries under Scheme of Fund for Regeneration of Traditional Industries (SFURTI) as a Nodal Agency.

5.6 GROUPING OF INDUSTRIES

- 5.6.1 While the Khadi Programmes comprise hand spun and hand woven cotton, woollen, muslin and silk varieties, the Village Industries (VI) Programmes have been classified into seven broad groups. These are:
- (i) Mineral Based Industry;
 - (ii) Forest Based Industry;
 - (iii) Agro Based & Food Processing Industry;
 - (iv) Polymer & Chemical Based Industry;
 - (v) Rural Engineering & Bio-Technology Industry;
 - (vi) Hand Made Paper & Fibre Industry; and
 - (vii) Service and Textile Industry.

- 5.6.2 Industries connected with meat (slaughter) i.e. processing, canning and/ or serving items made therefrom; production/manufacturing or sale of intoxicant items like beedi/pan/ cigar/cigarette, etc., any hotel or dhaba or sales outlet serving liquor; preparation/producing tobacco as raw materials; tapping of toddy for sale; manufacturing of polythene carry bags of thickness less than 20 microns and manufacturing of carry bags or containers made of recycled plastics for storing, carrying, dispensing or packaging of food-stuff, etc., are not assisted under KVI programme as these are either not eco-friendly or against the ideology and ethos of Mahatma Gandhi.

5.7 BUDGETARY SUPPORT TO KVIC

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

- 5.7.2 The details of funds provided from budgetary sources (both under Plan and Non-Plan head) during the last three years and in the Budget Estimate 2015-16 are given in the following Table:

TABLE 5.1: BUDGETARY SUPPORT TO KVIC

(₹ crore)

Year	Allocation (RE)		Funds Released	
	Plan	Non- Plan	Plan	Non- Plan
2012-13	1543.79	162.85	1466.20	160.85
2013-14	1395.67	219.28	1204.88	218.23
2014-15	1445.56	229.09	1381.09	227.31
2015-16(B.E)*	1398.22	229.09	1085.51	202.21

*UPTO 31 January 2016

5.8 PHYSICAL PERFORMANCE

- 5.8.1 The total KVI production during 2015-16 (upto 31st January 2016) is estimated at ₹ 27868.05 crore (Khadi ₹ 903.25 crore and V.I. ₹ 26964.80 crore) as against ₹ 27569.37 crore (Khadi ₹ 879.98 crore and V.I. ₹ 26689.39 crore) in corresponding period of 2014-15. Similarly, estimated sales of KVI products is ₹ 37642.24 crore (Khadi ₹ 1218.04 crore and V.I. ₹ 36424.20 crore) in 2015-16 (upto 31st January 2016) as against ₹ 33135.90 crore (Khadi ₹ 1170.38 crore and V.I. ₹ 31965.52 crore) in corresponding period of the previous year.

The total cumulative employment in the KVI sector is estimated to have also increased to 154.84 lakh persons (11.06 lakh in Khadi and 143.78 lakh in V.I.) in 2015-16 (upto 31st January 2016) as against 134.25 lakh persons (11.06 lakh in Khadi and 123.19 lakh in V.I.) in corresponding period of the previous year.

- 5.8.2 The performance of KVI sector in respect of production, sales and employment during the last three years and in 2015-16 is shown in the following Table:

TABLE 5.2: PERFORMANCE OF KVI SECTOR

YEAR	PRODUCTION (Value in ₹ crore)		SALES (Value in ₹ crore)		CUMULATIVE EMPLOY- MENT (in lakh persons)	
	KHADI	V. I.	KHADI	V. I.	KHADI	V. I.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2012-13	761.93	23262.31	1021.56	26818.13	10.71	114.05
2013-14	811.08	25298.00	1081.04	30073.16	10.98	119.40
2014-15	879.98	26689.39	1170.38	31965.52	11.06	123.19
2015-16*	903.25	26964.80	1218.04	36424.20	11.06	143.78

*upto 31 January 2016

5.9 MAJOR SCHEMES BEING IMPLEMENTED BY KVIC

5.9.1 Prime Minister's Employment Generation Programme (PMEGP)

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

Keeping in view the varying parameters and entitlements, targeting almost the same set of beneficiaries in rural areas, better recovery rates under REGP as compared to PMRY and the existence of employment generation schemes being implemented by a number of States with more attractive benefits/ assistance/ interventions like Bangla Swanirbhar Karma Sansthan Prakalpa (West Bengal); Shri Vajpayee Bankable Yojana (Gujarat); Chief Minister's Rozgar Yojana (Uttar Pradesh), etc., it was decided to discontinue PMRY and REGP from 2008-09 and introduce a new credit linked subsidy scheme titled **Prime Minister's Employment Generation Programme (PMEGP)** through merger of the erstwhile schemes of PMRY and REGP. PMEGP has been a significant initiative with a higher level of subsidy than that available under PMRY and REGP. This Scheme is being implemented through KVIC as the national level nodal agency. The details of PMEGP are given in Chapter X.

5.9.2 Workshed Scheme for Khadi Artisans

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

Component	Area per unit	Amount of Assistance
Individual Workshed	20 Square meters (approximately)	₹ 60,000/- or 75% of the cost of the workshed, whichever is less.
Group Worksheds (for a group of minimum 5 and maximum 15 khadi artisans)	15 Square meters per beneficiary (approximately)	₹ 40,000/- per beneficiary of the group or 75% of the total cost of the project, whichever is less.

Under this Scheme, Assistance to 4324 artisans has been provided during 2014-15. Assistance to 1100 artisans has been provided during 2015-16 (upto 31st January 2015) against the target of providing assistance to 1100 artisans.

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

In order to facilitate the need-based support towards the Khadi sector for nursing the sick/ problematic institutions elevated from "D" to "C" category as well as those whose production, sales and employment have been declining while they have potential to attain normalcy

and to support creation of marketing infrastructure in other identified outlets, the scheme of Strengthening of Infrastructure of Existing Weak Khadi Institutions and Assistance for Marketing Infrastructure has been formulated. Under this scheme, financial assistance has been provided to 58 existing weak Khadi institutions for strengthening of their infrastructure and for renovation of selected 30 khadi sales outlets which includes (KVIC outlets -4, KVIB outlets - 6 and KIs outlets - 20). The maximum amount of assistance for strengthening of weak khadi institutions under this scheme is ₹ 9.90 lakh (capital expenditure – ₹ 3.50 lakh, working capital – ₹ 6.15 lakh and ₹ 0.25 lakh towards conducting detailed study report). For renovation of sales outlets, the ceiling of financial assistance is ₹ 25 lakh for Departmental Sales outlets of KVIC, ₹ 21.25 lakh for Departmental Sales outlets of State KVIBs, ₹ 18.75 lakh for institutional outlets located in metro cities and ₹ 15 lakh for institutional outlets located in non-metro cities. It is expected that after implementation of this scheme, there will be a higher level of production, sales and employment along with the increased level of earnings in khadi sector.

5.9.4 Khadi Reform and Development Programme (KRDP)

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 for implementing a comprehensive Khadi Reform Programme worked out in consultation with ADB and KVIC. Under this Reform Package, it is proposed to revitalize the Khadi sector with enhanced sustainability of Khadi, increased incomes and employment to artisans, increased artisans welfare and to enable KVIC to stand on its own with gradually decreasing dependence on Government Grants. Initially, the programme will be implemented in 300 khadi institutions keeping in mind the needs of regional balance, geographical spread and inclusion of backward areas.

A KVI Programme has also been launched in the Hill, Border & Left Wing Extremism (LWE) affected areas in respect of 100 institutions with financial assistance amounting to ₹ 76 crores i.e. ₹ 76 lakh/institution under KRDP, in which relaxation has been given in criteria of selection of institutions and in minimum number of artisans associated with the institutions of Hill, Border & LWE affected areas.

Progress

- a) Gazette notification for Khadi Mark Regulation issued in July,2013
- b) Direct Reform Assistance (DRA) under KRDP is provided to 82 Khadi institutions including both normal and special category.
- c) 1320 KIs have obtained Khadi Mark Certificate.
- d) 3806 NMC and 251 improved Looms have been procured by the KIs, under KRDP and provided employment to the artisans i.e spinners & weavers under this programme.
- e) 3508 persons inclusive of spinners/weavers and staff have been trained under various discipline.
- f) 164 Sales outlets have been renovated by the KIs

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- g) Out of ₹ 94.90 Crore received under KRDp scheme from the Ministry of MSME, ₹ 82.40 Crore has been released for implementation of KRDp activities so far.

5.9.5 Interest Subsidy Eligibility Certificate (ISEC) Scheme

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

The extent of credit flow to the institutions under the Scheme during the past three years and in 2015-16 is depicted in the following Table:

TABLE 5.3: CREDIT FLOW UNDER ISEC SCHEME

Year	Credit Flow to Khadi and Polyvastra Institutions	Subsidy Provided by KVIC (₹ crore)
2012-13	332.53	38.00
2013-14	340.67	24.92
2014-15	365.51	73.83
2015-16*	365.51	40.54

*upto 31 January 2016

5.9.6 Market Promotion Development Assistance scheme (MPDA)

For promoting sale of khadi and polyvastra, Government of India through the Khadi and Village Industries Commission (KVIC) used to provide subsidy in the form of rebate on sale which used to be passed to the consumers. But it was observed that artisans, who are the backbone of Khadi activities, were not extended any benefit from this and khadi outlets also were not able to attract buyers due to inadequate quality design and unattractive look of the outlets and inadequate marketing support, etc. To rectify these deficiencies, the Government after extensive consultation with khadi institutions and other stake holders has introduced a flexible, growth stimulating and artisan-centric 'Market Development Assistance (MDA) Scheme for Khadi and Polyvastra' with effect from 01.04.2010 for implementation during two terminal years of XI Plan, i.e., 2010-11 and 2011-12 with estimated cost of ₹ 345.05 crore (₹ 159.65 crore for 2010-11 & ₹ 185.40 crore for 2011-12). The main feature of this Scheme was that financial assistance (i.e., MDA) was provided @ 20% of value of production of Khadi and polyvastra (cotton khadi, silk khadi, wollen khadi and Polyvastra) achieved by



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra inaugurating the "Gujarat Khadi Utsav" (Launch of Khadi Patch Mirror work of Kutchh-Bhuj readymade garments), in New Delhi. The Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh and the then Secretary, Ministry of Micro, Small & Medium Enterprises, Dr. Anup K. Pujari are also seen.

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

The MDA scheme of KVIC has been modified as Market Promotion Development Assistance scheme (MPDA). MPDA scheme is formulated as a unified scheme by merging different schemes/sub-schemes/components of different Heads implemented in the 11th Plan, namely, Market Development Assistance, Publicity, Marketing and Market promotion. A new component of Infrastructure development namely setting up of Marketing Complexes/ Khadi Plazas has been added to expand the marketing net work of Khadi & VI products.

Under the erstwhile MDA scheme financial assistance was distributed amongst Producing Institutions (30%), Selling Institutions (45%) and Artisans (25%). Under the modified MDA scheme financial assistance is distributed amongst Producing Institutions (20%), Selling Institutions (40%) and Artisans (40%). This will lead to increase in the earnings of artisans.

An amount of ₹ 171.53 crore has been disbursed by KVIC towards MDA (Khadi) in 2014-15. In 2015-16 (upto 31st January 2016), ₹ 151.64 crore have been disbursed by KVIC towards MDA (Khadi).

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5.9.7 Aam Admi Bima Yojana (AABY) erstwhile Khadi Karigar Janashree Bima Yojana

In order to provide insurance cover to khadi artisans, a group insurance scheme namely Khadi Karigar Janashree Bima Yojana (JBY) was launched on August 15, 2003. The scheme has been renamed as Aam Admi Bima Yojana from the year 2013. The Scheme was formulated by KVIC in association with the Life Insurance Corporation of India (LIC) with annual premium of ₹ 200/- per beneficiary. The Commission has prevailed upon LIC to reduce the premium to ₹ 100/- from 2005-06 which is shared as ₹ 50/- by the Central Government from Social Security Fund, ₹ 25/- by Khadi Institution and ₹ 12.50/- each by Khadi Artisan and KVIC."

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

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

As an '*add-on*' benefit without any additional premium, up to two school-going children of insured artisans studying in Class Nine to Twelve are eligible for a scholarship of ₹ 100/- each per month.

More than 2.93 lakh khadi artisans have already been covered under this scheme so far.

5.9.8 Exhibitions

Besides promoting sale of products of khadi and village industries through its network of Khadi Gramodyog Bhavans (KGB) and retail sales Outlets, efforts are made by KVIC to organise a number of exhibitions, in different parts of the country, as a cost effective publicity and market promotion instrument. Special efforts were made in this regard and a total of 38 exhibitions /events were organised in various parts of the country in 2014-15. During 2015-16 (up to 31st Jan. 2016), 82 exhibitions/events have been organized/ participated.

KVIC has been granted the status of 'deemed' Export Promotion Council (EPC) by the Department of Commerce for availing assistance on the pattern of an umbrella EPC like Federation of Indian Export Organisations (FIEO), participation in international exhibitions/fairs, organization of buyer-seller meets, etc. The assistance will be as per admissibility under Market Development Assistance (MDA)/Market Access Initiative (MAI) guidelines of the Department of Commerce. 1016 units have since been registered with KVIC.

5.9.9 Quality Control

KVIC has made arrangements with the National Institute of Design (NID), Ahmedabad; 'Dastakar', Andhra Pradesh; IIT, Delhi and Textiles Committee, Mumbai towards quality control. Under KVIC, so far 107 quality control laboratories have been established across the country for the purpose of ensuring quality control of various Village Industries products. A

number of khadi institutions took benefit of this arrangement and cloth samples were tested on cost sharing basis.

5.9.10 Research and Development

KVIC undertakes research and development activities through in-house research and also by sponsoring projects to other R&D organisations. The main objectives of the R&D programme are: increase in productivity and wages of the workers; improvement in quality; efficient use of local skills and local raw materials and reduction of human drudgery. In addition to the Mahatma Gandhi Institute for Rural Industrialization (MGIRI), Wardha, KVIC also undertakes R&D activities through Central Bee Research and Training Institute (CBRTI), Pune; Dr. Ambedkar Institute of Rural Technology and Management (AIRT), Nashik; Kumarappa National Handmade Paper Institute (KNHPI), Sangana, Jaipur; Central Village Pottery Institute (CVPI), Khanapur, Karnataka and Khadi Gramodyog Prayog Samiti (KGPS), Ahmedabad.

5.10 OTHER INITIATIVES TO DEVELOP KHADI AND VILLAGE INDUSTRIES SECTORS

5.10.1 Categorization of Institutions

KVIC introduced a system of categorization of the Khadi institutions on the basis of performance and also to identify suitable institutions eligible for implementation of the prestigious schemes of KVIC. The present system of categorization was initially introduced in 2000-01 and modified in 2004. The system with fine tuned parameters was continued till March, 2013. It has been proposed to re-categorize the Khadi institutions with additional parameters such as women empowerment; bank account opening, ensuring issue of Aadhaar card for Khadi artisans etc. As on 31st January, 2016, the total number of khadi institutions are 2223.

5.10.2 Government Supplies

KVIC has been supplying its products under the 'Rate Contract' of Director General of Supplies and Disposal (DGS&D) to various Government Departments/Agencies. Based upon DGS&D Rate Contract, the items like dasuti khadi, dungari cloth, dusters, long cloth, bunting cloth and sheeting cloth, etc., are being supplied to Government Agencies and bed rolls, curtains, pillow covers, "kulhars" (earthern cup), etc., are being made available to the Indian Railways. The position of the supplies made by KVIC to Government Offices during the last three years and in 2015-16 is given in the Table below:

TABLE 5.4: KVIC SUPPLIES TO GOVERNMENTAL AGENCIES

(₹ crore)

Year	Amount of Government Supplies
2012-13	38.79
2013-14	47.20
2014-15	61.62
2015-16*	28.34

*upto 31 January, 2016

Khadi and Village Industries Commission (KVIC)

5.10.3 Registration of New Khadi Institutions

KVIC has direct enlisted/ registered new institutions with a view to enhancing production. 90 such new khadi institutions were registered with KVIC and KVIBs in 2015-16 (upto 31 January, 2016).

5.10.4 Khadi Artisans Welfare Trust Fund (KAWTF)

KAWTF is conceptually meant to be run on the lines of a Provident Fund. Membership of KAWTF is mandatory for all khadi and polyvastra producing institutions affiliated to KVIC and State KVIBs. All the Institutions categorized as A+, A, B and C are eligible to join the Trust Fund. This Fund has been functioning in 21 States and the concerned State Government manages it. A total of 1945 khadi institutions have become its members.

5.10.5 National Flag Production Centre

Khadi is the pride and joy of our nation and this can be easily understood from the fact that the Bureau of Indian Standards (BIS) gave it the first place by way of national flag specifications. As per BIS, khadi is the only fabric that is to be used for production of India's National Flag. Accordingly, one National Flag Production Unit has been started in consultation with the South Indian Textile Research Association (SITRA) at Karnataka Khadi Gramodyog Samyukta Sangh, an NGO of KVIC at Bengeri, Hubli (Karnataka) at an estimated cost of ₹ 51.10 lakh. The National Flag Production Unit was awarded BIS certification on February 17, 2006. The Unit has also installed the dyeing, processing and finishing equipment envisaged in the second phase of the programme of National Flag Production Centre. The Unit has the capacity to produce around 5000 National Flags of different sizes per day.

5.10.6 Khadi 'Ready-to-Use Mission'

KVIC has initiated a "Ready-to-Use" Mission during 2005-06 for khadi products. Under this project, a major khadi institution works as a lead institution where facilities for production



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra at the launch of the KVIC T-Shirts and an Exclusive Exhibition by the Jammu & Kashmir PMEGP Entrepreneurs, in New Delhi. The Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh and the then Secretary, Ministry of Micro, Small & Medium Enterprises, Dr. Anup K. Pujari and Shri S.N. Tripathi, AS&DC (MSME) are also seen

of garments including covering, designing, finishing, packaging, etc., are installed. Other institutions working in nearby areas are associated in a concentric manner with the activities of the lead institution. As a result, all of them are able to upgrade their product quality by sharing their experiences and common facilities installed by the lead institution. The National Institute of Fashion Technology (NIFT), Kolkata and Chennai have been engaged as Service Providers for conceptualization and development of project, identification of location, installation of machinery, training, commissioning of project and post installation support. Two projects one each at Murshidabad (West Bengal) and Padiyur (Tamil Nadu) have been established under this Mission. The NIFT, Kolkata and Chennai have been enlisted by KVIC to also provide hand-holding support in the areas of design inputs and training.

5.10.7 Central Sliver Plants

Khadi institutions and State KVI Boards are implementing khadi programmes of KVIC. 25 per cent of the working capital given to them is meant for raw material. In order to ensure that khadi institutions provide regular spinning work for artisans and to improve the quality of raw material in khadi sector, KVIC continued to operate its six Central Sliver Plants (CSPs) at Kuttur, Chitradurga, Sehore, Raibareilly, Etah and Hajipur during the year. The performance of these sliver plants in terms of production and supply to the khadi institutions during the last three years and in 2015-16 are given in the Table below:

TABLE 5.5: PERFORMANCE OF THE CSPs

(Quantity: lakh kg, Value: ₹ crore)

Year	Production		Supply	
	Quantity	Value	Quantity	Value
2012-13	20.81	30.88	26.48	40.58
2013-14	27.96	45.02	27.87	44.58
2014-15	26.95	47.16	25.23	44.00
2015-16*	26.92	42.68	26.19	42.08

* upto 31 January 2016

5.10.8 Setting up of Raw Material Godowns

In order to facilitate continuous offtake of slivers/rovings by the khadi institutions facing resource crunch, KVIC continued operation of local godowns during 2014-15. The following 8 local raw material godowns provided the above services during the year:

- (i) Dausa – Rajasthan
- (ii) Surendranagar – Gujarat
- (iii) Bijnour - Uttar Pradesh
- (iv) Kurukshetra-Haryana

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- (v) Metapalli, Karimnagar Dt. - Andhra Pradesh
- (vi) Kanhevli-Uttarakhand
- (vii) Murshidabad - West Bengal
- (viii) Thiruvananthapuram - Kerala

5.10.9 People Education Programme (PEP)

As a part of its publicity programme aimed at informing people through direct interaction between KVIC on the one hand and people on the other, KVIC organised **28** PEP events in 2015-16 (upto November 2015) at the field level. Besides dissemination of the policies and schemes of KVIC on rural industrialization, essay competition; debates and seminars drew a good deal of participation from academic institutions, students, Panchayati Raj Institutions, NGOs, etc. on issues of topical interest concerning Khadi and Village Industries. KVIC provides financial assistance for the purpose through its budgetary allocation.

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

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



MAHATMA GANDHI INSTITUTE FOR RURAL INDUSTRIALISATION (MGIRI)

6.1 INTRODUCTION

- 6.1.1 There has been a long felt need to create a mechanism that would provide high quality science, technology and management inputs and support in a comprehensive manner to the khadi and village industry (KVI) sector. Such a facility would strengthen rural industrialization, enhance employment in rural areas and also help identify new areas with opportunities for the sector.
- 6.1.2 The establishment of the Jamnalal Bajaj Central Research Institute (JBCRI) in 1955 in Wardha, Maharashtra, managed as a departmental unit by the Khadi and Village Industries Commission (KVIC) since 1956, was the first step towards achieving the above-mentioned objective. JBCRI had its roots in the All India Village Industries Association set up by Mahatma Gandhi in 1934 in the same campus. The activities of JBCRI centred around research, extension and training programmes for village industries like oil, pottery and handmade paper. However, for various reasons, no major R&D project was undertaken at JBCRI after 1976. KVIC then decided to stop the principal activities of JBCRI. The manpower was redeployed and the remaining activities of JBCRI were taken up by the relevant Industry Directorates of KVIC under its Science and Technology (S&T) schemes.
- 6.1.3 Several committees were also constituted from time to time to look into the working of JBCRI. Based on their cumulative recommendations, KVIC decided in 1999 to revamp JBCRI, convert it into a society (autonomous body) registered under the Societies Registration Act, 1860 as an autonomous body and rechristened as the Mahatma Gandhi Institute for Rural Industrialization (MGIRI) in 2003. This was done following an announcement in the budget speech of the Finance Minister for 2002-03 that 'the promotion of rural industrialization would be helped greatly through capacity building and technology upgradation in khadi and village industries. To help in this effort, it was proposed to upgrade the Wardha Institute started by Mahatma Gandhi in 1935 as a national institute to be called 'Mahatma Gandhi Institute for Rural Industrialization'.
- 6.1.4 Keeping in view, 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)**. The objective was to create a mechanism to provide the best possible science, technology and management inputs in a comprehensive manner to the khadi and village industries sector. This would strengthen rural industrialization and enhance the opportunities for meaningful and productive employment in rural areas, empower and retrain traditional craftsmen and

artisans and encourage innovation and foster creativity in this sector.

MGIRI has a General Council(GC) which has a maximum of 35 members and the President of the GC is the Minister, Ministry of MSME, Govt. of India and an Executive Council(EC), comprising of 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.

6.2 OBJECTIVES

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

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

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

6.3 BUDGETARY SUPPORT

6.3.1 The Union Government through Ministry of MSME provides funds to MGIRI for undertaking its various activities. The details of funds provided during the last three years and in 2015-16 to MGIRI are as under:

Table: 6.1 Funds released to MGIRI

(₹ in crore)

Year	Budget allocation (RE)	Funds released ^s
2012-13	11.00	2.81
2013-14	11.00	8.01
2014-15	11.00	7.23
2015-16*	6.37	6.02

upto 31 January 2016

^s Does not include unspent balance of the previous year

6.4 FUNCTIONS

6.4.1 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. It also works towards facilitating eco-friendly products and methods.
- (iii) **Bio-processing and Herbal Division:** This division of MGIRI prepares technology package and simple quality assurance methods to facilitate production and utilization of organic manures, bio-fertilizers and bio-pesticides to promote rural entrepreneurs. This section is also making efforts to develop new formulations using 'Panchagavya' and their quality assurance procedures and facilities.
- (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.

6.5 Key Achievements of MGIRI during the year 2015-16

MGIRI has been playing a key role in the following areas of activities for growth of Rural Industrialization.

- 6.5.1 Work on the 15 Improved machines/products/processes /services for Rural Industries sector has been completed including 8 spindle light weight Charkha, low cost gas fired kiln, electric motor operated clay granulator machine for pottery products, terracotta products using black cotton soil of Wardha region, panchgavya shampoo, Poly herbal shampoo, Aloevera based moisturizing hand wash, low cost charoli decorticating machine, modified winch dyeing machine for simple operation and enhanced capacity, cone winding machine for yarn winding arrangement, automatic pressing and bottle cap fitting machine, water jacketed chulha etc. Apart from the above, process for effluent treatment for local plastic recycling unit has been developed, 24 garment & woven designs created for Khadi sector and a portal (<http://www.udyamisahayak.com>) for database generation of industries are implemented.

Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)

		
Hon'ble minister observing working of light weight charkha developed by MGIRI	Low cost gas fired kiln	Demonstration of home scale Blunger (pottery clay processing machine)
		
Charoli decorticating machine	Modified winch Dyeing machine	Cone winding machine

6.5.2 Six MoU's have been signed with various technical institutions, Universities and their centres like Mahatma Gandhi Antarrastriya Hindi Vishwavidyalaya, Wardha, Tata Institute for Social Sciences, Tuljapur, AMITY University, SGB Amravati University, Amravati, GH Raisoni College, Badnera, Dhanwate National College, Nagpur for co-operation in research & development, sharing of knowledge, field trials and dissemination of MGIRI technology/product/process into the field.



6.5.3 MGIRI imparted training to 923 trainees in 39 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.

 <p>Training on Panchagavya products</p>	 <p>Practical demonstration of Natural dyeing technology</p>
 <p>Training on chemical products (soap, shampoo, cosmetics etc)</p>	 <p>Training on food products</p>

- 6.5.4 MGIRI has provided quality testing and guidance services to 15 various agencies such as KVI institutions, entrepreneurs, students, farmers etc. for 107 different product samples to improve and maintain the quality of the products as per Indian standards.
- 6.5.5 MGIRI has filed 7 patents for recently developed technologies, designs and products.
- 6.5.6 MGIRI participated in 8.National and International level exhibitions, expos and IITF 2015 for the creation of awareness about the MGIRI technologies, products and services. Out of 8 exhibitions two were organized in MGIRI south campus “Gandhi Shilp Bazar” and “Food Fest and Craft Mela” during October – November 2015. Gandhi Shilp Bazar was organized by MGIRI and sponsored by DC Handicrafts, Ministry of Textile, Government of India. Forty thousand people visited the exhibition and craftsmen sold craft articles worth Rs 36 lakhs. Food Fest and craft Mela was organized by local unit of Lions Club to promote the local artisans. Fifty five thousand people were visited the exhibition.

Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)

<p>Director MGIRI Dr.P.B.Kale briefing about MGIRI Technologies to Honorable Minister Kalraj Mishra on dated 14/11/2015</p> 	<p>Director Visiting Various Stalls during Exhibition</p> 
<p>IITF 2015, New Delhi</p>	<p>"Gandhi Shilp Bazar" exhibition at MGIRI Campus, Wardha</p>
 <p>Inauguration of Food Fest</p>	 <p>MGIRI stall in Food Fest and Craft Mela.</p>

- 6.5.7 Employees of the institute participated in 19 National level seminars, conferences and workshops for the presentation of research works and knowledge sharing among the scientific communities.
- 6.5.8 MGIRI in association with Cadence Academy of Fashion Design, Nagpur organized a fashion show on khadi themes on 24th June 2015 at Deshpande Hall, Nagpur for awareness creation of trendy khadi designs among youths.

	
<p>Khadi costumes with trendy designs display by models at Fashion Show at Nagpur.</p>	<p>MGIRI and Cadence Academy team at Fashion Show, Nagpur.</p>

- 6.5.9 11 research papers have been published on line in international journals till 31 January, 2016.

6.6 Dissemination of Tools under KVIC sponsored Projects

Two KVIC sponsored projects which has been implemented in the field are as follows:

- 6.6.1 Alternative tool for replacement of Valuga fish jaw for cleaning and combing of local cotton for production of Ponduru Khadi has been developed by MGIRI Wardha last year under the sponsorship of KVIC,Mumbai and 75 tools have been distributed to artisans working with Andhra Fine Khadi Karmikabhivrudhi (AFKK) Sangham Ponduru Distt. Srikakulam and 25 tools among artisans working with Srikakulam Jilla Nirmana Karyakrama Sangham, Narsannapeta Distt.Srikakulam in A.P. on 29th June 2015 in the presence of Director, MGIRI, Dr. P. B. Kale and Deputy Director, Divisional Office KVIC Vishakhapatnam, Shri K. B. Rao.



Tool distribution to the artisans by Director MGIRI at Ponduru, AP



Tool distribution to the artisans by Director MGIRI at Srikakulam, AP

- 6.6.2 One hundred Solar Charkha have been installed in village Khanva, District Nawada, Bihar under Sansad Adarsh Graam yojana. This pilot project has been implemented under sponsorship of KVIC, Patna.



6.7 MGIRI in News/ Media

- 6.7.1 Activities of the institute have widely been made public through 172 news items in various

Mahatma Gandhi Institute for Rural Industrialisation (MGIRI)

national and regional news papers during the year 2015-16.

- 6.7.2 Community Radio 90.4 FM (Radio MGIRI) has been regularly creating awareness through broadcasting the activities of MGIRI such as enterprise development trainings, skill up gradation programmes, technology dissemination and quality services of the institutes. Community Radio has also been sensitizing people by conducting interviews of experts on health, education, water conservation, eco-friendly idol making (during Ganesh Utsav) and immersion of idol, community partnership and Government policies and schemes.



- 6.8 Hindi Pakhwara was organised in the institute during 14-18 September 2015. On this occasion every day an eminent professor from Mahatma Gandhi Antarrashtriya Hindi Vishwavidyalaya was invited for delivering lectures on various topics for promotion of Hindi as official language among the employees of the institute. Besides this, 14th day of every month is celebrated as Hindi Diwas in the organization.



COIR BOARD

7.1 COIR INDUSTRY

- 7.1.1 India is the largest coir producer in the world accounting for more than 80 per cent of the total world production of coir fibre. The coir sector in India is very diverse and involves households, co-operatives, NGOs, manufacturers and exporters. This is the best example of producing beautiful artifacts, handicrafts and utility products from coconut husks which is otherwise a waste.
- 7.1.2 The coir industry employs more than 7.00 lakh persons of whom a majority 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.
- 7.1.3 Historically, the coir industry started and flourished in Kerala which has a long coast line, lakes, lagoons and backwaters providing natural conditions required for retting. (Coconut husk is left to soak in salty backwater for months together and thereafter yarn is possible to be made from husk). However, with the expansion of coconut cultivation, coir industry has also picked up in Tamil Nadu, Karnataka, Andhra Pradesh, Orissa, West Bengal, Assam, Tripura, Pondicherry and the Union Territories of Lakshadweep and Andaman & Nicobar Islands through the efforts of Coir Board. The production and processing methods in coir industry still continue to be mainly traditional. For instance, spinning is mainly carried out on traditional ratts which require repeated walking, forward and backward. The total estimated production of coir fibre in the country during the year 2014-15 was 5,42,000 M.T. The export of coir and coir products during 2014-15 was 626666 MT valued at an all time high of ₹ 1630.33 crores as against 53070 MT valued at ₹ 1476.04 crores during 2013-14. The provisional figures on export of coir and coir products from April 2015 to December, 2015 is 469551 M.T valued at ₹ 1233.76 crores which records increase by 10% and 5% in terms quantity and value respectively when compared to the corresponding period of the previous year. It is expected that the export for 2015-16 will surpass the target of ₹ 1500 crores fixed for the year.

7.2 COIR BOARD

- 7.2.1 The Coir Board is a statutory body established under the Coir Industry Act, 1953 for promoting the overall development of the coir industry and improvement of the living conditions of the workers engaged in this traditional industry.
- 7.2.2 The Govt. of India vide Gazette Notification No. SO 2677 (E) dated 30.09.2015 re-constituted the Board with 18 members for a period of 3 years.
- 7.2.3 The functions of the Coir Board for the development of coir industry, inter-alia, include undertaking scientific, technological and economic research and development activities; collection of statistics relating to exports and internal consumption of coir and coir products; development of new products and designs; publicity for promotion of exports and internal

sales; marketing of coir and coir products in India and abroad; preventing unfair competition among producers and exporters; assisting in the establishment of units for the manufacture of products; promoting co-operative organisations among producers of husk, coir fibre, coir yarn and manufacturers of coir products; ensuring remunerative returns to producers and manufacturers, etc.

7.3 THRUST AREAS FOR DEVELOPMENT OF COIR INDUSTRY

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

- (i) To proliferate and develop coir industry in all States and Union Territories of the country.
- (ii) To introduce modernization in coir sector through appropriate schemes and cluster development programmes
- (iii) To undertake research and development programmes aimed at increasing the productivity and returns, product development and diversification, machinery development etc.
- (iv) To develop appropriate mechanism for collection and utilization of coconut husks for coir industry.
- (v) To achieve technological upgradation, quality improvement and value addition in the coir sector.
- (vi) To commercialise the R&D achievements for the benefit of trade and industry
- (vii) To introduce welfare measures aimed at elimination of drudgery in work and enhancement of wages of coir workers.

7.4 BUDGETARY SUPPORT TO THE COIR BOARD

7.4.1 The Government of India provides funds to Coir Board for undertaking its various activities under Plan and Non-plan heads. The details of budgetary support provided to Coir Board during the last three years and in 2015-16 are given in the Table below:-

TABLE 7.1 : Details of budgetary support to the Coir Board

(₹ in Crore.)

Year	Allocation (RE)		Funds Released	
	Plan	Non -Plan	Plan	Non - Plan
2012-13	35.51	15.24	20.07	15.07
2013-14	57.07	19.20	45.10	19.17
2014-15	41.90	26.75	38.58	26.60
2015-16 (BE) #	49.37	23.95	31.03	19.89

Excluding ASPIRE, Releases upto 31-01-2016.

TABLE 7.2

(₹ in Crore.)

Sl. No.	Name of Scheme	Sanctioned Budget 2015-16	RE 2015-16	Funds released and received 2015-16	Utilisation during the year 2015-16*	Utilisation during the year 2014-15
1	Plan (S&T)	300.00	300.00	224.90	225.00	530.00
2	Coir Vikas Yojana (CVY)					
2.1	Skill Upgradation & Quality Improvement & Mahila Coir Yojana	987.00			382.95	858.50
2.2	Development of Production Infrastructure	50.00			23.14	154.33
2.3	Domestic Market Promotion (DMD/MDA)	1100.00			471.73	1321.73
2.4	Export Market Promotion	250.00			163.61	164.09
2.5	Trade and Industry Related Functional Support Services & Economic Market Research	200.00			94.62	289.83
2.6	Welfare Measures	50.00			0.00	16.46
	Total - Plan General	2637.00	2140.00	1197.42	1136.05	2804.94
3	Coir Udyami Yojana (CUY)	2000.00	1350.00	687.63	345.48	313.06
	Total - Plan (A)	4937.00	3490.00	1885.05	1481.53	3648.00
4	Non Plan					
4.1	Non Plan (Grants in aid)	2645.00	2365.00	1981.25	1981.25	2645.00
4.2	Loan (HBA/VA)	30.00	30.00	7.50	3.84	14.50
4.3	Non Plan (Grants in aid) Cess	-		-		-
	Total - Non Plan (B)	2675.00	2395.00	1988.75	1985.09	2659.50
	GRAND TOTAL (A) + (B)	7612.00	5885.00	3873.80	3466.62	6307.50
	Extra Budgetary Resource**	0.00	0.00	1218.14	16.58	0.00

* Utilization including opening balance.

** Scheme of Fund for SFURTI is an Extra Budgetary resource under grants in aid of Govt. of India.

7.5 ACTIVITIES OF THE COIR BOARD

7.5.1 Plan (Science & Technology): The two research institutes of Coir Board viz. the Central Coir Research Institute (CCRI), Kalavoor, Alleppey and the Central Institute of Coir Technology (CICT), Bangalore, undertake research activities for the different aspects of coir industry beginning with the method of extraction of fibre to the processing and manufacture of end products. The CCRI was established in 1959 and the CICT in 1980. CCRI, Kalavoor concentrates on research concerning development of coir processing machinery, quality improvement of coir fibre, product development & diversification by blending with allied natural fibres and utilization of coir pith., CICT, Bangalore has its focus on development of coir composite, coir wood and diversified coir products development. Identification of new user areas for utilization of coir and coir waste (coir pith), modernization of production infrastructure for elimination of drudgery in manual operation thereby attaining higher productivity and improvement in quality are integral parts of the research efforts. Research investigations in CCRI & CICT have led to development of several new technologies for the coir industry. Extension of the results of the research at the laboratory level for application at the field level and extension of testing and service facilities are the other main areas of activity. Collaborative research with research organizations, institutes, universities having proven records on varied applications of coir, development of new products, new machinery, product diversification, development of environment friendly technologies, technology transfer, incubation, testing and service facilities are the areas which are given priority consideration.

7.5.2 REGISTRATION OF COIR UNITS

At the end of the last fiscal year the total number of units registered with Coir Board was 15235. During the financial year 2015-16 upto 31.01.2016, 88 more units were registered.

7.5.3 PRODUCTION OF COIR AND COIR PRODUCTS IN THE COUNTRY.

TABLE 7.3

Item	(Quantity in M.T)(estimated)	
	Figures expressed are fibre equivalent and are mutually exclusive	
	FY 2013-14	FY 2014-15
Coir fibre	539,815	542000
Coir yarn	323,900	325200
Coir products	213,800	214600
Coir rope	64,780	65040
Curled coir	64,700	65040
Rubberized coir	86,370	86700

7.6 DOMESTIC MARKET PROMOTION

7.6.1 The Domestic Market Promotion includes efforts for enhanced sale of coir products through Board's showrooms and sales outlets and also popularizing coir and coir products by way of publicity, organizing exhibitions in different parts of the country, through audio and visual

media, sales campaign, press advertisement and through pamphlets, hoardings etc. The Coir Board has participated in 98 exhibitions during 2015-16 (upto 1st February, 2016) for popularization of coir and coir products in the domestic markets.



Hon'ble Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra inaugurating the MSME pavilion at IITF, Pragati Maidan, New Delhi in the presence of the Minister of State, Shri Giriraj Singh and other senior officers.

- 7.6.2 The Coir Board operates 29 showrooms and sales depots which also serve as marketing outlets. The total sales of coir and coir products through Coir Board's showrooms and sales depots during the last three years and in 2015-16 are as under:

TABLE 7.4

(₹ Lakh)

2012-13	2013-14	2014-15	2015-16*
2102.75	1805.67	1986.57	1142.45

*upto 01 February, 2016

7.7 EXPORT MARKET PROMOTION

- 7.7.1 Export promotion is one of the important programmes being implemented by the Coir Board for sustainable development of the industry. Under this Programme, the Board in association with trade and industry is participating in major international fairs/exhibitions on a country/product specific basis, product promotion programmes, catalogue shows, extending external market development assistance to exporters etc. In addition, programmes of publicity abroad, extending EMDA, Export registration etc. are continued.



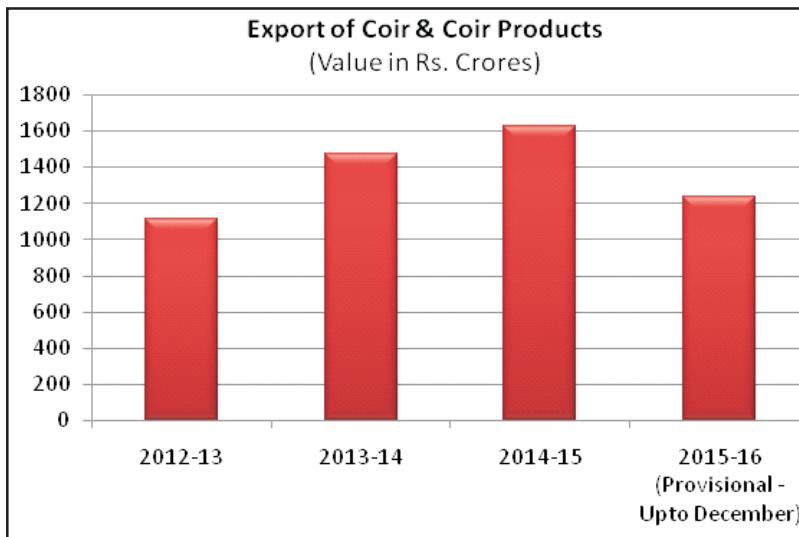
Hon'ble Minister Minister of State, Shri Giriraj Singh, visiting one of the Coir Exporting unit at Alleppey, Kerala

7.7.2 With the efforts of the Coir Board, the export of coir and coir products reached a level of ₹ 1233.76 crore during 2015-16 (upto 31st December, 2015) recording a growth of around 5% in value terms in the corresponding period of previous year. The details of exports of coir and coir products made during the last three years and in 2015-16 are given in the Table below:-

TABLE 7.5: Exports of Coir & Coir Products

Year	Quantity (Metric Tonnes)	Value (₹ crore)
2012-13	429501	1116.03
2013-14	531108	1425.77
2014-15	626666	1630.33
2015-16*	469551	1233.76

*upto 31 December 2015 (Provisional)



7.8 DEVELOPMENT OF PRODUCTION INFRASTRUCTURE

Under this programme, financial assistance is provided for setting up new coir units and modernization of existing units for the sustainable growth of coir sector. The norms of financial assistance under this scheme have been revised with effect from 2009-10 and the scheme now envisages provision of 25% of the project cost subject to a maximum of ₹ 6 lakhs for setting up of defibering unit, ₹ 4 lakhs for automatic spinning unit and ₹ 5 lakh for others, including coir pith unit. Financial assistance limited to ₹ 2 lakhs is also provided for modernization of existing units. The Scheme is project based. Initial investment is made by the entrepreneur and subsidy is released as reimbursement after commencement of operation of the units. During 2015-16 (*up to January 2016*), financial assistance released to 6 coir units are given below:

TABLE 7.6: Details of assistance towards Development of Production Infrastructure

Name of State	No.of units	Amount released (₹ In lakhs)
Tamil Nadu	5	18.14
Kerala	1	4.00
Total	6*	22.14*

(*Note :- The financial assistance for 17 more Units have been released by the Board for a total amount of ₹ 68.45 Lakhs on 03.02.2016.)

7.9 SKILL UPGRADATION; MAHILA COIR YOJANA AND WELFARE MEASURES

7.9.1 **Skill Upgradation:** The Coir Board continued to impart training in processing of coir to artisans and workers engaged in the coir industry through its training centres, i.e., National Coir Training and Design Centre (NCT&DC), Kalavoor, Alleppey and Research-Cum-Extension Centre, Thanjavur, Tamil Nadu. The regular training courses being conducted at these Institutes are as follows:

Coir Board

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

The Board is also conducting training activities at different Field Training Centers of Regional Offices at Pollachi, Bangalore, Rajahmundry, Bhubaneswar, Trivandrum and Sub Regional Offices in Kolkata, Guwahati, Kannur, Port Blair, Kavarathi, Sindhudurg and Singampuneri, to suit the convenience of the coir workers at far off places who cannot attend the above regular training centres. Through these training activities, training is imparted in spinning motorised ratt and motorised traditional ratt. As per the guidelines issued by the Ministry the stipend is disbursed to trainee at the rate of ₹ 1000/- per month. An amount of ₹ 400/- per trainee per month is paid as institutional expenses to sponsoring agency to meet the operational cost of the training including raw material, power charges and other incidental expenses. An amount of ₹ 6,000/- per month is given to the Trainers as honorarium.

7.9.1.1 During the year 2015-16(up to January 2016), the Board has imparted training to 2853 Coir Artisans in spinning of Coir Yarn & value added products manufacturing. The state-wise details of training conducted are as follows:

TABLE 7.7: Number of persons trained

State	Year (2015-16)
Odisha	197
Andhra Pradesh	97
Tamil Nadu	636
NE	384
Karnataka	240
Kerala	819
Maharashtra	220
Gujarat	60
A & N Islands	60
Lakshadweep Islands	140
Total	2853

*upto January 2016

7.9.1.2 The National Coir Training & Design Centre was established in 1965. Training programmes for various cadres are being conducted at this Institute. The regular training courses being conducted at this Institute are as follows:

- (i) Advanced Training course(one year)
- (ii) Artisans' Training course (six months)

- 7.9.1.3 The details of candidates trained under regular training programmes/short term training programme/on various coir processing activities through NCT&DC, Kalavoor & REC, Thanjavur during 2015-16 are as follows:

TABLE 7.8

Sl.No	Details of Training	No. of persons trained
1.	Advanced training course	34
2.	Artisans training course	32

- 7.9.2 **Mahila Coir Yojana:** The Mahila Coir Yojana is the first women oriented self- employment Scheme in the coir industry which provides self-employment opportunities to the rural women artisans in regions producing coir fibre. The conversion of coir fibre into yarn on motorised ratt in rural households provides scope for large scale employment; improvement in productivity and quality; better working conditions and higher income to the workers. The Scheme envisages distribution of motorised ratts to women artisans after giving training for spinning coir yarn. One artisan per household is eligible to receive assistance under the Scheme. The women spinners are trained for two months in spinning coir yarn on motorised ratt at the Board's Training Centres. During the training period, the women artisans are given stipend amounting to ₹ 1000 per month. The trained women are given motorised ratt / motorised traditional ratt and other coir processing equipments which can be operated by women at 75 % subsidy subject to a maximum of ₹ 7500/- . 596 Nos. of Motorized ratts (MR)/Motorized Traditional Ratts (MTR)/Other coir processing equipments distributed under Mahila Coir Yojana so far during the year 2015-16.

- 7.9.3 The EDPs are conducted for the benefits of entrepreneurs in the coir sector. This is being done through engaging Professional agencies, having expertise in the field of coir activities. During the year 2015-16,(upto January 2016) 11 EDPs were conducted in the area of coir industry.

Coir Board has conducted 13 workshops in various states through Board's Regional / Sub Regional Offices during the year 2015-16(i.e. up to January 2016) to disseminate the schemes implemented by the Board to coir entrepreneurs. During the Workshop the outcome of the R&D activities of the Board were disseminated to the trade and industry. The problems faced by the trade and industry were discussed and solutions were recommended to the authorities concerned for solving the issues. 25 awareness programmes have also been organised in various States to set up coir industry.

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

Coir Board

7.9.5 Coir Workers' Group Personal Accident Insurance Scheme: The Insurance Scheme for coir workers was introduced by the Coir Board w.e.f. 01.12.1998 and is being renewed every year. The compensation payable under this Scheme is given in the Table below:

TABLE 7.9: Compensation payable under 'Coir Worker's Group Personal Accident Insurance Scheme'

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

7.10 HINDUSTAN COIR

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

TABLE 7.10: Details of Production of Hindustan Coir mattings

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

	2012-2013	2013-2014	2014-2015	2015-2016*
Quantity	79586	1,00,067	59,000	47,168
Value	218.00	279.18	197.57	158.96

*upto 1st February, 2016.

7.11 Coir Udyami Yojana(CUY)

Coir Board under the Ministry of MSME has been implementing the Central Sector Scheme viz. Coir Udyami Yojana (formerly known as REMOT Scheme) in the coir sector during XI Plan period onwards. This is a credit linked subsidy scheme. The Scheme provides assistance for setting up of any type of coir units. The maximum admissible cost of project under the Scheme is upto ₹ 10 lakhs plus working capital, which shall not exceed 25% of the project cost. The pattern of assistance under the scheme is 40% of the project cost as Govt. of India subsidy, 55% as loan from Banks and 5% as beneficiary contribution. Assistance under the Scheme is made open to all individuals, companies, SHGs, NGOs, Institutes registered under Societies Registration Act 1860, Production Co-operative Societies, Joint Liability Groups and Charitable Trusts.

The Ministry has approved the continuation of the on-going Plan Scheme of Coir Udyami Yojana for implementation during the XII Five Year Plan period with certain modifications at an outlay of ₹ 80.00 crore. Under this scheme, financial assistance is provided for replacement of outdated ratts/looms and for construction of worksheds so as to increase productivity/ production and earnings of workers.

During 2015-16 (upto January 2016), an amount of ₹ 4.275 crores has been disbursed as subsidy for assisting 230 units under the scheme.

7.12 Common Facility Centre (CFC) for Singai Coir Cluster, Singampunari.

The Ministry of MSME has approved the re-structured project for setting up of Common Facility Centre (CFC) for Singai Coir Cluster, Singampunari, Tamilnadu. The estimated restructured project cost is ₹ 658.90 lakhs. The Government of India assistance is ₹ 500 lakhs. The work of setting up of a Latex/PVC Tufting unit was awarded as a turn-key project at a total cost of ₹ 4.50 crores and production started in the unit.



Chapter-VIII

NATIONAL SMALL INDUSTRIES CORPORATION (NSIC) LIMITED

8.1 Introduction

National Small Industries Corporation Ltd. (NSIC), is an ISO 9001-2008 certified Government of India Enterprise under Ministry of Micro, Small & Medium Enterprises (MSME). NSIC has been working to fulfill its mission of promoting, aiding and fostering the growth of small industries and industry related micro, small and medium enterprises in the country. Over a period of six decades of transition, growth and development, NSIC has proved its strength within the country and abroad by promoting modernization, upgradation of technology, quality consciousness, strengthening linkages with large medium enterprises and enhancing exports - projects and products from small enterprises. NSIC is profit making dividend paying company.

NSIC operates through countrywide network of 168 offices and 07 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 also provides a package of services as per the needs of MSME sector.

8.2 ORGANISATIONAL SET UP

The policy guidelines to the Corporation are provided by the Board of Directors consisting of a full time Chairman-cum-Managing Director; two Functional Directors; two Government nominee Directors and seven non-official part-time Directors.

8.3 OPERATIVE PERFORMANCE

8.3.1 During 2014-15, the Corporation when it touched new heights on all parameters and achieved record operational and financial performance. The overall business for the year reached ₹ 20,004 crore as against ₹ 17,444 crore in the previous year thereby posting a growth of 15%. During the year 2014-15 gross income (net of purchase and grants) of the Corporation was ₹ 50,646.80 lac and upto 31st January, 2016 is ₹ 46,638.24 lac.

8.3.2 Profitability

The gross margin and profit before & after tax earned by the Company during 2013-14 vis-à-vis 2014-15 and upto November, 2015 is depicted in the table below:

(₹ in Lac)

Particulars	2013-14	2014-15	2015-16 (upto Jan,2015)
Gross Margin	27,750	33,577	32,438
Net Profit before Tax	11,471	13,259	13,308
Less : Provision for Tax	3,877.19	4,399.40	4.606
Net Profit after tax	7,593.80	8,859.97	8.702

8.3.3 Credit Facilitation

To meet the credit requirements of MSME units, NSIC has entered into a Memorandum of Understanding with various Nationalized & Private Sector Banks. Through syndication with these banks, NSIC arranges for credit support (fund or non-fund based limits) from banks without any cost to MSMEs. During the year 2014 - 15, agreements were signed with seven more Banks i.e. State Bank of Bikaner & Jaipur, State Bank of Patiala, Dena Bank, Kotak Mahindra Bank, Reliance Commercial Finance (NBFC), Punjab National Bank and State Bank of Mysore. With this, the Corporation has now tie-up arrangements with 31 banks in the financial year 2014-2015 and during the current year 2015-16 (upto January, 2016), the cumulative tie-up arrangement with 32 banks for providing credit facilitation to the MSME sector.

8.3.4 Government Purchase

The revenue from the schemes of Government Purchase and E-Marketing portal was ₹ 1390.14 lac in the year 2014-15 and during the current financial year (upto January, 2016), Corporation has generated revenue of ₹ 1324.33 lac under these schemes.

8.3.5 Technical Services Centres

NSI's Technical Centres located at Chennai, Howrah, Hyderabad, Okhla (New Delhi), Rajkot, Rajpura and Aligarh have continued its operation without getting any grants to meet their administrative cost during 2014-15. NSIC offers technology support services through its technical services centers viz. vocational training for skill upgradation, testing facilities through accredited laboratories, energy audit, etc. During 2014-15, revenue earned was ₹ 15.82 crore from "Training Activities" and "Common Facilities" by NSIC-Technical Services Centres and ₹ 15.13 crore upto January, 2016 in current year.

8.4 DIVIDEND

Dividend of ₹ 1702.14 lac (i.e.20% of the net profit) for the financial year 2014-15 was paid to the Government.



The CMD, NSIC, Shri Ravindra Nath presenting the dividend cheque to the Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra, in New Delhi. The then Secretary, Ministry of Micro, Small & Medium Enterprises, Dr. Anup K. Pujari and other officers of Ministry and NSIC are also seen.

8.5 SUPPORT SERVICES OFFERED TO MSME SECTOR

The Corporation continued providing supportive services to held the MSME Sector to increase their business and reach to enhance the competitiveness of micro, small & medium enterprises, NSIC provides integrated support services in the areas of marketing, technology, finance, etc. NSIC is also implementing the schemes of Marketing Assistance and Performance & Credit Rating on behalf of the Ministry of Micro, Small & Medium Enterprises

8.5.1 Marketing Support

Marketing has been identified as one of the most important tool for business development. NSIC acts a as a facilitator and has devised a number of scheme to support enterprises in their marketing efforts, both in domestic and foreign markets. These act schemes are briefly described as under:

(a) Raw Material Distribution:

NSIC serviced the raw materials requirements of Micro Small & Medium Enterprises (MSMEs) by supplying Iron & steel allocated through Ministry of Steel, Government of India, Aluminum from NALCO & BALCO, Paraffin Wax from CPCL & IOCL, Coal from Coal India Ltd., and Polymer Products i.e. PP, HDPE & LLDPE from IOCL. Copper material from Sesa Sterlite has been added to the Raw Material Distribution during the year 2014-15. These efforts of the Corporation supplement the programmes of the Government aimed in making Indian MSMEs globally competitive.

(b) Consortia and Tender Marketing:

NSIC adopts consortia approach and forms consortia of units manufacturing the same products, thereby easing out marketing problems of SSIs. Under the Consortia and Tender Marketing Scheme, NSIC facilitates the MSE(s) in every stage of tender activity right from the participation in tenders till execution of tenders. Testing facilities are also provided to enable units to improve and maintain the quality of their products conforming to the standard specifications. During FY 2015-16 (upto January, 2016), Corporation formed 100 consortia. Corporation has participated in 1659 tenders valuing ₹ 2208.41 crore and has been awarded tender for ₹ 455.49 crore & Tenders worth ₹ 161.79 crore has been executed.

(c) Exhibitions:

To showcase the competencies of Indian SSIs and to capture market opportunities, NSIC participates in selected international/national exhibitions and trade fairs every year. NSIC facilitates the participation of the small enterprises by providing concessions in rental etc. Participation in these events exposes SSI units to international practices and enhances their business prowess.

(d) Buyer – Seller Meets:

Bulk and departmental buyers such as the Railways, Defence, Communication departments and large companies are invited to participate in buyer-seller meets to enrich small enterprises knowledge regarding terms and conditions, quality standards,

etc. required by the buyer. These programmes are aimed at vendor development from MSMEs for the bulk manufacturers.

(e) Marketing Assistance Scheme:

Marketing, a strategic tool for business development, is critical for the growth and survival of micro, small & medium enterprises. Large enterprises have enough resources at their command to hire manpower to take care of marketing of their products and services. MSME sector does not have these resources at their command and thus needs institutional support for providing these inputs in the area of marketing. On behalf of Government, NSIC is implementing "Marketing Assistance Scheme" for Micro and Small Enterprises (MSEs) to promote marketing efforts and to enhance the competency of the small enterprises for capturing the new market opportunities by way of organizing/ participating in various domestic & international exhibitions/trade fairs, buyers-seller meets, intensive campaigns/seminars and consortia formation.

During the financial year 2014-15, the Corporation participated / organised 117 domestic exhibitions and participated in 12 international exhibitions (abroad) & organized 8 international level exhibitions in India. Under Marketing Assistance Scheme 2118 units participated in these exhibitions.

During the financial year 2015-16 (upto January, 2016) the Corporation participated / organised 72 domestic exhibitions and participated in 6 international exhibitions (abroad) & organized 3 international level exhibitions in India. Under Marketing Assistance Scheme 904 units participated in these exhibitions.

8.5.2 Technology Support

Technology is the key to enhancing a company's competitive advantage in today's dynamic information age. Small enterprises need to develop and implement a technology strategy in addition to financial, marketing and operational strategies and adopt the one that helps integrate their operations with their environment, customers and suppliers. NSIC offers small enterprises support services through its Technical Services Centres, namely, advise on application of new techniques, material testing facilities through accredited laboratories, product design including CAD, common facility support in machining, EDM, CNC, etc., energy and environment services at selected centres, classroom and practical training for skill upgradation.

8.5.3 Credit Support

The corporation is providing Credit Facilitation to MSMEs through its various Credit Support schemes:

- (a) Meeting Credit Needs of MSMEs through tie-up arrangements with Banks:** One of the major challenges faced by MSMEs is inadequate access to finance due to lack of financial information and non-formal business practices. To overcome these problems, NSIC has entered into tie-up arrangements with various Banks for providing Credit Facilitation to the MSME sector.

- (b) Financing Procurement of Raw Materials & Marketing Activities (Short term):** NSIC facilitates raw material requirement of the MSMEs by making arrangements with bulk manufacturers for procuring the materials and supplying the same to MSMEs. In case they need any credit support, NSIC provides financial assistance for raw material procurement by making the payment to suppliers. NSIC facilitates financing for marketing activities such as Internal Marketing, Exports and Bill Discounting to micro, small & medium enterprises
- (c) Performance & Credit Rating Scheme for Small Enterprises:** On behalf of the M/o MSME, NSIC is implementing "Performance & Credit Rating Scheme" for Micro and Small Enterprises (MSEs). Under this scheme, fee to be paid by the MSEs for the rating, is subsidized by the Government to the extent of 75% of the rating fee up to a maximum of ₹ 40,000/- . The scheme is being operated through accredited rating agencies i.e. CARE, CRISIL, India Rating (Formerly known as FITCH), ICRA, ONICRA, SMERA and Brickwork Rating. The rating serves as a trusted third party opinion on the unit's capabilities and credit worthiness. A good rating enhances the acceptability of the rated unit in the market and also makes it access to quicker and cheaper credit and thus helps in economizing the cost of credit. Under this Scheme, 23,373 units were rated during the year 2014-15 and (upto January, 2016) 13,023 units were rated during the current year 2015-16.

8.5.4 Other Support Services

NSIC has been doing a yeoman service in the development of MSMEs for more than five decades. One of the problems faced by the entrepreneurs is the scarcity in availability of suitable space where they can set up their offices or can exhibit their products for their wider publicity and easy marketability under one roof.

- (a) Marketing Intelligence Cell:** Marketing Intelligence Cell of the Corporation acquires and analyzes the information to understand the both existing and potential customers and determine the current and future needs, preferences and behavior of the market; and to assess changes in the business environment that may affect the size and nature of the market in the future. The aim is to promote business horizons of MSMEs of India through Marketing Intelligence Web Portal. Marketing Intelligence Cell collects and disseminates both domestic and international marketing intelligence in coordination with other relevant departments / agencies. This Cell provides a single point contact to collect database relating to bulk buyers in Government, Public and Private sectors, the details of exporters, international buyers and technology suppliers.
- (b) E-Marketing Portal for MSMEs (B2B & B2C Portals):** To facilitate E-Marketing Service effectively to MSMEs globally, NSIC is assisting MSMEs through MSME Global Mart Web Portal www.msmemart.com. The portal provides an online platform to B2B (Business to Business) marketing activities. 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. The Major features of www.msmemart.com are Interactive database of MSMEs, Global and National Tender Notices, Self-Web development tool, Centralized Mail System,

- Popular product section, Unlimited Global Trade Leads, Trust Seal of NSIC, Multiple Language Support, Discussion Board, Call Centre Support, Payment Gateway for membership subscription.
- (c) NSIC has developed an integrated web portal www.msmeshopping.com to facilitate online Marketing and retail shopping services wherein the MSMEs shall be directly connected to millions of buyers globally through internet with a minimum expenditure. The retail model of the portal allows suppliers to set up their individual 'Web stores' which are similar to the physical 'Retail stores', having facility to sell products 24X7 without any geographical boundaries, as being a 'Virtual store'. The Major features of portal are online registration, Web store management, multiple payment options, customer support through call centre, competitive price, complimentary membership subscription & enhanced security features.

8.6 INTERNATIONAL COOPERATION ACTIVITIES

- 8.6.1 Under 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 includes, 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.
- 8.6.2 Major activities undertaken during 2014-15 under the programme includes, Signing of MoU with LEA, Botswana, Establishment of Incubation Centre in Rwanda, Signing of MoU between NSIC and BBC, South Africa, Business Delegation to South Africa and Conference on "Small Business Development-India Model", Business Delegation to Singapore for Global Summit on "Make in India" and Business Delegation to Canton Fair, Guangzhou, China
- 8.6.3 Under this programme, NSIC has participated in 12 international events facilitating 167 units during 2014-15. In 2015-16 (upto January 2016), NSIC has participated in 06 international events.

8.7 RECOGNITIONS

In recognition of the services rendered by the Corporation for the development of MSMEs, following awards were conferred upon NSIC:-

- (a) **India Excellence Award:** Shri Ravindra Nath, Chairman-cum-Managing Director, NSIC was conferred "CMD of the Year Award" for the year 2015 for his exemplary role in promotion and development of MSMEs, thereby making commendable contribution in the growth of MSMEs in India. The award was conferred by Bharat Nirman, a NGO which has been engaged in advocacy of social issues.

- (b) **Amity Corporate Excellence Award:** NSIC was conferred "Amity Corporate Excellence Award" by Amity University for achieving the enviable position of one of the best and most admired business organisations by spearheading excellent practices that are creating value for the stakeholders. NSIC has also been honoured for the incredible contribution of the Company towards achieving remarkable turnaround through innovations, exemplary leadership and excellence in entrepreneurship.
- (c) **News Ink Legend PSU Shinning Awards 2014:** NSIC was conferred News Ink Legend PSU Shinning Awards, 2014 by M/s. News Ink for NSIC being a legend PSU of the year for promoting SMEs. Shri Ravindra Nath, Chairman-cum-Managing Director, NSIC received the "Certificate of Appreciation".
- (d) **NSIC was conferred PSU Award 2014:** NSIC was conferred PSU Award 2014 for "Excellence in Overall Growth and Competition" by Shri Kalraj Mishra, Hon'ble Union Minister, MSME in the presence of Shri Ram Vilas Paswan, Hon'ble Union Minister for Consumer Affairs, Food and Distribution and Dr. Vinay Sahasrabuddhe, Director General of Rambhau Mhalgi Prabodhini, National Vice President , BJP.
- (e) **NSIC awarded with "Most Promising Brand":** Shri Shripad Yesso Naik, Hon'ble Minister of State (Independent Charge) for AYUSH and Minister of State for Health and Family Affairs, Government of India awarded NSIC with ASSOCHAM -ICAI "Most Promising Brand" Award at the 3rd SME Excellence Award 2015 held at New Delhi.
- (f) **"CEO with HR Orientation" award:** Asia Pacific HRM Congress confers Sh. Ravindra Nath, CMD, NSIC with "CEO with HR Orientation" award for having transparent and HR friendly policies in NSIC and maintaining best HR relations with the employees.

8.8 SIGNING OF MEMORANDUM OF UNDERSTANDING (MOU) WITH THE GOVERNMENT

NSIC signed a MoU with the M/o MSME for the year 2015-16. The Company's rating based on the audited results for the year 2014-15 is "Excellent".

8.9 Corporate Social Responsibility Initiatives

NSIC has always been conscious for discharging its duties & responsibility towards the society. The broad objective of the CSR Policy of the Corporation is a company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. It has taken up various CSR initiatives for the benefit of the weaker sections of the society, upliftment of the child & women. In continuation of this objective, the Corporation has designed its CSR Policy which strictly adheres to the guidelines issued under Companies Act, 2013 and by the Department of Public Enterprises. During the year, Corporation took up the following major initiatives under CSR activities:

- Corporation has provided the running cost of Mobile Medicare Unit (MMU) at specified locations of Delhi & NCR and facilitates - Medical Consultation, Free Medicines, Basic Diagnostics, Home Care for bed-ridden, Sensitization and Training, Treatment, Data

Collection, Referral Services for Specialty Treatments.

- A Path Lab has been setup in Purulia, West Bengal for providing the medical aid to under-privileged.
- Organized medical camps in Hyderabad, Ahmedabad, Jalandhar, Ludhiana, Jaipur and Howrah for differently abled including distribution of Lower and Upper Limbs, Tri-cycles, Wheel Chairs, Hearing Aids, Crutches, necessary Aids and Appliances for differently abled.
- Organized six health camps for visually impaired in three identified schools in Delhi and provided Health Care Services and Multi facility kit which include Sticks, Stiller, Cricket Ball, Spectacles, Low Vision Kit, Binocular.
- Installation of two RO water treatment plants of 1000 litre per hour capacity each for providing safe drinking water to the rural populace in Adilabad and Nizamabad districts of Hyderabad.
- Vocational training to under-privileged women in the field of tailoring, readymade garments and modern dresses at Chennai, Nagpur and Hapur.
- Skill development training programme in dress designing and distribution of sewing machines to under-privileged persons in Nagpur.

8.10 Citizens' Charter

NSIC is committed to provide efficient and prompt service on the basis of objectivity, transparency, and courtesy in dealing with our citizens for the promotion and growth of MSMEs. To inculcate these values in the employees, NSIC has come out with a Citizens' Charter. Specific officers have been assigned to work as link between public and the Corporation.

Chapter-IX

TRAINING, ENTREPRENEURSHIP DEVELOPMENT AND OTHER SCHEMES

9.1 BACKGROUND

- 9.1.1 The Micro, Small and Medium Enterprises (MSMEs) sector has emerged as a highly vibrant and dynamic sector of the Indian economy. MSMEs not only play crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but also help in industrialization of rural & backward areas, thereby, reducing regional imbalances, assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and contribute enormously to the socio-economic development of the country.
- 9.1.2 The Ministry of Micro, Small and Medium Enterprises (M/o MSME) promotes the development of micro and small enterprises in the country with the objective of creating self-employment opportunities and upgrading the relevant skills of existing and potential entrepreneurs.
- 9.1.3 Entrepreneurship development is one of the key elements for promotion of micro and small enterprises, particularly, the first generation entrepreneurs. Entrepreneurship, and resultant creation of employment and wealth, is a major means for inclusive development. Hence, entrepreneurship development has been one of the priorities in countries the world over.
- 9.1.4 In order to ensure that young entrepreneurs are encouraged and suitably equipped to go into new ventures, the Ministry has set up a National level Entrepreneurship Development Institutes namely, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Hyderabad to undertake the task of entrepreneurship and skill development training on a regular basis.
- 9.1.5 The Ministry has also been supporting the efforts of State Governments/Union Territories, Industry Associations, Financial Institutions, Technical/Management Institutions, other Non-Government Organizations (NGOs), etc. for establishment of new training institutions as well as strengthening of the infrastructure of existing training institutions.
- 9.1.6 In order to accelerate and promote entrepreneurship by providing support for strengthening of training infrastructure as well as training programmes, the Ministry has been implementing an important scheme viz. "Assistance to Training Institutions (ATI)". The main objectives of the scheme are development of indigenous entrepreneurship from all walks of life for developing new micro and small enterprises, enlarging the entrepreneurial base and encouraging self-employment in rural as well as urban areas, by providing training to first generation entrepreneurs and assisting them in setting up of entrepreneurs.

9.2 SCHEME FOR ASSISTANCE TO TRAINING INSTITUTIONS (ATI)

- 9.2.1 Under the scheme, assistance is provided to existing and new training Institutions for establishment of Entrepreneurship Development Institute (EDI) and strengthening of their training infrastructure on a matching basis. Ministry provides assistance on a matching contribution basis, not exceeding 50% of the project cost or ₹ 150 lakh whichever is less (90% or ₹ 270 lakh of the project cost whichever is less, for North Eastern States including

Sikkim and Union Territories of Andaman & Nicobar and Lakshadweep Islands) excluding cost of land and working capital. The balance 50% of the matching contribution (10% for State level EDIs in North Eastern States including Sikkim or Union Territories of Andaman & Nicobar and Lakshadweep Islands) should come from the concerned Institute, State/UT Government, public funded institution(s), NGOs/Trusts/ Banks/Companies/ Societies/ Voluntary organizations etc.

- 9.2.2 The assistance is for creation of infrastructure. The land is to be provided by the State Government or any other institution or by the applicant. Financial assistance is for construction of building, purchase of training aids/equipments, office equipments, computers and for providing other support services e.g. libraries/data bases etc. The costs of land, construction of staff quarters etc. do not qualify for calculation of matching grant from the Central Government. All the proposals under this scheme are required to be recommended by and routed through the concerned State/UT Government.
- 9.2.3 Assistance is also provided under the scheme to following Training Institutions, for conducting Entrepreneurship Development Programmes (EDPs) and Entrepreneurship cum Skill Development Programmes (ESDPs) and Training of Trainers (ToTs) programmes in the areas of Entrepreneurship and/or Skill Development.
- (a) National level EDIs (including branches),
 - (b) Training Institutions established by Partner Institutions (PIs) of national level EDIs,
 - (c) Training/Incubation Centres of NSIC,
 - (d) Training cum Incubation Centres (TICs) set up by NSIC
 - (e) Other training institutions with proven professional competency, capacity and experience, approved under the scheme.
- 9.2.4 Entrepreneurship and Skill Development (ESDP) training would normally be of 100 to 300 hours (1 to 3 months). Entrepreneurship Development (EDP) training would be of 72 hours (2 weeks) and Trainer's Training (TOT) for 300 hours.

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

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

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

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

9.3 NATIONAL INSTITUTE FOR MICRO, SMALL AND MEDIUM ENTERPRISES (ni-msme), HYDERABAD

- 9.3.1 National Institute for Micro, Small and Medium Enterprises (**ni-msme**) has been rendering yeomen service for MSMEs for the last 53 years. 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.
- 9.3.2 The Institute is adopting growth oriented administrative and policy measures in total accordance with the national objective of industrial development and is further trying to focus its activities through: Training, Research, Consultancy, Education, Communication and Information Technology Services.
- 9.3.3 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 centres and cells. The Academic Council is the nucleus coordinating body which formulates academic activities and programmes with quantitative and qualitative benchmarks by providing a framework for assessment and evaluation addressing contextual variations.
- 9.3.4 Enterprise promotion and entrepreneurship development being the central focus of **ni-msme**'s functions, the Institute's competencies converge on the following aspects:-
- (i) Enabling enterprise creation;
 - (ii) Capacity building for enterprise growth and sustainability;
 - (iii) Creation, development and dissemination of enterprise knowledge;
 - (iv) Diagnostic and development studies for policy formulation; and
 - (v) Empowering the under-privileged through enterprise creation.
- 9.3.5 During the year 2015-16, the Institute organized a total of 1644 programmes for different target groups with 50,599 participants till end of January, 2016. The performance of the Institute in FY 2014-15 and in 2015-16 (as on 31st January 2016) is given in the Table below:

Performance of ni-msme during 2014-15 and 2015-16 (till 31-1-2016)

Programmes	2014-15		2015-16	
	Progs.	Trainees	From April to January 2016	
			Progs.	Trainees
A.ESDPs under ATI Sponsored by M/o MSME:				
ni-msme as Apex Institution Completed In progress	1063	31890	524 230	15695 6865
Programmes by Partner Institutions Completed In progress	536	15246	300 21	8673 542
B. Executive Development Programmes				
(i) National:				
(a) Announced	72	4759	154	6058
(b) Sponsored	416	16826	369	11585
(ii) International				
(a) Announced	17	351	13	231
(b) Sponsored			04	57
C. National Seminars and Workshops	58	3624	15	893
D. Consultancy Projects	09	--	14	--
TOTAL	2171	72696	1644	50599

9.3.6 During the year 47 Job Melas were conducted in which 9,219 candidates were selected. The details of the Job Melas are indicated in the following table:

Details of State-wise Job Melas

State	No. of Job Melas Conducted	No. Of Employers	No. of Candidates Attended	No. of Candidates Selected
A.P	6	30	5261	1097
Tamil Nadu	5	51	1049	111
Karnataka	2	14	512	258
Maharashtra	3	17	2426	1404
Odisha	4	19	2080	898
Telangana	24	193	17612	5313

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State	No .of Job Melas Conducted	No. Of Employers	No. of Candidates Attended	No. of Candidates Selected
Kerala	3	18	496	138
Total	47	342	29436	9219

In addition, a job fair, “**ni-msme** Youth Job Mela”, was organized in association with District Administration of Davanagere, KVTSDC (Karnataka Vocational Training and Skill Development Corporation Ltd.) and Jobs Dialog on the 23rd and 24th August 2015. This was attended by 9141 candidates of which, 3104 were selected.

Shri Kalraj Mishra, Hon’ble Union Minister of MSME, Govt. of India was the Chief Guest for the event, Shri G.M.Sideshwara, Minister of State for Heavy Industries and Public Enterprises, Govt. of India presided over the event. The chief guest in his valedictory address invited the applicants to use the government schemes to start up their own enterprises in Davanagere and become employers to many, encouraging start up culture.

9.3.7 The broad features of the training activity during the year 2015-16 (till 31-1-2016) are:

- (a) For 2015-16, the Institute was allotted 1075 Entrepreneurship and Skill Development Programmes with a target of 31775 participants under the Scheme of Assistance to Training Institutions (ATI), of Ministry of MSME. 824 programmes for 24368 participants were completed and 251 programmes for 7407 participants were in progress as on 31st January, 2016.
- (b) The Institute conducted 154 announced national programmes in different areas for the benefit of officials of various Central/State Government departments, NGOs, Banks, and MSME service providers. 369 national sponsored programmes in skill development were conducted specifically for construction workers sponsored by Government of Andhra Pradesh and Telangana in different locations. During the year 2015-16, the Institute conducted 15 Seminars and Workshops on different themes.
- (c) Thirteen announced and Four sponsored international programmes for the benefit of executives coming from different countries were conducted during 2015-16.
- (d) The Institute has also been playing an important role in rendering research and consultancy services to different Ministries of Govt. of India. During the year under report, the Institute undertook consultancy projects sponsored by Khadi and Village Industries Commission (KVIC), Govt of Telangana, National Mineral Development Corporation (NMDC), Ministry of Textiles and NBCFDC.
- (e) The Institute has also been rendering services to the MSMEs through Intellectual Property Facilitation Centre (IPFC) and to the Handicraft Artisans through Resource Centre for Traditional Paintings (RCTP).

9.3.8 Major Activities organized during 2015-16:-

- (1) **National Programmes:** Programmes conducted during the year 2015-16 (till 31.1.2016) are mentioned below:

- (a) Six-week Induction Training Programme on MSME Promotion designed for Industry Extension Officers (IEOs) of the Government of Kerala (20 April – 31 May 2015).
 - (b) One-week training programme on “Recycling of Wastes in SME Sector” (4 – 9 May 2015, sponsored by the Directorate of Industries, Andaman and Nicobar Administration, Port Blair.
 - (c) Sixteen week programme in Supply Chain Management (5 May – 21 August 2015) for 54 JCOs/OR (army officials).
 - (d) One-week training programme on Development of Handloom, Handicraft and Village Industry Clusters (30 June – 4 July 2015).
 - (e) One-week training programme on “Managerial Entrepreneurship (29 June-4 July 2015).
 - (f) One-week Orientation Programme on Cluster Development (6 – 10 July 2015) for nodal officers.
 - (g) Three-day programme on “Current Requirements in Environmental Impact Assessment (EIA)—Process & Procedures (as per Guidelines of Ministry of Environment and Forests) during 20 – 22 July 2015.
 - (h) One-week programme on “Training of Trainers – Entrepreneurship Development in Food Processing” during 20 – 24 July 2015.
 - (i) One-week programme on “Project Appraisal – Tools and Techniques during 20 – 24 July 2015.
 - (j) One-week programme in “Promotion of Agro Enterprises in Rural Areas” (9 – 11 September 2015).
 - (k) Two-day Executive Development Programme for the Managers of Coir Board.
 - (l) Seven-day Induction Training for newly recruited Executives of NMDC in two batches during 24-30 September 2015.
 - (m) One-week training in Enterprise Development through Self-employment (26-30 October 2015).
 - (n) Three-day training programme in Entrepreneurship/Career Orientation in Solar Technology (30 October and 1 November 2015).
- (2) **International Programmes:** The Institute organised 13 Announced and 4 Sponsored Programmes for 288 executives representing 54 countries.
- a) Twelve-week training programme on “Communication Skills in English and Promotion of Micro Small and Medium Enterprises (EPMSMEs)” for executives (10 August – 30 October 2015).
 - b) Twelve-week training programme on “Communication Skills in English and Tourism and Hospitality Management (EPTHM)” for executives (10 August – 30 October 2015).

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- c) Eight-week training programme on “Enterprise Development through Micro Finance (EDMF)” for executives (7 September – 30 October 2015).
 - d) Eight-week training programme on “Capacity Building for Providing Alternative Livelihood Opportunities (CABALO)” for executives (7 September – 30 October 2015).
 - e) Two-week training programme in “Capacity Building of Women Entrepreneurs/ Farmers of Bangladesh in Floriculture sponsored by USAID’s Agricultural Value Chains (AVC) Project, Bangladesh (9 – 22 September 2015).
 - f) Empowerment of Women through Enterprises (EWE) for Executives (16 November, 2015 to 8 January, 2016).
 - g) Training Methods and Skills for Managers (TMSM) for Executives (16 November, 2015 to 8 January, 2016).
 - h) Total Quality Management & ISO 9001:2008/14001/22000/27000 & Six Sigma (TQM) for Executives (16 November, 2015 to 8 January, 2016).
 - i) SME Financing – Approaches and Strategies (SMEFAS) for Executives (16 November, 2015 to 8 January, 2016).
 - j) Innovative Strategies for SME Development (ISSD) for Executives (16 November, 2015 to 8 January, 2016).
 - k) ToT on Non-Tariff Barriers (NTB) and Non-Tariff Measures (NTM) Environment in SAARC at Colombo, Srilanka (7-10 December, 2015).
 - l) ToT on Non-Tariff Barriers (NTB) and Non-Tariff Measures(NTM) Environment in SAARC at Dhaka, Bangladesh (10 – 13 January, 2016).
 - m) Intellectual Property as a tool to enhance competitiveness of MSMEs under TCS of Colombo Plan (21 December 2015 to 8 January, 2016).
 - n) Promotion of Micro Enterprises (POME) for Executives (25 January – 18 March, 2016).
 - o) Planning and Promotion of Agro and Food Enterprises (PAFE) for Executives (25 January – 18 March, 2016).
 - p) ToT in Entrepreneurship & Skill Development (ToT-ESD) for Executives (25 January – 18 March, 2016).
 - q) Tourism and Hospitality Management (THM) for Executives (25 January – 18 March, 2016).
- (3) **Seminars and Workshops:** The Institute organized seminars and workshops on various subjects. Some of the significant events are:
- a) National Workshop on Revamped SFURTI on 8 May 2015.
 - b) Workshop on “e-Learning and its Prospective” held on 29 June 2015.

- c) Workshop on IP Awareness for MSME entrepreneurs held on 30 June 2015.
- d) Workshops/Orientations on “Entrepreneurship Training for Retiring Soldiers” at EME Centre, Secunderabad.- 9 Programmes.

(4) Consultancy Projects:

- a) 100% physical verification of PMEGP Units financed in the States of Assam, Kerala, and Lakshadweep sponsored by the KVIC in the year 2013-14 has been successfully completed and reports of the same were submitted during 2015.
- b) Scheme of Fund for Regeneration of Traditional Industries (SFURTI): The Institute has been rendering technical services to six coir clusters and two village industry clusters under SFURTI, viz., Vijayanagaram Coir Cluster, Vizag Coir Cluster, West Godavari Coir Cluster, Chittoor Coir Cluster (Four clusters in the State of Andhra Pradesh), Sindhudurg Coir Cluster and Pendur Coir Cluster (Two clusters in the state of Maharashtra) besides Harihara Khadi cluster in Karnataka and Kalamkari crafts cluster in Andhra Pradesh. Detailed Project Reports (DPR) for seven clusters have been submitted and DPR of West Godavari coir cluster is under progress.
- c) Khadi Reform and Development Programme (KRDp): In addition to the Khadi sector, KRDp also has been supporting development of five identified traditional village industries such as handmade paper, honey, herbal health and cosmetics, leather and agro food processing industry. It covers all requisite areas of the sector for raw material supply, training and development; and marketing for all round development of the sector. KVIC has assigned Murmura Cluster, Gondia, Maharashtra State to provide technical services. Preparation of Diagnostic Study Reports (DSR) is currently under progress. The field work has been completed including interaction with Implementing Agency and KVIC officials.
- d) Comprehensive Handloom Development Scheme (CHDS): The Institute has been acting as an Implementing Agency for Barabanki and Mubarakpur Handloom Clusters sponsored by the Development Commissioner for Handlooms, Ministry of Textiles, Government of India. Institute had successfully completed the first phase of interventions in Barabanki and Mubarakpur Handloom Clusters in Uttar Pradesh during 2007-2011. Further, the office of Development Commissioner for Handlooms had sanctioned additional budget for consolidation of clusters and plug in gaps in infrastructure. The approved action plan interventions in Barabanki and Mubarakpur Handloom Clusters are in progress.
 - The workshops/ interactive meetings were conducted for Capacity Building of SHGs and Consortia members for new product development and effective utilization of CFC infrastructure.
 - The marketing consortia have been participating in exhibitions and Buyer-seller meets.
 - New initiatives have been taken to produce eco-friendly cotton/ silk products

Training, Entrepreneurship Development and Other Schemes

for Just Born Babies.

- Sewing Machine, Packing Machine, Blocks and Screens were arranged at CFC for the benefit of weavers in Barabanki cluster.
 - Around 1500 weavers in Mubarakpur and 350 weavers in Barabanki were facilitated in getting artisan credit cards
 - The officials of Weavers Service Centre, Varanasi were involved in development of new designs.
- 5) Following new projects were taken up during the year:**
- Project for Development of student tracking system through web based software application for APCET.
 - Preparation of Detailed Project Report of Gadwal Handloom Park.
 - Evaluation Study of Training Schemes of NBCFDC in Haryana, Himachal Pradesh, Rajasthan and Uttar Pradesh States.
 - 100% Physical Verification of PMEGP Units in the state of Telangana.
 - Project on Skill and Management Practical Training Institute (SAMPRITI) at Dantewada, Chattisgarh.
- 6) Important delegations/visits to Institute campus during the period:** A number of foreign dignitaries, Govt. officials and eminent persons visited the ni-msme campus during 2015-16. This included -
- His Excellency Mr. Prithvirajsing Roopun (MP), Hon'ble Minister of Social Integration and Economic Empowerment and Mr. Boyramboli Rojrazsingh, Permanent Secretary, Ministry of Social Integration and Economic Empowerment, Govt. of Mauritius.
 - Dr Anup K. Pujari, IAS, Secretary to Ministry of MSME, Govt. of India.
 - Mr. Naini Narasima Reddy, the Hon'ble Minister of Home Affairs, Government of Telangana.
 - Ms. Eva Majurin, Entrepreneurship and SME Management Training, SME, Geneva, Switzerland.
 - Mr. Dan Coholan, Vice Chairman of Royal Bank of Canada, Toronto and Mr. Richard W Oliver, CEO of American Sentinel University, Colorado, USA.

9.4 RAJIV GANDHI UDYAMI MITRA YOJANA (RGUMY)

- 9.4.1 The revised guidelines of “Rajiv Gandhi Udyami Mitra Yojana (RGUMY)” scheme were issued on 18th August, 2015. As per revised scheme assistance under the handholding component (Udyami Mitra) of the erstwhile RGUMY Scheme has been discontinued. Now, the scheme provides assistance only for a Call Centre for information, support and guidance, which

operates 365 days. An 'Udyami Helpline' (a Call Centre for MSME) with a Toll Free No. 1800-180-6763 has been set up to provide information, support, guidance and assistance to first generation entrepreneurs as well as other existing entrepreneurs to guide them regarding various promotional schemes of the Government, procedural formalities required for setting up & running the enterprise and help them in accessing Bank Credit etc. The Udyami Helpline has facilities to answer the queiries of entrepreneurs in English and Hindi between 7.00 AM to 9.00 PM, and it operates on all 365 days including Sundays and Holidays. The BE for 2015-16 is ₹ 1.00 crore.

9.5 SURVEY, STUDIES AND POLICY RESEARCH

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

Chapter-X

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

10.1 A new scheme titled 'Prime Minister's Employment Generation Programme (PMEGP)' has been launched in 2008-09 with the merging of the erstwhile Prime Minister Rojgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) schemes of this Ministry. The Guidelines of the Scheme are available on the website of the Ministry of MSME (www.pmegp.in; www.kvic.org.in)

10.2 MAIN OBJECTIVES

The main objectives of the PMEGP are:

- (i) To generate employment opportunities in rural as well as urban areas;
- (ii) To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their place;
- (iii) To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and rural & urban unemployed youth; and
- (iv) To increase the wage earning capacity of artisans.

10.3 SALIENT FEATURES

The salient features of the scheme are as follows:

- Any individual, above 18 years of age, is eligible.
- No income ceiling has been prescribed for assistance.
- For setting up of project costing above ₹ 10 lakh in the manufacturing sector and above ₹ 5 lakh in the business /service sector, the beneficiaries should possess educational qualification of having passed at least VIII standard.
- Assistance under the Scheme is available only for new projects sanctioned.
- Self Help Groups (SHG) including those belonging to BPL are also eligible for assistance provided that they have not availed benefits under any other Scheme.
- The borrower is required to bring in own contribution of 10 per cent of the project cost. In the case of beneficiaries belonging to SC/ST and borrowers from other weaker sections, etc., the beneficiary's contribution is 5 per cent of the project cost.

Prime Minister's Employment Generation Programme (PMEGP) and Scheme of Fund

- Banks will sanction loan for the balance of the project cost (90% or 95% as the case may be). After the sanction of the credit by the Bank and after the beneficiary has undergone EDP training, eligible amount of margin money will be kept in term deposit for three years in the account of the borrower at the financing bank branch, which will be credited to the borrower's loan account after a period of two years from the date of first disbursement of loan.
- The permissible margin money assistance is kept at a higher level as compared to PMRY and REGP and is as detailed in the Table below:

TABLE 10.1: ASSISTANCE UNDER PMEGP

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

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

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

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

- **Definition of "RURAL AREA" AND "VILLAGE INDUSTRIES"**

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

10.4 IMPLEMENTING AGENCY

The following agencies are involved in implementation of PMEGP:

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

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

Prime Minister's Employment Generation Programme (PMEGP) and Scheme of Fund

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

10.5 BACKWARD & FORWARD LINKAGES

Besides margin money assistance, the Government also provides financial assistance for backward and forward linkages through KVIC which includes revamped EDP training; awareness camps; publicity; workshops; banker's review meetings; district, state and national level exhibitions; physical verification of the units set up; concurrent evaluations; and electronic tracking of applications. As reported by KVIC, 6 workshops, 59 awareness camps and 51 (PMEGP) exhibitions have been organized during 2015-16 (upto 31.01.2016) and 24811 persons have undergone EDP training during 2015-16 (upto 31.01.2016). As per PMEGP guidelines, once project is sanctioned by Bank, before releasing the second installment of loan, beneficiary is required to undergo a 10 days(For projects above ₹ 5.00 Lakh) and 6 days (For projects up to ₹ 5.00Lakh) EDP training to be arranged by KVIC through its accredited institutions. State-wise details of units assisted, margin money utilized and estimated employment generated during 2015-16 (upto 31.01.2016) is given at Annexure.



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra visits after launching the KVIC Khadi Denim and PMEGP North-East Exhibition in New Delhi.

Prime Minister's Employment Generation Programme (PMEGP) and Scheme of Fund

10.6 For improved implementation of the scheme, the progress made under PMEGP is reviewed in the Ministry at regular intervals. Besides, all Chief Ministers have been requested to instruct the State implementing agencies, namely, DICs and KVIBs as well as Banks to put in more concerted efforts in improving the performance of PMEGP. Regular review meetings by National Level Monitoring Committee, KVIC and others are also held. More than 307 model projects have been made available in the websites namely www.kvic.org.in and www.pmegp.in for the benefit of prospective entrepreneurs and around 558 training centres have been accredited by KVIC for conducting EDP training before disbursal of loan as provided in the guidelines.

10.7 NEW INITIATIVES AND ACHIEVEMENTS UNDER PMEGP

- i) To bring in transparency in implementation of PMEGP scheme as well as to create data base of PMEGP beneficiaries, e-tracking of PMEGP applications introduced.
- ii) 457 model projects including 111 from NSIC incubation centers prepared and put up on PMEGP website for benefit of potential beneficiaries.
- iii) To increase the number of nodal bank branches, instructions have been issued to have one nodal branch of each Public Sector Bank in each State. Now, total of 1122 branches are working as nodal bank from all over India.
- iv) The negative list of the guidelines of the Programme has been modified in order to expand the base of the scheme. The following activities have now been allowed:
 - a) All rural and urban transport activities (A ceiling of 10% of the state target to the extent of projects to be financed for transport activities would be applicable in the States/UTs, except in specific regions – hilly region, NER, A & N islands , Goa, Puducherry, Lakshadweep, Daman & Diu, Dadra & Nagar Haveli, J & K and LWE affected districts).
 - b) Value added products for tea, coffee, rubber, sericulture, horticulture and floriculture.
 - c) Processing of pashmina wool and other products like hand spinning and hand weaving.
 - d) Solar Charkha activity has also been included under PMEGP vocations under the scheme.
- v) A target of 75 projects per district has been fixed for PMEGP to ensure inclusive growth.
- vi) Online submission of application forms has been made mandatory, providing the facility of e-tracking too.
- vii) A simplified one page application form validated by Aadhar number has also been introduced.

- viii) KVIC has executed an MoU on 20.02.2015 with monitoring cell of RSETI to impart EDP trainings through RSETI/RUDSETI centres under PMEGP.
- ix) Exclusive Retail outlets permitted in LWE, NER and A & N Islands.
- x) To showcase and promote the products of PMEGP units, an exclusive web portal developed by KVIC to cater to domestic and international Buyers for PMEGP units. Linkage with existing online marketing agencies like e-bay, Flipkart etc. is under process.
- xi) During 2015-16 (upto 31.01.2016), 288058 applications have been received under the Scheme of which 96887 projects were recommended to banks. Banks have, however, sanctioned 50952 cases and made disbursement only in 29174 cases involving margin money assistance of ₹ 657.04 crore during the year.



*Hon'ble Minister of State, Shri Giriraj Singh, inaugurating the
Solar Charkha Pilot Project Training Programme*

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

10.8.1 Government through KVIC and the Coir Board has also been implementing a cluster-based scheme named Scheme of Fund for Regeneration of Traditional Industries (SFURTI), under which khadi, village industries and coir clusters have been taken up for development by providing them with improved equipments, common facilities centres, business development services, training, capacity building and design and marketing support, etc. 101 clusters (29 Khadi, 47 Village Industries and 25 Coir clusters) have been assisted under this scheme during 11th Five Year Plan. SFURTI Scheme has been revamped in 12th Five Year Plan and it is proposed to develop 800 clusters during 12th Plan. 71 clusters with an outlay of ₹ 149.44 crore have been taken up for development in the Ist phase.

Prime Minister's Employment Generation Programme (PMEGP) and Scheme of Fund

Under the revamped SFURTI, there shall be three types of clusters involving artisans from 500 to 2500. The three types of clusters with their number and approximate artisan coverage for the first phase is as under:-

Type of clusters	No. of clusters under the scheme	Approx. Artisan coverage
Heritage clusters (1000-2500 artisans)	2	5000
Major clusters (500-1000 artisans)	10	10000
Mini Clusters (upto 500 artisans)	59	29500
Total	71	44500

10.8.2 The objectives of the revamped Scheme are as follows:

- i. To organize the traditional industries and artisans into clusters to make them competitive and provide support for their long term sustainability and economy of scale;
- ii. To provide sustained employment for traditional industry artisans and rural entrepreneurs;
- iii. To enhance marketability of products of such clusters by providing support for new products, design intervention and improved packaging and also the improvement of marketing infrastructure;
- iv. To equip traditional artisans of the associated clusters with the improved skills and capabilities through training and exposure visits;
- v. To make provision for common facilities and improved tools and equipments for artisans;
- vi. To strengthen the cluster governance systems with the active participation of the stakeholders, so that they are able to gauge the emerging challenges and opportunities and respond to them in a coherent manner;
- vii. To build up innovated and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster-based regenerated traditional industries.

10.8.3 **PROJECT INTERVENTIONS:** The Scheme would cover three types of interventions namely 'soft interventions', 'hard interventions' and 'thematic interventions'.

- 10.8.3 (i) **Soft Interventions:** Under Soft Interventions, the project would consist of activities such as-
- a) General awareness, counselling, motivation and trust building;
 - b) Skill development and capacity building; Guidelines for SFURTI

- c) Institution development;
- d) Exposure visits;
- e) Market promotion initiatives;
- f) Design and product development;
- g) Participation in seminars, workshops and training programmes on technology up-gradation, etc.

10.8.3(ii) **Hard Interventions:** Under Hard interventions, the following facilities will include:

- a) Common facility centres (CFCs);
- b) Raw material banks (RMBs);
- c) Up-gradation of production infrastructure;
- d) Tools and technological up-gradation such as charkha up-gradation, tool-kit distribution, etc.
- e) Warehousing facility;
- f) Training center;
- g) Value addition and processing center.

10.8.3(iii) **Thematic interventions:** In addition to the above mentioned hard components and soft components, the scheme will also support cross-cutting thematic interventions at the sector level including several clusters in the same sector with emphasis on both domestic and international markets. These will primarily include:

- a) Brand building and promotion campaign
- b) New media marketing Guidelines for SFURTI
- c) e-Commerce initiatives
- d) Innovation
- e) Research & development initiatives
- f) Developing institutional linkages with the existing & proposed clusters

10.8.4 Scheme Steering Committee (SSC)

The Ministry of Micro, Small and Medium Enterprises (MSME) will be the coordinating Ministry providing overall policy, coordination and management support to the Scheme. A Scheme Steering Committee (SSC) will be constituted under the chairmanship of Secretary (MSME). The SSC may co-opt representatives of industry associations, R&D institutions and other private sector expert organizations as members/ special invitees, depending on functional needs. The SSC will consider the proposals of clusters and the Implementing Agencies (IAs) submitted by Nodal Agencies (NAs) and shall extend approval to the cluster proposals. The cluster proposals will include the details of Technical Agencies (TA) and Implementing

Prime Minister's Employment Generation Programme (PMEGP) and Scheme of Fund

Agencies (IA) proposed by Nodal Agency (NA). The SSC may make intra-sectoral adjustments of activities and corresponding funds without affecting the basic objectives and thrust of the Scheme.

10.8.5 Nodal Agencies (NAs)

The scheme will have Nodal Agencies (NAs) which are reputed national/ regional level institutions with sectoral expertise in the major sub-sectors of the Traditional Industries.

10.8.5(i) Khadi & Village Industries Commission (KVIC) shall be the NA for Khadi and Village Industry clusters and Coir Board (CB) shall be the NA for Coir based clusters.

10.8.5(ii) Ministry of MSME may also engage other NAs from amongst private sector institutions with established competence in cluster development, project Guidelines for SFURTI management and facilitation of market access through a transparent and objective process (based on the set of criteria decided by the Ministry of MSME).

10.8.6 **A Project Screening Committee (PSC)** shall be constituted under each of the NAs, chaired by the Chief Executive of the NA for the management and implementation of the Scheme. Nodal Agencies other than KVIC and Coir Board shall also constitute a PSC comprising of 3 Cluster Experts (2 from TAs & 1 from IA), representative of bank, and marketing & financing experts.

10.8.7 **Technical Agency (TA)** Established national/ regional level institutions, with proven expertise in artisanal and small enterprise cluster development shall be engaged as Technical Agencies (TAs) to provide close handholding and implementation support to the SFURTI clusters. The TAs shall provide technical support to the NAs and the IAs. The responsibilities of the TAs will include preparation and validation of Cluster Action Plans, conducting training of Development Executives (CDEs) and other officials of the IAs and NAs, regular monitoring of the cluster on monthly/ quarterly basis and submit report on quarterly basis, to the respective field office of Nodal Agencies.

10.8.8 **Implementing Agency (IA)** Implementing Agencies (IAs) would be 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), etc. with suitable expertise to undertake cluster development. One IA may normally be assigned only one cluster (unless it is an agency with State-wide coverage). The selection of IAs, based on their regional Guidelines for SFURTI, reputation and experience of working at the grass-roots level, will be done by the Nodal Agencies (NAs), on the basis of transparent criteria. Private sector participation shall also be encouraged for the implementation of the cluster projects. Corporate entities can also take up projects directly by forming cluster-specific SPVs. Corporates and Corporate Social Responsibility (CSR) foundations with expertise in cluster development will be encouraged to participate as IAs.

10.8.9 **Formation of SPV** is mandatory to seek the final approval for hard interventions by IA. The purpose of SPV will be to develop and sustain the cluster after the project implementation period is over. An SPV will be formed for each cluster which may be any of the following entities:

- i. a Society registered under Societies (Registration) Act, 1860;
- ii. a Co-operative Society under an appropriate statute;
- iii. a Producer Company under section 581C of Companies Act, 1956;
- iv. a Section 25 Company under Companies Act, 1956; v. a Trust; or
- v. Any other legal entity, with the prior approval of SSC.

10.9 Achievements

- i) 71 clusters have been given in-principle approval by Scheme Steering Committee (SSC) and 32 DPRs have been given final approval.
- ii) 43 Agencies have been empanelled as Technical Agencies for preparation of DSR / DPR's and developing clusters.
- iii) A total amount of ₹ 29.71 crore is released during the year 2015-16 (upto 29th February, 2016) against the allocated amount of ₹ 50 crore under SFURTI.



SFURTI Cluster Products

INTERNATIONAL COOPERATION

- 11.1** Worldwide, the MSMEs have been accepted as the engine of economic growth for promoting equitable development. As per the available statistics (4th Census of MSME sector), this sector employs an estimated 59.7 million persons spread over 26.1 million enterprises in the country. It is estimated that in terms of value, MSME sector accounts for about 45% of the manufacturing output and around 40% of the total exports of the country. MSMEs play an important role in export promotion of the country. To maintain its niche in the international and global 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.
- 11.2** In recent years, the MSME sector has consistently registered higher growth rate compared to the overall industrial sector. With agility and dynamism, the sector has shown admirable innovativeness 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 18 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 and Sweden

11.3 INTERNATIONAL COOPERATION SCHEME

11.3.1 International Cooperation (IC) Scheme, being implemented by the Ministry of Micro, Small and Medium Enterprises (MSME), is an ongoing Scheme of the Ninth Plan (under implementation since 1996), which has been continued for the Twelve Plan (2012-13 to 2016-17) with an outlay of ₹ 24.50 crore. For the Annual Plan 2015-16, a provision of ₹ 4.00 crore was earmarked. Technology infusion and/or upgradation of Indian micro, small and medium enterprises (MSMEs), their modernisation and promotion of their exports are the principal objectives of assistance under the Scheme. The IC Scheme guidelines including the application form is available on the website of this Ministry viz. <http://msme.gov.in>.

11.3.2 The Scheme encompasses the following activities:

- (i) Deputation of MSME business delegations to other countries for exploring new areas of technology infusion/upgradation, facilitating joint ventures, improving market of MSMEs products, foreign collaborations, to visit international exhibitions/trade fairs, etc.

International Cooperation

- (ii) Participation by Indian MSMEs in international exhibitions, trade fairs and buyer-seller meets in foreign countries.
- (iii) Participation in international exhibitions/trade fairs held in India in which there is international participation.
- (iv) Holding international conferences and seminars on topics and themes of interest to the Indian MSMEs.

11.4 SIGNIFICANT MEETINGS WITH FOREIGN DIGNITARIES AND DELEGATIONS

11.4.1 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:

- Shri Madhav Lal, the then Secretary, Ministry of Micro, Small and Medium Enterprises (MSME) visited Vietnam from 13-15 May, 2015 to attend 38th Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) Annual Meeting.
- H.E. Mr. Jakaya Kikwete, President of the United Republic of Tanzania met Shri Kalraj Mishra, Hon'ble Minister (MSME) on 19th June, 2015 in New Delhi and discussed bilateral issues relating to micro, small and medium enterprises sector of both countries.



The Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra meeting the President of the United Republic of Tanzania, Mr. Jakaya Kikwete, in New Delhi.

- A Memorandum of Understanding (MoU) has been signed between the Ministry of Micro, Small and Medium Enterprises (M/o MSME) and the Ministry of Enterprise and Innovation of the Kingdom of Sweden on Cooperation in the field of MSME on 01.06.2015.
- H.E. Mr. John Aquilina, High Commissioner of Malta met Shri Kalraj Mishra, Hon'ble Minister (MSME) in Udyog Bhawan, New Delhi on 10th September 2015 and invited him to attend Malta National Day function as Chief Guest. Hon'ble Minister of MSME attended the function on 22nd September, 2015 in New Delhi. Hon'ble Minister of MSME also discussed the areas of cooperation in the field of micro, small and medium enterprises with Malta in the function.



The High Commissioner of Malta in India, Mr. John Aquilina U.O.M. meeting the Union Minister for Micro, Small and Medium Enterprises, Shri Kalraj Mishra, in New Delhi.

- H.E Mr. Zigmund Bertok, Ambassador and Ms. Dominika Bartosova, Attaché Economic and Commercial Section from the Embassy of the Slovak Republic met Shri Surendra Nath Tripathi, Additional Secretary, Ministry of MSME on 29th September, 2015 in Udyog Bhawan, New Delhi and discussed about the status of proposed MoU between the Ministry of MSME and the Ministry of Economy of the Republic of Slovak.

11.5 PARTICIPATION IN INTERNATIONAL EVENTS

11.5.1 Under International Cooperation Scheme, 41 Indian MSMEs delegations led by the various Industries Associations/Organisations participated in various international exhibitions/trade fairs/buyer-seller meets/conferences/seminars, etc. during 2015-16 These international events were held in 17 countries viz. Australia, Brazil, Cambodia, Canada, China, France, Germany, Italy, Morocco, Myanmar, South Africa, Spain, Turkey, UAE, United Kingdom, USA and Vietnam.

Chapter-XII

ACTIVITIES IN THE NORTH EASTERN REGION

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

The NER, consisting of Assam, Arunachal Pradesh, Manipur, Mizoram, Meghalaya, Nagaland, Tripura and Sikkim has abundant natural resources. These resources can be utilized for all round economic development and employment generation in the region. The M/o MSME is actively promoting the development of MSMEs in the NER through the programmes and schemes implemented by the Ministry and its organisations.

12.2 BUDGETARY SUPPORT

Pursuant to the Government's Policy of earmarking 10% of the total funds for NER, under the Schemes/Programme of M/o MSME, an outlay of ₹ 261.25 crore in BE 2015-16 had been earmarked exclusively for the Region.

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

12.3.1 The Office of DC (MSME) has MSME-DIs at Gangtok (Sikkim); Guwahati (Assam); Imphal (Manipur); Agartala (Tripura) and also branch MSME-DIs at Aizwal (Mizoram); Dimapur (Nagaland); Itanagar (Arunachal Pradesh); Diphu (Assam); Silchar (Assam); Tezpur (Assam); Shillong (Meghalaya) and Tura (Meghalaya). A Technology Centre has been set up at Guwahati to cater to tooling and training need of industries in the North East region. The Technology Centre is equipped with hi-tech machinery for providing common facility services to the industry; conducting various skill development modular courses, long term and short term programmes in the area of Machinist, Welding, Machine Tool Operation, Manufacturing Technology, Mould Design with CAD/CAM, Electrical Maintenance, Plastic Processing & IT Application etc. The State Government of Nagaland has also been assisted to set up a Mini Tool Room & Training Centre at Dimapur, Nagaland.

12.4 ACTIVITIES OF NSIC IN NORTH EASTERN REGION

12.4.1 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. NSIC came out with two books on Success Stories on Incubation-cum-Training Centre, Guwahati. The first book containing 137 success stories which was released by Hon'ble Chief Minister of Assam on 28th September, 2013 and the second book

containing 100 success stories was released by Hon'ble Union Minister of MSME on 29th January, 2015.

- 12.4.2 During the year, NSIC, Guwahati participated / organized several exhibitions namely Imphal Expo, 2014 (11-20 December 2014), 22nd International Guwahati Trade Fair (29 January – 15 February 2015) and 16th International Shillong Trade Fair (10-23 March 2015).
- 12.4.3 During the current financial year (upto January 2016), NSIC, Guwahati participated/organized several exhibitions namely ASIDC exhibition (02-09 May 2015), North- East Summit 2015 (28- 27 May 2015), World Trade Fair (07-09 Septemebr 2015) and 23rd International Guwahati Trade Fair, 2016 (29th Jan -14th Feb 2016).

12.5 ACTIVITIES OF ARI DIVISION

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

12.6 BUDGETARY SUPPORT

- 12.6.1 As per the policy of the Government, 10 per cent of total plan budget is earmarked for NER for implementation of various Plan schemes in khadi, village industries and coir sectors. The details of the funds released by the Ministry to KVIC and Coir Board for the NER during the last three years and 2015-16 are given in the Table below:

TABLE 12.1 RELEASE OF FUNDS FOR NER

(₹ crore)

Year	Funds released		
	KVIC	Coir Board	Total
2012-13	133.46	1.45	134.91
2013-14	126.47	0.65	127.12
2014-15	99.55	1.85	101.40
2015-16*	91.24	0.30	91.54

*upto 31 January 2016

12.7 KVI PROGRAMMES

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



Minister of State for Micro, Small & Medium Enterprises, Shri Giriraj Singh as a Chief Guest in Inaugural Function of Livelihood Business Inclubation Centre at Lamphelpat, Manipur

- 12.7.2 Village industries which are being set up in these hilly and backward areas include forest based industries, pottery, beekeeping, processing of cereals and pulses, fibre, fruit & vegetable processing industries, soap, activities like carpentry and blacksmithy and also khadi and polyvastra.
- 12.7.3 The programmes of KVIC for rural industrialisation are expected to increase the earnings of artisans, weavers, spinners and individual entrepreneurs along with output of high quality KVI goods from this region. This is also expected to reduce drudgery in the labour intensive activities, ensure sustainable utilisation of locally available raw material and upgradation of skills of artisans.
- 12.7.4 Over the years, there has been considerable increase in production and employment in the KVI sector in the NER though performance in khadi sector has not picked up substantially. Achievements made in terms of estimated production, sales and employment in KVI sector during last three years and in 2015-16 are given in the following Table:

TABLE 12.2: KVI PRODUCTIONS IN NER

(Value: ₹ lakh)

State	2012-13	2013-14	2014-15	2015-16* (Provisional)
Arunachal Pradesh	5188.60	5642.5	5956.62	4765.29
Assam	64350.74	69940.57	73780.33	59024.26
Manipur	11152.66	12121.76	12784.37	10227.49
Meghalaya	13194.08	14352.91	15142.58	12114.06
Mizoram	25187.43	27391.38	28898.20	23118.56
Nagaland	13761.33	15043.20	15871.77	12697.41
Sikkim	4534.83	4931.67	5202.91	4162.32
Tripura	11907.82	12949.94	13662.25	10929.80
Total	149277.49	162373.93	171299.03	137039.19

* upto 31 January 2016

TABLE 12.3: KVI SALES IN NER

(Value: ₹ lakh)

State	2012-13	2013-14	2014-15	2015-16* (Provisional)
Arunachal Pradesh	6833.51	7661.19	8146.99	6517.59
Assam	81234.51	91033.33	97274.35	77819.48
Manipur	14742.53	16526.29	17560.78	14048.62
Meghalaya	16161.12	18122.04	19262.22	15409.77
Mizoram	34557.37	38751.23	41190.18	32952.14
Nagaland	16656.67	18671.38	19839.58	15871.66
Sikkim	5600.29	6279.26	6673.62	5338.89
Tripura	14503.07	16259.07	17277.78	13822.22
Total	190289.07	213303.79	227225.50	181780.37

* upto 31 January 2016

TABLE 12.4: KVI EMPLOYMENT IN NER

(In lakh persons)

State	2012-13	2013-14	2014-15	2015-16* (Provisional)
Arunachal Pradesh	0.09	0.15	0.15	0.15
Assam	2.89	4.54	4.69	4.69
Manipur	0.53	0.85	0.87	0.87
Meghalaya	0.33	0.52	0.54	0.54

Activities in the North Eastern Region

Mizoram	0.66	1.05	1.08	1.08
Nagaland	0.43	0.68	0.70	0.70
Sikkim	0.18	0.26	0.26	0.26
Tripura	0.49	0.79	0.81	0.81
Total	8.45	8.84	9.10	9.10

* upto 31 January 2016

- 12.7.5 To cater to the needs of skill development in NER, Multi-Disciplinary Training Centres at Kumarikata (Assam) and Doimukh, (Arunachal Pradesh) are being run by the institutions with the financial assistance of KVIC. In addition, training centers are being run by State KVIBs at Roha, Marigaon (Assam); Zamabank(Mizoram) and Dimapur (Nagaland). Besides, 4 agencies have been accredited for conducting training in NE States. The beneficiaries from NE Region are provided rail fare for attending training programmes and also daily allowance during the training period.

12.8 SCHEMES OF KVIC BEING IMPLEMENTED IN NER

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

Special efforts have been made by KVIC to provide employment in NER under PMEGP. In 2015-16 (upto 31.01.2016), a total number of 5092 projects were assisted by utilizing margin money subsidy of ₹ 56.60 crore. In the current year, a total number of 8118 projects were sanctioned by banks involving margin money subsidy of ₹ 84.44 crore.

Under PMEGP, KVIC has released more than 10% of the allocated fund to NER.

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

- 12.8.3 **Aam Admi Bima Yojana:** A total of 3916 artisans have been covered under the Aam Admi Bima Yojana of KVIC so far to provide insurance to the khadi artisans/weavers.

- 12.8.4 **State Level Artisan Welfare Fund Trust:** An artisan Welfare Fund Trust was registered at Assam in NER. 32 institutions have been registered as members and ₹ 5.52 lakh has been deposited in the trust for the year 2014-15.

- 12.8.5 **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.

12.9 COIR BOARD IN NER

- 12.9.1 The Board is adopting a multifarious approach for the development of coir industry in North Eastern States for enhancing awareness of coir and coir products. As a result, demand of coir and coir product is slowly growing. All infrastructural facilities are offered by the Board to new entrepreneurs to set up coir industrial units. Traditional as well as innovative products such as coir geo-textiles and coir-ply, which have special importance/relevance to the topography of the North-East, are also being introduced.
- 12.9.2 During the year 2014-15 various activities have been undertaken by Coir Board for the promotion of coir industries in NER which include publicity of coir programmes through electronic and print media, training for spinning and for manufacturing of value added products and participation in fairs and exhibitions in NE State. An amount of ₹ 0.30 crore (including SFURTI) has been released to Coir Board against an allocation of ₹ 4.89 crore(including SFURTI) to carry out the various coir activities in NER upto December 2015.

Chapter-XIII

ACTIVITIES AND PROGRAMMES FOR WOMEN

13.1 ROLE OF THE MINISTRY

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

13.2 TRAINING OF WOMEN ENTREPRENEURS

13.2.1 The policies of the Government announced from time to time have laid considerable emphasis on promotion of women entrepreneurship particularly among first generation women through various training and support services. Special attention in this regard is given through organising exclusive Training Programmes for women.



13.2.2 **NI-MSME, Hyderabad:** During the year 2015-16 (upto January, 2016), the Institute has provided training to 4,818 women under its various training programmes.

13.2.3 **NSIC:** During the year 2015-16(upto January, 2016), NSIC has provided training to 27,557 women under various training programmes.

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

13.3.1 INTRODUCTION

The scheme envisages economic empowerment exclusively of women through trade related training, information and counseling extension activities related to trades, products, services etc. The Scheme provides for financial loans through NGOs who are also provided GoI grant for capacity building. This Assistance is provided for self-employment ventures by women for pursuing any kind of non-farm activity. The focal point of the scheme is to provide grant assistance to the nodal NGO which has been sanctioned bank loan for passing through the same to eligible women for taking up non-farm activities.

13.3.2 SALIENT FEATURES

(i) Credit

There is a provision for Government of India Grant up to 30% of the loan/ credit maximum up to ₹ 30.00 lakh as appraised by lending institution/ banks. The lending institutions/ banks would finance loan assistance for women through NGO for undertaking non-farm activities, who usually have no easy access to credit from banks due to cumbersome procedures and because of their inability to provide adequate security demanded by banks in the form of collaterals. GOI Grant and the loan portion from the lending agencies to assist such women shall be routed through NGOs engaged in assisting poor women through income generating activities. Only those NGOs, who are having considerable experience (minimum 3 years) in taking and managing funds, taken either as loan or grant, shall be eligible under the Scheme. The NGO which has been selected for Government Grant will not be considered for GoI grant again in the subsequent two years from the date of release of GoI grant.

(ii) Training & Counselling

Training organizations viz. Micro, Small and Medium Enterprises – Development Institutes (MSME-DIs), Entrepreneurship Development Institutes (EDIs), NIMSME, NIESBUD and NGOs conducting training programmes for empowerment of women beneficiaries identified under the scheme would be provided a grant upto maximum limit of ₹ 1.00 lakh per programme provided such institutions also bring their share to the extent of minimum 25% of the Government grant and 10% in case of NER.



(iii) Eliciting Information on Related Needs

Institutions such as Entrepreneurship Development Institutes (EDIs), NIMSME, NIESBUD, IIE, MSME-DIs, EDIs sponsored by State Govt. and any other suitable institution of repute will be provided need based Government grant limited up to ₹ 5.00 lakh per project primarily for undertaking activities aiming at empowerment of women such as field surveys, research studies, evaluation studies, designing of training modules, etc. covered under the scheme.

13.3.3 Achievements

During the year 2015-16 (up to 31st January, 2016) grant of ₹ 2.00 Crore has been released to 12 NGOs for providing self employment to 3560 women against the loan of ₹ 6.78 crore sanctioned by nationalised banks.

13.4 ACTIVITIES AND PROGRAMMES FOR WOMEN IN ARI SECTOR

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

13.5 PRIME MINISTER'S EMPLOYMENT GENERATION PROGRAMME AND WOMEN

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

- (i) For urban women beneficiaries, margin money subsidy is provided at the rate of 25 per cent of the project cost while it is 35 per cent for women in rural areas.
- (ii) In case of women entrepreneurs, beneficiary's contribution is 5 per cent of the project cost while in the case of others; it is 10 per cent of the project cost.
- (iii) Bank finance in the form of loan is 95 per cent of the project cost in case of women and other weaker section borrowers and 90 per cent of the project cost in case of others.

13.5.2 Since inception i.e 2008-09 to 31.01.2016, 84,296 projects have been assisted to women entrepreneurs under PMEGP.

13.6 MAHILA COIR YOJANA

13.6.1 The Mahila Coir Yojana is the first women oriented self- employment Scheme in the coir industry which provides self-employment opportunities to the rural women artisans in regions producing coir fibre. The conversion of coir fibre into yarn on motorised ratt in rural households provides scope for large scale employment; improvement in productivity and quality; better working conditions and higher income to the workers. The Scheme envisages distribution of motorised ratts to women artisans after giving training for spinning coir yarn. One artisan per household is eligible to receive assistance under the Scheme. The women spinners are trained for two months in spinning coir yarn on motorised ratt at the Board's Training Centres. During the training period, the women artisans are given stipend amounting to ₹ 1000 per month. The trained women are given motorised ratt / motorised traditional ratt and other coir processing equipments which can be operated by women at 75 % subsidy subject to a maximum of ₹ 7500/- . 596 Nos. of Motorized ratts (MR)/Motorized Traditional Ratts (MTR)/ Other coir processing equipments distributed under Mahila Coir Yojana so far during the year 2015-16.

Chapter-IV

USE OF OFFICIAL LANGUAGE

14.1. Hindi is the Official Language of the Union of India and the Government policy aims at progressively increasing the use of Hindi in official work. Effective steps were taken during the year in the Ministry of MSME to ensure 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.

14.2. COMPLIANCE OF PROVISIONS OF SECTION 3(3) OF THE OFFICIAL LANGUAGES ACT, 1963

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 were issued bilingually, i.e. both in Hindi and English. General orders meant for departmental use were issued in Hindi only.

14.3. REPLIES TO LETTERS IN HINDI

All letters received in Hindi were replied to in Hindi.

14.4. 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 93% correspondence was made in Hindi in region 'A', 92% in region 'B' and 85% in region 'C' up to the quarter ending September, 2015.

14.5. SECTIONS SPECIFIED FOR WORKING IN HINDI

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

14.6. MONITORING AND INSPECTIONS

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

14.7. TRAINING OF OFFICIALS

Many officials of the Ministry have already been trained in Hindi typing and Hindi stenography. Remaining officials, typists & stenographers were nominated for Hindi, Hindi typing & stenography training.

14.8. USE OF MECHANICAL AIDS

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

14.9. COMMITTEES

- 14.9.1 To review the use of Hindi in the Ministry and to accelerate the use of Hindi, the Hindi Advisory Committee is under reconstitution. The action on the decisions of the Committee is taken at appropriate levels.
- 14.9.2 The Departmental Official Language Implementation Committee under the Chairmanship of the Joint Secretary (In-Charge of Hindi) in the Ministry of MSME has 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.

14.10. HINDI MONTH

Hindi month was celebrated from 14th September, 2015 to 13th October, 2015 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 Antyakshari, Hindi Quiz, Hindi Kavita 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 (MSME) on the occasion of Hindi Day, 2015 were circulated in the Ministry of MSME as well as in its attached and subordinate offices for information and compliance.

14.11. USE OF HINDI IN ATTACHED AND SUBORDINATE OFFICES

14.11.1 Office of the Development Commissioner (MSME)

There is a full fledged Hindi Section in the Office of the DC (MSME) to ensure compliance with the Official Language Policy of the Government and to implement the directives of the Government of India. During the year, Hindi Fortnight was celebrated from 14th September, 2015 to 30th September, 2015 in which various Hindi competitions were conducted. The meetings of Official Language Implementation Committee were regularly held in the office. Workshops were organised in the office. 09 sub-ordinate offices were inspected.

14.11.2 National Small Industries Corporation (NSIC) Ltd.

NSIC continuously strives to promote the use of Hindi in official work. A full-fledged Hindi Section with adequate staff is functioning at the corporate office of Delhi. The meetings of Official Language Implementation Committee and Hindi Workshops were regularly organized in NSIC. During the year, Hindi Month was celebrated from 7th September, 2015 to 8th October, 2015 in which various Hindi competitions were held.

Use of Official Language

14.11.3 Khadi & Village Industries Commission (KVIC)

Khadi and Village Industries Commission (HQ), Mumbai has a full fledged 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 – 30th September, 2015 in which various Hindi competitions were held and during the period winner participants of five competitions held were rewarded. 03 sub-ordinate offices of the Commission and 10 directorates of the headquarters were inspected. The meetings of Official Language Implementation Committee and Hindi 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.

14.11.4 Coir Board

The Coir Board continues its efforts to implement the Official Language Policy. During the year all the documents under the section 3(3) of the Official Languages Act, 1963 were issued bilingually. Hindi Workshops were organized in the Board.

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

On the occasion of Hindi Day the Hindi Week was celebrated from 14th September, 2015 to 18th September, 2015 in the institute. During this, Hindi competitions and Hindi workshop were conducted.

14.11.6 Mahatma Gandhi Institute for Rural Industrialization (MGIRI)

Hindi day was celebrated from 14th September, 2015 to 18th September, 2015 in the institute. During this various events were organized wherein the learned of Hindi delivered their lectures. Prize winners of the Hindi competitions held in the institute were rewarded.

Chapter-XV

VIGILANCE ACTIVITIES

- 15.1** 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.
- 15.2** The Ministry is implementing the guidelines/instructions issued by the Department of Personnel & Training and the Central Vigilance Commission on creating greater awareness of vigilance among the users of its services. In order to bring awareness about vigilance and transparency in functioning of offices that have public inter-face, the Vigilance Awareness Week was celebrated from October 26 to October 31, 2015 starting with a Pledge Taking administered by the Additional Secretary & Development Commissioner (MSME) on October 26, 2015.
- 15.3** The Vigilance Division also deals with the appeals preferred by employees of the organizations functioning under the Ministry on the penalties imposed on them as also complaints, etc. received against the functionaries of these organizations. The following functions are also performed by the Division:-
- (i) Maintenance of 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.

15.4 Vigilance set up of Organisations under Ministry of MSME

15.4.1 Office of the Development Commissioner (MSME)

15.4.1.a The Vigilance Unit of this office is headed by a Chief Vigilance Officer (CVO) of the rank of Director appointed on the advice of the Central Vigilance Commission. The Vigilance Section deals with complaints received against officers/ employees of the Office of Development Commissioner (MSME), maintenance of disciplinary and eradication of corruption besides maintenance of confidential records of the officials.

15.4.1.b Complaints & Vigilance Cases

During the financial year 2015-16, complaints received against Government officials were dealt swiftly.

15.4.2 National Small Industries Corporation (NSIC) Ltd.

The National Small Industries Corporation Ltd. (NSIC), is a public sector enterprise under the Ministry of MSME. The vigilance work in NSIC is looked after by a part-time Chief Vigilance Officer of the level of General Manger appointed on the advice of CVC.

Vigilance Activities

15.4.3 Khadi & Village Industries Commission (KVIC)

The Khadi & Village Industries Commission (KVIC) is a statutory organization under the Ministry of MSME. The vigilance work in Khadi & Village Industries Commission is looked after by a full-time Chief Vigilance Officer appointed on the advice of CVC.

15.4.4 Coir Board

The Coir Board, Kochi, is a statutory body under the Ministry of MSME. The Vigilance work in Coir Board is looked after by a part-time Chief Vigilance Officer appointed on the advice of CVC.

15.4.5 National Institute for Micro, Small and Medium Enterprises (ni-msme), Hyderabad

National Institute for Micro, Small and Medium Enterprises (ni-msme) is an autonomous Institute under the Ministry of MSME. The Vigilance work in the Institute is looked after by a part-time Chief Vigilance Officer appointed on the advice of CVC.

CITIZENS' CHARTER, RIGHT TO INFORMATION (RTI) ACT AND ACTIVITIES UNDERTAKEN FOR THE BENEFIT OF THE PERSONS WITH DISABILITIES (PWDs)

16.1 Citizens' Charter of the Ministry

In the Results Framework Document (RFD), Sevottam Compliant Citizens' / Client's Charters, as well as Sevottam Compliant Grievance Redressal Mechanism have been made mandatory. Accordingly, Citizens' / Clients' Charter for M/o MSME (2013-14) have been adopted and the same can be viewed at Ministry's website. This Charter consists of vision is a Declaration of the Ministry, incorporating its mission and commitment to the Micro, Small and Medium Enterprises and for the people of India, in general.

16.1.1 Ministry of Micro, Small and Medium Enterprises

- (a) The aim of this Ministry is to provide prompt service to citizens through its attached office, public sector enterprise, statutory bodies and autonomous organisations, for accelerating the growth of MSMEs and also to enhance their competitiveness.
- (b) The Ministry seeks to fulfill its mission by formulating appropriate policies and designing/implementing support measures in the fields of credit, technological upgradation, marketing, entrepreneurship development, etc., and undertaking effective advocacy for these purposes.
- (c) All the organisations of the Ministry have adopted their own Citizens' Charter.

16.1.2 VISION

Sustainable development of globally competitive Micro, Small and Medium Enterprises as an engine of growth for the Indian Economy.

16.1.3 MISSION

Promote growth and development of Micro, Small and Medium Enterprises, including Khadi, Village and Coir industries, so as to achieve a cumulative growth of 50% in the number of registered enterprises and to enhance contribution to GDP to 10% by 2016-17.

16.1.4 COMMITMENT

The Ministry and its organisations are committed to providing efficient and prompt services with transparency and courtesy to the citizens as well as to MSMEs.

16.1.5 GUIDANCE AND HELP

The Information and Facilitation Counter of the Ministry, located on the ground floor

(between Gate No. 4 and 5), Nirman Bhavan, New Delhi, provides information on the services and activities of the Ministry and its organisations. It also receives RTI applications as well as fees, if any, by RTI applicant.

The Ministry has set up a Call Centre namely, 'Udyami Helpline' to give free access of information and guidance to potential entrepreneurs throughout the country by making a provision of toll free Telephone Number **1800-180-6763**. Under this, any potential and existing entrepreneur desirous of getting any information regarding schemes of M/o MSME or anything related to small businesses may get information by dialing up this toll free number. Adequate trained manpower has been put in place to give information as well as guidance to potential entrepreneurs.

16.1.6 Annual Reports and Handbook on Self Employment have been published and are available for the information of potential entrepreneurs, policy makers and others. The website of the Ministry, i.e., www.msme.gov.in provides all the relevant information and link to its organisations.

16.1.7 The detailed Citizens'/ Clients' Charter of the Ministry is available on the website of the Ministry.

16.1.8 COMPLAINTS

Department of Administrative Reforms and Public Grievances (DAPRG) have created a portal for public grievances, viz. <http://pgportal.gov.in>. Any aggrieved person can lodge his grievance on this portal. All grievances received by Director of Public Grievances, DAPRG, Prime Minister's Office and President Secretariat would also be forwarded to the concerned Ministries through this portal/software. Any grievances received through letter, email, phone, Call Centre need to be entered on this portal. Grievance pertaining to other Ministries/ Subordinate 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>. Ministry and its organisations are promptly attending to the grievances. The address, phone and fax numbers of the Information and Facilitation Counter and the Grievance Cell are as follows:-

Particulars	Website Address	Organisation
1. Grievance Cell 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
	www.coir-india.com	Coir Board, Kochi
2. Information and Facilitation Counter, Gate No. 4, Ground Floor, Nirman Bhawan, New Delhi – 110108. Tel. No. 23062219	www.mgiri.org	MGIRI, Wardha

16.2 RIGHT TO INFORMATION (RTI) ACT

For information under the RTI Act, 2005, citizens may approach the Public Information Officer (RTI) located between Gate No. 4 & 5, Nirman Bhavan, (O/o DC (MSME)), New Delhi on any working day. During the year 2014-15, 552 applications were received by the Ministry, out of which 267 applications were transferred, 284 requests were accepted/ replied and 1 was rejected. Ministry also received 13 appeals, out of which 11 appeals were accepted/ replied and 2 were rejected. 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-VI.

16.3 ACTIVITIES UNDERTAKEN FOR THE BENEFIT OF THE PERSONS WITH DISABILITIES

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.

The National Small Industries Corporation Limited, a PSU of this Ministry and 1 EDIs namely the National Institute for Micro, Small and Medium Enterprises, Hyderabad are providing necessary reservation/preference for the training in different fields of entrepreneurship development and related training modules.



MICRO, SMALL & MEDIUM ENTERPRISES

सूक्ष्म, लघु एवं मध्यम उद्यम

Annexure

**SUMMARY OF EXPENDITURE AND PHYSICAL PROGRESS DURING THE YEAR 2014-15
IN RESPECT OF SME WING**

(Rs. crore)

Scheme	BE 2014-15	RE 2014-15	Exp. 2014-15	Physical Progress 2014-15
Performance & Credit Rating Scheme	70.00	90.00	88.00	23,048 units rated
Marketing Assistance scheme	14.00	14.00	11.68	Participated in Int. Exbt.s - 12 Organised Int. level Exbt. including Techmart - 08 Participated in domestic Exhbts. - 117 Exhbts. Co-sponsored - 01 Buyer Seller Meets organized - 12 Intensive Campaigns & Marketing Promotion events - 635
International Cooperation Scheme	5.00	5.00	3.94	Assistance provided for 43 events and 603 entrepreneurs participated in these events.
Assistance to Training Institution	132.00	87.00	86.25	1,35,157 persons trained under various programmes conducted by the three national level EDIs, i.e., NIMSME, NIEBUD, IIE, NSIC and CTRL exclusively under ATI Scheme.
Survey, Studies and Policy Research	3.00	1.00	0.54	10 studies awarded.
Rajiv Gandhi Udyami Mitra Yojana	3.00	3.00	2.01	3,007 New Udyamis registered for handholding support
Total	227.00	200.00	192.42	

**SUMMARY OF EXPENDITURE AND PHYSICAL PROGRESS DURING THE YEAR 2015-16 IN
RESPECT OF SME WING**

(Rs. crores)

Scheme	BE 2015-16	RE 2015-16	Physical Progress 2015-16 (upto January,2016)
Performance & Credit Rating Scheme	28.00	47.00	12,842 units rated
Marketing Assistance scheme	14.00	16.52	Participated in Int. Exhbts - 06 Organised Int. level Exhbts. including Techmart - 02 Participated in domestic Exhbts. - 68 Buyer Seller Meets organized - 87 Intensive Campaigns & Marketing Promotion events - 198
International Cooperation Scheme	4.00	4.00	41 events were approved for providing assistance under the scheme in which 645 entrepreneurs participated.
Assistance to Training Institution	80.00	75.02	34,330 persons trained under various programmes conducted by the national level EDIs, NSIC and CTRL exclusively under ATI Scheme.
Survey, Studies and Policy Research	2.28	0.28	2 studies have been completed.
Rajiv Gandhi Udyami Mitra Yojana	1.00	1.00	Handholding component (Udyami Mitra) of the RGUMY scheme has been discontinued w.e.f. 31.3.2015.
Total	129.28	143.82	

Annexure**ARI DIVISION****Khadi & Village Industries Commission (KVIC)****I. KVIC**

Sl. No	Head	BE 2014- 15	RE 2014- 15	Exp. 2014- 15	Physical Progress/ Achievement	BE 2015- 16	RE 2015- 16	Quantifiable/ Deliverable/ Physical Output
1	2	3.	4.	5	6	7.	8.	10.
1.	Khadi Grant (including MDA)	93.31	183.31	177.13	(i) Khadi Prod.: Rs.879.98 crore Sales: Rs 1170.38 crore Employment (cumulative): 11.06 lakh persons (ii) MDA Scheme Rs 171.53 crore provided towards MDA by KVIC. (iii) ISEC: Rs 73.83 crore provided towards subsidy	145.95	136.40	Khadi Prod.: Rs. 699.60 crore Sales: Rs. 954.68 crore Employment (cumulative): 10.56 lakh persons
2	S&T (Khadi)	1.25	0.41	-	22 units assisted for establishment of in-house test laboratories	1.00	0.10	24 projects sanctioned
3	Khadi loan	0.00	0.00	-	Loan is provided to the institutions located in NER for gainful employment to the spinners and weavers	0.00	-	Loan will be provided to the institutions located in NER for gainful employment to the spinners and weavers
4	Interest Subsidy (khadi)	0.10	0.10	0.10	This is book adjustment only towards subsidy on interest on loans provided in the past.	0.10	-	This is book adjustment only towards subsidy on interest on loans provided in the past.
5	V.I Grant	69.84	59.84	53.39	(i) Village Industry Prod.: Rs. 26689.39 crore Sales: Rs. 31965.52 crore Employment (cumulative): 123.19 lakh persons	33.70	40.00	Village Industry Prod.: Rs. 22352.40 crore Sales: Rs. 27425.28 crore Employment (cumulative): 141.89 lakh persons
6	S&T (V.I)	1.25	0.41	-		1.00	0.10	
7	V.I Loan	0.00	0.00	-	Loan will be provided to the institutions located in NER.	0.00	-	-

Sl. No	Head	BE 2014-15	RE 2014-15	Exp. 2014-15	Physical Progress/Achievement	BE 2015-16	RE 2015-16	Quantifiable/Deliverable/Physical Output
1	2	3.	4.	5	6	7.	8.	10.
8	Interest Subsidy (V.I)	0.10	0.10	0.10	This is only book adjustment towards subsidy on interest on loans provided in the past.	0.10	-	This is only book adjustment towards subsidy on interest on loans provided in the past.
9	PMEGP	1418.28	1108.06	1063.05	No of projects assisted: 48168 Margin money utilised: Rs. 1122.53 crore Estimated employment opportunities generated: 3.58 lakh.	1050.00	1275.68	No. of projects: - 24126 Margin money subsidy: Rs528.33 crore Creation of employment opportunities -1.71 lakh persons *upto 30.11.2015
10	Workshed Scheme for Khadi Artisans:	20.00	15.24	14.99	Assistance has been provided to 4324 artisans during the year.	6.60	8.60	Assistance to 1100 artisans have been provided during 2015-16 (upto 30th November 2015)
11	Scheme for trengt hening of Infrastru-cture of existing Weak Khadi Institutions and Assistance for Marketing Infrastructure	7.50	5.70	4.32	-	3.00	2.20	-
13.	Khadi Reform Programme	50.00	28.00	28.00	-	66.50	66.50	
14.	Interest Subsidy Eligibility Certificate for khadi and polyvastra	40.63	40.63	38.32	-	40.07	40.07	-
15.	Janashree Bima Yojana for khadi artisans (inclusive of new component of health insurance)	0.04	0.04	-	-	0.04	-	-
16.	SFURTI (inclusive of 5 existing schemes subsumed therein)(KVI)	0.04	0.00	-	-	0.04	-	-

Annexure

Sl. No	Head	BE 2014-15	RE 2014-15	Exp. 2014-15	Physical Progress/Achievement	BE 2015-16	RE 2015-16	Quantifiable/Deliverable/Physical Output
1	2	3.	4.	5	6	7.	8.	10.
17.	Khadi/VI S&T and Scheme for Promotion of Khadi as an Exclusive Heritage and Green product (SPOKE) (new component)	0.04	0.04	-	-	0.04	-	-
18.	Market Promotion (including Export Promotion) & Publicity (inclusive of new component of marketing complexes/plazas) and Modified MDA	0.04	0.04	-	-	0.04	-	-
19.	Development of Infrastructure and Skill set in KVI Sector (DISK)	0.04	0.04	-	-	0.04	-	-
20.	Promotion of VI and Development of Existing Weak VI Institutions (PROVIDE) (inclusive of new component for revival of weak VI institutions)	0.04	0.04	-	-	0.04	-	-
II.	India Innovation Entrepreneurship & Agro Industries (ASPIRE Scheme)	200.00	10.00	5.00		200.00	101.00	-
	Sub-Total(KVIC)	1902.96	1452.00	1384.40		1348.22	1670.65	
III	Mahatma Gandhi Institute for Rural Industrialisation	11.00	4.10	4.10	Pay and allowances of MGIRI Staff, execution of 10 interface projects, support to 50 incubators, development of 12 innovative products/processes and expansion of infrastructure to strengthen MGIRI.	3.63	3.63	Execution of 10 interface projects, support to 50 incubators, development of 12 innovative products/processes and expansion of infrastructure to strengthen MGIRI.

III. COIR BOARD

Sl. No	Head	BE 2014- 15	RE 2014- 15	Exp. 2014- 15	Physical Progress/ Achievement	BE 2015- 16	RE 2015- 16	Quantifiable/ Deliverable/ Physical Output
1	2	3.	4.	5	6	7.	8.	10.
IV.1	Plan - S&T	7.00	5.30	5.30	New machines developed - 12 No. Technology transfer to Industry: -21 Nos. Eco-friendly technology transferred to entrepreneurs – 41 Nos. Field demonstration of technology - 718 Nos.	3.00	3.00	New machines developed 6 nos Technology transfer to Industry: 6 Nos. Eco-friendly technology transferred to entrepreneurs – 23 Nos. Field demonstration of technology - 1009 Nos.
2	Coir Vikas Yojana [Earlier known as Plan (General), Training Extension, quality Improvement, Mahila Coir Yojana & Welfare Measures]	45.00	29.30	29.28	Coir Prod.: 5,41,836 M.T. Export: Rs. 1394.28 crore Empl.: 718242 persons Skill Upgradation & Quality Improvement: --- 11528 persons trained for manufacturing value added products. Mahila Coir Yojana: 8494 beneficiaries trained and 354 ratts distributed. Development of Production Infrastructure: 31 coir units assisted. Domestic Market Promotion: participated in 125 domestic exhibitions Export Market Promotion (EMP) : Participated in 11 international exhibitions.	26.37	18.40	Coir Prod.: 409935 M.T. Export: Rs. 996.59 crore (upto 31.10.2015) Empl: 720013 persons Skill Upgradation & Quality Improvement: Training of 1090 persons for manufacturing value added products. Mahila Coir Yojana:- 1130 beneficiaries trained and 223 Spinning equipments provided Domestic Market Promotion: Participation in domestic exhibition: 67 nos. Export Market Promotion (EMP): Participation in 08 international exhibitions.

Annexure

Sl. No	Head	BE 2014- 15	RE 2014- 15	Exp. 2014- 15	Physical Progress/ Achievement	BE 2015- 16	RE 2015- 16	Quantifiable/ Deliverable/ Physical Output
1	2	3.	4.	5	6	7.	8.	10.
3	Coir Udyami Yojana (Earlier known as Rejuvenation, Modernization and Technology Upgradation of the Coir Sector.)	16.00	7.30	4.00	268 units assisted.	20.00	13.50	230 units to be assisted.
	Sub-Total (Coir Board)	68.04	41.90	38.58		49.37	34.90	
V	SFURTI	60.00	2.00	-	101 Khadi, Village Industries and Coir clusters have become functional. There is an improvement in the earnings of artisans/workers.	50.00	35.00	-
	Sub-Total for ARI Division	2042.00	1500.00	1427.08		1651.22	1744.18	

* Token provision have been made for the New/ Modified Schemes.

Annexure-I

**STATEMENT SHOWING BE, RE, Actual Exp. and Physical Progress of 2014-15
O/O DC(MSME), M/O MSME**

(Rs. in crore)

Sr. No		BE 2014-15	RE 2014-15	Actual Exp. 2014-15	Physical Progress
DC(MSME)					
A	Central Sector Schemes				
I	Quality of Technology Support Institutions & Programmes				
1 NMCP					
a.	Lean Manufacturing Competitiveness Scheme	15.00	14.85	14.73	346 Numbers of awareness programmes organized, 162 numbers of new SPVs formed in the Mini Clusters, 127 numbers of new Clusters identified and selected for Lean Manufacturing intervention & in 1482 units; Lean manufacturing Interventions have been initiated under up-scaled scheme.
b	Promotion of ICT Tools in MSME Sector	18.00	0.70	0.63	The scheme was under operationalization
c	Technology Upgradation and Quality Certification Support to MSMEs	20.50	3.00	2.89	i. MSMEs assisted for EETs-56 nos. ii. Product Certificate Reimbursed-135 nos. iii. Awareness Programme-85 nos.
d	Support for Entrepreneurial and Managerial Development of SMEs through Incubators	10.50	2.50	1.87	Selection of 35 Host institutes as business incubator and support to 143 innovative business idea.
e	Design Clinics Scheme for MSME Sector	14.00	9.60	9.60	I. 03 nos. of PMAC meeting held during year. II. 102 nos. of professional design projects approved by PMAC during year. III. SFC meeting for continuation of design Clinic scheme held on 18.02.2015 and approved minutes has been circulated on 22.07.2015 to the all members of SFC. IV. Total Design Awareness Seminars organized 75 nos. V. Total Design Awareness programme organized - 51nos. VI. Total Orientation programme conducted - 04nos. VII. Professional Design Project completed - 50 nos. VIII. Student Design Project complete - 19 nos.

Annexure

Sr. No		BE 2014-15	RE 2014-15	Actual Exp. 2014-15	Physical Progress
f	Enabling manufacturing Sector to be competitive through Quality Management Standards and Quality Technology Tools	10.00	1.50	1.35	i) 1 No. of MAC meeting conducted ii) 102 Nos. of Awareness Campaigns iii) 04 no. of 2 days workshop at metros Delhi, Mumbai, Chennai, & Kolkata. iv) 01 No. of one day National Level workshop at Delhi conducted by MSME-Dis, New Delhi
2	ISO 9000/14001 Reimbursement	12.00	7.00	5.85	970 Units benefitted.
3	Credit Linked Capital Subsidy Scheme	387.75	394.77	394.74	7246 units benefited
	Sub Total	487.75	433.92	431.66	
II Promotional Services Institutions & Programmes					
1	DC (MSME) Officers' Training Programme	1.00	1.00	0.96	289 officers were trained
2	Provision for Workshops/ Trg.	15.00	12.00	11.96	24 MSMEs – DIs/ branch DIs are benefitted.
3	MDP/EDP/Skill Development	23.00	15.00	13.79	61639 people trained & 84012 people motivated.
4	TREAD	2.50	3.00	2.54	8335 women benefited.
5	MSME-DIs	9.50	10.00	9.44	16 plan institutes (MSMEs- DIs/branch DIs) are benefitted
	Sub Total	51.00	41.00	38.69	
III Infrastructure Development and Capacity Building					
1	Tool Rooms & Tech. Institutions	104.50	109.58	109.44	i. Training of 160274 person NER - Training of 4942 person ii. Benefitting 35034 units NER – benefiting 659 units.
2	Technology Centre Systems Programme (TCSP) New Scheme	150.00	20.00	5.03	Scheme at implementation stage.
3	MSME - Cluster Development Programme	93.00	84.60	78.38	i) CFCs commissioned – 05 Nos. (ii)Approval of new Infrastructure Development Centres – 09 Nos. (iii) New MSEs units setup – 236 Nos.
	Sub Total	347.50	214.18	192.85	

Sr. No		BE 2014-15	RE 2014-15	Actual Exp. 2014-15	Physical Progress
IV CREDIT SUPPORT PROGRAMME					
1	Credit Guarantee Scheme	74.99	74.99	74.99	(Number of Credit applications) ONER -359064 SCSP-17283 TSP-5122 NER-21953 Total- 403422
2	Augmentation of Portfolio Risk Fund under MFP	0.01	0.01	0.00	(Number of beneficiaries) Total - 181544
	Sub Total	75.00	75.00	74.99	
V MDA Programme					
1	MDA Scheme	6.00	6.00	5.17	227MSEs benefited by participating in 15 trade fairs held during FY 2014-15
2	Marketing Assistance and Technology Upgradation Scheme for MSMEs	5.00	0.70	1.11	713 units benefited
3	Export Promotion	0.25	0.20	0.22	No of programmes -28 No. of units participated-958
4	Building Awareness on Intellectual Property Rights for MSMEs (NMCP)	3.00	1.00	0.83	1. Awareness programmes – 16. 2. Workshop/Seminar- 05. 3 GOI assistance to one Indian Patent.
5	Vendor Development Programme for Ancillarisation	5.00	4.00	3.69	i) NVDP – 53 nos. ii) SVDP – 322 nos.
	Sub Total	19.25	11.90	11.02	
VI Up-gradation of Data Base					
1	Collection of Statistics	2.71	2.70	2.63	Achievement cannot be quantified. Ongoing schemes continuous process
2	Quinquennial Census	1.54	0.45	0.45	
3	National Award (Entrepreneur & Quality)	2.50	1.75	1.32	43 awards to MSMEs and banks. Participation of 98 MSMEs.
4	DC(MSME) Library	0.50	0.50	0.50	Modernisation of Library
5	SENET Project	3.00	0.90	0.90	Website contents for HQ and all MSME DIs are updated regularly,, Internet connectivity is provided to all MSME DIs, Software developed for web application and office automation and maintained and sharing of information with association, Field Offices.

Annexure

Sr. No		BE 2014-15	RE 2014-15	Actual Exp. 2014-15	Physical Progress
6	Publicity & Exhibition	0.50	0.50	0.24	11 officers are deputed to participate in international trade fairs.
7	Advertising & Publicity	3.00	4.20	4.04	Inform the public at large of the schemes/programmes activities and facilities of this office
8	MSME TCs/MSME TSs	5.75	5.00	4.43	Units benefitted MSMEs (6939), non MSMEs (7097) no. of tests conducted (211993)
	Sub Total	19.50	16.00	14.51	
VII	India Inclusive Innovation Fund	50.00	0.00	0.00	Yet to be operationalized
VIII	Capital Outlay	8.00	8.00	7.97	7 MSMEs-DIs/branch DIs are benefitted.
	Grand Total	1058.00	800.00	771.69	

STATEMENT SHOWING BE, RE, AND PHYSICAL OUTPUT OF 2015-16 O/o DC(MSME)
(Rs. in crores)

S. No	Name of the Scheme/ Programme	BE 2015- 16	RE 2015- 16	Quantifiable/ Deliverables/Physical Output 2015-16 (as on 30.11.2015)
1	2	3	4	5
I Quality of Technology support institution & Programme				
1	Lean Manufacturing Competitiveness Scheme for MSMEs	12.00	12.00	63 Numbers of awareness programmes organized, 41 numbers of new SPVs formed in the Mini Clusters, 188 numbers of new Clusters identified and selected for Lean Manufacturing intervention & in 359 units; Lean manufacturing Interventions have been initiated under up-scaled scheme.
2	Promotion of ICT Tools in MSME Sector	5.50	0.32	Signing of MOU with TCIL is under process.
3	Technology Upgradation and Quality Certification Support to MSMEs	20.00	17.40	65 nos. of Product Certification reimbursements . 105 nos. of MSMEs assisted for EET
4	Support for Entrepreneurial and Management Development of SMEs through Incubators	7.00	7.00	Selection of 44 Host institute as Incubator and support to 55 innovative business ideas.
5	Design Clinics Scheme for MSME sector.	10.00	2.50	I. 02 nos. of PMAC meeting held during year. II. 76 nos. of professional design projects approved by PMAC during year. III. Revised/ up scaled scheme Guidelines of Design Clinic under submission for approval of competent authority. IV. Total Design Awareness Seminars organized 10 nos. V. Total Design Awareness programme organized - 02 nos. VI. Total Orientation programme conducted - 01 nos. VII. Professional Design Project completed -28 nos. VIII. Student Design Project complete - 10 nos.
6	Enabling Manufacturing Sector to be competitive through Quality Management Standards/ Quality Technology Tools (QMS/QTT) scheme for MSMEs	6.00	5.92	i) 86 Nos. of Awareness Campaign allocated to 30 MSME-DIs. Fund released for the same is Rs. 67.94 Lakhs ii) 1 No. of National level Workshop at Delhi allocated to MSME-DIs, New Delhi Fund released for the same is Rs.6.00 Lakh. iii) 4 Nos. of 2 days workshop at metros allocated to MSME-DIs Ahmedabad, Hyderabad, Ludhiana & Ranchi and Sanction released of Rs. 16.00 Lakh to above MSME-DIs. iv) sanction released Rs. 56,157/- (2nd & Final instalment) of QMS/QTT scheme ACs conducted, FISME, New Delhi, QCI, New Delhi CTTC, Bhubaneswar during 2014-15. Note Sanction Released Rs. 89.94 Lakh (as on 30.11.2015)

Annexure

				v) {Total Sanction released MSME-DIs of amount of Rs. 89.94 Lakh (OAE)+ Sanction release agencies Rs. 18,49,634/- (GIA-) = Total Rs. 1,08,43,634/-} sanction to CII of amount of Rs. 56,157/- (due to not submitted UCs)
7	ISO-9000/14001 Reimbursement Scheme	10.00	10.00	259 units benefitted.
8	Credit Linked Capital Subsidy Scheme (CLCSS)	290.00	289.86	1195 (till 31.10.2015)
	Total	360.50	345.00	
II Promotional Services Institutions & Programmes				
1	DC (MSME) officers' Training Programme	1.70	1.70	181 officers were trained
2	Provision for Workshops /Trg.	15.00	15.55	24 MSMEs -DIs/Branch DIs .
3	EDP Programme (IMC /EDP/ ESDP/MDP) Scheme	2.80	2.65	21950 persons to be trained and 70400 to be motivated
4	TREAD	3.00	2.10	nil
5	MSME-DIs	10.00	11.00	16 plan institute (MSME- DIs/branch DIs)
	Total	32.50	33.00	
III Infrastructure Development and Capacity Building				
1	Tool Rooms & Technical institutions	100.00	89.05	1. Training of 112964 persons NER Training of 3729 persons. 2. Benefitting 23271 units NER Benefiting 369 units
2.	Technology Centre Systems Programme (TCSP) New Scheme	100.00	40.00	Scheme at implementation stage.
3	MSE-Cluster Development Programme	100.00	102.95	4 Nos of CFC are at the verge of completion.
	Total	300.00	232.00	
IV Credit Support Programme				
1	Credit Guarantee Scheme	24.74	70.99	(Number of Credit applications) ONER- 204516 SCSP - 10911 TSP -2643 NER- 13704 Total - 231774.
2	Augmentation of Portfolio Risk Fund Under MFP	0.01	0.01	(Number of beneficiaries) 29656
	Total	24.75	71.00	
V MDA Programme				
1	MDA Scheme	6.00	6.90	210 MSEs benefited by participating in 13 trade fairs upto Dec 2015.
2	Marketing Assistance and Technology Upgradation	5.00	1.40	162 MSME units benefitted in 10 fairs.

3	Export Promotion	0.26	0.15	No. of Programmes – 06 No. of units participated -150
4	Building awareness on Intellectual Property Rights (IPR) for MSME.	3.00	1.81	1. Awareness Programme – 44 2. Workshop/Seminar – 12. 3 .IFPC- 03. 4. Training Prog. – 01.
5	Vendor Development Programme for Ancillarization	5.00	4.74	NVDP- 61 nos. SVDP- 248 nos.
	Total	19.26	15.00	
VI Up gradation of Data Base :				
1.	Collection of Statistics	10.00	0.09	Achievement cannot be quantified. Ongoing schemes continuous process.
2	Quinquennial Census	25.00	1.60	
3	National Award (Entrepreneur & Quality)	4.00	3.50	nil
4	DC(MSME) Library	0.50	0.50	Modernization of Library
5	SENET PROJECT	5.00	5.00	Website contents for HQ and all MSME DIs are updated regularly,, Internet connectivity is provided to all MSME DIs, Software developed for web application and office automation and maintained and sharing of information with association, Field Offices.
6	Publicity & Exhibition	0.50	0.50	12 officers are deputed in international trade fairs.
7	Advertising & Publicity	5.00	5.00	Inform the public at large of the schemes/ Programmes activities and facilities of this office.
8	MSMETCs / MSMETSS	10.00	10.31	Units benefitted –MSMEs (3807), non MSMEs (3375), no. of tests conducted (156838), upto 31/10/2015.
	Total	60.00	26.50	
VII	India Inclusive Innovation Fund	25.00	0.20	Yet to be operationalized.
VIII	Capital Outlay on Public Works	10.00	9.30	All MSMEs –DIs / branch DIs.
	Total	832.01	732.00	

PLAN ALLOCATION AND EXPENDITURE DURING 2013-14, 2014-15 AND 2015-16

(Rs. in crore)

Items	2013-14	2014-15	2015-16
A. SME DIVISION			
BE	265.00	227.00	129.28
RE	296.83	200.00	143.82
EXPENDITURE	263.63	192.42	95.77* (upto Feb., 2016)
B. ARI DIVISION			
BE	1842.00	2042.00	1651.22
RE	1463.74	1500.00	1744.18
EXPENDITURE	1257.99	1427.08	1279.25* (upto Feb., 2016)
C. O/o. DC (MSME)			
BE	870.00	1058.00	832.01
RE	839.43	800.00	732.00
EXPENDITURE	759.53	771.69	478.96* (upto on 31.01.16)
TOTAL BE	2977.00	3327.00	2612.51
TOTAL RE	2600.00	2500.00	2620.00
TOTAL EXPENDITURE	2281.15	2391.19	1853.98

* Tentative

Annexure-III

STATE-WISE DETAILS: UNITS ASSISTED, MARGIN MONEY UTILISED AND ESTIMATED EMPLOYMENT GENERATION DURING 2015-16 (upto 31stJanuary, 2016) UNDER PMEGP

Sr. No.	State/UT	Number of units assisted	Margin Money subsidy utilised (Rs. in lakh)	Estimated Employment opportunities created (No. of persons)
1.	Jammu & Kashmir	1477	2395.57	8337
2.	Himachal Pradesh	384	686.34	1856
3.	Punjab	406	1097.08	2883
4.	UT Chandigarh	18	40.96	148
5.	Uttarakhand	349	518.22	1852
6.	Haryana	738	1817.80	5904
7.	Delhi	105	104.12	821
8.	Rajasthan	810	1650.35	5747
9.	Uttar Pradesh	3466	10804.91	34281
10.	Bihar	1451	3846.68	11792
11.	Sikkim	6	14.09	16
12.	Arunachal Pradesh	26	30.05	93
13.	Nagaland	234	531.81	1822
14.	Manipur	393	659.75	1820
15.	Mizoram	194	206.07	1552
16.	Tripura	397	610.01	3438
17.	Meghalaya	359	738.29	2872
18.	Assam	3483	2869.74	9026
19.	West Bengal	1702	3151.23	11689
20.	Jharkhand	1260	2094.41	9744
21.	Odisha	2009	3720.31	12275
22.	Chhattisgarh	916	1830.59	6646
23.	Madhya Pradesh	1149	4300.71	8449
24.	Gujarat*	1006	4655.48	10047
25.	Maharashtra **	1773	3808.97	14338
26.	Andhra Pradesh	499	1761.83	6092
27.	Telangana	447	1524.35	5322
28.	Karnataka	1470	4410.95	11647
29.	Goa	20	27.50	81
30.	Lakshadweep	0	0.00	0
31.	Kerala	977	2202.56	7375
32.	Tamilnadu	1544	3478.14	13179
33.	Puducherry	45	82.43	300
34.	Andaman & Nicobar Islands	61	33.10	157
	Total	29174	65704.40	211601

* including Daman & Diu.

** including Dadra & Nagar Haveli

Summary Results of Fourth All India Census of Micro, Small and Medium Enterprise sector

(Lakh)

Sl. No.	Characteristics	Registered Sector	Unregistered Sector *	Total
1	Total number of working enterprises	15.64	346.12	361.76
	Manufacturing	10.5	104.51	115.01
	Services	5.14	241.61	246.75
2	Number of rural enterprises	7.07	193.12	200.19
3	Number of urban enterprises	8.57	153	161.57
4	Number of women enterprises	2.15	24.46	26.6
5	Number of enterprises running perennially	15.14	189.13	204.27
6	Employment	93.09	712.14	805.24
	Manufacturing	80.84	239.23	320.07
	Services	12.26	472.91	485.17
7	Employment	93.09	712.14	805.24
	Male	74.05	610.62	684.68
	Female	19.04	101.52	120.56
8	Enterprises by type of social category	15.64	346.12	361.76
	SC	1.19	27.15	28.34
	ST	0.45	20.4	20.84
	OBC	5.99	145.74	151.73
	Others	8.01	149.55	157.57
	Not Responded	0	3.27	3.27

Sl. No.	Characteristics	Registered Sector	Unregistered Sector *	Total
9	Enterprises by type of organization	15.64	346.12	361.76
	Proprietary	14.09	327.45	341.54
	Partnership	0.63	3.65	4.28
	Private Company	0.43	0.06	0.49
	Co-operatives	0.05	1.16	1.21
	Others	0.44	7.65	8.09
	Not Recorded	0	6.15	6.15
10	Enterprises by main Source of power	15.64	346.12	361.76
	No Power needed	3.79	194.39	198.18
	Coal	0.25	6.23	6.48
	Oil	0.53	13.86	14.39
	LPG/CNG	0.07	3.97	4.04
	Electricity	10.49	106.52	117.01
	Non-Conventional Energy	0.03	0.85	0.88
	Traditional Energy/Firewood	0.23	7.15	7.39
	Others	0.25	10.19	10.44
	Not Recorded	0	2.95	2.95

* - For activities excluded in Sample Survey of fourth All India Census of MSME, Unregistered sector (Retail / Wholesale Trade Establishment, Legal Services, Educational Services, Social Services, Hotels & Restaurants, Transport, Storage & Warehousing (except Cold Storage) data were taken from Economic Census-2005, Central Statistics Office of Ministry of Statistics and Programme Implementation.

**Fourth All India Census of Micro, Small and Medium Enterprises 2006-07:
Registered Sector Summary Results**

Sl. No.	Characteristics	Number	Percentage	
1	Total number of Enterprises (Lakh)	15.64		
2	Number of Rural Enterprises (Lakh)	7.07	45.23%	
3	Number of Women Enterprises (Lakh)	2.15	13.72%	
4	Number of Enterprises by Type: (Lakh)	Micro Enterprises	14.85	94.94%
		Small Enterprises	0.76	4.89%
		Medium Enterprises	0.03	0.17%
5	Number of Enterprises by type of Operation: (Lakh)	Perennial	15.14	96.81%
		Non Perennial	0.50	3.19%
6	Number of Enterprises by type of Activity: (Lakh)	Manufacturing	10.49	67.10%
		Repairing & Maintenance	2.52	16.13%
		Services	2.62	16.78%
7	Number of Enterprises by Main Source of Power: (Lakh)	No Power Needed	3.79	24.25%
		Coal	0.25	1.59%
		Oil	0.53	3.40%
		LPG/CNG	0.07	0.42%
		Electricity	10.49	67.07%
		Others	0.51	3.28%
8	Number of Enterprises by type of Organization: (Lakh)	Proprietary	14.09	90.08%
		Partnership	0.63	4.01%
		Private Company	0.43	2.78%
		Public Limited Company	0.08	0.54%
		Co-operatives	0.05	0.30%
		Others	0.36	2.30%
9	Number of Enterprises by type of Social Category: (Lakh)	SC	1.19	7.60%
		ST	0.45	2.87%
		OBC	5.99	38.28%
		Others	8.01	51.26%

Sl. No.	Characteristics		Number	Percentage
10	Number of Enterprises by Religion of Owner: (Lakh)	Hindu	12.7	81.22%
		Muslim	1.43	9.11%
		Sikh	0.52	3.31%
		Christian	0.64	4.12%
		Jain	0.08	0.52%
		Buddhist	0.01	0.07%
		Others	0.26	1.64%
11	Employment: (Lakh)		93.09	
		Micro Enterprises	65.34	70.19%
		Small Enterprises	23.43	25.17%
		Medium Enterprises	4.32	4.64%
12	Employment by Sex: (Lakh)	Male	74.05	79.55%
		Female	19.04	20.45%
13	Fixed Assets: (Rs. Crore)		449138	
		Micro Enterprises	1,69,538	37.75%
		Small Enterprises	2,23,503	49.76%
		Medium Enterprises	56097	12.49%
14	Gross Output: (Rs. Crore)		707510	
		Micro Enterprises	312973	44.24%
		Small Enterprises	318794	45.06%
		Medium Enterprises	75743	10.71%
15	Original Value of Plant and Machinery (Rs. Crore)		1,05,025	

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

Fourth All India Census of Micro, Small and Medium Enterprises 2006-07: Unregistered Sector

Summary Results

[Excludes activities under wholesale/retail trade, Establishment, General Merchandise Stores, Sale Outlets for industrial components, Legal Services, Educational Services, Social Services, Hotels & Restaurants, Transport, Storage & Warehousing(except cold storage)]

Sl. No.	Characteristics		Number	Percentage
1.	Size of the Sector : (Lakh)		198.74	-
2.	Number of Rural Units : (Lakh)		119.69	60.22
3.	Number of Urban Units : (Lakh))		79.05	39.78
4.	Enterprises : (Lakh)	Micro Enterprises	198.39	99.83
		Small Enterprises	0.35	0.17
5.	Number of Women Enterprises : (Lakh)		18.06	9.09
6.	Nature of Activity : (Lakh)	Manufacturing	104.50	52.59
		Repair and Maintenance	12.31	6.19
		Services	81.93	41.22
7.	Type of Organization: (Lakh)	Proprietary	187.07	94.13
		Partnership	2.65	1.33
		Private Company	0.06	0.03
		Cooperatives	0.23	0.12
		Others	8.73	4.39
8.	Number of Enterprises by type of Social Category : (Lakh)	SC	22.61	11.38
		ST	10.30	5.18
		OBC	91.17	45.87
		Others	74.66	37.57
9.	Number of Units Managed by Women : (Lakh)		17.99	9.05
10.	Main Source of Power : (Lakh)	No Power Needed	76.68	38.59
		Coal	3.57	1.79
		Oil	10.52	5.29
		LPG	1.18	0.59
		Electricity	95.74	48.18
		Non-Conventional Energy	0.57	0.29
		Traditional Energy/ Firewood	3.88	1.95
		Others	6.60	3.32

Sl. No.	Characteristics	Number	Percentage
11.	Total Employment (Lakh)	408.84	-
12.	Total Original Value of P&M (Rs. in Crore)	94639.60	-
13.	Per Unit Original Value of P&M (Rs. in Lakh)	0.48	-
14.	Total Fixed Investment (Rs. in Crore)	240816.46	-
15.	Per Unit Fixed Investment (Rs. in Lakh)	1.21	-
16.	Per Unit Employment	2.06	-
17.	Gross Output (Rs. In Crore)	369702.59	-
18.	Per Unit Gross Output (Rs. in Lakh)	1.86	-
19.	Gross Output per Rs. One Lakh Fixed Investment (Rs. in Lakh)	1.54	-
20.	Gross Output per Rs. One Lakh Original Value of P&M (Rs. in Lakh)	3.90	-
21.	Employment per Rs. One Lakh Fixed Investment	1.70	-
22.	Employment per Rs. One Lakh Original Value of P&M	4.32	-
23.	Employment per Rs. One Lakh Gross Output	1.11	-

Industry Wise Distribution of Enterprises and Employment of Micro, Small & Medium Enterprises as Per Fourth All India Census 2006-07 (at two-digit level of NIC-2004)

Sl. No.	NIC 2004	Characteristics/ Industry	Number of Enterprises (Lakh)			Employment (Lakh)		
			Regd.1	Unregd.2	Total	Regd.1	Unregd.2	Total
1	01	Agriculture, Hunting & Related Service Activities	0.04	0.05	0.09	0.25	0.13	0.38
2	02	Forestry, Logging & Related Service Activities	0.01	0	0.01	0.09	0	0.09
3	05	Fishing, Aquaculture & Service Activities incidental to Fishing	0	0.01	0.01	0	0.03	0.03
4	13	Mining of Metal Ores	0	0	0	0.07	0	0.07
5	14	Other Mining & Quarrying	0.13	0	0.13	1.29	0	1.29
6	15	Manufacture of Food Products & Beverages	2.23	22.89	25.12	14.68	48.31	62.99
7	16	Manufacture of Tobacco Products	0.05	1.58	1.63	2.08	4.71	6.79
8	17	Manufacture of Textiles	1.06	7.36	8.42	10.25	25.66	35.91
9	18	Manufacture of Wearing Apparel; Dressing & Dyeing of Fur	2.14	29.52	31.65	9.01	51.05	60.06
10	19	Tanning & Dressing of Leather; Manufacture of Luggage, Handbags, Saddler Harness & Footwear.	0.27	1.23	1.50	1.66	2.66	4.31
11	20	Manufacture of Wood & of Products of Wood & Cork, Except Furniture; Manufacture of Articles of Straw & Plaiting Materials.	0.55	5.85	6.40	2.26	12.35	14.61
12	21	Manufacture of Paper & Paper Products	0.13	0.33	0.46	1.48	1.04	2.52
13	22	Publishing, Printing & Reproduction of Recorded Media	0.41	1.37	1.78	2.14	3.79	5.93
14	23	Manufacture of Coke, Refined Petroleum Products & Nuclear Fuel	0.02	0.09	0.11	0.32	0.28	0.60
15	24	Manufacture of Chemicals & Chemical Products	0.51	1.90	2.41	4.94	4.75	9.69
16	25	Manufacture of Rubber & Plastics Products	0.37	2.06	2.43	3.04	4.86	7.90

Sl. No.	NIC 2004	Characteristics/ Industry	Number of Enterprises (Lakh)			Employment (Lakh)		
			Regd.1	Unregd.2	Total	Regd.1	Unregd.2	Total
17	26	Manufacture of Other Non-Metallic Mineral Products	0.59	2.95	3.54	6.15	17.08	23.23
18	27	Manufacture of Basic Metals	0.20	0.65	0.85	3.05	2.19	5.24
19	28	Manufacture of Fabricated Metal Products, Except Machinery & Equipment	1.40	7.02	8.42	7.58	18.62	26.20
20	29	Manufacture of Machinery & Equipment N.E.C.	0.73	3.43	4.15	5.12	7.09	12.21
21	30	Manufacture of Office, Accounting & Computing Machinery	0.05	0.27	0.31	0.27	0.39	0.66
22	31	Manufacture of Electrical Machinery & Apparatus N.E.C.	0.35	2.61	2.96	1.79	4.63	6.42
23	32	Manufacture of Radio, Television & Communication Equipment & Apparatus	0.16	1.25	1.41	0.7	2.03	2.73
24	33	Manufacture of Medical, Precision & Optical Instruments, Watches & Clocks.	0.11	0.49	0.60	0.90	0.96	1.86
25	34	Manufacture of Motor Vehicles, Trailers & Semi-Trailers.	0.06	0.25	0.31	0.61	0.83	1.44
26	35	Manufacture of Other Transport Equipment	0.16	0.72	0.88	1.79	1.22	3.01
27	36	Manufacture of Furniture; Manufacturing N.E.C.	1.00	10.62	11.61	3.63	24.55	28.19
28	37	Recycling	0	0.01	0.01	0.02	0.01	0.03
29	40	Electricity, Gas, Steam & Hot Water Supply	0.01	0.55	0.56	0.05	1.09	1.14
30	41	Collection, Purification & Distribution of Water	0	0.13	0.13	0	0.40	0.41
31	45	Construction	0	0.28	0.28	0.01	0.49	0.50
32	50	Sale, Maintenance & Repair of Motor Vehicles & Motorcycles; Retail Sale of Automotive Fuel	0.58	12.34	12.92	1.72	28.32	30.03
33	51	Wholesale Trade & Commission Trade, Except of Motor Vehicles & Motorcycles.	0.01	6.52	6.53	0.06	17.8	17.86

Annexure

Sl. No.	NIC 2004	Characteristics/ Industry	Number of Enterprises (Lakh)			Employment (Lakh)		
			Regd.1	Unregd.2	Total	Regd.1	Unregd.2	Total
34	52	Retail Trade, Except of Motor Vehicles & Motorcycles; Repair of Personal & Household Goods.	1.32	142.83	144.15	2.48	243.01	245.48
35	55	Hotels & Restaurants	0.01	13.17	13.18	0.07	33.85	33.92
36	60	L& Transport; Transport Via Pipelines	0	2.07	2.07	0.02	4.99	5.01
37	61	Water Transport	-	0.04	0.04	-	0.13	0.13
38	62	Air Transport	-	0.07	0.07	-	0.15	0.15
39	63	Supporting & Auxiliary Transport Activities; Activities of Travel Agencies	0.03	1.52	1.54	0.27	4.87	5.14
40	64	Post & Telecommunications	0.17	8.21	8.39	0.41	11.81	12.22
41	70	Real Estate Activities	0	0.31	0.31	0.01	0.85	0.86
42	71	Renting of Machinery & Equipment without Operator & of Personal & Household Goods	0	1.77	1.77	0.01	5.69	5.71
43	72	Computer & Related Activities	0.21	4.33	4.54	0.77	9.74	10.52
44	73	Research & Development	0	0	0	0	0	0
45	74	Other Business Activities	0.26	13.38	13.64	0.87	26.8	27.67
46	80	Education	0.01	4.88	4.89	0.03	27.23	27.26
47	85	Health & Social Work	0.01	5.67	5.68	0.05	16.02	16.07
48	92	Recreational, Cultural & Sporting Activities	0.03	1.19	1.22	0.07	2.25	2.32
49	93	Other Service Activities	0.09	22.34	22.43	0.22	37.43	37.65
Not Recorded			0.15	0	0.15	0.79	0	0.79
All India			15.64	346.12	361.76	93.09	712.14	805.24

Source: - 1: Final Report of the Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Registered Sector.
 2: Final Report of the Fourth All India Census of Micro, Small & Medium Enterprises 2006-07: Unregistered Sector
 (Regd.: Registered Sector), (Unregd.: Unregistered Sector)

ANNEXURE IV (E)

Industry Group-Wise Distribution of Number of EM-II filed by Micro, Small & Medium Enterprises (At 2-Digit Level of NIC-2004) during 2007-08 to 2014-15

Sl. No.	NIC 2004	Description	Number of EM-II filed							
			2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
1	01	Agriculture, Hunting and Related Service Activities	1,937	1,744	1,582	2,049	2,997	3,478	3,875	12,722
2	02	Forestry, Logging and Related Service Activities	739	749	1,316	1,539	1,327	2,038	1,442	1,108
3	05	Fishing, Aquaculture and Service Activities Incidental to Fishing	31	14	39	18	29	90	108	343
4	10	Mining of Coal and Lignite; Extraction of Peat	54	54	63	84	59	51	72	199
5	11	Extraction of Crude Petroleum and Natural Gas; Service Activities incidental to Oil and Gas Extraction, excluding Surveying	60	226	41	37	53	65	112	227
6	12	Mining of Uranium and Thorium Ores	131	1,003	88	94	66	60	100	82
7	13	Mining of Metal Ores	151	216	185	170	277	303	280	310
8	14	Other Mining and Quarrying	1,500	2,099	2,516	2,001	2,193	2,171	2,354	3,966
9	15	Mfg of Food Products and Beverages	20,401	20,236	23,284	23,682	23,324	25,992	31,075	31,242
10	16	Mfg of Tobacco Products	497	480	439	892	360	267	286	615
11	17	Mfg of Textiles	16,429	21,156	22,405	26,311	31,555	31,465	36,663	45,494
12	18	Mfg of Wearing Apparel; Dressing and Dyeing of Fur	16,092	16,768	19,669	23,560	25,646	30,897	32,776	29,914
13	19	Mfg of Leather & Leather Product	3,795	3,874	3,622	4,194	3,745	4,828	5,076	6,868
14	20	Mfg of Wood And Wood Products	7,405	8,706	7,787	7,807	8,778	8,411	9,236	12,079
15	21	Mfg of Paper And Paper Products	3,429	3,562	4,485	6,120	3,049	4,781	4,967	5,839
16	22	Publishing, Printing & Reproduction of Recorded Media	2,611	3,723	2,567	2,646	6,177	8,121	9,320	9,534

Annexure

Sl. No.	NIC 2004	Description	Number of EM-II filed							
			2007- 08	2008- 09	2009- 10	2010- 11	2011- 12	2012- 13	2013- 14	2014- 15
17	23	Mfg of Coke & Refined Petroleum Products and Nuclear Fuel	568	505	564	626	476	554	635	526
18	24	Mfg of Chemicals and Chemical Products	6,692	7,045	6,926	6,508	6,169	6,696	8,158	9,451
19	25	Mfg of Rubber and Plastics Products	6,327	6,306	5,989	6,812	7,124	8,070	7,987	9,062
20	26	Mfg of Other Non-Metallic Mineral Products	9,525	10,005	11,472	10,221	12,391	12,734	12,821	11,342
21	27	Mfg of Basic Metals	4,353	4,965	3,879	4,467	4,722	5,734	5,802	7,978
22	28	Mfg of Fabricated Metal Products	17,625	18,437	20,001	19,188	23,805	21,739	25,739	23,821
23	29	Mfg of Machinery and Equipment n.e.c.	8,055	8,053	10,169	9,982	12,069	13,475	15,536	16,189
24	30	Mfg of Office, Accounting & Computing Machinery	253	259	436	551	640	897	1,424	1,444
25	31	Mfg of Electrical Machinery and Apparatus n.e.c.	3,539	3,728	3,911	4,310	4,064	4,764	5,605	7,005
26	32	Mfg. of Radio, Television and Communication Equipment and Apparatus	1,026	1,296	1,061	1,166	1,747	1,505	1,988	2,103
27	33	Mfg of Medical, Precision and Optical Instruments, Watches and Clocks	900	1,042	1,092	1,000	1,512	1,407	1,605	3,694
28	34	Mfg of Motor Vehicles, Trailers and Semi-Trailers	598	685	911	826	1,589	1,619	2,190	2,251
29	35	Mfg of Other Transport Equipment	782	986	1,255	1,360	1,362	1,526	1,531	1,657
30	36	Mfg of Furniture; Manufacturing n.e.c.	7,747	9,149	8,550	8,339	12,362	12,990	15,253	18,731
31	37	Recycling	75	150	99	66	286	338	514	943
32	40	Electricity, Gas, Steam and Hot Water Supply	128	134	131	158	717	770	590	1,485
33	41	Collection, Purification and Distribution of Water	68	103	60	137	615	735	1,343	1,347
34	45	Construction	318	399	553	613	1,193	2,238	2,613	3,476

Sl. No.	NIC 2004	Description	Number of EM-II filed							
			2007- 08	2008- 09	2009- 10	2010- 11	2011- 12	2012- 13	2013- 14	2014- 15
35	50	Repair & Maintenance of Motor Vehicle, Retail Sale of Automotive Fuel	3,597	3,763	3,690	3,456	5,530	8,778	10,314	6,716
36	51	Wholesale of Trade and Commission Trade	289	459	328	3,042	11,186	18,232	16,735	24,589
37	52	Repair & Maintenance of Personal & Household Goods; Retail Trade	6,679	6,738	6,431	8,878	11,505	12,901	13,550	25,588
38	55	Hotels and Restaurants	188	295	297	459	1,092	2,620	3,495	4,009
39	60	Land Transport; Transport via Pipelines	31	93	197	343	2,660	2,931	3,255	5,902
40	61	Water Transport	6	22	2	11	75	216	46	90
41	62	Air Transport	36	32	34	57	18	32	58	75
42	63	Supporting & Auxiliary Transport & Travel Agents Activities	292	242	339	882	711	1,207	1,420	1,725
43	64	Post and Telecommunications	676	621	571	759	684	784	958	918
44	65	Financial Intermediation, Except Insurance & Pension Funding	9	14	19	55	204	402	848	1,434
45	66	Insurance and Pension Funding, Except Compulsory Social Security	3	3	5	66	11	16	23	59
46	67	Activities Auxiliary to Financial Intermediation	82	39	30	66	198	203	160	281
47	70	Real Estate Activities	29	13	6	26	55	271	799	1,946
48	71	Renting of Machinery & Equipment Without Operator & of Personal & Household Goods	224	214	274	262	579	720	805	691
49	72	Computer and Related Activities	2,715	2,907	3,056	3,226	9,620	11,021	13,162	13,998
50	73	Research and Development	112	164	162	163	158	475	411	250
51	74	Other Business Activities	2,685	3,390	3,953	4,965	12,439	16,729	24,332	29,261
52	75	Public Administration and Defence; Compulsory Social Security	44	57	25	48	65	174	142	334
53	80	Education	65	100	214	261	376	565	969	1,573

Annexure

Sl. No.	NIC 2004	Description	Number of EM-II filed							
			2007- 08	2008- 09	2009- 10	2010- 11	2011- 12	2012- 13	2013- 14	2014- 15
54	85	Health and Social Work	94	158	134	135	393	558	1,105	1,997
55	90	Sewage and Refuse Disposal, Sanitation and Similar Activities	3	8	27	19	53	91	110	303
56	91	Activities of Membership Organization n.e.c.	22	19	34	12	67	77	87	250
57	92	Recreational, Cultural and Sporting Activities	645	228	276	260	679	2,197	2,287	2,090
58	93	Other Service Activities	8,931	14,120	24,367	31,858	18,765	17,755	15,704	16,104
59	95	Activities of Private Households as Employers of Domestic Staff	110	151	151	171	171	214	313	131
60	96	Undifferentiated Goods - Producing Activities of Private Households for Own Use	218	164	156	235	358	670	404	271
61	97	Undifferentiated Service - Producing Activities of Private Households for Own Use	371	434	251	158	1,202	1,603	1,910	1,138
62	99	Extra Territorial Organization and Bodies	461	508	377	637	647	441	487	110
63	-	NIC Description Not Reported	243	215	654	383	449	125	29	478
TOTAL:			172,703	193,026	213,206	238,429	282,428	322,818	362,991	425,358

Source :- The States/UTs: Commissionerate/Directorate of Industries and Micro, Small & Medium Enterprises - Development Institutes.

Note: 1. Mfg. - Manufacturing, 2. NIC. - National Industrial Classification 2004, 3. CSO - Central Statistics Office, M/o Statistics & Programme Implementation and 4. n.e.c. - not elsewhere classified. The figures furnished by the Industries Commissionerate, Government of Gujarat, Gandhinagar during 2012-13 and 2013-14 were based on NIC 2008, hence data was concordant to NIC 2004.

ANNEXURE-V

OUTSTANDING BANK CREDIT TO MICRO AND SMALL ENTERPRISES

(Rs. crore)

As on last reporting Friday of March	Public Sector Banks	Private Sector Banks	Foreign Banks	All Scheduled Commercial Banks
1	2	3	4	5
2005	67,800	8,592	6,907	83,498
2006	82,434 (21.6)	10,421 (21.3)	8,430 (22.1)	1,01,285 (21.3)
2007	1,02,550 (24.4)	13,136 (26.1)	11,637 (38.0)	1,27,323 (25.7)
2008	1,51,137 (47.4)	46,912 (257.1)	15,489 (33.1)	2,13,538 (67.7)
2009	1,91,408 (26.6)	46,656 (0.0)	18,063 (16.6)	2,56,127 (19.9)
2010	2,78,398 (45.4)	64,534 (38.3)	21,069 (16.6)	3,64,001 (42.1)
2011	3,76,625 (35.3)	87,857 (36.1)	21,535 (2.2)	4,86,017 (33.5)
2012	3,96,343 (5.2)	1,10,514 (25.8)	21,760 (1.1)	5,28,617 (8.8)
March 31, 2013	5,02,459 (26.8)	1,54,732 (40.0)	30,020 (37.9)	6,87,211 (30.0)
March 31, 2014	6,20,139 (23.4)	2,00,840 (29.8)	29,491 (-1.76)	8,50,469 (23.8)
March 31, 2015 (Provisional)	7,01,571 (13.1)	2,32,171 (15.6)	30,837 (4.6)	9,64,578 (13.4)
Sep. 30, 2015 (latest available)	6,66,931 (-4.94)	2,45,660 (5.81)	24,729 (-19.8)	9,37,319 (-2.8)

Source: Reserve Bank of India

Note: Figures in parentheses indicate year-on-year growth.

LIST OF NODAL CPIOS OF THE MINISTRY AND ITS ORGANISATIONS

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	Kuntal Sensarma, Addl. Development Commissioner, Office of the DC(MSME), Nirman Bhavan, New Delhi. 011-23061847	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.	A.K. Mittal Chief General Manager, NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26310549	P. Udayakumar Director (P&M) NSIC Limited, NSIC Bhavan, Okhla Industrial Estate, New Delhi-110020 011-26927327	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), Yousuf Gauda, Hyderabad – 500 045 040-23633260	M. Chandrasakhar Reddy, Director General, National Institute for Micro, Small and Medium Enterprises (NI-MSME), Yousuf Gauda, Hyderabad – 500 045 040-23608577	All the matters related to NIMSME. The details of CPIOs are available on website www.nimsme.org

Sl. No.	Name, Designation and Telephone of CPIO (S/ Shri)	Name, Designation and Telephone of Appellate Authority (S/Shri)	Subject Matter
5.	Ravi Prakash, Deputy Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26711037	G. Guruprasanna, Director, KVIC, 3 Irla Road, Ville Parle (West), Mumbai 022-26713538	Distribution of all the RTI applications related to Khadi and Village Industries Commission among the concerned CPIOs. The subject-wise list of CPIOs is available on website www.kvic.org.in
6.	Smt. Anita Jacob, Deputy Director, Coir Board, Coir House, M.G. Road, Kochi-682016	P.R. Ajit Kumar Sen- ior Account Officer, 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.	R. Srinivasan Deputy Director Mahatama Gandhi Insti- tute for Rural Industrialisa- tion, Maganwadi, Wardha-442001 07150-253512	Dr. P.B. Kale, Director, Mahatama Gandhi Institute for Rural Industrialisation, Maganwadi, Wardha-442001 07150-253512	All the matters related to MGIRI. The details of CPIOs are available on website www.mgiri.org

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S. No.	Name and Address of the organisation	Website	E-mail	Telephone	Fax
1	Ministry of Micro, Small and Medium Enterprises, Udyog Bhavan, New Delhi – 110 107	www.msme.gov.in	min-msme@nic.in	011-23063800 23063802-06	011-23062315 23061726 23061068
2	Office of Development Commissioner (MSME), 7th 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), Yousuf Gauda, 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

**CONTACT ADDRESSES OF AUTONOMOUS INSTITUTIONS
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1	Managing Director, MSME-Tool Room (Indo German Tool Room), P-31, MIDC, Chikalthana Indl. Area, Aurangabad 431 006	www.igtr-aur.org	gm@igtraur.org	0240-2480578 - 2486832 - 2482593 - 2470541	0240- 2484028
2	General Manager MSME-Tool Room (Indo German Tool Room Plot-5003, Phase-IV, GIDC Vatva, Mehmedabad Road, Ahmedabad 382 445 (Gujarat)	www.igtrahd.com	gm@igtrahd.com marketing@igtrahd. com	079 - 25840964 25840966	079 - 2584192
3	General Manager MSME-Tool Room (Indo German Tool Room) Plot No.291/B, 302/A, Sector-E, Sanwer Road, Industrial Area, Indore 452 015 (MP)	www.igtr-indore.com	indigtr@sanchar- net.in igtrindore-mp@ nic.in	0731 - 4210755 4210700, 4210704	0731- 2720353
4	General Manager MSME-Tool Room (Central Tool Room) A-5, Focal Point Ludhiana 141 010 (Punjab)	www.ctrl ludhiana.com	info@ctrl ludhiana. com centool@jla.vsnl. net.in	0161 - 2670058 - 2676166	0161- 2674746
5	Principal Director MSME-Tool Room (Central Institute of Tool Design) A-1 to A-8 APIE, Balanagar Hyderabad 500 037 (A.P.)	www.citdindia.org	citdpddcmsme@ yahoo.com	040 -23772747-48	040- 23772658
6	General Manager MSME-Tool Room (Central Tool Room & Training Centre) Bonhooghly Indl. Area Kolkata 700 108 (W.B.)	www.msmetoolroom-kolkata.com	cttc@cal.vsnl.net.in	033 - 25770576 - 25771492 - 25771068	033- 25772494
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11	Principal Director MSME-Tech. Development Centre (Institute for Design of Electrical Measuring Instruments) S.T. Tope Marg, Chunabhatti Sion,P.O. Mumbai-400 022	www.idemi.org www.msmetdciumbai.org	info@idemi.org idemi@mtnl.net.in	022 - 24056239 - 24050301 - 04	022-24050016
12	Principal Director MSME-Technology Development Centre (Electronics Service & Training Centre) Kaniya, Ramnagar Dist. Nainital-244715 Uttarakhand	www.estcindia.com	pd.estc@yahoo.com	05947 - 251201 251530 255951	05947-251294
13	Principal Director MSME-Technology Development Centre (Process cum Product Development Centre) Sports Goods Complex, Delhi Road, Meerut-250002 (U.P.)	www.ppdcmeerut.com	info@ppdcmeerut.com ppdcmeerut@yahoo.co.in	0121-2511779	0121-2404991
14	Principal Director MSME-Technology Development Centre (Process and Product Development Centre) Foundry Nagar, Agra-282006 (U.P.)	www.ppdccagra.in	info@ppdcagra.in	0562-2344006 2344673	0562-2344381

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15	Director MSME-Technology Development Centre (Central Footwear Training Institute) C – 41& 42, Site ‘C’ Sikandra, Industrial Area Agra-282007	www.cftiagra.org.in	info@cftiagra.org.in	0562 -2642004- 05	0562- 2640502 2642004
16	Director MSME-Technology Development Centre (Central Footwear Training Institute) 65/1, G.S.T. Road, Guindy Chennai-600032	www.cftichennai.in	cfti_chennai@vsnl. net cfti@vsnl.net	044-22501529	044- 22500876
17	Principal Director MSME-Technology Development Centre (Fragrance & Flavour Development Centre), Industrial Estate GT Road, P.O. Makrand Nagar, Kannauj -209726 (U.P.)	www.ffdcindia.org	ffdcknj@sanchar- net.in	05694-234465 -234791	05694- 235242
18	Principal Director MSME-Technology Development Centre (Centre for the Development of Glass Industry), A-1/1, Industrial Area, Jalesar Road, P.O. Muiddinpur Firozabad-283203 (U.P.)	www.cdgiindia.com	cdgifzbd@gmail. com contact@cdgiindia. com	05612- 232293	05612- 232447

Definition of Micro, Small and Medium Enterprises in India

The MSMEs are defined on the basis of investment in Plant & Machinery and equipments under the MSMED Act, 2006. The present investment limit for MSMEs is as under:

MANUFACTURING ENTERPRISES

- (i) Micro enterprise: investment in plant and machinery upto Rs. 25 lakh
- (ii) Small enterprise: investment in plant and machinery from Rs. 25 lakh to Rs. 5 crore.
- (iii) Medium enterprise: Investment in plant and machinery from Rs. 5 crore to Rs. 10 crore

SERVICE ENTERPRISES

- (i) Micro enterprise: investment in equipments upto Rs. 10 lakh.
- (ii) Small enterprise: investment in equipments from Rs. 10 lakh to Rs. 2 crore.
- (iii) Medium enterprise: investment in equipments from Rs. 2 crore to Rs. 5 crore.



Government of India

Ministry of Micro, Small and Medium Enterprises

(An ISO 9001:2008 Certified Organisation)

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